

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

May 30, 2009

Date

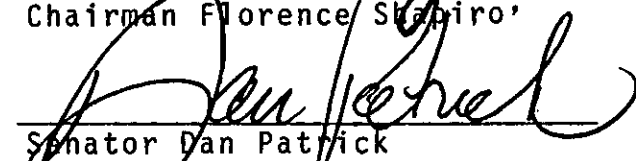
Honorable David Dewhurst
President of the Senate

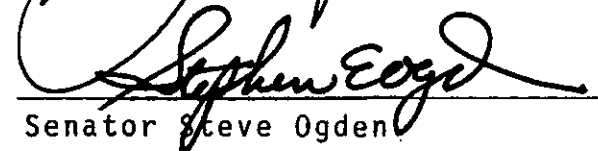
Honorable Joe Straus
Speaker of the House of Representatives

Sirs:


We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on HB 3 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.


Chairman Florence Shapiro

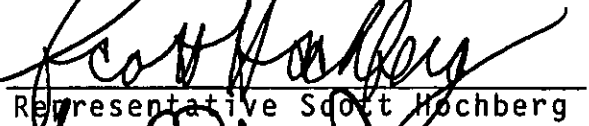

Senator Dan Patrick


Senator Steve Ogden

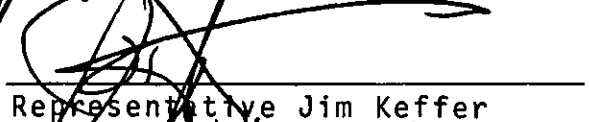

Senator Leticia Van de Putte

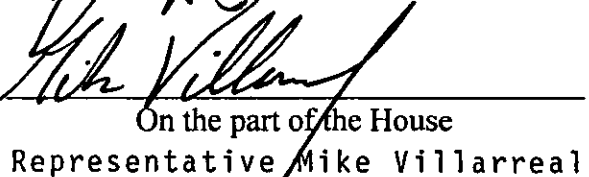

On the part of the Senate
Senator Tommy Williams


Chairman Rob Eissler


Representative Scott Hochberg


Representative Harold Dutton


Representative Jim Keffer


On the part of the House
Representative Mike Villarreal

Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

CONFERENCE COMMITTEE REPORT

3rd Printing

H.B. No. 3

A BILL TO BE ENTITLED

AN ACT

1
2 relating to public school accountability, curriculum, and
3 promotion requirements.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 7.009, Education Code, is amended to
6 read as follows:

7 Sec. 7.009. BEST PRACTICES; CLEARINGHOUSE. (a) In
8 coordination with the Legislative Budget Board, the agency shall
9 establish an online clearinghouse of information relating to best
10 practices of campuses, ~~[and]~~ school districts, and open-enrollment
11 charter schools. The agency shall determine the appropriate topic
12 categories for which a campus, district, or charter school may
13 submit best ~~[regarding instruction, dropout prevention, public~~
14 ~~school finance, resource allocation, and business]~~ practices. To
15 the extent practicable, the agency shall ensure that information
16 provided through the online clearinghouse is specific, actionable
17 information relating to the best practices of high-performing and
18 highly efficient campuses, ~~[and school]~~ districts, and
19 open-enrollment charter schools and of academically acceptable
20 campuses, districts, and open-enrollment charter schools that have
21 demonstrated significant improvement in student achievement rather
22 than general guidelines relating to campus, ~~[and school]~~ district,
23 and open-enrollment charter school operation. The information must
24 be accessible by campuses, school districts, open-enrollment

1 charter schools, and interested members of the public.

2 (b) The agency shall solicit and collect from the
3 Legislative Budget Board, centers for education research
4 established under Section 1.005, and [~~exemplary or recognized~~]
5 school districts, campuses, and open-enrollment charter schools[~~r~~
6 ~~as rated under Section 39.072,~~] examples of best practices as
7 determined by the agency under Subsection (a) [~~relating to~~
8 ~~instruction, dropout prevention, public school finance, resource~~
9 ~~allocation, and business practices, including best practices~~
10 ~~relating to curriculum, scope and sequence, compensation and~~
11 ~~incentive systems, bilingual education and special language~~
12 ~~programs, compensatory education programs, and the effective use of~~
13 ~~instructional technology, including online courses~~].

14 (c) The agency shall contract for the services of one or
15 more third-party contractors to develop, implement, and maintain a
16 system of collecting and evaluating the best practices of campuses,
17 [~~and~~] school districts, and open-enrollment charter schools as
18 provided by this section. In addition to any other considerations
19 required by law, the agency must consider an applicant's
20 demonstrated competence and qualifications in analyzing campus,
21 [~~and~~] school district, and open-enrollment charter school
22 practices in awarding a contract under this subsection.

23 (d) The commissioner may purchase from available funds
24 curriculum and other instructional tools identified under this
25 section to provide for use by school districts and open-enrollment
26 charter schools.

27 SECTION 2. Section 7.028(a), Education Code, is amended to

1 read as follows:

2 (a) Except as provided by Section 29.001(5), 29.010(a),
3 39.056 [~~39.074~~], or 39.057 [~~39.075~~], the agency may monitor
4 compliance with requirements applicable to a process or program
5 provided by a school district, campus, program, or school granted
6 charters under Chapter 12, including the process described by
7 Subchapter F, Chapter 11, or a program described by Subchapter B, C,
8 D, E, F, H, or I, Chapter 29, Subchapter A, Chapter 37, or Section
9 38.003, and the use of funds provided for such a program under
10 Subchapter C, Chapter 42, only as necessary to ensure:

- 11 (1) compliance with federal law and regulations;
12 (2) financial accountability, including compliance
13 with grant requirements; and
14 (3) data integrity for purposes of:
15 (A) the Public Education Information Management
16 System (PEIMS); and
17 (B) accountability under Chapter 39.

18 SECTION 3. Sections 7.056(e) and (f), Education Code, are
19 amended to read as follows:

20 (e) Except as provided by Subsection (f), a school campus or
21 district may not receive an exemption or waiver under this section
22 from:

- 23 (1) a prohibition on conduct that constitutes a
24 criminal offense;
25 (2) a requirement imposed by federal law or rule,
26 including a requirement for special education or bilingual
27 education programs; or

1 (3) a requirement, restriction, or prohibition
2 relating to:

3 (A) essential knowledge or skills under Section
4 28.002 or high school [~~minimum~~] graduation requirements under
5 Section 28.025;

6 (B) public school accountability as provided by
7 Subchapters B, C, D, E, and J [~~G~~], Chapter 39;

8 (C) extracurricular activities under Section
9 33.081 or participation in a University Interscholastic League
10 area, regional, or state competition under Section 33.0812;

11 (D) health and safety under Chapter 38;

12 (E) purchasing under Subchapter B, Chapter 44;

13 (F) elementary school class size limits, except
14 as provided by Section 25.112;

15 (G) removal of a disruptive student from the
16 classroom under Subchapter A, Chapter 37;

17 (H) at-risk programs under Subchapter C, Chapter
18 29;

19 (I) prekindergarten programs under Subchapter E,
20 Chapter 29;

21 (J) educator rights and benefits under
22 Subchapters A, C, D, E, F, G, and I, Chapter 21, or under Subchapter
23 A, Chapter 22;

24 (K) special education programs under Subchapter
25 A, Chapter 29;

26 (L) bilingual education programs under
27 Subchapter B, Chapter 29; or

1 (M) the requirements for the first day of
2 instruction under Section 25.0811.

3 (f) A school district or campus that is required to develop
4 and implement a student achievement improvement plan under Section
5 39.102 [~~39.131~~] or 39.103 [~~39.132~~] may receive an exemption or
6 waiver under this section from any law or rule other than:

7 (1) a prohibition on conduct that constitutes a
8 criminal offense;

9 (2) a requirement imposed by federal law or rule;

10 (3) a requirement, restriction, or prohibition
11 imposed by state law or rule relating to:

12 (A) public school accountability as provided by
13 Subchapters B, C, D, E, and J [~~G~~], Chapter 39; or

14 (B) educator rights and benefits under
15 Subchapters A, C, D, E, F, G, and I, Chapter 21, or under Subchapter
16 A, Chapter 22; or

17 (4) textbook selection under Chapter 31.

18 SECTION 4. Sections 8.051(b) and (d), Education Code, are
19 amended to read as follows:

20 (b) Each regional education service center shall annually
21 develop and submit to the commissioner for approval a plan for
22 improvement. Each plan must include the purposes and description
23 of the services the center will provide to:

24 (1) campuses assigned an [~~identified as academically~~]
25 unacceptable performance rating [~~based on the indicators adopted~~]
26 under Section 39.054 [~~39.051~~];

27 (2) the lowest-performing campuses in the region; and

1 (3) other campuses.

2 (d) Each regional education service center shall maintain
3 core services for purchase by school districts and campuses. The
4 core services are:

5 (1) training and assistance in teaching each subject
6 area assessed under Section 39.023;

7 (2) training and assistance in providing each program
8 that qualifies for a funding allotment under Section 42.151,
9 42.152, 42.153, or 42.156;

10 (3) assistance specifically designed for a school
11 district or campus assigned an [rated academically] unacceptable
12 performance rating under Section 39.054 [~~39.072(a) or a campus~~
13 ~~whose performance is considered unacceptable based on the~~
14 ~~indicators adopted under Section 39.051~~];

15 (4) training and assistance to teachers,
16 administrators, members of district boards of trustees, and members
17 of site-based decision-making committees;

18 (5) assistance specifically designed for a school
19 district that is considered out of compliance with state or federal
20 special education requirements, based on the agency's most recent
21 compliance review of the district's special education programs; and

22 (6) assistance in complying with state laws and rules.

23 SECTION 5. Section 11.001, Education Code, is amended to
24 read as follows:

25 Sec. 11.001. ACCREDITATION. Each school district must be
26 accredited by the agency as provided by Subchapter C [~~D~~], Chapter
27 39.

1 SECTION 6. Section 11.003(d), Education Code, is amended to
2 read as follows:

3 (d) The commissioner may require a district to enter into a
4 cooperative shared services arrangement for administrative
5 services if the commissioner determines:

6 (1) that the district has failed to satisfy a
7 financial accountability standard as determined by commissioner
8 rule under Subchapter D [±], Chapter 39; and

9 (2) that entering into a cooperative shared services
10 arrangement would:

11 (A) enable the district to enhance its
12 performance on the financial accountability standard identified
13 under Subdivision (1); and

14 (B) promote the efficient operation of the
15 district.

16 SECTION 7. Section 11.1511(b), Education Code, is amended
17 to read as follows:

18 (b) The board shall:

19 (1) seek to establish working relationships with other
20 public entities to make effective use of community resources and to
21 serve the needs of public school students in the community;

22 (2) adopt a vision statement and comprehensive goals
23 for the district and the superintendent and monitor progress toward
24 those goals;

25 (3) establish performance goals for the district
26 concerning:

27 (A) the academic and fiscal performance

1 indicators under Subchapters C, D, and J [~~±~~], Chapter 39[~~7~~
2 ~~respectively~~]; and

3 (B) any performance indicators adopted by the
4 district;

5 (4) ensure that the superintendent:

6 (A) is accountable for achieving performance
7 results;

8 (B) recognizes performance accomplishments; and

9 (C) takes action as necessary to meet performance
10 goals;

11 (5) adopt a policy to establish a district- and
12 campus-level planning and decision-making process as required
13 under Section 11.251;

14 (6) publish an annual educational performance report
15 as required under Section 39.306 [~~39.053~~];

16 (7) adopt an annual budget for the district as
17 required under Section 44.004;

18 (8) adopt a tax rate each fiscal year as required under
19 Section 26.05, Tax Code;

20 (9) monitor district finances to ensure that the
21 superintendent is properly maintaining the district's financial
22 procedures and records;

23 (10) ensure that district fiscal accounts are audited
24 annually as required under Section 44.008;

25 (11) publish an end-of-year financial report for
26 distribution to the community;

27 (12) conduct elections as required by law;

1 (13) by rule, adopt a process through which district
2 personnel, students or the parents or guardians of students, and
3 members of the public may obtain a hearing from the district
4 administrators and the board regarding a complaint;

5 (14) make decisions relating to terminating the
6 employment of district employees employed under a contract to which
7 Chapter 21 applies, including terminating or not renewing an
8 employment contract to which that chapter applies; and

9 (15) carry out other powers and duties as provided by
10 this code or other law.

11 SECTION 8. Section 11.201(d), Education Code, is amended to
12 read as follows:

13 (d) The duties of the superintendent include:

14 (1) assuming administrative responsibility and
15 leadership for the planning, organization, operation, supervision,
16 and evaluation of the education programs, services, and facilities
17 of the district and for the annual performance appraisal of the
18 district's staff;

19 (2) except as provided by Section 11.202, assuming
20 administrative authority and responsibility for the assignment,
21 supervision, and evaluation of all personnel of the district other
22 than the superintendent;

23 (3) overseeing compliance with the standards for
24 school facilities established by the commissioner under Section
25 46.008;

26 (4) initiating the termination or suspension of an
27 employee or the nonrenewal of an employee's term contract;

1 (5) managing the day-to-day operations of the district
2 as its administrative manager, including implementing and
3 monitoring plans, procedures, programs, and systems to achieve
4 clearly defined and desired results in major areas of district
5 operations;

6 (6) preparing and submitting to the board of trustees
7 a proposed budget as provided by Section 44.002 and rules adopted
8 under that section, and administering the budget;

9 (7) preparing recommendations for policies to be
10 adopted by the board of trustees and overseeing the implementation
11 of adopted policies;

12 (8) developing or causing to be developed appropriate
13 administrative regulations to implement policies established by
14 the board of trustees;

15 (9) providing leadership for the attainment and, if
16 necessary, improvement of student performance in the district based
17 on the indicators adopted under Sections 39.053 and 39.301 [~~Section~~
18 ~~39.051~~] and other indicators adopted by the commissioner [~~State~~
19 ~~Board of Education~~] or the district's board of trustees;

20 (10) organizing the district's central
21 administration;

22 (11) consulting with the district-level committee as
23 required under Section 11.252(f);

24 (12) ensuring:

25 (A) adoption of a student code of conduct as
26 required under Section 37.001 and enforcement of that code of
27 conduct; and

1 (B) adoption and enforcement of other student
2 disciplinary rules and procedures as necessary;

3 (13) submitting reports as required by state or
4 federal law, rule, or regulation;

5 (14) providing joint leadership with the board of
6 trustees to ensure that the responsibilities of the board and
7 superintendent team are carried out; and

8 (15) performing any other duties assigned by action of
9 the board of trustees.

10 SECTION 9. Section 11.203(d), Education Code, is amended to
11 read as follows:

12 (d) A principal who was employed as a principal at a campus
13 that was [of a campus] rated academically unacceptable during the
14 preceding school year [, as well as any person employed to replace
15 that principal,] shall participate in the program and complete the
16 program requirements not later than a date determined by the
17 commissioner.

18 SECTION 10. Section 11.252(a), Education Code, is amended
19 to read as follows:

20 (a) Each school district shall have a district improvement
21 plan that is developed, evaluated, and revised annually, in
22 accordance with district policy, by the superintendent with the
23 assistance of the district-level committee established under
24 Section 11.251. The purpose of the district improvement plan is to
25 guide district and campus staff in the improvement of student
26 performance for all student groups in order to attain state
27 standards in respect to the student achievement [~~academic~~

1 ~~excellence~~] indicators adopted under Section 39.053 [~~39.051~~]. The
2 district improvement plan must include provisions for:

3 (1) a comprehensive needs assessment addressing
4 district student performance on the student achievement [~~academic~~
5 ~~excellence~~] indicators, and other appropriate measures of
6 performance, that are disaggregated by all student groups served by
7 the district, including categories of ethnicity, socioeconomic
8 status, sex, and populations served by special programs, including
9 students in special education programs under Subchapter A, Chapter
10 29;

11 (2) measurable district performance objectives for
12 all appropriate student achievement [~~academic—excellence~~]
13 indicators for all student populations, including students in
14 special education programs under Subchapter A, Chapter 29, and
15 other measures of student performance that may be identified
16 through the comprehensive needs assessment;

17 (3) strategies for improvement of student performance
18 that include:

19 (A) instructional methods for addressing the
20 needs of student groups not achieving their full potential;

21 (B) methods for addressing the needs of students
22 for special programs, such as suicide prevention, conflict
23 resolution, violence prevention, or dyslexia treatment programs;

24 (C) dropout reduction;

25 (D) integration of technology in instructional
26 and administrative programs;

27 (E) discipline management;

1 (F) staff development for professional staff of
2 the district;

3 (G) career education to assist students in
4 developing the knowledge, skills, and competencies necessary for a
5 broad range of career opportunities; and

6 (H) accelerated education;

7 (4) strategies for providing to middle school, junior
8 high school, and high school students, those students' teachers and
9 counselors, and those students' parents information about:

10 (A) higher education admissions and financial
11 aid opportunities;

12 (B) the TEXAS grant program and the Teach for
13 Texas grant program established under Chapter 56;

14 (C) the need for students to make informed
15 curriculum choices to be prepared for success beyond high school;
16 and

17 (D) sources of information on higher education
18 admissions and financial aid;

19 (5) resources needed to implement identified
20 strategies;

21 (6) staff responsible for ensuring the accomplishment
22 of each strategy;

23 (7) timelines for ongoing monitoring of the
24 implementation of each improvement strategy; and

25 (8) formative evaluation criteria for determining
26 periodically whether strategies are resulting in intended
27 improvement of student performance.

1 SECTION 11. Sections 11.253(c) and (d), Education Code, are
2 amended to read as follows:

3 (c) Each school year, the principal of each school campus,
4 with the assistance of the campus-level committee, shall develop,
5 review, and revise the campus improvement plan for the purpose of
6 improving student performance for all student populations,
7 including students in special education programs under Subchapter
8 A, Chapter 29, with respect to the student achievement [~~academic~~
9 ~~excellence~~] indicators adopted under Section 39.053 [~~39.051~~] and
10 any other appropriate performance measures for special needs
11 populations.

12 (d) Each campus improvement plan must:

13 (1) assess the academic achievement for each student
14 in the school using the student achievement [~~academic excellence~~]
15 indicator system as described by Section 39.053 [~~39.051~~];

16 (2) set the campus performance objectives based on the
17 student achievement [~~academic excellence~~] indicator system,
18 including objectives for special needs populations, including
19 students in special education programs under Subchapter A, Chapter
20 29;

21 (3) identify how the campus goals will be met for each
22 student;

23 (4) determine the resources needed to implement the
24 plan;

25 (5) identify staff needed to implement the plan;

26 (6) set timelines for reaching the goals;

27 (7) measure progress toward the performance

1 objectives periodically to ensure that the plan is resulting in
2 academic improvement;

3 (8) include goals and methods for violence prevention
4 and intervention on campus; and

5 (9) provide for a program to encourage parental
6 involvement at the campus.

7 SECTION 12. Section 11.255(a), Education Code, is amended
8 to read as follows:

9 (a) Each district-level planning and decision-making
10 committee and each campus-level planning and decision-making
11 committee for a junior, middle, or high school campus shall analyze
12 information related to dropout prevention, including:

13 (1) the results of the audit of dropout records
14 required by Section 39.308 [~~39.055~~];

15 (2) campus information related to graduation rates,
16 dropout rates, high school equivalency certificate rates, and the
17 percentage of students who remain in high school more than four
18 years after entering grade level 9;

19 (3) the number of students who enter a high school
20 equivalency certificate program and:

21 (A) do not complete the program;

22 (B) complete the program but do not take the high
23 school equivalency examination; or

24 (C) complete the program and take the high school
25 equivalency examination but do not obtain a high school equivalency
26 certificate;

27 (4) for students enrolled in grade levels 9 and 10,

1 information related to academic credit hours earned, retention
2 rates, and placements in alternative education programs and
3 expulsions under Chapter 37; and

4 (5) the results of an evaluation of each school-based
5 dropout prevention program in the district.

6 SECTION 13. Section 12.013(b), Education Code, is amended
7 to read as follows:

8 (b) A home-rule school district is subject to:

9 (1) a provision of this title establishing a criminal
10 offense;

11 (2) a provision of this title relating to limitations
12 on liability; and

13 (3) a prohibition, restriction, or requirement, as
14 applicable, imposed by this title or a rule adopted under this
15 title, relating to:

16 (A) the Public Education Information Management
17 System (PEIMS) to the extent necessary to monitor compliance with
18 this subchapter as determined by the commissioner;

19 (B) educator certification under Chapter 21 and
20 educator rights under Sections 21.407, 21.408, and 22.001;

21 (C) criminal history records under Subchapter C,
22 Chapter 22;

23 (D) student admissions under Section 25.001;

24 (E) school attendance under Sections 25.085,
25 25.086, and 25.087;

26 (F) inter-district or inter-county transfers of
27 students under Subchapter B, Chapter 25;

- 1 (G) elementary class size limits under Section
2 25.112, in the case of any campus in the district that fails to
3 satisfy any standard [~~is considered academically unacceptable~~]
4 under Section 39.054(d) [~~39.132~~];
- 5 (H) high school graduation under Section 28.025;
- 6 (I) special education programs under Subchapter
7 A, Chapter 29;
- 8 (J) bilingual education under Subchapter B,
9 Chapter 29;
- 10 (K) prekindergarten programs under Subchapter E,
11 Chapter 29;
- 12 (L) safety provisions relating to the
13 transportation of students under Sections 34.002, 34.003, 34.004,
14 and 34.008;
- 15 (M) computation and distribution of state aid
16 under Chapters 31, 42, and 43;
- 17 (N) extracurricular activities under Section
18 33.081;
- 19 (O) health and safety under Chapter 38;
- 20 (P) public school accountability under
21 Subchapters B, C, D, E, and J [~~G~~], Chapter 39;
- 22 (Q) equalized wealth under Chapter 41;
- 23 (R) a bond or other obligation or tax rate under
24 Chapters 42, 43, and 45; and
- 25 (S) purchasing under Chapter 44.

26 SECTION 14. Section 12.056(b), Education Code, is amended
27 to read as follows:

1 (b) A campus or program for which a charter is granted under
2 this subchapter is subject to:

3 (1) a provision of this title establishing a criminal
4 offense; and

5 (2) a prohibition, restriction, or requirement, as
6 applicable, imposed by this title or a rule adopted under this
7 title, relating to:

8 (A) the Public Education Information Management
9 System (PEIMS) to the extent necessary to monitor compliance with
10 this subchapter as determined by the commissioner;

11 (B) criminal history records under Subchapter C,
12 Chapter 22;

13 (C) high school graduation under Section 28.025;

14 (D) special education programs under Subchapter
15 A, Chapter 29;

16 (E) bilingual education under Subchapter B,
17 Chapter 29;

18 (F) prekindergarten programs under Subchapter E,
19 Chapter 29;

20 (G) extracurricular activities under Section
21 33.081;

22 (H) health and safety under Chapter 38; and

23 (I) public school accountability under
24 Subchapters B, C, E [~~D~~], and J [~~G~~], Chapter 39.

25 SECTION 15. Section 12.1012(5), Education Code, is amended
26 to read as follows:

27 (5) "Management services" means services related to

1 the management or operation of an open-enrollment charter school,
2 including:

3 (A) planning, operating, supervising, and
4 evaluating the school's educational programs, services, and
5 facilities;

6 (B) making recommendations to the governing body
7 of the school relating to the selection of school personnel;

8 (C) managing the school's day-to-day operations
9 as its administrative manager;

10 (D) preparing and submitting to the governing
11 body of the school a proposed budget;

12 (E) recommending policies to be adopted by the
13 governing body of the school, developing appropriate procedures to
14 implement policies adopted by the governing body of the school, and
15 overseeing the implementation of adopted policies; and

16 (F) providing leadership for the attainment of
17 student performance at the school based on the indicators adopted
18 under Sections 39.053 and 39.301 [~~Section 39.051~~] or by the
19 governing body of the school.

20 SECTION 16. Section 12.104(b), Education Code, is amended
21 to read as follows:

22 (b) An open-enrollment charter school is subject to:

23 (1) a provision of this title establishing a criminal
24 offense; and

25 (2) a prohibition, restriction, or requirement, as
26 applicable, imposed by this title or a rule adopted under this
27 title, relating to:

- 1 (A) the Public Education Information Management
2 System (PEIMS) to the extent necessary to monitor compliance with
3 this subchapter as determined by the commissioner;
- 4 (B) criminal history records under Subchapter C,
5 Chapter 22;
- 6 (C) reading instruments and accelerated reading
7 instruction programs under Section 28.006;
- 8 (D) [~~satisfactory performance on assessment~~
9 ~~instruments and to~~] accelerated instruction under Section 28.0211;
- 10 (E) high school graduation requirements under
11 Section 28.025;
- 12 (F) special education programs under Subchapter
13 A, Chapter 29;
- 14 (G) bilingual education under Subchapter B,
15 Chapter 29;
- 16 (H) prekindergarten programs under Subchapter E,
17 Chapter 29;
- 18 (I) extracurricular activities under Section
19 33.081;
- 20 (J) discipline management practices or behavior
21 management techniques under Section 37.0021;
- 22 (K) health and safety under Chapter 38;
- 23 (L) public school accountability under
24 Subchapters B, C, D, E, and J [~~G~~], Chapter 39;
- 25 (M) the requirement under Section 21.006 to
26 report an educator's misconduct; and
- 27 (N) intensive programs of instruction under

1 Section 28.0213.

2 SECTION 17. Section 12.1054(a), Education Code, is amended
3 to read as follows:

4 (a) A member of the governing body of a charter holder, a
5 member of the governing body of an open-enrollment charter school,
6 or an officer of an open-enrollment charter school is considered to
7 be a local public official for purposes of Chapter 171, Local
8 Government Code. For purposes of that chapter:

9 (1) a member of the governing body of a charter holder
10 or a member of the governing body or officer of an open-enrollment
11 charter school is considered to have a substantial interest in a
12 business entity if a person related to the member or officer in the
13 third degree by consanguinity or affinity, as determined under
14 Chapter 573, Government Code, has a substantial interest in the
15 business entity under Section 171.002, Local Government Code;

16 (2) notwithstanding any provision of Section
17 12.1054(1), an employee of an open-enrollment charter school rated
18 [~~as academically~~] acceptable or higher under Section 39.054
19 [~~Chapter 39~~] for at least two of the preceding three school years
20 may serve as a member of the governing body of the charter holder of
21 the governing body of the school if the employees do not constitute
22 a quorum of the governing body or any committee of the governing
23 body; however, all members shall comply with the requirements of
24 Sections 171.003-171.007, Local Government Code.

25 SECTION 18. Section 12.1055(b), Education Code, is amended
26 to read as follows:

27 (b) Notwithstanding Subsection (a), if an open-enrollment

1 charter school is rated [~~academically~~] acceptable or higher under
2 Section 39.054 [~~Chapter 39~~] for at least two of the preceding three
3 school years, then Chapter 573, Government Code, does not apply to
4 that school; however, a member of the governing body of a charter
5 holder or a member of the governing body or officer of an
6 open-enrollment charter school shall comply with the requirements
7 of Sections 171.003-171.007, Local Government Code, with respect to
8 a personnel matter concerning a person related to the member or
9 officer within the degree specified by Section 573.002, Government
10 Code, as if the personnel matter were a transaction with a business
11 entity subject to those sections, and persons defined under
12 Sections 573.021-573.025, Government Code, shall not constitute a
13 quorum of the governing body or any committee of the governing body.

14 SECTION 19. Section 12.1162(a), Education Code, is amended
15 to read as follows:

16 (a) The commissioner shall take any of the actions described
17 by Subsection (b) or by Section 39.102(a) [~~39.131(a)~~], to the
18 extent the commissioner determines necessary, if an
19 open-enrollment charter school, as determined by a report issued
20 under Section 39.058(b) [~~39.076(b)~~]:

21 (1) commits a material violation of the school's
22 charter;

23 (2) fails to satisfy generally accepted accounting
24 standards of fiscal management; or

25 (3) fails to comply with this subchapter or another
26 applicable rule or law.

27 SECTION 20. Section 18.006(a), Education Code, is amended

1 to read as follows:

2 (a) The commissioner shall develop and implement a system of
3 accountability consistent with Chapter 39, where appropriate, to be
4 used in assigning an annual performance rating to Job Corps diploma
5 programs comparable to the ratings assigned to school districts
6 under Section 39.054 [~~39.072~~]. The commissioner may develop and
7 implement a system of distinction designations consistent with
8 Subchapter G, Chapter 39, where appropriate, to be used in
9 assigning distinction designations to Job Corps diploma programs
10 comparable to the distinction designations assigned to campuses
11 under Subchapter G, Chapter 39.

12 SECTION 21. Section 21.354(e), Education Code, is amended
13 to read as follows:

14 (e) The appraisal of a principal shall include
15 consideration of the performance of a principal's campus on the
16 student achievement indicators established under Section 39.053
17 [~~39.051~~] and the campus's objectives established under Section
18 11.253, including performance gains of the campus and the
19 maintenance of those gains.

20 SECTION 22. Section 21.357(c), Education Code, is amended
21 to read as follows:

22 (c) A performance incentive awarded to a principal under
23 this section must be distributed to the principal's school and used
24 in the manner determined by the campus-level committee established
25 under Section 11.253 in accordance with the requirements of Section
26 39.264(a) [~~39.094(a)~~].

27 SECTION 23. Section 21.4541(b), Education Code, is amended

1 to read as follows:

2 (b) A school district or campus is eligible to participate
3 in the pilot program under this section if the district or campus
4 meets the eligibility criteria established as provided by Section
5 39.408 [~~39.358~~].

6 SECTION 24. Section 21.4551(c), Education Code, is amended
7 to read as follows:

8 (c) The commissioner by rule shall require a teacher to
9 attend a reading academy if the teacher provides instruction in
10 reading, mathematics, science, or social studies to students at the
11 sixth, seventh, or eighth grade level at a campus that fails to
12 satisfy any standard [~~is considered academically unacceptable~~]
13 under Section 39.054(d) [~~39.132~~] on the basis of student
14 performance on the reading assessment instrument administered
15 under Section 39.023(a) to students in any grade level at the
16 campus.

17 SECTION 25. Section 28.002, Education Code, is amended by
18 adding Subsections (c-1), (d), and (q) to read as follows:

19 (c-1) The State Board of Education shall adopt rules
20 requiring students enrolled in grade levels six, seven, and eight
21 to complete at least one fine arts course during those grade levels
22 as part of a district's fine arts curriculum.

23 (d) Each time the Texas Higher Education Coordinating Board
24 revises the Internet database of the coordinating board's official
25 statewide inventory of workforce education courses, the State Board
26 of Education shall by rule revise the essential knowledge and
27 skills of any corresponding career and technology education

1 curriculum as provided by Subsection (c).

2 (q) Notwithstanding any other provision of this title, a
3 school district may not vary the curriculum for a course in the
4 required curriculum under Subsection (a) based on whether a student
5 is enrolled in the minimum, recognized, or advanced high school
6 program.

7 SECTION 26. Section 28.006(j), Education Code, is amended
8 to read as follows:

9 (j) No more than 15 percent of the funds certified by the
10 commissioner under Subsection (i) may be spent on indirect costs.
11 The commissioner shall evaluate the programs that fail to meet the
12 standard of performance under Section 39.301(b)(4) [~~39.051(b)(8)~~]
13 and may implement interventions or sanctions under Subchapter E
14 [~~G~~], Chapter 39. The commissioner may audit the expenditures of
15 funds appropriated for purposes of this section. The use of the
16 funds appropriated for purposes of this section shall be verified
17 as part of the district audit under Section 44.008.

18 SECTION 27. Section 28.014(d), Education Code, is amended
19 to read as follows:

20 (d) The agency, in coordination with the Texas Higher
21 Education Coordinating Board, shall adopt a series of questions to
22 be included in an end-of-course assessment instrument administered
23 under Subsection (c) to be used for purposes of Section 51.3062.
24 The questions must be developed in a manner consistent with any
25 college readiness standards adopted under Sections 39.233 [~~39.113~~]
26 and 51.3062. [~~A student's performance on a question adopted under~~
27 ~~this subsection may not be used to determine the student's~~

1 ~~performance on an end-of-course assessment instrument.]~~

2 SECTION 28. Section 28.021, Education Code, is amended by
3 adding Subsections (c), (d), and (e) to read as follows:

4 (c) In determining promotion under Subsection (a), a school
5 district shall consider:

6 (1) the recommendation of the student's teacher;

7 (2) the student's grade in each subject or course;

8 (3) the student's score on an assessment instrument
9 administered under Section 39.023(a), (b), or (1); and

10 (4) any other necessary academic information, as
11 determined by the district.

12 (d) By the start of the school year, a district shall make
13 public the requirements for student advancement under this section.

14 (e) The commissioner shall provide guidelines to districts
15 based on best practices that a district may use when considering
16 factors for promotion.

17 SECTION 29. Section 28.0211, Education Code, is amended by
18 amending Subsection (a) and adding Subsections (a-1), (a-2), (a-3),
19 and (n) to read as follows:

20 (a) Except as provided by Subsection (b) or (e), a student
21 may not be promoted to:

22 (1) ~~[the fourth grade program to which the student~~
23 ~~would otherwise be assigned if the student does not perform~~
24 ~~satisfactorily on the third grade reading assessment instrument~~
25 ~~under Section 39.023,~~

26 [(2)] the sixth grade program to which the student
27 would otherwise be assigned if the student does not perform

1 satisfactorily on the fifth grade mathematics and reading
2 assessment instruments under Section 39.023; or

3 (2) [~~3~~] the ninth grade program to which the student
4 would otherwise be assigned if the student does not perform
5 satisfactorily on the eighth grade mathematics and reading
6 assessment instruments under Section 39.023.

7 (a-1) Each time a student fails to perform satisfactorily on
8 an assessment instrument administered under Section 39.023(a) in
9 the third, fourth, fifth, sixth, seventh, or eighth grade, the
10 school district in which the student attends school shall provide
11 to the student accelerated instruction in the applicable subject
12 area. Accelerated instruction may require participation of the
13 student before or after normal school hours and may include
14 participation at times of the year outside normal school
15 operations.

16 (a-2) A student who fails to perform satisfactorily on an
17 assessment instrument specified under Subsection (a) and who is
18 promoted to the next grade level must complete accelerated
19 instruction required under Subsection (a-1) before placement in the
20 next grade level. A student who fails to complete required
21 accelerated instruction may not be promoted.

22 (a-3) The commissioner shall provide guidelines to
23 districts on research-based best practices and effective
24 strategies that a district may use in developing an accelerated
25 instruction program.

26 (n) A student who fails to perform satisfactorily on an
27 assessment instrument specified under Subsection (a) and is

1 promoted must be assigned in all foundation curriculum subjects to
2 a teacher who meets all state and federal qualifications to teach
3 that subject and grade.

4 SECTION 30. Section 28.025, Education Code, is amended by
5 amending Subsections (a), (b), and (b-1) and adding Subsections
6 (b-3), (b-4), (b-5), (b-6), (b-7), and (b-8) to read as follows:

7 (a) The State Board of Education by rule shall determine
8 curriculum requirements for the minimum, recommended, and advanced
9 high school programs that are consistent with the required
10 curriculum under Section 28.002. Subject to Subsection (b-1), the
11 State Board of Education shall designate the specific courses in
12 the foundation curriculum required for a student participating in
13 the minimum, recommended, or advanced high school program. Except
14 as provided by Subsection (b-1), the State Board of Education may
15 not designate a specific course or a specific number of credits in
16 the enrichment curriculum as requirements for the recommended
17 program.

18 (b) A school district shall ensure that each student enrolls
19 in the courses necessary to complete the curriculum requirements
20 identified by the State Board of Education under Subsection (a) for
21 the recommended or advanced high school program unless the student,
22 the student's parent or other person standing in parental relation
23 to the student, and a school counselor or school administrator
24 agree in writing signed by each party that the student should be
25 permitted to take courses under the minimum high school program and
26 the student:

27 (1) is at least 16 years of age;

1 (2) has completed two credits required for graduation
2 in each subject of the foundation curriculum under Section
3 28.002(a)(1); or

4 (3) has failed to be promoted to the tenth grade one or
5 more times as determined by the school district.

6 (b-1) The State Board of Education by rule shall require
7 that:

8 (1) except as provided by Subsection (b-2), the
9 curriculum requirements for the recommended and advanced high
10 school programs under Subsection (a) include a requirement that
11 students successfully complete:

12 (A) four credits [~~courses~~] in each subject of the
13 foundation curriculum under Section 28.002(a)(1), including at
14 least one-half credit in government and at least one-half credit in
15 economics to meet the social studies requirement;

16 (B) for the recommended high school program, two
17 credits in the same language in a language other than English under
18 Section 28.002(a)(2)(A) and, for the advanced high school program,
19 three credits in the same language in a language other than English
20 under Section 28.002(a)(2)(A); and

21 (C) for the recommended high school program, six
22 elective credits and, for the advanced high school program, five
23 elective credits; [~~and~~]

24 (2) one or more credits [~~courses~~] offered in the
25 required curriculum for the recommended and advanced high school
26 programs include a research writing component; and

27 (3) the curriculum requirements for the minimum,

1 recommended, and advanced high school programs under Subsection (a)
2 include a requirement that students successfully complete:

3 (A) one credit in fine arts under Section
4 28.002(a)(2)(D); and

5 (B) one credit in physical education under
6 Section 28.002(a)(2)(C).

7 (b-3) In adopting rules to provide students with the option
8 described by Subsection (b-1)(1)(A), the State Board of Education
9 must approve a variety of mathematics and science courses that may
10 be taken by a student after completion of Algebra II and physics to
11 comply with the recommended program requirements. A student
12 completing a course approved under this subsection must comply with
13 all applicable requirements relating to end-of-course assessment
14 instruments otherwise applicable to the student under Sections
15 39.023(c) and 39.025. A course approved under this subsection may
16 be provided in an applied manner and must:

17 (1) be endorsed by an institution of higher education
18 as a course for which the institution would award course credit or
19 as a prerequisite for a course for which the institution would award
20 course credit; and

21 (2) cover the essential knowledge and skills
22 identified under Section 28.002 for mathematics or science, as
23 applicable.

24 (b-4) Before a student's parent or other person standing in
25 parental relation to the student may agree that the student be
26 permitted to take courses under the minimum high school program as
27 provided by Subsection (b), a school district must provide written

1 notice to the parent or person standing in parental relation
2 explaining the benefits of the recommended high school program.
3 The notice shall be developed by the agency and must:

4 (1) be printed in English and Spanish; and
5 (2) require that the student's parent or person
6 standing in parental relation to the student sign a confirmation of
7 receipt and return the confirmation to the student's campus.

8 (b-5) The State Board of Education, in coordination with the
9 Texas Higher Education Coordinating Board, shall adopt rules to
10 ensure that a student may comply with the curriculum requirements
11 under the minimum, recommended, or advanced high school program for
12 each subject of the foundation curriculum under Section
13 28.002(a)(1) and for languages other than English under Section
14 28.002(a)(2)(A) by successfully completing appropriate courses in
15 the core curriculum of an institution of higher education under
16 Section 61.822.

17 (b-6) A student agreeing to take courses under the minimum
18 high school program as provided by Subsection (b) may, upon
19 request, resume taking courses under the recommended high school
20 program.

21 (b-7) The agency shall establish a pilot program allowing a
22 student attending school in a county with a population of more than
23 one million and in which more than 80 percent of the population
24 resides in a single municipality to satisfy the fine arts credit
25 required under Subsection (b-1)(3)(A) by participating in a fine
26 arts program not provided by the school district in which the
27 student is enrolled. The fine arts program may be provided on or

1 off a school campus and outside the regular school day. Not later
2 than December 1, 2010, the agency shall provide to the legislature a
3 report regarding the pilot program, including the feasibility of
4 expanding the pilot program statewide.

5 (b-8) A school district, with the approval of the
6 commissioner, may allow a student to comply with the curriculum
7 requirements for the physical education credit required under
8 Subsection (b-1)(3)(B) by participating in a private or
9 commercially sponsored physical activity program provided on or off
10 a school campus and outside the regular school day.

11 SECTION 31. Section 28.0252(b), Education Code, is amended
12 to read as follows:

13 (b) If the commissioner develops a standard method under
14 this section, a school district shall use the standard method to
15 compute a student's high school grade point average[, ~~except that~~
16 ~~to the extent of a conflict between that method and the method~~
17 ~~adopted under Section 51.807, the student's grade point average~~
18 ~~computed in accordance with the method established under Section~~
19 ~~51.807 shall be used in determining the student's eligibility for~~
20 ~~university admission under Subchapter U, Chapter 51].~~

21 SECTION 32. Subchapter B, Chapter 28, Education Code, is
22 amended by adding Section 28.0253 to read as follows:

23 Sec. 28.0253. PILOT PROGRAM: HIGH SCHOOL DIPLOMAS FOR
24 STUDENTS WHO DEMONSTRATE EARLY READINESS FOR COLLEGE. (a) In this
25 section:

26 (1) "Institution of higher education" has the meaning
27 assigned by Section 61.003.

1 (2) "Research university" means an institution of
2 higher education that is designated as a research university under
3 the Texas Higher Education Coordinating Board's accountability
4 system.

5 (b) A research university that chooses to participate in the
6 pilot program shall:

7 (1) not later than September 1 of each year, make
8 available on the university's Internet website detailed standards
9 for use in the program regarding:

10 (A) the specific competencies that demonstrate a
11 student's mastery of each subject area for which the Texas Higher
12 Education Coordinating Board and the commissioner have adopted
13 college readiness standards;

14 (B) the specific competencies that demonstrate a
15 student's mastery of a language other than English; and

16 (C) acceptable assessments or other means by
17 which a student may demonstrate the student's early readiness for
18 college with respect to each subject area and the language
19 described by this subdivision, subject to Subsection (c);

20 (2) partner with at least 10 school districts that
21 reflect the geographic diversity of this state and the student
22 compositions of which reflect the socioeconomic diversity of this
23 state; and

24 (3) assist school administrators, school counselors,
25 and other educators in each of those school districts in designing
26 the specific requirements of and implementing the program in the
27 district.

1 (c) The assessments or other means filed by a research
2 university under Subsection (b)(1)(C) must be equivalent to the
3 assessments or other means the university uses to place students at
4 the university in courses that may be credited toward a degree
5 requirement.

6 (d) A research university that partners with a school
7 district under this section shall enter into an agreement with the
8 district under which the university and district agree that the
9 district will assess a student's mastery of the subject areas
10 described by Subsection (b)(1) and a language other than English in
11 accordance with the standards the university filed under Subsection
12 (b)(1). The district may issue a high school diploma to a student
13 under the program if, using the standards, the student demonstrates
14 mastery of and early readiness for college in each of those subject
15 areas and in a language other than English, notwithstanding any
16 other local or state requirements.

17 (e) A student who receives a high school diploma through the
18 pilot program is considered to have completed the recommended high
19 school program adopted under Section 28.025(a). The student is not
20 guaranteed admission to any institution of higher education or to
21 any academic program at an institution of higher education solely
22 on the basis of having received the diploma through the program.

23 (f) A research university that participates in the pilot
24 program shall enter into an agreement with an education research
25 center established under Section 1.005 to conduct an evaluation of
26 the program with respect to that university and the school
27 districts with which the university partners. Not later than

1 January 1, 2013, the education research center shall provide a
2 written report of the evaluation to the commissioner and the
3 commissioner of higher education and make the report available on
4 the center's Internet website. The report may include an analysis
5 of the effects of the program on the university's admissions review
6 process.

7 SECTION 33. Section 29.062(a), Education Code, is amended
8 to read as follows:

9 (a) The legislature recognizes that compliance with this
10 subchapter is an imperative public necessity. Therefore, in
11 accordance with the policy of the state, the agency shall evaluate
12 the effectiveness of programs under this subchapter based on the
13 student achievement [~~academic excellence~~] indicators adopted under
14 Section 39.053 [~~39.051(a)~~], including the results of assessment
15 instruments. The agency may combine evaluations under this section
16 with federal accountability measures concerning students of
17 limited English proficiency.

18 SECTION 34. Section 29.094(c), Education Code, is amended
19 to read as follows:

20 (c) A campus may apply to the commissioner to participate in
21 the pilot program. The commissioner may select for participation
22 in the pilot program only campuses that have failed to improve
23 student performance in reading according to standards established
24 by the commissioner. The standards established by the commissioner
25 for purposes of this subsection must be based on reading
26 performance standards considered [~~required~~] for student promotion
27 under Section 28.021 [~~28.0211~~].

1 SECTION 35. Section 29.095(a)(1), Education Code, as added
2 by Chapter 1058 (H.B. 2237), Acts of the 80th Legislature, Regular
3 Session, 2007, is amended to read as follows:

4 (1) "Council" means the High School Completion and
5 Success Initiative Council established under Subchapter M [~~L~~],
6 Chapter 39.

7 SECTION 36. Section 29.095(c), Education Code, as added by
8 Chapter 1058 (H.B. 2237), Acts of the 80th Legislature, Regular
9 Session, 2007, is amended to read as follows:

10 (c) The commissioner may award a grant in an amount not to
11 exceed \$5,000 in a school year to a school district on behalf of a
12 student club at a district high school campus that is eligible under
13 the criteria established under Section 39.408 [~~39.358~~]. To be
14 eligible for a grant, the student club and the club's sponsor must
15 be sanctioned by the campus and district. A grant awarded under this
16 program must be matched by other federal, state, or local funds,
17 including donations, in an amount equal to the amount of the grant.
18 A district shall seek donations or sponsorships from local
19 businesses or community organizations to raise the matching
20 funds. The commissioner may award a grant on behalf of more than
21 one student club at a campus in the same school year.

22 SECTION 37. Sections 29.096(a) and (c), Education Code, are
23 amended to read as follows:

24 (a) In this section, "council" means the High School
25 Completion and Success Initiative Council established under
26 Subchapter M [~~L~~], Chapter 39.

27 (c) A school district or open-enrollment charter school is

1 eligible to participate and receive a grant under this section
2 under the eligibility criteria established under Section 39.408
3 [~~39.358~~].

4 SECTION 38. Section 29.097(a)(1), Education Code, is
5 amended to read as follows:

6 (1) "Council" means the High School Completion and
7 Success Initiative Council established under Subchapter M [~~L~~],
8 Chapter 39.

9 SECTION 39. Section 29.097(c), Education Code, is amended
10 to read as follows:

11 (c) The commissioner may select for participation in the
12 pilot program only a campus that is eligible under the criteria
13 established under Section 39.408 [~~39.358~~].

14 SECTION 40. Section 29.098(c), Education Code, is amended
15 to read as follows:

16 (c) The commissioner of education may select for
17 participation in the pilot program only a campus that is eligible
18 under the criteria established under Section 39.408 [~~39.358~~].

19 SECTION 41. Section 29.182(b), Education Code, is amended
20 to read as follows:

21 (b) The state plan must include procedures designed to
22 ensure that:

23 (1) all secondary and postsecondary students have the
24 opportunity to participate in career and technology education
25 programs;

26 (2) the state complies with requirements for
27 supplemental federal career and technology education funding; and

1 (3) career and technology education is established as
2 a part of the total education system of this state and constitutes
3 an option for student learning that provides a rigorous course of
4 study consistent with the required curriculum under Section 28.002
5 and under which a student may receive specific education in a career
6 and technology program that:

7 (A) incorporates competencies leading to
8 academic and technical skill attainment;

9 (B) leads to:

10 (i) an industry-recognized license,
11 credential, or certificate; or

12 (ii) at the postsecondary level, an
13 associate or baccalaureate degree;

14 (C) includes opportunities for students to earn
15 college credit for coursework; and

16 (D) includes, as an integral part of the program,
17 participation by students and teachers in activities of career and
18 technical student organizations supported by the agency and the
19 State Board of Education.

20 SECTION 42. Section 29.202(a), Education Code, is amended
21 to read as follows:

22 (a) A student is eligible to receive a public education
23 grant or to attend another public school in the district in which
24 the student resides under this subchapter if the student is
25 assigned to attend a public school campus:

26 (1) at which 50 percent or more of the students did not
27 perform satisfactorily on an assessment instrument administered

1 under Section 39.023(a) or (c) in any two of the preceding three
2 years; or

3 (2) that ~~was~~, at any time in the preceding three
4 years, failed to satisfy any standard [~~considered academically~~
5 ~~unacceptable~~] under Section 39.054(d) [~~39.132~~].

6 SECTION 43. Section 29.904(d), Education Code, is amended
7 to read as follows:

8 (d) A plan developed under this section:

9 (1) must establish clear, achievable goals for
10 increasing the percentage of the school district's graduating
11 seniors, particularly the graduating seniors attending a high
12 school described by Subsection (a), who enroll in an institution of
13 higher education for the academic year following graduation;

14 (2) must establish an accurate method of measuring
15 progress toward the goals established under Subdivision (1) that
16 may include the percentage of district high school students and the
17 percentage of students attending a district high school described
18 by Subsection (a) who:

19 (A) are enrolled in a course for which a student
20 may earn college credit, such as an advanced placement or
21 international baccalaureate course or a course offered through
22 concurrent enrollment in high school and at an institution of
23 higher education;

24 (B) are enrolled in courses that meet the
25 curriculum requirements for the recommended or advanced high school
26 program as determined under Section 28.025;

27 (C) have submitted a free application for federal

1 student aid (FAFSA);

2 (D) are exempt under Section 51.3062(p) or (q)
3 [~~51.306(l) or (m)~~] from administration of an assessment [~~a test~~]
4 instrument under Section 51.3062 [~~51.306~~] or have performed
5 successfully on an assessment [~~a test~~] instrument under Section
6 51.3062 [~~51.306~~];

7 (E) graduate from high school;

8 (F) graduate from an institution of higher
9 education; and

10 (G) have taken college entrance examinations and
11 the average score of those students on the examinations;

12 (3) must cover a period of at least five years; and

13 (4) may be directed at district students at any level
14 of primary or secondary education.

15 SECTION 44. Section 29.906(e), Education Code, is amended
16 to read as follows:

17 (e) The agency shall:

18 (1) maintain a list of character education programs
19 that school districts have implemented that meet the criteria under
20 Subsection (b);

21 (2) based on data reported by districts, annually
22 designate as a Character Plus School each school that provides a
23 character education program that:

24 (A) meets the criteria prescribed by Subsection
25 (b); and

26 (B) is approved by the committee selected under
27 Subsection (c); and

1 (3) include in the report required under Section
2 39.332 [~~39.182~~]:

3 (A) based on data reported by districts, the
4 impact of character education programs on student discipline and
5 academic achievement; and

6 (B) other reported data relating to character
7 education programs the agency considers appropriate for inclusion.

8 SECTION 45. Sections 29.918(a) and (c), Education Code, are
9 amended to read as follows:

10 (a) Notwithstanding Section 39.234 [~~39.114~~] or 42.152, a
11 school district or open-enrollment charter school with a high
12 dropout rate, as determined by the commissioner, must submit a plan
13 to the commissioner describing the manner in which the district or
14 charter school intends to use the compensatory education allotment
15 under Section 42.152 and the high school allotment under Section
16 42.2516(b)(3) for developing and implementing research-based
17 strategies for dropout prevention. The district or charter school
18 shall submit the plan not later than December 1 of each school year
19 preceding the school year in which the district or charter school
20 will receive the compensatory education allotment or high school
21 allotment to which the plan applies.

22 (c) The commissioner shall adopt rules to administer this
23 section. The commissioner may impose interventions or sanctions
24 under Section 39.102 [~~39.131~~] or 39.104 [~~39.1321~~] if a school
25 district or open-enrollment charter school fails to timely comply
26 with this section.

27 SECTION 46. Section 30A.101, Education Code, is amended to

1 read as follows:

2 Sec. 30A.101. ELIGIBILITY TO ACT AS PROVIDER SCHOOL
3 DISTRICT OR SCHOOL. (a) A school district is eligible to act as a
4 provider school district under this chapter only if the district is
5 rated [~~academically~~] acceptable or higher under Section 39.054
6 [~~39.072~~].

7 (b) An open-enrollment charter school is eligible to act as
8 a provider school under this chapter only if the school is rated
9 acceptable [~~recognized~~] or higher under Section 39.054 [~~39.072~~],
10 and may serve as a provider school only:

11 (1) to a student within the school district in which
12 the school is located or within its service area, whichever is
13 smaller; or

14 (2) to another student in the state through an
15 agreement with the administering authority under Section 30A.153.

16 SECTION 47. Section 32.157(a), Education Code, is amended
17 to read as follows:

18 (a) After the expiration of the pilot project, the agency
19 may review the pilot project based on the annual reports the agency
20 receives from the board of trustees of participating school
21 districts. The agency may include the review of the pilot project
22 in the comprehensive annual report required under Section 39.332
23 [~~39.182~~] that covers the 2010-2011 school year.

24 SECTION 48. Section 32.252(b), Education Code, is amended
25 to read as follows:

26 (b) The portal must serve as a single point of access to
27 educational resources other than student assessment data

1 accessible through the student assessment data portal under Section
2 32.258. In addition to any other purpose specified by this
3 subchapter or any other educational purpose, the portal may be used
4 to:

5 (1) alleviate inequities in access to educational
6 resources by providing access to on-line courses;

7 (2) improve student academic performance by providing
8 access to tutorial materials, instructional materials that have
9 been shown to improve academic performance, and other interactive
10 materials, including materials that assess an individual student's
11 knowledge and prepare the student for the administration of a
12 standardized assessment instrument, including an assessment
13 instrument administered under Section 39.023;

14 (3) provide school districts with access to
15 administrative software and other electronic tools designed to
16 promote administrative efficiency and intra-district
17 communication; or

18 (4) [~~provide secure access to student assessment data,~~
19 ~~or~~

20 [~~5~~] provide links to appropriate educational
21 resources and experts available through the Internet.

22 SECTION 49. Section 32.258, Education Code, is amended to
23 read as follows:

24 Sec. 32.258. STUDENT ASSESSMENT DATA; DATA PORTAL.

25 (a) The agency shall establish and maintain a student assessment
26 data portal for use by school districts, teachers, parents,
27 students, and public institutions of higher education. The agency

1 shall [~~may~~] establish a secure, interoperable system to be
2 implemented through the portal under which:

3 (1) a student or the student's parent or other person
4 standing in parental relationship can easily access the student's
5 individual assessment data;

6 (2) an authorized employee of a school district,
7 including a district teacher, [~~districts~~] can readily access
8 individual [~~student~~] assessment data of district students for use
9 in developing strategies for improving student performance; and

10 (3) an authorized employee of a public institution of
11 higher education can readily access individual assessment data of
12 students applying for admission for use in developing strategies
13 for improving student performance.

14 (b) The system established under Subsection (a) shall
15 provide a means for a student or the student's parent or other
16 person standing in parental relationship to track the student's
17 progress on assessment instrument requirements for graduation.

18 (c) The agency shall establish an interoperable system to be
19 implemented through the portal under which general student
20 assessment data is easily accessible to the public.

21 (d) Student assessment data provided under this section
22 must:

23 (1) be available on or before the first instructional
24 day of the school year following the year in which the data is
25 collected; and

26 (2) include student performance data on assessment
27 instruments over multiple years, beginning with the 2007-2008

1 school year, including any data indicating progress in student
2 achievement.

3 (e) Each [~~(b) In establishing the~~] system established
4 under [~~required by~~] this section must permit comparisons of [~~the~~
5 ~~agency shall seek to further the goal of providing school districts~~
6 ~~with access to~~] student performance information at the classroom,
7 campus, district, and state levels [~~level~~].

8 SECTION 50. Section 39.023, Education Code, is amended by
9 adding Subsections (a-1), (o), and (p) and amending Subsections
10 (b), (c), (c-4), (d), (e), (l), and (m) to read as follows:

11 (a-1) The agency shall develop assessment instruments
12 required under Subsection (a) in a manner that allows, to the extent
13 practicable:

14 (1) the score a student receives to provide reliable
15 information relating to a student's satisfactory performance for
16 each performance standard under Section 39.0241; and

17 (2) an appropriate range of performances to serve as a
18 valid indication of growth in student achievement.

19 (b) The agency shall develop or adopt appropriate
20 criterion-referenced alternative assessment instruments to be
21 administered to each student in a special education program under
22 Subchapter A, Chapter 29, [~~who receives modified instruction in the~~
23 ~~essential knowledge and skills identified under Section 28.002 for~~
24 ~~the assessed subject but~~] for whom an assessment instrument adopted
25 under Subsection (a), even with allowable accommodations
26 [~~modifications~~], would not provide an appropriate measure of
27 student achievement, as determined by the student's admission,

1 review, and dismissal committee. [~~The assessment instruments
2 required under this subsection must assess essential knowledge and
3 skills and growth in the subjects of reading, mathematics, and
4 writing. A student's admission, review, and dismissal committee
5 shall determine whether any allowable modification is necessary in
6 administering to the student an assessment instrument required
7 under this subsection. The assessment instruments required under
8 this subsection shall be administered on the same schedule as the
9 assessment instruments administered under Subsection (a).~~]

10 (c) The agency shall also adopt end-of-course assessment
11 instruments for secondary-level courses in Algebra I, Algebra II,
12 geometry, biology, chemistry, physics, English I, English II,
13 English III, world geography, world history, and United States
14 history. The Algebra I, Algebra II, and geometry end-of-course
15 assessment instruments must be administered with the aid of
16 technology. A school district shall comply with State Board of
17 Education rules regarding administration of the assessment
18 instruments listed in this subsection and shall adopt a policy that
19 requires a student's performance on an end-of-course assessment
20 instrument for a course listed in this subsection in which the
21 student is enrolled to account for 15 percent of the student's final
22 grade for the course. If a student retakes an end-of-course
23 assessment instrument for a course listed in this subsection, as
24 provided by Section 39.025, a school district is not required to use
25 the student's performance on the subsequent administration or
26 administrations of the assessment instrument to determine the
27 student's final grade for the course. If a student is in a special

1 education program under Subchapter A, Chapter 29, the student's
2 admission, review, and dismissal committee shall determine whether
3 any allowable modification is necessary in administering to the
4 student an assessment instrument required under this subsection [~~or~~
5 ~~whether the student should be exempted under Section 39.027(a)(2)~~].
6 The State Board of Education shall administer the assessment
7 instruments. The State Board of Education shall adopt a schedule
8 for the administration of end-of-course assessment instruments
9 that complies with the requirements of Subsection (c-3).

10 (c-4) To the extent practicable and subject to Section
11 39.024, the agency shall ensure that each end-of-course assessment
12 instrument adopted under Subsection (c) is:

13 (1) developed in a manner that measures a student's
14 performance under the college readiness standards established
15 under Section 28.008; and

16 (2) validated by national postsecondary education
17 experts for college readiness content and performance standards.

18 (d) The commissioner may participate in multistate efforts
19 to develop voluntary standardized end-of-course assessment
20 instruments. The commissioner by rule may require a school
21 district to administer an end-of-course assessment instrument
22 developed through the multistate efforts. The admission, review,
23 and dismissal committee of a student in a special education program
24 under Subchapter A, Chapter 29, shall determine whether any
25 allowable modification is necessary in administering to the student
26 an end-of-course assessment instrument [~~or whether the student~~
27 ~~should be exempted under Section 39.027(a)(2)~~].

1 (e) Under rules adopted by the State Board of Education,
2 every third year, the agency shall release the questions and answer
3 keys to each assessment instrument administered under Subsection
4 (a), (b), (c), (d), or (1), excluding any assessment instrument
5 administered to a student for the purpose of retaking the
6 assessment instrument, after the last time the instrument is
7 administered for that school year. To ensure a valid bank of
8 questions for use each year, the agency is not required to release a
9 question that is being field-tested and was not used to compute the
10 student's score on the instrument. The agency shall also release,
11 under board rule, each question that is no longer being
12 field-tested and that was not used to compute a student's score.

13 (1) The State Board of Education shall adopt rules for the
14 administration of the assessment instruments adopted under
15 Subsection (a) in Spanish to students in grades three through five
16 [~~six~~] who are of limited English proficiency, as defined by Section
17 29.052, whose primary language is Spanish, and who are not
18 otherwise exempt from the administration of an assessment
19 instrument under Section 39.027(a)(1) or (2) [~~39.027(a)(3) or (4)~~].
20 Each student of limited English proficiency whose primary language
21 is Spanish, other than a student to whom Subsection (b) applies, may
22 be assessed using assessment instruments in Spanish under this
23 subsection for up to three years or assessment instruments in
24 English under Subsection (a). The language proficiency assessment
25 committee established under Section 29.063 shall determine which
26 students are administered assessment instruments in Spanish under
27 this subsection.

1 (m) The commissioner by rule shall develop procedures under
2 which the language proficiency assessment committee established
3 under Section 29.063 shall determine which students are exempt from
4 the administration of the assessment instruments under Section
5 39.027(a)(1) or (2) [~~39.027(a)(3) and (4)~~]. The rules adopted
6 under this subsection shall ensure that the language proficiency
7 assessment committee provides that the exempted students are
8 administered the assessment instruments under Subsections (a) and
9 (c) at the earliest practical date.

10 (o) The commissioner of education and the commissioner of
11 higher education shall study the feasibility of allowing students
12 to satisfy end-of-course requirements under Subsection (c) by
13 successfully completing a dual credit course through an institution
14 of higher education. Not later than December 1, 2010, the
15 commissioner of education and the commissioner of higher education
16 shall make recommendations to the legislature based on the study
17 conducted under this subsection.

18 (p) On or before September 1 of each year, the commissioner
19 shall make the following information available on the agency's
20 Internet website for each assessment instrument administered under
21 Subsection (a), (c), or (1):

22 (1) the number of questions on the assessment
23 instrument;

24 (2) the number of questions that must be answered
25 correctly to achieve satisfactory performance as determined by the
26 commissioner under Section 39.0241(a);

27 (3) the number of questions that must be answered

1 correctly to achieve satisfactory performance under the college
2 readiness performance standard as provided by Section 39.0241; and
3 (4) the corresponding scale scores.

4 SECTION 51. Section 39.0233(d), Education Code, is amended
5 to read as follows:

6 (d) The questions adopted under this section may not ~~[must]~~
7 be administered in a separate section of the end-of-course
8 assessment instrument ~~[in which the questions are included]~~.

9 SECTION 52. Section 39.0234(a), Education Code, is amended
10 to read as follows:

11 (a) The agency shall ensure that assessment instruments
12 required under Section 39.023 are capable of being administered by
13 computer. The commissioner may not require a school district or
14 open-enrollment charter school to administer an assessment
15 instrument by computer.

16 SECTION 53. Subchapter B, Chapter 39, Education Code, is
17 amended by amending Section 39.024 and adding Sections 39.0241 and
18 39.0242 to read as follows:

19 Sec. 39.024. MEASURE OF COLLEGE READINESS. (a) In this
20 section, "college readiness" means the level of preparation a
21 student must attain in English language arts and mathematics
22 courses to enroll and succeed, without remediation, in an
23 entry-level general education course for credit in that same
24 content area for a baccalaureate degree or associate degree program
25 at:

26 (1) a general academic teaching institution, as
27 defined by Section 61.003, other than a research institution, as

1 categorized under the Texas Higher Education Coordinating Board's
2 accountability system; or

3 (2) a postsecondary educational institution that
4 primarily offers associate degrees or certificates or credentials
5 other than baccalaureate or advanced degrees.

6 (b) The agency and the Texas Higher Education Coordinating
7 Board shall ensure that the Algebra II and English III
8 end-of-course assessment instruments required under Section
9 39.023(c) are developed to be capable of, beginning with the
10 2011-2012 school year, measuring college readiness.

11 (c) Before the beginning of the 2011-2012 school year, the
12 agency, in collaboration with the Texas Higher Education
13 Coordinating Board, shall gather data and conduct research studies
14 to substantiate the correlation between a certain level of
15 performance by students on the Algebra II and English III
16 end-of-course assessment instruments and college readiness.

17 (d) Studies under Subsection (c) must include an evaluation
18 of any need for remediation courses to facilitate college
19 readiness.

20 (e) Based on the results of the studies conducted under
21 Subsection (c), the commissioner of education and the commissioner
22 of higher education shall establish student performance standards
23 for the Algebra II and English III end-of-course assessment
24 instruments indicating that students have attained college
25 readiness.

26 (f) The agency, in collaboration with the Texas Higher
27 Education Coordinating Board, shall conduct research studies

1 similar to the studies conducted under Subsection (c) for the
2 appropriate science and social studies end-of-course assessment
3 instruments. If the commissioner of education, in collaboration
4 with the commissioner of higher education, determines that the
5 research studies conducted under this subsection substantiate a
6 correlation between a certain level of performance by students on
7 science and social studies end-of-course assessment instruments
8 and college readiness, the commissioner of education, in
9 collaboration with the commissioner of higher education, as soon as
10 practicable, may establish student performance standards for the
11 science and social studies end-of-course assessment instruments
12 indicating that students have attained college readiness.

13 (f-1) Not later than December 1, 2012, the agency and the
14 Texas Higher Education Coordinating Board shall deliver to the
15 lieutenant governor, the speaker of the house of representatives,
16 and the clerks of the standing committees of the senate and the
17 house of representatives with primary jurisdiction over public
18 education and higher education a report that includes:

19 (1) an analysis of the feasibility of establishing
20 college readiness performance standards for science and social
21 studies end-of-course assessment instruments; and

22 (2) a summary of any implementation procedures adopted
23 for each standard.

24 (f-2) Subsection (f-1) and this subsection expire January
25 1, 2013.

26 (g) The agency, in collaboration with the Texas Higher
27 Education Coordinating Board, shall continue to gather data to

1 perform studies as provided under Subsections (c) and (f) at least
2 once every three years.

3 (h) The agency and the Texas Higher Education Coordinating
4 Board shall periodically review the college readiness performance
5 standards established under this section and compare the
6 performance standards to performance standards established
7 nationally and internationally for comparable assessment
8 instruments. Following each review, the agency and the Texas
9 Higher Education Coordinating Board shall deliver to the lieutenant
10 governor, the speaker of the house of representatives, and the
11 clerks of the standing committees of the senate and the house of
12 representatives with primary jurisdiction over public education
13 and higher education a report on the results of the review
14 indicating whether the college readiness performance standards
15 established under this section are sufficiently rigorous to prepare
16 students in this state to compete academically with students
17 nationally and internationally. If the agency and the Texas Higher
18 Education Coordinating Board determine that the college readiness
19 performance standards established under this section are not
20 sufficiently rigorous, the agency and the Texas Higher Education
21 Coordinating Board shall recommend changes to the college readiness
22 performance standards.

23 (i) The agency shall gather data and conduct research to
24 substantiate any correlation between a certain level of performance
25 by students on end-of-course assessment instruments and success in:

26 (1) military service; or

27 (2) a workforce training, certification, or other

1 credential program at a postsecondary educational institution that
2 primarily offers associate degrees or certificates or credentials
3 other than baccalaureate or advanced degrees.

4 Sec. 39.0241. [SATISFACTORY] PERFORMANCE STANDARDS.

5 (a) The commissioner [~~Except as otherwise provided by this~~
6 ~~subsection, the State Board of Education~~] shall determine the level
7 of performance considered to be satisfactory on the assessment
8 instruments.

9 (a-1) The commissioner of education, in collaboration with
10 the commissioner of higher education, shall determine the level of
11 performance necessary to indicate college readiness, as defined by
12 Section 39.024(a).

13 (a-2) For the purpose of establishing performance across
14 grade levels, the commissioner shall establish:

15 (1) the performance standards for the Algebra II and
16 English III end-of-course assessment instruments, as provided
17 under Section 39.024(b) and under Subsection (a);

18 (2) the performance standards for the Algebra I and
19 English II end-of-course assessment instruments, as determined
20 based on studies under Section 39.0242 that correlate student
21 performance on the Algebra I and English II end-of-course
22 assessment instruments with student performance on the Algebra II
23 and English III assessment instruments;

24 (3) the performance standards for the English I
25 end-of-course assessment instrument, as determined based on
26 studies under Section 39.0242 that correlate student performance on
27 the English I end-of-course assessment instrument with student

1 performance on the English II assessment instrument;

2 (4) the performance standards for the grade eight
3 assessment instruments, as determined based on studies under
4 Section 39.0242 that correlate student performance on the grade
5 eight assessment instruments with student performance on the
6 Algebra I and English I end-of-course assessment instruments in the
7 same content area; and

8 (5) the performance standards on the assessment
9 instruments in each of grades three through seven, as determined
10 based on studies under Section 39.0242 that correlate student
11 performance in the same content area on the assessment instrument
12 for each grade with student performance on the assessment
13 instrument in the succeeding grade.

14 ~~[The admission, review, and dismissal committee of a student~~
15 ~~being assessed under Section 39.023(b) shall determine the level of~~
16 ~~performance considered to be satisfactory on the assessment~~
17 ~~instruments administered to that student in accordance with~~
18 ~~criteria established by agency rule.]~~

19 (c) The agency may ~~[shall]~~ develop study guides for the
20 assessment instruments administered under Sections 39.023(a) and
21 (c). To assist parents in providing assistance during the period
22 that school is recessed for summer, each school district shall make
23 ~~[distribute]~~ the study guides available to parents of students who
24 do not perform satisfactorily as determined by the commissioner
25 under Subsection (a) on one or more parts of an assessment
26 instrument administered under this subchapter.

27 (d) The agency shall develop and make available teacher

1 training materials and other teacher training resources to assist
2 teachers in enabling students of limited English proficiency to
3 meet state performance expectations. The teacher training
4 resources shall be designed to support intensive, individualized,
5 and accelerated instructional programs developed by school
6 districts for students of limited English proficiency.

7 (e) The commissioner shall retain a portion of the total
8 amount of funds allotted under Section 42.152(a) that the
9 commissioner considers appropriate to finance activities under
10 Subsection [~~Subsections~~] (c) and may retain a portion for
11 activities under Subsection (d) and for intensive programs of
12 instruction for students of limited English proficiency offered by
13 school districts and shall reduce each district's allotment
14 proportionately.

15 Sec. 39.0242. PERFORMANCE STANDARDS: RESEARCH STUDIES AND
16 IMPLEMENTATION OF STANDARDS. (a) During the 2009-2010 and
17 2010-2011 school years, the agency shall collect data through:

18 (1) the annual administration of assessment
19 instruments required under Section 39.023(a) in grades three
20 through eight; and

21 (2) the administration to a sufficiently large sample
22 of students throughout the state of end-of-course assessment
23 instruments required under Section 39.023(c) for the purpose of
24 setting performance standards.

25 (b) Before the beginning of the 2011-2012 school year, the
26 agency shall analyze the data collected under Subsection (a) to
27 substantiate:

1 (1) the correlation between satisfactory student
2 performance for each performance standard under Section 39.0241 on
3 the grade three, four, five, six, or seven assessment instruments
4 with satisfactory performance under the same performance standard
5 on the assessment instruments in the same content area for the next
6 grade level;

7 (2) the correlation between satisfactory student
8 performance for each performance standard under Section 39.0241 on
9 the grade eight assessment instruments with satisfactory
10 performance under the same performance standard on the Algebra I
11 and English I end-of-course assessment instruments in the same
12 content area;

13 (3) the correlation between satisfactory student
14 performance for each performance standard under Section 39.0241 on
15 the English I end-of-course assessment instrument with
16 satisfactory performance under the same performance standard on the
17 English II end-of-course assessment instrument;

18 (4) the correlation between satisfactory student
19 performance for each performance standard under Section 39.0241 on
20 the English II end-of-course assessment instrument with
21 satisfactory performance under the same performance standard on the
22 English III end-of-course assessment instrument; and

23 (5) the correlation between satisfactory student
24 performance for each performance standard under Section 39.0241 on
25 the Algebra I end-of-course assessment instrument with
26 satisfactory performance under the same performance standard on the
27 Algebra II end-of-course assessment instrument.

1 (c) Studies under this section must include an evaluation of
2 any need for remediation courses to facilitate college readiness.

3 (d) The agency shall continue to gather data and perform
4 studies as provided under this section at least once every three
5 years. If the data do not support the correlation between student
6 performance standards and college readiness, the commissioner of
7 education, in collaboration with the commissioner of higher
8 education, shall revise the standard of performance considered to
9 be satisfactory.

10 (e) Based on the data collected and studies performed
11 periodically under Subsection (d), the commissioner shall increase
12 the rigor of the performance standard established under Section
13 39.0241(a) as the commissioner determines necessary.

14 SECTION 54. Section 39.025, Education Code, is amended by
15 amending Subsections (a), (a-1), (b), (b-1), (b-2), and (f) and
16 adding Subsections (a-2), (a-3), and (c-1) to read as follows:

17 (a) The commissioner shall adopt rules requiring a student
18 participating in the recommended or advanced high school program to
19 be administered each end-of-course assessment instrument listed in
20 Section 39.023(c) and requiring a student participating in the
21 minimum high school program to be administered an end-of-course
22 assessment instrument listed in Section 39.023(c) only for a course
23 in which the student is enrolled and for which an end-of-course
24 assessment instrument is administered. A student is required to
25 achieve, in each subject in the foundation curriculum under Section
26 28.002(a)(1), a cumulative score that is at least equal to the
27 product of the number of end-of-course assessment instruments

1 administered to the student in that subject and a scale score that
2 indicates satisfactory performance, as determined by the
3 commissioner under Section 39.0241(a) [70, with each end-of-course
4 assessment instrument scored on a scale of 100]. A student must
5 achieve a minimum score as determined by the commissioner to be
6 within a reasonable range of the scale score under Section
7 39.0241(a) [of at least 60] on an end-of-course assessment
8 instrument for the score to count towards the student's cumulative
9 score. For purposes of this subsection, a student's cumulative
10 score is determined using the student's highest score on each
11 end-of-course assessment instrument administered to the
12 student. A student may not receive a high school diploma until the
13 student has performed satisfactorily on the end-of-course
14 assessment instruments in the manner provided under this
15 subsection. This subsection does not require a student to
16 demonstrate readiness to enroll in an institution of higher
17 education.

18 (a-1) The commissioner by rule shall determine a method by
19 which a student's satisfactory performance on an advanced placement
20 test, international baccalaureate examination, an SAT [~~a~~
21 ~~Scholastic Assessment Test (SAT)] Subject Test, or another
22 assessment instrument determined by the commissioner to be at least
23 as rigorous as an end-of-course assessment instrument adopted under
24 Section 39.023(c) may be used as a factor in determining whether the
25 student satisfies the requirements of Subsection (a), including the
26 cumulative score requirement of that subsection. The commissioner
27 by rule may determine a method by which a student's satisfactory~~

1 performance on a Preliminary Scholastic Assessment Test (PSAT)
2 assessment or a preliminary American College Test (ACT) assessment
3 may be used as a factor in determining whether the student satisfies
4 the requirements of Subsection (a).

5 (a-2) In addition to the cumulative score requirements
6 under Subsection (a), a student must achieve a score that meets or
7 exceeds the score determined by the commissioner under Section
8 39.0241(a) for English III and Algebra II end-of-course assessment
9 instruments to graduate under the recommended high school program.

10 (a-3) In addition to the cumulative score requirements
11 under Subsection (a), a student must achieve a score that meets or
12 exceeds the score determined by the commissioner under Section
13 39.0241(a-1) on English III and Algebra II end-of-course assessment
14 instruments in order to graduate under the advanced high school
15 program.

16 (b) Each time an end-of-course assessment instrument is
17 administered, a student who failed to achieve a minimum score under
18 Subsection (a) [~~of at least 60 on the assessment instrument~~] shall
19 retake the assessment instrument. A student who fails to perform
20 satisfactorily on an Algebra II or English III end-of-course
21 assessment instrument under the college readiness performance
22 standard, as provided under Section 39.024(b), may retake the
23 assessment instrument. Any other student may retake an
24 end-of-course assessment instrument for any reason. A student is
25 not required to retake a course as a condition of retaking an
26 end-of-course assessment instrument.

27 (b-1) A school district shall provide each student who fails

1 to perform satisfactorily as determined by the commissioner under
2 Section 39.0241(a) [~~achieve a score of at least 70~~] on an
3 end-of-course assessment instrument with accelerated instruction
4 in the subject assessed by the assessment instrument.

5 (b-2) If a school district determines that a student, on
6 completion of grade 11, is unlikely to achieve the cumulative score
7 requirements for one or more subjects prescribed by Subsection (a)
8 for receiving a high school diploma, the district shall require the
9 student to enroll in a corresponding content-area college
10 preparatory course for which an end-of-course assessment
11 instrument has been adopted, if available. A student who enrolls
12 in a college preparatory course described by this subsection shall
13 be administered an end-of-course assessment instrument for the
14 course, with the end-of-course assessment instrument scored on a
15 scale as determined by the commissioner not to exceed 20 percent of
16 the cumulative score requirements required to graduate as
17 determined under Subsection (a) [~~of 40~~]. A student may use the
18 student's score on the end-of-course assessment instrument for the
19 college preparatory course towards satisfying the cumulative score
20 requirements prescribed by Subsection (a).

21 (c-1) A school district may not administer an assessment
22 instrument required for graduation administered under this section
23 as this section existed before September 1, 1999. A school district
24 may administer to a student who failed to perform satisfactorily on
25 an assessment instrument described by this subsection an alternate
26 assessment instrument designated by the commissioner. The
27 commissioner shall determine the level of performance considered to

1 be satisfactory on an alternate assessment instrument. The
2 district may not administer to the student an assessment instrument
3 or a part of an assessment instrument that assesses a subject that
4 was not assessed in an assessment instrument required for
5 graduation administered under this section as this section existed
6 before September 1, 1999. The commissioner shall make available to
7 districts information necessary to administer the alternate
8 assessment instrument authorized by this subsection. The
9 commissioner's determination regarding designation of an
10 appropriate alternate assessment instrument under this subsection
11 and the performance required on the assessment instrument is final
12 and may not be appealed.

13 (f) The commissioner shall by rule adopt a transition plan
14 to implement the amendments made by Chapter 1312 (S.B. No. 1031),
15 Acts of the 80th Legislature, Regular Session, 2007, replacing
16 general subject assessment instruments administered at the high
17 school level with end-of-course assessment instruments [~~to this~~
18 ~~section and Sections 39.023(a) and (c) and 39.051(b)(5)~~]. The
19 rules must provide for the end-of-course assessment instruments
20 adopted under Section 39.023(c) to be administered beginning with
21 students entering the ninth grade during the 2011-2012 school year.
22 During the period under which the transition to end-of-course
23 assessment instruments is made:

24 (1) for students entering a grade above the ninth
25 grade during the 2011-2012 school year, the commissioner shall
26 retain, administer, and use for purposes of accreditation and other
27 campus and district accountability measures [~~ratings~~] under this

1 chapter [~~Subchapter D~~] the assessment instruments required by
2 Section 39.023(a) or (c), as that section existed before amendment
3 by Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature,
4 Regular Session, 2007;

5 (2) a student subject to Subdivision (1) may not
6 receive a high school diploma unless the student has performed
7 satisfactorily on each required assessment instrument administered
8 under Section 39.023(c) as that section existed before amendment by
9 Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature, Regular
10 Session, 2007; and

11 (3) [(2)] the agency may defer releasing assessment
12 instrument questions and answer keys as required by Section
13 39.023(e) to the extent necessary to develop additional assessment
14 instruments.

15 SECTION 55. Section 39.0262(a), Education Code, is amended
16 to read as follows:

17 (a) In a subject area for which assessment instruments are
18 administered under Section 39.023, a school district may not
19 administer locally required [~~district-required~~] assessment
20 instruments designed to prepare students for state-administered
21 assessment instruments to any student on more than 10 percent of the
22 instructional days in any school year. A campus-level planning and
23 decision-making committee established under Section 11.251 may
24 limit the administration of locally required assessment
25 instruments under this subsection to 10 percent or a lower
26 percentage of the instructional days in any school year.

27 SECTION 56. Section 39.027, Education Code, is amended by

1 amending Subsections (a) and (e) and adding Subsection (a-1) to
2 read as follows:

3 (a) A student may be administered an accommodated or
4 alternative assessment instrument or may be granted an exemption
5 ~~[exempted]~~ from or a postponement of the administration of an
6 assessment instrument under:

7 (1) ~~[Section 39.023(a) or (b) if the student is~~
8 ~~eligible for a special education program under Section 29.003 and~~
9 ~~the student's individualized education program does not include~~
10 ~~instruction in the essential knowledge and skills under Section~~
11 ~~28.002 at any grade level;~~

12 ~~[(2) Section 39.023(c) or (d) if the student is~~
13 ~~eligible for a special education program under Section 29.003 and:~~

14 ~~[(A) the student's individualized education~~
15 ~~program does not include instruction in the essential knowledge and~~
16 ~~skills under Section 28.002 at any grade level; or~~

17 ~~[(B) the assessment instrument, even with~~
18 ~~allowable modifications, would not provide an appropriate measure~~
19 ~~of the student's achievement as determined by the student's~~
20 ~~admission, review, and dismissal committee;~~

21 ~~[(3)]~~ Section 39.023(a), (b), (c), or (l) for a period
22 of up to one year after initial enrollment in a school in the United
23 States if the student is of limited English proficiency, as defined
24 by Section 29.052, and has not demonstrated proficiency in English
25 as determined by the assessment system under Subsection (e); ~~[or]~~

26 (2) ~~[(4)]~~ Section 39.023(a), (b), (c), or (l) for a
27 period of up to two years in addition to the exemption period

1 authorized by Subdivision (1) [~~(3)~~] if the student has received an
2 exemption under Subdivision (1) [~~(3)~~] and:

3 (A) is a recent unschooled immigrant; or

4 (B) is in a grade for which no assessment
5 instrument in the primary language of the student is available; or

6 (3) Section 39.023(a), (b), (c), or (1) for a period of
7 up to four years, in addition to the exemption period authorized
8 under Subdivision (1), if the student's initial enrollment in a
9 school in the United States was as an unschooled asylee or refugee.

10 (a-1) For purposes of this section, "unschooled asylee or
11 refugee" means a student who:

12 (1) initially enrolled in a school in the United
13 States as:

14 (A) an asylee as defined by 45 C.F.R. Section
15 400.41; or

16 (B) a refugee as defined by 8 U.S.C. Section
17 1101;

18 (2) has a visa issued by the United States Department
19 of State with a Form I-94 Arrival/Departure record, or a successor
20 document, issued by the United States Citizenship and Immigration
21 Services that is stamped with "Asylee," "Refugee," or "Asylum"; and

22 (3) as a result of inadequate schooling outside of the
23 United States, lacks the necessary foundation in the essential
24 knowledge and skills of the curriculum prescribed under Section
25 28.002, as determined by the language proficiency assessment
26 committee established under Section 29.063.

27 (e) The commissioner shall develop an assessment system

1 that shall be used for evaluating the academic progress, including
 2 reading proficiency in English, of all students of limited English
 3 proficiency, as defined by Section 29.052. A student who is exempt
 4 from the administration of an assessment instrument under
 5 Subsection (a)(1) or (2) [~~(a)(3) or (4)~~] who achieves reading
 6 proficiency in English as determined by the assessment system
 7 developed under this subsection shall be administered the
 8 assessment instruments described by Sections 39.023(a) and (c).
 9 The performance under the assessment system developed under this
 10 subsection of students to whom Subsection (a)(1) or (2) [~~(a)(3) or~~
 11 ~~(4)~~] applies shall be included in the [~~academic excellence~~]
 12 indicator systems [~~system~~] under Section 39.301, as applicable
 13 [~~Section 39.051~~], the performance report under Section 39.306
 14 [~~39.053~~], and the comprehensive annual report under Section 39.332
 15 [~~39.182~~]. This information shall be provided in a manner that is
 16 disaggregated by the bilingual education or special language
 17 program, if any, in which the student is enrolled.

18 SECTION 57. Section 39.033(b), Education Code, is amended
 19 to read as follows:

20 (b) An agreement under this section must require the private
 21 school to:

22 (1) as determined appropriate by the commissioner,
 23 provide to the commissioner the information described by Sections
 24 39.053(c) and 39.301(c); [~~Section 39.051(b)~~] and

25 (2) [to] maintain confidentiality in compliance with
 26 Section 39.030.

27 SECTION 58. Section 39.034, Education Code, is amended by

1 amending Subsection (d) and adding Subsection (d-1) to read as
2 follows:

3 (d) The agency shall determine the necessary annual
4 improvement required each year for a student to be prepared to
5 perform satisfactorily on, as applicable:

- 6 (1) the grade five assessment instruments;
7 (2) the grade eight assessment instruments; and
8 (3) the end-of-course assessment instruments required
9 under this subchapter for graduation.

10 (d-1) The agency shall report the necessary annual
11 improvement required under Subsection (d) to the district. Each
12 year, the report must state whether the student fell below, met, or
13 exceeded the necessary target for improvement.

14 SECTION 59. Subchapters C through L, Chapter 39, Education
15 Code, as amended by Section 2.25, Chapter 396 (S.B. 4), and Section
16 4, Chapter 931 (H.B. 2307), Acts of the 76th Legislature, Regular
17 Session, 1999, are amended to read as follows:

18 SUBCHAPTER C. ACCREDITATION [~~PERFORMANCE INDICATORS~~
19 [~~SUBCHAPTER D. ACCREDITATION STATUS~~]

20 Sec. 39.051 [~~39.071~~]. ACCREDITATION STATUS. [(~~a~~)]
21 Accreditation of a school district is determined in accordance with
22 this subchapter [~~section~~]. The commissioner by rule shall
23 determine in accordance with this subchapter the criteria for
24 [~~define~~] the following accreditation statuses:

- 25 (1) accredited;
26 (2) accredited-warned; and
27 (3) accredited-probation.

1 Sec. 39.052. DETERMINATION OF ACCREDITATION STATUS OR
2 PERFORMANCE RATING. (a) [~~b~~] Each year, the commissioner shall
3 determine the accreditation status of each school district.

4 (b) In determining the accreditation status of a school
5 district, the commissioner:

6 (1) shall evaluate and consider:

7 (A) [~~the~~] performance on student achievement
8 indicators described by Section 39.053(c) [~~of the district under,~~

9 [~~(A) the academic accountability system under~~
10 ~~Section 39.072~~]; and

11 (B) performance under the financial
12 accountability rating system developed under Subchapter D [~~I~~]; and

13 (2) may evaluate and consider:

14 (A) the district's compliance with statutory
15 requirements and requirements imposed by rule of the commissioner
16 or State Board of Education under specific statutory authority that
17 relate to:

18 (i) reporting data through the Public
19 Education Information Management System (PEIMS) or other reports
20 required by state or federal law or court order;

21 (ii) the high school graduation
22 requirements under Section 28.025; or

23 (iii) an item listed under Sections
24 7.056(e)(3)(C)-(I) that applies to the district;

25 (B) the effectiveness of the district's programs
26 for special populations; and

27 (C) the effectiveness of the district's career

1 and technology program.

2 (c) Based on a school district's performance under
3 Subsection (b), the commissioner shall:

4 (1) assign each ~~[a]~~ district an accreditation status;
5 or

6 (2) revoke the accreditation of the district and order
7 closure of the district ~~[under this subchapter]~~.

8 (d) A school district's accreditation status may be raised
9 or lowered based on the district's performance or may be lowered
10 based on the performance of one or more campuses in the district
11 that is below a standard required under this subchapter.

12 (e) ~~[(d)]~~ The commissioner shall notify a school district
13 that receives an accreditation status of accredited-warned or
14 accredited-probation or a campus that performs below a standard
15 required under this subchapter that the performance of the district
16 or campus is below a standard required under this subchapter. If
17 the district received an accreditation status of accredited-warned
18 or accredited-probation for the preceding school year or if any
19 campus performed below a standard required under this subchapter in
20 the preceding school year, the commissioner shall notify the
21 district or campus of a subsequent such designation on or before
22 June 15 ~~[section]~~. The commissioner shall require the district to
23 notify the parents of students enrolled in the district and
24 property owners in the district of the district's accreditation
25 status and the implications of that accreditation status.

26 (f) ~~[(e)]~~ A school district that is not accredited may not
27 receive funds from the agency or hold itself out as operating a

1 public school of this state.

2 (g) [~~(f)~~] This chapter may not be construed to invalidate a
3 diploma awarded, course credit earned, or grade promotion granted
4 by a school district before the commissioner revoked the district's
5 accreditation.

6 Sec. 39.053. PERFORMANCE INDICATORS: STUDENT ACHIEVEMENT.

7 (a) The commissioner shall adopt a set of indicators of the quality
8 of learning and student achievement. The commissioner biennially
9 shall review the indicators for the consideration of appropriate
10 revisions.

11 [~~Sec. 39.051. ACADEMIC EXCELLENCE INDICATORS. (a) The~~
12 ~~State Board of Education shall adopt a set of indicators of the~~
13 ~~quality of learning on a campus. The State Board of Education~~
14 ~~biennially shall review the indicators for the consideration of~~
15 ~~appropriate revisions.~~]

16 (b) Performance on the student achievement indicators
17 adopted under this section shall be compared to state-established
18 standards. [~~The degree of change from one school year to the next~~
19 ~~in performance on each indicator adopted under this section shall~~
20 ~~also be considered.~~] The indicators must be based on information
21 that is disaggregated by race, ethnicity, [~~gender,~~] and
22 socioeconomic status.

23 (c) Indicators of student achievement adopted under this
24 section [~~and~~] must include:

25 (1) the results of assessment instruments required
26 under Sections 39.023(a), (c), and (1), including the results of
27 assessment instruments required for graduation retaken by a

1 student, aggregated across [by] grade levels by [level and] subject
2 area, including:

3 (A) for the performance standard determined by
4 the commissioner under Section 39.0241(a):

5 (i) the percentage of students who
6 performed satisfactorily on the assessment instruments, aggregated
7 across grade levels by subject area; and

8 (ii) for students who did not perform
9 satisfactorily, the percentage of students who met the standard for
10 annual improvement, as determined by the agency under Section
11 39.034, on the assessment instruments, aggregated across grade
12 levels by subject area; and

13 (B) for the college readiness performance
14 standard as determined under Section 39.0241:

15 (i) the percentage of students who
16 performed satisfactorily on the assessment instruments, aggregated
17 across grade levels by subject area; and

18 (ii) for students who did not perform
19 satisfactorily, the percentage of students who met the standard for
20 annual improvement, as determined by the agency under Section
21 39.034, on the assessment instruments, aggregated across grade
22 levels by subject area;

23 (2) dropout rates, including dropout rates and
24 district completion rates for grade levels 9 through 12, computed
25 in accordance with standards and definitions adopted by the
26 National Center for Education Statistics of the United States
27 Department of Education; and

1 (3) high school graduation rates, computed in
2 accordance with standards and definitions adopted in compliance
3 with the No Child Left Behind Act of 2001 (20 U.S.C. Section 6301 et
4 seq.).

5 (d) For purposes of Subsection (c), the commissioner by rule
6 shall determine the period within which a student must retake an
7 assessment instrument for that assessment instrument to be
8 considered in determining the performance rating of the district
9 under Section 39.054.

10 (e) [~~(Pub. L. No. 107-110),~~
11 ~~[(4) student attendance rates,~~
12 ~~[(5) the percentage of graduating students who attain~~
13 ~~scores on the questions developed for end-of-course assessment~~
14 ~~instruments under Section 39.0233(a) that are equivalent to a~~
15 ~~passing score on the assessment instrument required under Section~~
16 ~~51.3062,~~

17 ~~[(6) the percentage of graduating students who meet~~
18 ~~the course requirements established for the recommended high school~~
19 ~~program by State Board of Education rule,~~

20 ~~[(7) the results of the Scholastic Assessment Test~~
21 ~~(SAT), the American College Test (ACT), articulated postsecondary~~
22 ~~degree programs described by Section 61.852, and certified~~
23 ~~workforce training programs described by Chapter 311, Labor Code,~~

24 ~~[(8) the percentage of students, aggregated by grade~~
25 ~~level, provided accelerated instruction under Section 28.0211(c),~~
26 ~~the results of assessments administered under that section, the~~
27 ~~percentage of students promoted through the grade placement~~

1 ~~committee process under Section 28.0211, the subject of the~~
2 ~~assessment instrument on which each student failed to perform~~
3 ~~satisfactorily, and the performance of those students in the school~~
4 ~~year following that promotion on the assessment instruments~~
5 ~~required under Section 39.023,~~

6 ~~[(9) for students who have failed to perform~~
7 ~~satisfactorily on an assessment instrument required under Section~~
8 ~~39.023(a) or (c), the numerical progress of those students grouped~~
9 ~~by percentage on subsequent assessment instruments required under~~
10 ~~those sections, aggregated by grade level and subject area,~~

11 ~~[(10) the percentage of students exempted, by~~
12 ~~exemption category, from the assessment program generally~~
13 ~~applicable under this chapter,~~

14 ~~[(11) the percentage of students of limited English~~
15 ~~proficiency exempted from the administration of an assessment~~
16 ~~instrument under Sections 39.027(a)(3) and (4),~~

17 ~~[(12) the percentage of students in a special~~
18 ~~education program under Subchapter A, Chapter 29, assessed through~~
19 ~~assessment instruments developed or adopted under Section~~
20 ~~39.023(b),~~

21 ~~[(13) the measure of progress toward preparation for~~
22 ~~postsecondary success, and~~

23 ~~[(14) the measure of progress toward dual language~~
24 ~~proficiency under Section 39.034(b), for students of limited~~
25 ~~English proficiency, as defined by Section 29.052.~~

26 ~~[(b-1) Performance on the indicators described by~~
27 ~~Subsections (b)(1), (2), (3), (8), (9), and (14) must be based on~~

1 ~~longitudinal student data that is disaggregated by the bilingual~~
 2 ~~education or special language program, if any, in which students of~~
 3 ~~limited English proficiency, as defined by Section 29.052, are or~~
 4 ~~former students of limited English proficiency were enrolled. If a~~
 5 ~~student described by this subsection is not or was not enrolled in~~
 6 ~~specialized language instruction, the number and percentage of~~
 7 ~~these students shall be provided.~~

8 ~~[(e)]~~ Performance on the student achievement indicators
 9 ~~[indicator]~~ under Subsections (c)(1) and (2) ~~[Subsection (b)(1)]~~
 10 shall be compared to state standards and~~[7]~~ required improvement~~[7~~
 11 ~~and comparable improvement]~~. The state standard shall be
 12 established by the commissioner. Required improvement is ~~[defined~~
 13 ~~as]~~ the progress necessary for the campus or district to meet state
 14 standards and, for the student achievement indicator under
 15 Subsection (c)(1), for its students to meet each of the performance
 16 standards as determined under Section 39.0241.

17 ~~(f)~~ ~~[exit requirements as defined by the commissioner.~~
 18 ~~Comparable improvement is derived by measuring campuses and~~
 19 ~~districts against a profile developed from a total state student~~
 20 ~~performance database which exhibits substantial equivalence to the~~
 21 ~~characteristics of students served by the campus or district,~~
 22 ~~including past academic performance, socioeconomic status,~~
 23 ~~ethnicity, and limited English proficiency.~~

24 ~~[(d)]~~ Annually, the commissioner shall define the state
 25 standard for the current school year for each student achievement
 26 ~~[exemplary, recognized, and unacceptable performance for each~~
 27 ~~academic excellence]~~ indicator described by Subsection (c)

1 ~~[included under Subsections (b)(1) through (7)]~~ and shall project
2 the state standards for each ~~[of those levels of performance for~~
3 ~~succeeding years. For the]~~ indicator for the following two school
4 ~~[under Subsection (b)(8), the commissioner shall define exemplary,~~
5 ~~recognized, and unacceptable performance based on student~~
6 ~~performance for the period covering both the current and preceding~~
7 ~~academic]~~ years. The commissioner shall periodically raise the
8 state standards for the student achievement indicator described by
9 Subsection (c)(1)(B)(i) for accreditation as necessary to reach the
10 goals of achieving, by not later than the 2019-2020 school year:

11 (1) student performance in this state, disaggregated
12 by race, ethnicity, and socioeconomic status, that ranks nationally
13 in the top 10 states in terms of college readiness; and

14 (2) student performance, including the percentage of
15 students graduating under the recommended or advanced high school
16 program, with no significant achievement gaps by race, ethnicity,
17 and socioeconomic status.

18 (g) In defining the required state standard ~~[exemplary,~~
19 ~~recognized, and unacceptable performance]~~ for the indicator
20 described by Subsection (c)(2) ~~[indicators under Subsections~~
21 ~~(b)(2) and (4)]~~, the commissioner may not consider as a dropout ~~[or~~
22 ~~as]~~ a student ~~[who has failed to attend school a student]~~ whose
23 failure to attend school results from:

24 (1) the student's expulsion under Section 37.007; and
25 (2) as applicable:

26 (A) adjudication as having engaged in delinquent
27 conduct or conduct indicating a need for supervision, as defined by

1 Section 51.03, Family Code; or

2 (B) conviction of and sentencing for an offense
3 under the Penal Code.

4 (g-1) In computing dropout and completion rates under
5 Subsection (c)(2), the commissioner shall exclude:

6 (1) students who are ordered by a court to attend a
7 high school equivalency certificate program but who have not yet
8 earned a high school equivalency certificate;

9 (2) students who were previously reported to the state
10 as dropouts;

11 (3) students in attendance who are not in membership
12 for purposes of average daily attendance;

13 (4) students whose initial enrollment in a school in
14 the United States in grades 7 through 12 was as unschooled refugees
15 or asylees as defined by Section 39.027(a-1);

16 (5) students who are in the district exclusively as a
17 function of having been detained at a county detention facility but
18 are otherwise not students of the district in which the facility is
19 located; and

20 (6) students who are incarcerated in state jails and
21 federal penitentiaries as adults and as persons certified to stand
22 trial as adults.

23 (h) [(e)] Each school district shall cooperate with the
24 agency in determining whether a student is a dropout for purposes of
25 accreditation and evaluating performance by school districts and
26 campuses under this chapter [section].

27 (i) [(f)] ~~The indicator under Subsection (b)(1) must include~~

1 ~~the results of assessment instruments required under Section~~
2 ~~39.023(b).~~

3 ~~(g)~~ The commissioner by rule shall adopt accountability
4 measures to be used in assessing the progress of students who have
5 failed to perform satisfactorily as determined by the commissioner
6 under Section 39.0241(a) or under the college readiness standard as
7 determined under Section 39.0241 in the preceding school year on an
8 assessment instrument required under Section 39.023(a), (c), or
9 (1).

10 Sec. 39.054. METHODS AND STANDARDS FOR EVALUATING
11 PERFORMANCE. (a) The commissioner shall adopt rules to evaluate
12 school district and campus performance and, not later than August 8
13 of each year, assign each district and campus a performance rating
14 that reflects acceptable performance or unacceptable performance.
15 If a district or campus received a performance rating of
16 unacceptable performance for the preceding school year the
17 commissioner shall notify the district of a subsequent such
18 designation on or before June 15.

19 (b) In evaluating performance, the commissioner shall
20 evaluate against state standards and consider the performance of
21 each campus in a school district and each open-enrollment charter
22 school on the basis of the campus's or school's performance on the
23 student achievement indicators adopted under Section 39.053(c).

24 ~~(b-1) [39.072. ACCREDITATION STANDARDS. (a) The State~~
25 ~~Board of Education shall adopt rules to evaluate the performance of~~
26 ~~school districts and to assign to each district a performance~~
27 ~~rating as follows:~~

1 ~~[(1) exemplary (meets or exceeds state exemplary~~
2 ~~standards),~~

3 ~~[(2) recognized (meets or exceeds required~~
4 ~~improvement and within 10 percent of state exemplary standards),~~

5 ~~[(3) academically acceptable (below the exemplary and~~
6 ~~recognized standards but exceeds the academically unacceptable~~
7 ~~standards), or~~

8 ~~[(4) academically unacceptable (below the state~~
9 ~~clearly unacceptable performance standard and does not meet~~
10 ~~required improvement).~~

11 ~~[(b) The academic excellence indicators adopted under~~
12 ~~Sections 39.051(b)(1) through (8) and the district's current~~
13 ~~special education compliance status with the agency shall be the~~
14 ~~main considerations of the agency in the rating of the district~~
15 ~~under this section. Additional criteria in the rules may include~~
16 ~~consideration of:~~

17 ~~[(1) compliance with statutory requirements and~~
18 ~~requirements imposed by rule of the State Board of Education under~~
19 ~~specific statutory authority that relate to:~~

20 ~~[(A) reporting data through the Public Education~~
21 ~~Information Management System (PEIMS),~~

22 ~~[(B) the high school graduation requirements~~
23 ~~under Section 28.025, or~~

24 ~~[(C) an item listed in Sections~~
25 ~~7.056(e)(3)(C)-(I) that applies to the district,~~

26 ~~[(2) the effectiveness of the district's programs for~~
27 ~~special populations, and~~

1 ~~[(3) the effectiveness of the district's career and~~
2 ~~technology programs.~~

3 ~~[(c) The agency shall evaluate against state standards and~~
4 ~~shall, not later than August 1 of each year, report the performance~~
5 ~~of each campus in a district and each open-enrollment charter~~
6 ~~school on the basis of the campus's performance on the indicators~~
7 ~~adopted under Sections 39.051(b)(1) through (8).]~~ Consideration of
8 the effectiveness of district programs under Section
9 39.052(b)(2)(B) or (C):

10 (1) [Subsection (b)(2) or (3)] must:

11 (A) be based on data collected through the Public
12 Education Information Management System (PEIMS) for purposes of
13 accountability under this chapter; and

14 (B) include the results of assessments required
15 under Section 39.023; and

16 (2) may be based on the results of a special
17 accreditation investigation conducted under Section 39.057.

18 (c) In evaluating school district and campus performance on
19 the student achievement indicators adopted under Sections
20 39.053(c)(1) and (2), the commissioner shall define acceptable
21 performance as meeting the state standard determined by the
22 commissioner under Section 39.053(e) for the current school year
23 based on:

24 (1) student performance in the current school year; or

25 (2) student performance as averaged over the current
26 school year and the preceding two school years.

27 (d) In evaluating performance under Subsection (c), the

1 commissioner:

2 (1) may assign an acceptable performance rating if the
3 campus or district:

4 (A) performs satisfactorily on 85 percent of the
5 measures the commissioner determines appropriate with respect to
6 the student achievement indicators adopted under Sections
7 39.053(c)(1) and (2); and

8 (B) does not fail to perform satisfactorily on
9 the same measure described by Paragraph (A) for two consecutive
10 school years;

11 (2) may grant an exception under this subsection to a
12 district or campus only if the performance of the district or campus
13 is within a certain percentage, as determined by the commissioner,
14 of the minimum performance standard established by the commissioner
15 for the measure of evaluation; or

16 (3) may establish other performance criteria for a
17 district or campus to obtain an exception under this subsection.

18 (d-1) The commissioner may consider alternative performance
19 criteria to Subsection (d)(1)(A) only in special circumstances,
20 including campus or district performance on the same measure for
21 student groups that are substantially similar in composition to all
22 students on the same campus or district.

23 (e) [~~Notwithstanding any other provision of this code, for~~
24 ~~purposes of determining the performance of a school district under~~
25 ~~this chapter, including the accreditation status of the district, a~~
26 ~~student confined by court order in a residential program or~~
27 ~~facility operated by or under contract with the Texas Youth~~

1 ~~Commission, Texas Juvenile Probation Commission, or any other~~
2 ~~governmental entity, including a juvenile board, is not considered~~
3 ~~to be a student of the school district in which the program or~~
4 ~~facility is physically located. The performance of such a student~~
5 ~~on an assessment instrument or other academic excellence indicator~~
6 ~~adopted under Section 39.051 shall be determined, reported, and~~
7 ~~considered separately from the performance of students attending a~~
8 ~~school of the district in which the program or facility is~~
9 ~~physically located.~~

10 ~~[Sec. 39.0721. GOLD PERFORMANCE RATING PROGRAM. (a) In~~
11 ~~addition to district and campus performance ratings reported under~~
12 ~~Section 39.072, the commissioner shall develop a gold performance~~
13 ~~rating program based on enhanced performance. The agency shall~~
14 ~~administer the program.~~

15 ~~[(b) Under the gold performance rating program, a district~~
16 ~~or campus rated exemplary under Section 39.072 is eligible for an~~
17 ~~exemplary gold rating, a district or campus rated recognized is~~
18 ~~eligible for a recognized gold rating, and a district or campus~~
19 ~~rated academically acceptable is eligible for an academically~~
20 ~~acceptable gold rating.~~

21 ~~[(c) The performance standards on which a gold performance~~
22 ~~rating is based should include:~~

23 ~~[(1) student proficiency on:~~

24 ~~[(A) assessment instruments administered under~~
25 ~~Sections 39.023(a), (c), and (1); and~~

26 ~~[(B) other measures of proficiency determined by~~
27 ~~the commissioner;~~

1 ~~[(2) student performance on one or more nationally~~
2 ~~recognized norm-referenced assessment instruments,~~

3 ~~[(3) improvement in student performance,~~

4 ~~[(4) in the case of middle or junior high school~~
5 ~~campuses, student proficiency in mathematics, including algebra,~~
6 ~~and~~

7 ~~[(5) in the case of high school campuses,~~

8 ~~[(A) the extent to which graduating students are~~
9 ~~academically prepared to attend institutions of higher education,~~

10 ~~[(B) the percentage of students who take advanced~~
11 ~~placement tests and student performance on those tests, and~~

12 ~~[(C) the percentage of students who take and~~
13 ~~successfully complete advanced academic courses or college-level~~
14 ~~course work offered through dual credit programs provided under~~
15 ~~agreements between high schools and institutions of higher~~
16 ~~education.~~

17 ~~[(d) The commissioner may adopt rules as necessary to~~
18 ~~implement and administer this section.~~

19 ~~[Sec. 39.073. DETERMINING ACCREDITATION STATUS. (a) The~~
20 ~~agency shall annually review the performance of each district and~~
21 ~~campus on the indicators adopted under Sections 39.051(b)(1)~~
22 ~~through (8) and determine if a change in the accreditation status of~~
23 ~~the district is warranted. The commissioner may determine how all~~
24 ~~indicators adopted under Section 39.051(b) may be used to determine~~
25 ~~accountability ratings and to select districts and campuses for~~
26 ~~acknowledgment.~~

27 ~~[(b)]~~ Each annual performance review under this section

1 shall include an analysis of the student achievement indicators
2 adopted under Section 39.053(c) [~~Sections 39.051(b)(1) through~~
3 ~~(8)~~] to determine school district and campus performance in
4 relation to:

- 5 (1) standards established for each indicator; and
- 6 (2) required improvement as defined under Section
7 39.053(e) [~~39.051(c)~~]; and
8 [~~(3) comparable improvement as defined by Section~~
9 ~~39.051(c)~~].

10 [~~(c) A district's accreditation rating may be raised or~~
11 ~~lowered based on the district's performance or may be lowered based~~
12 ~~on the unacceptable performance of one or more campuses in the~~
13 ~~district.~~

14 [~~(d) The commissioner shall notify a district that is rated~~
15 ~~academically unacceptable that the performance of the district or a~~
16 ~~campus in the district is below each standard under Subsection (b)~~
17 ~~and shall require the district to notify property owners and~~
18 ~~parents in the district of the lowered accreditation rating and its~~
19 ~~implication.~~

20 [~~(e) In determining a district's accreditation rating, the~~
21 ~~agency shall consider:~~

22 [~~(1) the district's current special education~~
23 ~~compliance status with the agency; and~~

24 [~~(2) the progress of students who have failed to~~
25 ~~perform satisfactorily in the preceding school year on an~~
26 ~~assessment instrument required under Section 39.023(a), (c), or~~
27 ~~(1).~~]

1 (f) In the computation of dropout rates under Section
2 39.053(c)(2) [~~39.051(b)(2)~~], a student who is released from a
3 juvenile pre-adjudication secure detention facility or juvenile
4 post-adjudication secure correctional facility and fails to enroll
5 in school or a student who leaves a residential treatment center
6 after receiving treatment for fewer than 85 days and fails to enroll
7 in school may not be considered to have dropped out from the [~~campus~~
8 ~~or~~] school district or campus serving the facility or center unless
9 that district or campus [~~or district~~] is the one to which the
10 student is regularly assigned. The agency may not limit an appeal
11 relating to dropout computations under this subsection.

12 Sec. 39.055. STUDENT ORDERED BY A JUVENILE COURT NOT
13 CONSIDERED FOR ACCOUNTABILITY PURPOSES. Notwithstanding any other
14 provision of this code, for purposes of determining the performance
15 of a school district or campus under this chapter, a student ordered
16 by a juvenile court into a residential program or facility operated
17 by or under contract with the Texas Youth Commission, the Texas
18 Juvenile Probation Commission, a juvenile board, or any other
19 governmental entity is not considered to be a student of the school
20 district in which the program or facility is physically located.
21 The performance of such a student on an assessment instrument or
22 other student achievement indicator adopted under Section 39.053 or
23 reporting indicator adopted under Section 39.301 shall be
24 determined, reported, and considered separately from the
25 performance of students attending a school of the district in which
26 the program or facility is physically located.

27 Sec. 39.056 [~~39.074~~]. ON-SITE INVESTIGATIONS. (a) The

1 commissioner may:

2 (1) direct the agency to conduct on-site
3 investigations of a school district at any time to answer any
4 questions concerning a program, including special education,
5 required by federal law or for which the district receives federal
6 funds; and

7 (2) [~~raise or lower the performance rating~~] as a
8 result of the investigation, change the accreditation status of a
9 district, change the accountability rating of a district or campus,
10 or withdraw a distinction designation under Subchapter G.

11 (b) The commissioner shall determine the frequency of
12 on-site investigations by the agency according to annual
13 comprehensive analyses of student performance and equity in
14 relation to the student achievement [~~academic excellence~~]
15 indicators adopted under Section 39.053 [~~39.051~~].

16 (c) In making an on-site accreditation investigation, the
17 investigators shall obtain information from administrators,
18 teachers, and parents of students enrolled in the school district.
19 The investigation may not be closed until information is obtained
20 from each of those sources. The State Board of Education shall
21 adopt rules for:

22 (1) obtaining information from parents and using that
23 information in the investigator's report; and

24 (2) obtaining information from teachers in a manner
25 that prevents a [~~campus or~~] district or campus from screening the
26 information.

27 (d) The agency shall give written notice to the

1 superintendent and the board of trustees of a school district of any
2 impending investigation of the district's accreditation.

3 (e) ~~[If an annual review indicates low performance on one~~
4 ~~or more of the indicators under Sections 39.051(b)(1) through (8)~~
5 ~~of one or more campuses in a district, the agency may conduct an~~
6 ~~on-site evaluation of those campuses only.~~

7 [(f)] The investigators shall report orally and in writing
8 to the board of trustees of the school district and, as appropriate,
9 to campus administrators and shall make recommendations concerning
10 any necessary improvements or sources of aid such as regional
11 education service centers.

12 Sec. 39.057 [~~39.075~~]. SPECIAL ACCREDITATION INVESTIGATIONS.

13 (a) The commissioner shall authorize special accreditation
14 investigations to be conducted:

15 (1) when excessive numbers of absences of students
16 eligible to be tested on state assessment instruments are
17 determined;

18 (2) when excessive numbers of allowable exemptions
19 from the required state assessment instruments are determined;

20 (3) in response to complaints submitted to the agency
21 with respect to alleged violations of civil rights or other
22 requirements imposed on the state by federal law or court order;

23 (4) in response to established compliance reviews of
24 the district's financial accounting practices and state and federal
25 program requirements;

26 (5) when extraordinary numbers of student placements
27 in disciplinary alternative education programs, other than

1 placements under Sections 37.006 and 37.007, are determined;

2 (6) in response to an allegation involving a conflict
3 between members of the board of trustees or between the board and
4 the district administration if it appears that the conflict
5 involves a violation of a role or duty of the board members or the
6 administration clearly defined by this code;

7 (7) when excessive numbers of students in special
8 education programs under Subchapter A, Chapter 29, are assessed
9 through assessment instruments developed or adopted under Section
10 39.023(b);

11 (8) in response to an allegation regarding or an
12 analysis using a statistical method result indicating a possible
13 violation of an assessment instrument security procedure
14 established under Section 39.0301, including for the purpose of
15 investigating or auditing a school district under that section;
16 [~~or~~]

17 (9) when a significant pattern of decreased academic
18 performance has developed as a result of the promotion in the
19 preceding two school years of students who did not perform
20 satisfactorily as determined by the commissioner under Section
21 39.0241(a) on assessment instruments administered under Section
22 39.023(a), (c), or (1);

23 (10) when excessive numbers of students graduate under
24 the minimum high school program;

25 (11) when excessive numbers of students eligible to
26 enroll fail to complete an Algebra II course or any other course
27 determined by the commissioner as distinguishing between students

1 participating in the recommended high school program from students
2 participating in the minimum high school program;

3 (12) when resource allocation practices as evaluated
4 under Section 39.0821 indicate a potential for significant
5 improvement in resource allocation; or

6 (13) as the commissioner otherwise determines
7 necessary.

8 (b) If the agency's findings in an investigation under
9 Subsection (a)(6) indicate that the board of trustees has observed
10 a lawfully adopted policy, the agency may not substitute its
11 judgment for that of the board.

12 (c) [(b-1)] The commissioner may authorize special
13 accreditation investigations to be conducted in response to
14 repeated complaints submitted to the agency concerning imposition
15 of excessive paperwork requirements on classroom teachers.

16 (d) [(e)] Based on the results of a special accreditation
17 investigation, the commissioner may:

- 18 (1) take appropriate action under Subchapter E [G];
19 (2) lower the school district's accreditation status
20 or a district's or campus's accountability rating; or
21 (3) take action under both Subdivisions (1) and (2).

22 (e) [(e) Based on the results of a special accreditation
23 investigation, the commissioner may lower the district's
24 accreditation rating and may take appropriate action under
25 Subchapter G.] Regardless of whether the commissioner lowers the
26 school district's accreditation status or a district's or campus's
27 performance rating under Subsection (d) [~~rating~~], the commissioner

1 may take action under Sections 39.102(a)(1) through (8) or Section
2 39.103 [~~39.131(a)(1) through (8)~~] if the commissioner determines
3 that the action is necessary to improve any area of a district's or
4 campus's performance, including the district's financial
5 accounting practices.

6 Sec. 39.058 [~~39.076~~]. CONDUCT OF INVESTIGATIONS. (a) The
7 agency shall adopt written procedures for conducting on-site
8 investigations under this subchapter. The agency shall make the
9 procedures available to the complainant, the alleged violator, and
10 the public. Agency staff must be trained in the procedures and must
11 follow the procedures in conducting the investigation.

12 (b) After completing an investigation, the agency shall
13 present preliminary findings to any person the agency finds has
14 violated a law, rule, or policy. Before issuing a report with its
15 final findings, the agency must provide a person the agency finds
16 has violated a law, rule, or policy an opportunity for an informal
17 review by the commissioner or a designated hearing examiner.

18 SUBCHAPTER D [~~F~~]. FINANCIAL ACCOUNTABILITY

19 Sec. 39.081 [~~39.201~~]. DEFINITIONS. In this subchapter:

20 (1) "Parent" includes a guardian or other person
21 having lawful control of a student.

22 (2) "System" means a [~~the~~] financial accountability
23 rating system developed under this subchapter.

24 Sec. 39.082 [~~39.202~~]. DEVELOPMENT AND IMPLEMENTATION. (a)
25 The commissioner shall, in consultation with the comptroller,
26 develop and implement separate [~~a~~] financial accountability rating
27 systems [~~system~~] for school districts and open-enrollment charter

1 schools in this state that:

2 (1) distinguish [~~distinguishes~~] among school
3 districts and distinguish among open-enrollment charter schools,
4 as applicable, based on levels of financial performance; and

5 (2) include [~~includes~~] procedures to:

6 (A) provide additional transparency to public
7 education finance; and

8 (B) enable the commissioner and school district
9 and open-enrollment charter school administrators to provide
10 meaningful financial oversight and improvement.

11 (b) The system must include uniform indicators adopted by
12 the commissioner by which to measure the [~~a district's~~] financial
13 management performance of a district or open-enrollment charter
14 school.

15 (c) The system may not include an indicator under Subsection
16 (b) or any other performance measure that:

17 (1) requires a school district to spend at least 65
18 percent or any other specified percentage of district operating
19 funds for instructional purposes; or

20 (2) lowers the financial management performance
21 rating of a school district for failure to spend at least 65 percent
22 or any other specified percentage of district operating funds for
23 instructional purposes.

24 Sec. 39.0821. COMPTROLLER REVIEW OF RESOURCE ALLOCATION
25 PRACTICES. (a) The comptroller shall identify school districts
26 and campuses that use resource allocation practices that contribute
27 to high academic achievement and cost-effective operations. In

1 identifying districts and campuses under this section, the
2 comptroller shall:

3 (1) evaluate existing academic accountability and
4 financial data by integrating the data;

5 (2) rank the results of the evaluation under
6 Subdivision (1) to identify the relative performance of districts
7 and campuses; and

8 (3) identify potential areas for district and campus
9 improvement.

10 (b) In reviewing resources allocation practices of
11 districts and campuses under this section, the comptroller shall
12 ensure resources are being used for the instruction of students by
13 evaluating:

14 (1) the operating cost for each student;

15 (2) the operating cost for each program; and

16 (3) the staffing cost for each student.

17 Sec. 39.0822. FINANCIAL SOLVENCY REVIEW REQUIRED. (a) The
18 agency shall develop a review process to anticipate the future
19 financial solvency of each school district. The review process
20 shall analyze:

21 (1) district revenues and expenditures for the
22 preceding school year; and

23 (2) projected district revenues and expenditures for
24 the current school year and the following two school years.

25 (b) In analyzing the information under Subsection (a), the
26 review process developed must consider, for the preceding school
27 year, the current school year, and the following two school years,

1 as appropriate:

2 (1) student-to-staff ratios relative to expenditures,
3 including average staff salaries;

4 (2) the rate of change in the district unreserved
5 general fund balance;

6 (3) the number of students enrolled in the district;

7 (4) the adopted tax rate of the district;

8 (5) any independent audit report prepared for the
9 district; and

10 (6) actual district financial information for the
11 first quarter.

12 (c) The agency shall consult school district financial
13 officers and public finance experts in developing the review
14 process under this section.

15 (d) The agency shall develop an electronic-based program
16 for school districts to use in submitting information to the agency
17 for purposes of this section. Each district shall update
18 information for purposes of the program within the period
19 prescribed by the commissioner. The commissioner shall adopt rules
20 under this subsection to allow a district to enter estimates of
21 critical data into the program before the district adopts its
22 budget. The program must:

23 (1) be capable of importing, to the extent
24 practicable, data a district has previously submitted to the
25 agency;

26 (2) include an entry space that allows a district to
27 enter information explaining any irregularity in data submitted;

1 and

2 (3) provide alerts for:

3 (A) a student-to-staff ratio that is
4 significantly outside the norm;

5 (B) a rapid depletion of the district general
6 fund balance; and

7 (C) a significant discrepancy between actual
8 budget figures and projected revenues and expenditures.

9 (e) An alert in the program developed under Subsection (d)
10 must be developed to notify the agency immediately on the
11 occurrence of a condition described by Subsection (d)(3). After
12 the agency is alerted, the agency shall immediately notify the
13 affected school district regarding the condition triggering the
14 alert.

15 Sec. 39.0823. PROJECTED DEFICIT. (a) If the review process
16 under Section 39.0822 indicates a projected deficit for a school
17 district general fund within the following three school years, the
18 district shall provide the agency interim financial reports,
19 supplemented by staff and student count data, as needed, to
20 evaluate the district's current budget status.

21 (b) If the interim financial data provided under Subsection
22 (a) substantiates the projected deficit, the school district shall
23 develop a financial plan and submit the plan to the agency for
24 approval. The agency may approve the plan only if the agency
25 determines the plan will permit the district to avoid the projected
26 insolvency.

27 (c) The commissioner shall assign a school district an

1 accredited-warned status if:

2 (1) the district fails to submit a plan as provided by
3 Subsection (b);

4 (2) the district fails to obtain approval from the
5 agency for a plan as provided by Subsection (b);

6 (3) the district fails to comply with a plan approved
7 by the agency under Subsection (b); or

8 (4) the agency determines in a subsequent school year,
9 based on financial data submitted by the district, that the
10 approved plan for the district is no longer sufficient or is not
11 appropriately implemented.

12 Sec. 39.083 [~~39.203~~]. REPORTING. (a) The commissioner
13 shall develop, as part of the system, a reporting procedure under
14 which:

15 (1) each school district is required to prepare and
16 distribute an annual financial management report; and

17 (2) the public is provided an opportunity to comment
18 on the report at a hearing.

19 (b) The annual financial management report must include:

20 (1) a description of the district's financial
21 management performance based on a comparison, provided by the
22 agency, of the district's performance on the indicators adopted
23 under Section 39.082(b) [~~39.202(b)~~] to:

24 (A) state-established standards; and

25 (B) the district's previous performance on the
26 indicators; [~~and~~]

27 (2) a description of the data submitted using the

1 electronic-based program developed under Section 39.0822; and

2 (3) any descriptive information required by the
3 commissioner.

4 (c) The report may include:

5 (1) information concerning the district's:

6 (A) financial allocations;

7 (B) tax collections;

8 (C) financial strength;

9 (D) operating cost management;

10 (E) personnel management;

11 (F) debt management;

12 (G) facility acquisition and construction
13 management;

14 (H) cash management;

15 (I) budgetary planning;

16 (J) overall business management;

17 (K) compliance with rules; and

18 (L) data quality; and

19 (2) any other information the board of trustees
20 determines to be necessary or useful.

21 (d) The board of trustees of each school district shall hold
22 a public hearing on the report. The board shall give notice of the
23 hearing to owners of real property in the district and to parents of
24 district students. In addition to other notice required by law,
25 notice of the hearing must be provided:

26 (1) to a newspaper of general circulation in the
27 district; and

1 (2) through electronic mail to media serving the
2 district.

3 (e) After the hearing, the report shall be disseminated in
4 the district in the manner prescribed by the commissioner.

5 Sec. 39.084. POSTING OF ADOPTED BUDGET. (a) On final
6 approval of the budget by the board of trustees, the school district
7 shall post on the district's Internet website a copy of the budget
8 adopted by the board of trustees. The district's Internet website
9 must prominently display the electronic link to the adopted budget.

10 (b) The district shall maintain the adopted budget on the
11 district's Internet website until the third anniversary of the date
12 the budget was adopted.

13 Sec. 39.085 [~~39.204~~]. RULES. The commissioner shall adopt
14 rules as necessary for the implementation and administration of
15 this subchapter.

16 SUBCHAPTER E [~~G~~]. ACCREDITATION INTERVENTIONS AND SANCTIONS

17 Sec. 39.102 [~~39.131~~]. INTERVENTIONS AND SANCTIONS FOR
18 DISTRICTS. (a) If a school district does not satisfy the
19 accreditation criteria under Section 39.052 [~~39.071~~], the academic
20 performance standards under Section 39.053 or 39.054 [~~39.072~~], or
21 any financial accountability standard as determined by
22 commissioner rule, the commissioner shall take any of the following
23 actions to the extent the commissioner determines necessary:

24 (1) issue public notice of the deficiency to the board
25 of trustees;

26 (2) order a hearing conducted by the board of trustees
27 of the district for the purpose of notifying the public of the

1 insufficient [~~unacceptable~~] performance, the improvements in
2 performance expected by the agency, and the interventions and
3 sanctions that may be imposed under this section if the performance
4 does not improve;

5 (3) order the preparation of a student achievement
6 improvement plan that addresses each student achievement [~~academic~~
7 ~~excellence~~] indicator under Section 39.053(c) for which the
8 district's performance is insufficient [~~unacceptable~~], the
9 submission of the plan to the commissioner for approval, and
10 implementation of the plan;

11 (4) order a hearing to be held before the commissioner
12 or the commissioner's designee at which the president of the board
13 of trustees of the district and the superintendent shall appear and
14 explain the district's low performance, lack of improvement, and
15 plans for improvement;

16 (5) arrange an on-site investigation of the district;

17 (6) appoint an agency monitor to participate in and
18 report to the agency on the activities of the board of trustees or
19 the superintendent;

20 (7) appoint a conservator to oversee the operations of
21 the district;

22 (8) appoint a management team to direct the operations
23 of the district in areas of insufficient [~~unacceptable~~] performance
24 or require the district to obtain certain services under a contract
25 with another person;

26 (9) if a district has a current accreditation status
27 of accredited-warned or accredited-probation, fails to satisfy any

1 standard under Section 39.054(e) [~~is rated academically~~
2 ~~unacceptable~~], or fails to satisfy financial accountability
3 standards as determined by commissioner rule, appoint a board of
4 managers to exercise the powers and duties of the board of trustees;

5 (10) if for two consecutive school years, including
6 the current school year, a district has received an accreditation
7 status of accredited-warned or accredited-probation, has failed to
8 satisfy any standard under Section 39.054(e) [~~been rated~~
9 ~~academically unacceptable~~], or has failed to satisfy financial
10 accountability standards as determined by commissioner rule,
11 revoke the district's accreditation and:

12 (A) order closure of the district and annex the
13 district to one or more adjoining districts under Section 13.054;
14 or

15 (B) in the case of a home-rule school district or
16 open-enrollment charter school, order closure of all programs
17 operated under the district's or school's charter; or

18 (11) if a district has failed to satisfy any standard
19 under Section 39.054(e) [~~been rated academically unacceptable for~~
20 ~~two consecutive school years, including the current school year,~~]
21 due to the district's dropout rates, impose sanctions designed to
22 improve high school completion rates, including:

23 (A) ordering the development of a dropout
24 prevention plan for approval by the commissioner;

25 (B) restructuring the district or appropriate
26 school campuses to improve identification of and service to
27 students who are at risk of dropping out of school, as defined by

1 Section 29.081;

2 (C) ordering lower student-to-counselor ratios
3 on school campuses with high dropout rates; and

4 (D) ordering the use of any other intervention
5 strategy effective in reducing dropout rates, including mentor
6 programs and flexible class scheduling.

7 (b) This subsection applies regardless of whether a
8 district has satisfied the accreditation criteria. If for two
9 consecutive school years, including the current school year, a
10 district has had a conservator or management team assigned, the
11 commissioner may appoint a board of managers, a majority of whom
12 must be residents of the district, to exercise the powers and duties
13 of the board of trustees.

14 Sec. 39.103 [~~39.132~~]. INTERVENTIONS AND SANCTIONS FOR
15 [ACADEMICALLY UNACCEPTABLE] CAMPUSES. (a) If a campus performance
16 is below any standard under Section 39.054(e), the commissioner
17 [~~39.073(b)~~], ~~the campus is considered an academically unacceptable~~
18 ~~campus. The commissioner may permit the campus to participate in an~~
19 ~~innovative redesign of the campus to improve campus performance or]~~
20 shall take [~~any of the other following~~] actions, to the extent the
21 commissioner determines necessary, as provided by this subchapter.

22 (b) For a campus described by Subsection (a), the
23 commissioner, to the extent the commissioner determines necessary,
24 may:

25 (1) [~~issue public notice of the deficiency to the~~
26 ~~board of trustees,~~

27 [~~(2) order a hearing conducted by the board of~~

1 ~~trustees at the campus for the purpose of:~~

2 ~~[(A) notifying the public of the unacceptable~~
3 ~~performance, the improvements in performance expected by the~~
4 ~~agency, and the sanctions that may be imposed under this section if~~
5 ~~the performance does not improve within a designated period of~~
6 ~~time, and~~

7 ~~[(B) soliciting public comment on the initial~~
8 ~~steps being taken to improve performance,~~

9 ~~[(3) order the preparation of a report regarding the~~
10 ~~parental involvement program at the campus and a plan describing~~
11 ~~strategies for improving parental involvement at the campus,~~

12 ~~[(4) order the preparation of a report regarding the~~
13 ~~effectiveness of the district- and campus-level planning and~~
14 ~~decision-making committees established under Subchapter F, Chapter~~
15 ~~11, and a plan describing strategies for improving the~~
16 ~~effectiveness of those committees,~~

17 ~~[(5) order the preparation of a student improvement~~
18 ~~plan that addresses each academic excellence indicator for which~~
19 ~~the campus's performance is unacceptable, the submission of the~~
20 ~~plan to the commissioner for approval, and implementation of the~~
21 ~~plan,~~

22 ~~[(6)] order a hearing to be held before the~~
23 ~~commissioner or the commissioner's designee at which the president~~
24 ~~of the board of trustees, the superintendent, and the campus~~
25 ~~principal shall appear and explain the campus's low performance,~~
26 ~~lack of improvement, and plans for improvement; or~~

27 (2) establish a school community partnership team

1 composed of members of the campus-level planning and
2 decision-making committee established under Section 11.251 and
3 additional community representatives as determined appropriate by
4 the commissioner

5 [~~7~~] ~~appoint a campus intervention team under Section~~
6 ~~39.1322~~].

7 (c) Notwithstanding the provisions of this subchapter, if
8 the commissioner determines that a campus subject to interventions
9 or sanctions under this subchapter has implemented substantially
10 similar intervention measures under federal accountability
11 requirements, the commissioner may accept the substantially
12 similar intervention measures as measures in compliance with this
13 subchapter.

14 Sec. 39.104 [~~39.1321~~]. INTERVENTIONS AND SANCTIONS FOR
15 CHARTER SCHOOLS. (a) Interventions and sanctions [~~Sanctions~~]
16 authorized under this chapter for a school district or campus apply
17 in the same manner to an open-enrollment charter school.

18 (b) The commissioner shall adopt rules to implement
19 procedures to impose any intervention or sanction provision under
20 this chapter as those provisions relate to open-enrollment charter
21 schools.

22 (c) In adopting rules under this section, the commissioner
23 shall require that the charter of an open-enrollment charter
24 school:

25 (1) be automatically revoked if the charter school is
26 ordered closed under this chapter; and

27 (2) be automatically modified to remove authorization

1 for an individual campus if the campus is ordered closed under this
2 chapter.

3 (d) If interventions or sanctions are imposed on an
4 open-enrollment charter school under the procedures provided by
5 this chapter, a charter school is not entitled to an additional
6 hearing relating to the modification, placement on probation,
7 revocation, or denial of renewal of a charter as provided by
8 Subchapter D, Chapter 12.

9 Sec. 39.105 [~~39.1322~~]. [~~TECHNICAL ASSISTANCE AND~~] CAMPUS
10 IMPROVEMENT PLAN [~~INTERVENTION TEAMS~~]. (a) This section applies
11 if [~~if~~] a campus performance satisfies performance standards under
12 Section 39.054(e) [~~is rated academically acceptable~~] for the
13 current school year but would not satisfy performance standards
14 under Section 39.054(e) [~~be rated as academically unacceptable~~] if
15 the [~~performance~~] standards to be used for the following school
16 year were applied to the current school year. On request of[~~r~~] the
17 commissioner, the campus-level committee established under Section
18 11.251 shall revise and submit to the commissioner in an electronic
19 format the portions of the campus improvement plan developed under
20 Section 11.253 that are relevant to those areas for which the campus
21 would not satisfy performance standards [~~select and assign a~~
22 technical assistance team to assist the campus in executing a
23 school improvement plan and any other school improvement strategies
24 the commissioner determines appropriate. The commissioner may
25 waive the requirement to assign a technical assistance team under
26 this subsection if the improvement in performance standards among
27 all student groups, including special populations, over the

1 ~~preceding three years indicates that the campus is likely to be~~
 2 ~~rated academically acceptable in the following school year].~~

3 (b) If the [a] campus to which this section applies is an
 4 open-enrollment charter school, the school shall establish a
 5 campus-level planning and decision-making committee as provided
 6 for through procedures as much as practicable the same as those
 7 provided by Sections 11.251(b)-(e) and develop a campus improvement
 8 plan as provided by Section 11.253. On request of the commissioner,
 9 the school shall submit to the commissioner in an electronic format
 10 the portions of the campus improvement plan that are relevant to
 11 those areas for which the campus would not satisfy performance
 12 standards [has been identified as academically unacceptable under
 13 Section 39.132, the commissioner shall appoint a campus
 14 intervention team.

15 ~~[(c) To the extent practicable, the commissioner shall~~
 16 ~~select and assign the technical assistance team under Subsection~~
 17 ~~(a) or the campus intervention team under Subsection (b) before the~~
 18 ~~first day of instruction for the school year.~~

19 ~~[(d) The commissioner may determine when the services of a~~
 20 ~~technical assistance team or campus intervention team are no longer~~
 21 ~~needed at a campus under this section].~~

22 Sec. 39.106 [39.1323]. CAMPUS INTERVENTION TEAM
 23 [PROCEDURES]. (a) If a campus performance is below any standard
 24 under Section 39.054(e), the commissioner shall assign a campus
 25 intervention team. A campus intervention team shall:

26 (1) conduct, with the involvement and advice of the
 27 school community partnership team, if applicable:

1 (A) a targeted [~~comprehensive~~] on-site needs
2 assessment relevant to an area of insufficient performance
3 [~~evaluation~~] of the campus as provided by Subsection (b) [~~to~~
4 ~~determine the cause for the campus's low performance and lack of~~
5 ~~progress~~]; or

6 (B) if the commissioner determines necessary, a
7 comprehensive on-site needs assessment, using the procedures
8 provided by Subsection (b);

9 (2) recommend appropriate actions as provided by
10 Subsection (c) [~~, including reallocation of resources and technical~~
11 ~~assistance, changes in school procedures or operations, staff~~
12 ~~development for instructional and administrative staff,~~
13 ~~intervention for individual administrators or teachers, waivers~~
14 ~~from state statute or rule, or other actions the team considers~~
15 ~~appropriate~~];

16 (3) assist in the development of a targeted [~~school~~]
17 improvement plan [~~for student achievement~~]; [and]

18 (4) assist the campus in submitting the targeted
19 improvement plan to the board of trustees for approval and
20 presenting the plan in a public hearing as provided by Subsection
21 (e-1); and

22 (5) assist the commissioner in monitoring the progress
23 of the campus in implementing the targeted [~~school~~] improvement
24 plan [~~for improvement of student achievement~~].

25 (b) An [~~A campus intervention team assigned under Section~~
26 ~~39.1322 to a campus shall conduct a comprehensive~~] on-site needs
27 assessment of the campus under Subsection (a) must [~~to~~] determine

1 the contributing education-related and other ~~[causal]~~ factors
2 resulting in the campus's low performance and lack of progress. The
3 team shall use all of the following guidelines and procedures
4 relevant to each area of insufficient performance in conducting a
5 targeted on-site needs assessment and shall use each of the
6 following guidelines and procedures in conducting a [the]
7 comprehensive on-site needs assessment ~~[of the campus]~~:

8 (1) an assessment of the staff to determine the
9 percentage of certified teachers who are teaching in their field,
10 the percentage of teachers who are fully certified, the number of
11 teachers with more ~~[less]~~ than three years of experience, and
12 teacher retention ~~[turnover]~~ rates;

13 (2) compliance with the appropriate class-size rules
14 and number of class-size waivers received;

15 (3) an assessment of the quality, quantity, and
16 appropriateness of instructional materials, including the
17 availability of technology-based instructional materials;

18 (4) a report on the parental involvement strategies
19 and the effectiveness of the strategies;

20 (5) an assessment of the extent and quality of the
21 mentoring program provided for new teachers on the campus and
22 provided for experienced teachers on the campus who have less than
23 two years of teaching experience in the subject or grade level to
24 which the teacher is assigned;

25 (6) an assessment of the type and quality of the
26 professional development provided to the staff;

27 (7) a demographic analysis of the student population,

1 including student demographics, at-risk populations, and special
2 education percentages;

3 (8) a report of disciplinary incidents and school
4 safety information;

5 (9) financial and accounting practices;

6 (10) an assessment of the appropriateness of the
7 curriculum and teaching strategies; ~~and~~

8 (11) compare the findings from Subdivisions (1)
9 through (10) to other campuses serving the same grade levels within
10 the district or to other campuses within the campus's comparison
11 group if there are no other campuses within the district serving the
12 same grade levels as the campus; and

13 (12) any other research-based data or information
14 obtained from a data collection process that would assist the
15 campus intervention team in:

16 (A) recommending an action under Subsection (c);
17 and

18 (B) executing a targeted ~~[school]~~ improvement
19 plan under Subsection (d-3) ~~[(d)]~~.

20 (c) On completing the on-site needs assessment ~~[evaluation]~~
21 under this section, the campus intervention team shall, with the
22 involvement and advice of the school community partnership team, if
23 applicable, recommend actions relating to any area of insufficient
24 performance, including:

25 (1) reallocation of resources;

26 (2) technical assistance;

27 (3) changes in school procedures or operations;

1 (4) staff development for instructional and
2 administrative staff;

3 (5) intervention for individual administrators or
4 teachers;

5 (6) waivers from state statutes or rules; ~~[or]~~

6 (7) teacher recruitment or retention strategies and
7 incentives provided by the district to attract and retain teachers
8 with the characteristics included in Subsection (b)(1); or

9 (8) other actions the campus intervention team
10 considers appropriate.

11 (d) The campus intervention team shall assist the campus in
12 submitting the targeted improvement plan to the commissioner for
13 approval.

14 (d-1) The commissioner may authorize a school community
15 partnership team established under this subchapter to supersede the
16 authority of and satisfy the requirements of establishing and
17 maintaining a campus-level planning and decision-making committee
18 under Subchapter F, Chapter 11.

19 (d-2) The commissioner may authorize a targeted improvement
20 plan or updated plan developed under this subchapter to supersede
21 the provisions of and satisfy the requirements of developing,
22 reviewing, and revising a campus improvement plan under Subchapter
23 F, Chapter 11.

24 (d-3) In executing the targeted ~~[a school]~~ improvement plan
25 ~~[developed under Subsection (a)(3)]~~, the campus intervention team
26 shall, if appropriate:

27 (1) assist the campus in implementing research-based

1 practices for curriculum development and classroom instruction,
2 including bilingual education and special education programs[~~, if~~
3 ~~appropriate,~~] and financial management;

4 (2) provide research-based technical assistance,
5 including data analysis, academic deficiency identification,
6 intervention implementation, and budget analysis, to strengthen
7 and improve the instructional programs at the campus; and

8 (3) require the district to develop a teacher
9 recruitment and retention plan to address the qualifications and
10 retention of the teachers at the campus [~~submit the school~~
11 ~~improvement plan to the commissioner for approval~~].

12 (e) For each year a campus is assigned an unacceptable
13 performance rating, a [A] campus intervention team shall [~~appointed~~
14 ~~under Section 39.1322(b)~~]:

15 (1) [~~shall~~] continue to work with a campus until:

16 (A) the campus satisfies all performance
17 standards under Section 39.054(e) [~~is rated academically~~
18 ~~acceptable~~] for a two-year period; or

19 (B) the campus satisfies all performance
20 standards under Section 39.054(e) [~~is rated academically~~
21 ~~acceptable~~] for a one-year period and the commissioner determines
22 that the campus is operating and will continue to operate in a
23 manner that improves student achievement; [~~and~~]

24 (2) assist in updating the targeted improvement plan
25 to identify and analyze areas of growth and areas that require
26 improvement; and

27 (3) submit each updated plan described by Subdivision

1 (2) to the board of trustees of the school district [~~may continually~~
2 ~~update the school improvement plan, with approval from the~~
3 ~~commissioner, to meet the needs of the campus~~].

4 (e-1) After a targeted improvement plan or updated plan is
5 submitted to the board of trustees of the school district, the
6 board:

7 (1) shall conduct a hearing for the purpose of:

8 (A) notifying the public of the insufficient
9 performance, the improvements in performance expected by the
10 agency, and the intervention measures or sanctions that may be
11 imposed under this subchapter if the performance does not improve
12 within a designated period; and

13 (B) soliciting public comment on the targeted
14 improvement plan or any updated plan;

15 (2) must post the targeted improvement plan on the
16 district's Internet website before the hearing;

17 (3) may conduct one hearing relating to one or more
18 campuses subject to a targeted improvement plan or an updated plan;
19 and

20 (4) shall submit the targeted improvement plan or any
21 updated plan to the commissioner for approval.

22 (f) Notwithstanding any other provision of this subchapter,
23 if the commissioner determines that a campus for which an
24 intervention is ordered under Subsection (a) [~~Section 39.1322(b)~~]
25 is not fully implementing the campus intervention team's
26 recommendations or targeted [~~school~~] improvement plan or updated
27 plan, the commissioner may order the reconstitution of the campus

1 as provided by Section 39.107.

2 Sec. 39.107 [~~39.1324~~]. RECONSTITUTION, REPURPOSING,
3 ALTERNATIVE MANAGEMENT, AND CLOSURE [~~MANDATORY SANCTIONS~~]. (a)
4 After [~~if~~] a campus has been identified as [~~academically~~]
5 unacceptable for two consecutive school years, [~~including the~~
6 ~~current school year,~~] the commissioner shall order the
7 reconstitution of the campus [~~and assign a campus intervention~~
8 ~~team~~].

9 (a-1) In reconstituting a [~~the~~] campus, a campus
10 intervention team shall assist the campus in:

11 (1) developing an updated targeted [~~a school~~]
12 improvement plan;

13 (2) submitting the updated targeted improvement plan
14 to the board of trustees of the school district for approval and
15 presenting the plan in a public hearing as provided by Section
16 39.106(e-1);

17 (3) [~~2~~] obtaining approval of the updated plan from
18 the commissioner; and

19 (4) [~~3~~] executing the plan on approval by the
20 commissioner.

21 (b) The campus intervention team shall decide which
22 educators may be retained at that campus. A principal who has been
23 employed by the campus in that capacity during the full [~~two-year~~]
24 period described by Subsection (a) may not be retained at that
25 campus unless the campus intervention team determines that
26 retention of the principal would be more beneficial to the student
27 achievement and campus stability than removal.

1 **(b-1)** A teacher of a subject assessed by an assessment
2 instrument under Section 39.023 may be retained only if the campus
3 intervention team determines that a pattern exists of significant
4 academic improvement by students taught by the teacher. If an
5 educator is not retained, the educator may be assigned to another
6 position in the district.

7 **(b-2)** For each year that a campus is considered to have an
8 unacceptable performance rating, a campus intervention team shall:

9 **(1)** assist in updating the targeted improvement plan
10 to identify and analyze areas of growth and areas that require
11 improvement;

12 **(2)** submit the updated plan to:

13 **(A)** the board of trustees of the school district;

14 and

15 **(B)** the parents of campus students; and

16 **(3)** assist in submitting the updated plan to the
17 commissioner for approval.

18 (c) A campus subject to Subsection (a) shall implement the
19 updated targeted ~~[school]~~ improvement plan as approved by the
20 commissioner. The commissioner may appoint a monitor, conservator,
21 management team, or ~~[a]~~ board of managers to the district to ensure
22 and oversee district-level support to low-performing campuses and
23 the implementation of the updated targeted ~~[school]~~ improvement
24 plan. In making appointments under this subsection, the
25 commissioner shall consider individuals who have demonstrated
26 success in managing campuses with student populations similar to
27 the campus at which the individual appointed will serve.

1 (d) If [~~Notwithstanding any other provision of this~~
2 ~~subchapter, if~~] the commissioner determines that the [a] campus
3 [~~subject to Subsection (a)~~] is not fully implementing the updated
4 targeted [~~school~~] improvement plan or if the students enrolled at
5 the campus fail to demonstrate substantial improvement in the areas
6 targeted by the updated plan, the commissioner may order:

7 (1) repurposing of the campus under this section;

8 (2) [~~pursue~~] alternative management of the campus
9 under this section; [Section 39.1327] or

10 (3) [~~may order~~] closure of the campus.

11 (e) [~~If a campus is considered an academically unacceptable~~
12 ~~campus for the subsequent school year after the campus is~~
13 ~~reconstituted under this section, the commissioner shall review the~~
14 ~~progress of the campus and may order closure of the campus or pursue~~
15 ~~alternative management under Section 39.1327.~~

16 [(f)] If a campus is considered to have an unacceptable
17 performance rating [~~considered academically unacceptable~~] for
18 three [~~two~~] consecutive school years after the campus is
19 reconstituted under Subsection (a), the commissioner shall order:

20 (1) repurposing of the campus under this section;

21 (2) alternative management of the campus under this
22 section; or

23 (3) closure of the campus [~~or pursue alternative~~
24 ~~management under Section 39.1327].~~

25 (e-1) The commissioner may waive the requirement to enter an
26 order under Subsection (e) for not more than one school year if the
27 commissioner determines that, on the basis of significant

1 improvement in student performance over the preceding two school
2 years, the campus is likely to be assigned an acceptable
3 performance rating for the following school year.

4 (f) If the commissioner orders repurposing of a campus, the
5 school district shall develop a comprehensive plan for repurposing
6 the campus and submit the plan to the board of trustees for
7 approval, using the procedures described by Section 39.106(e-1),
8 and to the commissioner for approval. The plan must include a
9 description of a rigorous and relevant academic program for the
10 campus. The plan may include various instructional models. The
11 commissioner may not approve the repurposing of a campus unless:

12 (1) all students in the assigned attendance zone of
13 the campus in the school year immediately preceding the repurposing
14 of the campus are provided with the opportunity to enroll in and are
15 provided transportation on request to another campus, unless the
16 commissioner grants an exception because there is no other campus
17 in the district in which the students may enroll;

18 (2) the principal is not retained at the campus,
19 unless the commissioner determines that students enrolled at the
20 campus have demonstrated significant academic improvement; and

21 (3) teachers employed at the campus in the school year
22 immediately preceding the repurposing of the campus are not
23 retained at the campus, unless the commissioner or the
24 commissioner's designee grants an exception, at the request of a
25 school district, for:

26 (A) a teacher who provides instruction in a
27 subject other than a subject for which an assessment instrument is

1 administered under Section 39.023(a) or (c) who demonstrates to the
2 commissioner satisfactory performance; or

3 (B) a teacher who provides instruction in a
4 subject for which an assessment instrument is administered under
5 Section 39.023(a) or (c) if the district demonstrates that the
6 students of the teacher demonstrated satisfactory performance or
7 improved academic growth on that assessment instrument.

8 (g) If an educator is not retained under Subsection (f), the
9 educator may be assigned to another position in the district.

10 (h) If the commissioner orders alternative management under
11 this section, the ~~[Sec. 39.1327. MANAGEMENT OF CERTAIN~~
12 ~~ACADEMICALLY UNACCEPTABLE CAMPUSES. (a) A campus may be subject~~
13 ~~to this section if the campus has been identified as academically~~
14 ~~unacceptable under Section 39.132 and the commissioner orders~~
15 ~~alternative management under Section 39.1324(d), (e), or (f).~~

16 ~~[(b) The]~~ commissioner shall solicit proposals from
17 qualified nonprofit entities to assume management of a campus
18 subject to this section or may appoint to assume management of a
19 campus subject to this section a school district other than the
20 district in which the campus is located that is located in the
21 boundaries of the same regional education service center as the
22 campus is located. The commissioner may solicit proposals from
23 qualified for-profit entities to assume management of a campus
24 subject to this section if a nonprofit entity has not responded to
25 the commissioner's request for proposals. A district appointed
26 under this section shall assume management of a campus subject to
27 this section in the same manner provided by this section for a

1 qualified [~~nonprofit~~] entity or in accordance with commissioner
2 rule.

3 (i) [~~(e)~~] If the commissioner determines that the basis for
4 the unsatisfactory performance of [identifying] a campus for more
5 than two consecutive school years [as academically unacceptable] is
6 limited to a specific condition that may be remedied with targeted
7 technical assistance, the commissioner may[+

8 [~~(1)~~ provide the campus a one-year waiver under this
9 section, and

10 [~~(2)~~] require the district to contract for the
11 appropriate technical assistance.

12 (j) [~~(d)~~] The commissioner may annually solicit proposals
13 under this section for the management of a campus subject to this
14 section. The commissioner shall notify a qualified [~~nonprofit~~]
15 entity that has been approved as a provider under this section. The
16 district must execute a contract with an approved provider and
17 relinquish control of the campus before January 1 of the school
18 year.

19 (k) [~~(e)~~] To qualify for consideration as a managing entity
20 under this section, the entity must submit a proposal that provides
21 information relating to the entity's management and leadership team
22 that will participate in management of the campus under
23 consideration, including information relating to individuals that
24 have:

25 (1) documented success in whole school interventions
26 that increased the educational and performance levels of students
27 in [~~academically unacceptable~~] campuses considered to have an

1 unacceptable performance rating;

2 (2) a proven record of effectiveness with programs
3 assisting low-performing students;

4 (3) a proven ability to apply research-based school
5 intervention strategies;

6 (4) a proven record of financial ability to perform
7 under the management contract; and

8 (5) any other experience or qualifications the
9 commissioner determines necessary.

10 (1) [~~f~~] In selecting a managing entity under this
11 section, the commissioner shall give preference to a qualified
12 [~~nonprofit~~] entity that:

13 (1) meets any qualifications under this section; and

14 (2) has documented success in educating students from
15 similar demographic groups and with similar educational needs as
16 the students who attend the campus that is to be operated by a
17 managing entity under this section.

18 (m) [~~g~~] The school district may negotiate the term of a
19 management contract for not more than five years with an option to
20 renew the contract. The management contract must include a
21 provision describing the district's responsibilities in supporting
22 the operation of the campus. The commissioner shall approve the
23 contract before the contract is executed and, as appropriate, may
24 require the district, as a term of the contract, to support the
25 campus in the same manner as the district was required to support
26 the campus before the execution of the management contract.

27 (n) [~~h~~] A management contract under this section shall

1 include provisions approved by the commissioner that require the
2 managing entity to demonstrate improvement in campus performance,
3 including negotiated performance measures. The performance
4 measures must be consistent with the priorities of this chapter.
5 The commissioner shall evaluate a managing entity's performance on
6 the first and second anniversaries of the date of the management
7 contract. If the evaluation fails to demonstrate improvement as
8 negotiated under the contract by the first anniversary of the date
9 of the management contract, the district may terminate the
10 management contract, with the commissioner's consent, for
11 nonperformance or breach of contract and select another provider
12 from an approved list provided by the commissioner. If the
13 evaluation fails to demonstrate significant improvement, as
14 determined by the commissioner, by the second anniversary of the
15 date of the management contract, the district shall terminate the
16 management contract and select another provider from an approved
17 list provided by the commissioner or resume operation of the campus
18 if approved by the commissioner. If the commissioner approves the
19 district's operation of the campus, the commissioner shall assign a
20 technical assistance team to assist the campus.

21 (o) [~~(i)~~] Notwithstanding any other provision of this code,
22 the funding for a campus operated by a managing entity must be not
23 less than the funding of the other campuses in the district on a per
24 student basis so that the managing entity receives at least the same
25 funding the campus would otherwise have received.

26 (p) [~~(j)~~] Each campus operated by a managing entity under
27 this section is subject to this chapter in the same manner as any

1 other campus in the district.

2 (q) [~~(k)~~] The commissioner may adopt rules necessary to
3 implement this section.

4 (r) [~~(l)~~] With respect to the management of a campus under
5 this section:

6 (1) a managing entity is considered to be a
7 governmental body for purposes of Chapters 551 and 552, Government
8 Code; and

9 (2) any requirement in Chapter 551 or 552, Government
10 Code, that applies to a school district or the board of trustees of
11 a school district applies to a managing entity.

12 Sec. 39.108 [~~39.133~~]. ANNUAL REVIEW. The commissioner
13 shall review annually the performance of a district or campus
14 subject to this subchapter to determine the appropriate actions to
15 be implemented under this subchapter. The commissioner must review
16 at least annually the performance of a district for which the
17 accreditation status or rating has been lowered due to insufficient
18 [~~unacceptable~~] student performance and may not raise the
19 accreditation status or rating until the district has demonstrated
20 improved student performance. If the review reveals a lack of
21 improvement, the commissioner shall increase the level of state
22 intervention and sanction unless the commissioner finds good cause
23 for maintaining the current status.

24 Sec. 39.109 [~~39.134~~]. ACQUISITION OF PROFESSIONAL
25 SERVICES. In addition to other interventions and sanctions
26 authorized under this subchapter [~~Sections 39.131 and 39.132~~], the
27 commissioner may order a school district or campus to acquire

1 professional services at the expense of the district or campus to
2 address the applicable financial, assessment, data quality,
3 program, performance, or governance deficiency. The
4 commissioner's order may require the district or campus to:

5 (1) select or be assigned an external auditor, data
6 quality expert, professional authorized to monitor district
7 assessment instrument administration, or curriculum or program
8 expert; or

9 (2) provide for or participate in the appropriate
10 training of district staff or board of trustees members in the case
11 of a district, or campus staff, in the case of a campus.

12 Sec. 39.110 [~~39.134~~]. COSTS PAID BY DISTRICT. The costs of
13 providing a monitor, conservator, management team, campus
14 intervention team, technical assistance team, managing entity, or
15 service provider under this subchapter [~~Section 39.1327, or service~~
16 ~~provider under Section 39.1331~~] shall be paid by the district. If
17 the district fails or refuses to pay the costs in a timely manner,
18 the commissioner may:

19 (1) pay the costs using amounts withheld from any
20 funds to which the district is otherwise entitled; or

21 (2) recover the amount of the costs in the manner
22 provided for recovery of an overallocation of state funds under
23 Section 42.258.

24 Sec. 39.111 [~~39.135~~]. CONSERVATOR OR MANAGEMENT TEAM. (a)
25 The commissioner shall clearly define the powers and duties of a
26 conservator or management team appointed to oversee the operations
27 of the district.

1 (b) At least every 90 days, the commissioner shall review
2 the need for the conservator or management team and shall remove the
3 conservator or management team unless the commissioner determines
4 that continued appointment is necessary for effective governance of
5 the district or delivery of instructional services.

6 (c) A conservator or management team, if directed by the
7 commissioner, shall prepare a plan for the implementation of action
8 under Section 39.102(a)(9) [~~39.131(a)(9)~~] or (10). The conservator
9 or management team:

10 (1) may direct an action to be taken by the principal
11 of a campus, the superintendent of the district, or the board of
12 trustees of the district;

13 (2) may approve or disapprove any action of the
14 principal of a campus, the superintendent of the district, or the
15 board of trustees of the district;

16 (3) may not take any action concerning a district
17 election, including ordering or canceling an election or altering
18 the date of or the polling places for an election;

19 (4) may not change the number of or method of selecting
20 the board of trustees;

21 (5) may not set a tax rate for the district; and

22 (6) may not adopt a budget for the district that
23 provides for spending a different amount, exclusive of required
24 debt service, from that previously adopted by the board of
25 trustees.

26 Sec. 39.112 [~~39.136~~]. BOARD OF MANAGERS. (a) A board of
27 managers may exercise all of the powers and duties assigned to a

1 board of trustees of a school district by law, rule, or regulation.
2 This subchapter applies to a district governed by a board of
3 managers in the same manner that this subchapter applies to any
4 other district.

5 (b) If the commissioner appoints a board of managers to
6 govern a district, the powers of the board of trustees of the
7 district are suspended for the period of the appointment and the
8 commissioner shall appoint a district superintendent.
9 Notwithstanding any other provision of this code, the board of
10 managers may amend the budget of the district.

11 (c) If the commissioner appoints a board of managers to
12 govern a campus, the powers of the board of trustees of the district
13 in relation to the campus are suspended for the period of the
14 appointment and the commissioner shall appoint a campus principal.
15 Notwithstanding any other provision of this code, the board of
16 managers may submit to the commissioner for approval amendments to
17 the budget of the district for the benefit of the campus. If the
18 commissioner approves the amendments, the board of trustees of the
19 district shall adopt the amendments.

20 (d) A conservator or a member of a management team appointed
21 to serve on a board of managers may continue to be compensated as
22 determined by the commissioner.

23 (e) At the direction of the commissioner but not later than
24 the second anniversary of the date the board of managers of a
25 district was appointed, the board of managers shall order an
26 election of members of the district board of trustees. The election
27 must be held on a uniform election date on which an election of

1 district trustees may be held under Section 41.001, Election Code,
2 that is at least 180 days after the date the election was ordered.
3 On qualification of members for office, the board of trustees
4 assumes all of the powers and duties assigned to a board of trustees
5 by law, rule, or regulation.

6 Sec. 39.113 [~~39.137~~]. [SPECIAL] CAMPUS INTERVENTION TEAM.
7 A [~~special~~] campus intervention team appointed under this
8 subchapter may consist of teachers, principals, other educational
9 professionals, and superintendents recognized for excellence in
10 their roles and appointed by the commissioner to serve as members of
11 a team.

12 Sec. 39.114 [~~39.138~~]. IMMUNITY FROM CIVIL LIABILITY. An
13 employee, volunteer, or contractor acting on behalf of the
14 commissioner under this subchapter is immune from civil liability
15 to the same extent as a professional employee of a school district
16 under Section 22.051.

17 Sec. 39.115. CAMPUS NAME CHANGE PROHIBITED. In
18 reconstituting, repurposing, or imposing any other intervention or
19 sanction on a campus under this subchapter, the commissioner may
20 not require that the name of the campus be changed.

21 Sec. 39.116. TRANSITIONAL INTERVENTIONS AND SANCTIONS. (a)
22 During the period of transition to the accreditation system
23 established under H.B. No. 3, Acts of the 81st Legislature, Regular
24 Session, 2009, to be implemented in August 2013, the commissioner
25 may suspend assignment of accreditation statuses and performance
26 ratings for the 2011-2012 school year.

27 (b) As soon as practicable following the 2011-2012 school

1 year, the commissioner shall report district and campus performance
2 under the student achievement indicators under Sections
3 39.053(c)(1)(A) and (B).

4 (c) For the 2012-2013 school year, the commissioner shall:

5 (1) report district and campus performance under the
6 student achievement indicator under Section 39.053(c)(1)(B); and

7 (2) evaluate district and campus performance under the
8 student achievement indicator under Section 39.053(c)(1)(A) and
9 assign district accreditation statuses and district and campus
10 performance ratings based on that evaluation.

11 (d) Beginning with the 2013-2014 school year, the
12 commissioner shall evaluate district and campus performance under
13 the student achievement indicators under Sections 39.053(c)(1)(A)
14 and (B) and assign district accreditation statuses and district and
15 campus performance ratings based on that evaluation.

16 (e) During the 2011-2012 and 2012-2013 school years, the
17 commissioner shall continue to implement interventions and
18 sanctions for districts and campuses identified as having
19 unacceptable performance in the 2010-2011 school year in accordance
20 with the performance standards applicable during the 2010-2011
21 school year and may increase or decrease the level of interventions
22 and sanctions based on an evaluation of the district's or campus's
23 performance.

24 (f) For purposes of determining multiple years of
25 unacceptable performance and required district and campus
26 interventions and sanctions under this subchapter, the performance
27 ratings and accreditation statuses issued in the 2010-2011 and

1 2012-2013 school years shall be considered consecutive.

2 (g) This section expires September 1, 2014.

3 SUBCHAPTER F [*]. PROCEDURES FOR CHALLENGE OF ACCOUNTABILITY
4 DETERMINATION, INTERVENTION, [RATING] OR SANCTION

5 Sec. 39.151 [~~39.301~~]. REVIEW BY COMMISSIONER:
6 ACCOUNTABILITY DETERMINATION [RATINGS]. (a) The commissioner by
7 rule shall provide a process for a school district or
8 open-enrollment charter school to challenge an agency decision made
9 under this chapter relating to an academic or financial
10 accountability rating that affects the district or school.

11 (b) The rules under Subsection (a) must provide for the
12 commissioner to appoint a committee to make recommendations to the
13 commissioner on a challenge made to an agency decision relating to
14 an academic performance rating or determination or financial
15 accountability rating. The commissioner may not appoint an agency
16 employee as a member of the committee.

17 (c) The commissioner may limit a challenge under this
18 section to a written submission of any issue identified by the
19 school district or open-enrollment charter school challenging the
20 agency decision.

21 (d) The commissioner shall make a final decision under this
22 section after considering the recommendation of the committee
23 described by Subsection (b). The commissioner's decision may not
24 be appealed under Section 7.057 or other law.

25 (e) A school district or open-enrollment charter school may
26 not challenge an agency decision relating to an academic or
27 financial accountability rating under this chapter in another

1 proceeding if the district or school has had an opportunity to
2 challenge the decision under this section.

3 Sec. 39.152 [~~39.302~~]. REVIEW BY STATE OFFICE OF
4 ADMINISTRATIVE HEARINGS: SANCTIONS. (a) A school district or
5 open-enrollment charter school that intends to challenge a decision
6 by the commissioner under this chapter to close the district or a
7 district campus or the charter school or to pursue alternative
8 management of a district campus or the charter school must appeal
9 the decision under the procedures provided for a contested case
10 under Chapter 2001, Government Code.

11 (b) A challenge to a decision under this section is under
12 the substantial evidence rule as provided by Subchapter G, Chapter
13 2001, Government Code.

14 (c) Notwithstanding other law:

15 (1) the State Office of Administrative Hearings shall
16 provide an expedited review of a challenge under this section;

17 (2) the administrative law judge shall issue a final
18 order not later than the 30th day after the date on which the
19 hearing is finally closed; and

20 (3) the decision of the administrative law judge is
21 final and may not be appealed.

22 SUBCHAPTER G. DISTINCTION DESIGNATIONS

23 Sec. 39.201. ELIGIBILITY FOR DISTINCTION DESIGNATION. (a)
24 Not later than August 8 of each year, the commissioner shall award
25 distinction designations under this subchapter. A district or
26 campus may not be awarded a distinction designation under this
27 subchapter unless the district or campus has acceptable performance

1 under Section 39.054.

2 (b) A district or campus is eligible for a distinction
3 designation under this subchapter if:

4 (1) the district or campus attains a minimum
5 percentage, as determined by the commissioner, of:

6 (A) students who performed satisfactorily, as
7 determined under the college readiness performance standard under
8 Section 39.0241, on assessment instruments required under Section
9 39.023(a), (b), (c), or (1), aggregated across grade levels by
10 subject area; or

11 (B) students who met the standard for annual
12 improvement, as determined by the agency under Section 39.034, on
13 assessment instruments required under Section 39.023(a), (b), (c),
14 or (1), aggregated across grade levels by subject area, for
15 students who did not perform satisfactorily as described by
16 Paragraph (A); or

17 (2) the district or campus satisfies the criteria
18 adopted by the commissioner under Section 39.202 to demonstrate
19 sufficient student attainment of postsecondary success.

20 (c) If college readiness performance standards are adopted
21 for science and social studies end-of-course assessment
22 instruments under Section 39.024(f), those performance standards
23 and assessment instruments apply in determining district or campus
24 eligibility under this section.

25 Sec. 39.202. ACADEMIC EXCELLENCE DISTINCTION DESIGNATION
26 FOR DISTRICTS AND CAMPUSES. (a) The commissioner shall award a
27 district or campus an academic excellence distinction designation

1 if the district or campus attains percentages of students under
2 Sections 39.201(b)(1) and (2) higher than the percentages
3 determined by the commissioner under Sections 39.201(b)(1) and (2).

4 (b) The commissioner by rule shall establish a recognized
5 and exemplary rating for the academic distinction designation under
6 this section. In establishing the recognized and exemplary
7 ratings, the commissioner shall adopt criteria for the ratings,
8 including the percentages of students under Sections 39.201(b)(1)
9 and (2) and factors other than performance on assessment
10 instruments for determining sufficient student attainment of
11 postsecondary success.

12 Sec. 39.203. CAMPUS DISTINCTION DESIGNATIONS. (a) The
13 commissioner shall award a campus a distinction designation if the
14 campus is ranked in the top 25 percent of campuses in the state in
15 annual improvement in student achievement as determined under
16 Section 39.034.

17 (b) In addition to the distinction designation described by
18 Subsection (a), the commissioner shall award a campus a distinction
19 designation if the campus demonstrates an ability to significantly
20 diminish or eliminate performance differentials between student
21 subpopulations and is ranked in the top 25 percent of campuses in
22 this state under the performance criteria described by this
23 subsection. The commissioner shall adopt rules related to the
24 distinction designation under this subsection to ensure that a
25 campus does not artificially diminish or eliminate performance
26 differentials through inhibiting the achievement of the highest
27 achieving student subpopulation.

1 (c) In addition to the distinction designations described
2 by Subsections (a) and (b), a campus that satisfies the criteria
3 developed under Section 39.204 shall be awarded a distinction
4 designation by the commissioner for the following programs or the
5 following specific categories of performance:

6 (1) academic achievement in English language arts,
7 mathematics, science, or social studies;

8 (2) fine arts;

9 (3) physical education;

10 (4) 21st Century Workforce Development program; and

11 (5) second language acquisition program.

12 Sec. 39.204. CAMPUS DISTINCTION DESIGNATION CRITERIA;
13 COMMITTEES. (a) The commissioner by rule shall establish:

14 (1) standards for considering campuses for
15 distinction designations under Section 39.203(c); and

16 (2) methods for awarding distinction designations to
17 campuses.

18 (b) In adopting rules under this section, the commissioner
19 shall establish a separate committee to develop criteria for each
20 distinction designation under Section 39.203(c).

21 (c) Each committee established under this section must
22 include:

23 (1) individuals who practice as professionals in the
24 content area relevant to the distinction designation, as
25 applicable;

26 (2) individuals with subject matter expertise in the
27 content area relevant to the distinction designation;

1 (3) educators with subject matter expertise in the
2 content area relevant to the distinction designation; and

3 (4) community leaders, including leaders from the
4 business community.

5 (d) For each committee, the governor, lieutenant governor,
6 and speaker of the house of representatives may each appoint a
7 person described by each subdivision of Subsection (c).

8 (e) In developing criteria for distinction designations
9 under this section, each committee shall:

10 (1) identify a variety of indicators for measuring
11 excellence; and

12 (2) consider categories for distinction designations,
13 with criteria relevant to each category, based on:

14 (A) the level of a program, whether elementary
15 school, middle or junior high school, or high school; and

16 (B) the student enrollment of a campus.

17 SUBCHAPTER H [~~F~~]. ADDITIONAL REWARDS

18 ~~[Sec. 39.111. RECOGNITION AND REWARDS. The State Board of~~
19 ~~Education shall develop a plan for recognizing and rewarding school~~
20 ~~districts and campuses that are rated as exemplary or recognized~~
21 ~~and for developing a network for sharing proven successful~~
22 ~~practices statewide and regionally. The reward may be used to~~
23 ~~provide educators with summer stipends to develop curricula based~~
24 ~~on the cited successful strategies. The educators may copyright~~
25 ~~the curricula they develop.]~~

26 Sec. 39.232 [~~39.112~~]. EXCELLENCE EXEMPTIONS. (a) Except
27 as provided by Subsection (b), a school campus or district that is

1 rated exemplary under Subchapter G is exempt from requirements and
2 prohibitions imposed under this code including rules adopted under
3 this code.

4 (b) A school campus or district is not exempt under this
5 section from:

6 (1) a prohibition on conduct that constitutes a
7 criminal offense;

8 (2) requirements imposed by federal law or rule,
9 including requirements for special education or bilingual
10 education programs; or

11 (3) a requirement, restriction, or prohibition
12 relating to:

13 (A) curriculum essential knowledge and skills
14 under Section 28.002 or high school [~~minimum~~] graduation
15 requirements under Section 28.025;

16 (B) public school accountability as provided by
17 Subchapters B, C, D, E, and J [G];

18 (C) extracurricular activities under Section
19 33.081;

20 (D) health and safety under Chapter 38;

21 (E) purchasing [~~competitive—bidding~~] under
22 Subchapter B, Chapter 44;

23 (F) elementary school class size limits, except
24 as provided by Subsection (d) or Section 25.112;

25 (G) removal of a disruptive student from the
26 classroom under Subchapter A, Chapter 37;

27 (H) at risk programs under Subchapter C, Chapter

1 29;

2 (I) prekindergarten programs under Subchapter E,
3 Chapter 29;

4 (J) rights and benefits of school employees;

5 (K) special education programs under Subchapter
6 A, Chapter 29; or

7 (L) bilingual education programs under
8 Subchapter B, Chapter 29.

9 (c) The agency shall monitor and evaluate deregulation of a
10 school campus or district under this section and Section 7.056.

11 (d) The commissioner may exempt an exemplary school campus
12 under Subchapter G from elementary class size limits under this
13 section if the school campus submits to the commissioner a written
14 plan showing steps that will be taken to ensure that the exemption
15 from the class size limits will not be harmful to the academic
16 achievement of the students on the school campus. The commissioner
17 shall review achievement levels annually. The exemption remains in
18 effect until the commissioner determines that achievement levels of
19 the campus have declined.

20 Sec. 39.233 [~~39.113~~]. RECOGNITION OF HIGH SCHOOL
21 COMPLETION AND SUCCESS AND COLLEGE READINESS PROGRAMS. (a) The
22 agency shall:

23 (1) develop standards for evaluating the success and
24 cost-effectiveness of high school completion and success and
25 college readiness programs implemented under Section 39.234
26 [~~39.114~~];

27 (2) provide guidance for school districts and campuses

1 in establishing and improving high school completion and success
2 and college readiness programs implemented under Section 39.234
3 [~~39.114~~]; and

4 (3) develop standards for selecting and methods for
5 recognizing school districts and campuses that offer exceptional
6 high school completion and success and college readiness programs
7 under Section 39.234 [~~39.114~~].

8 (b) The commissioner may adopt rules for the administration
9 of this section.

10 Sec. 39.234 [~~39.114~~]. HIGH SCHOOL ALLOTMENT. (a) Except
11 as provided by Subsection (b), a school district or campus must use
12 funds allocated under Section 42.2516(b)(3) to:

13 (1) implement or administer a college readiness
14 program that provides academic support and instruction to prepare
15 underachieving students for entrance into an institution of higher
16 education;

17 (2) implement or administer a program that encourages
18 students to pursue advanced academic opportunities, including
19 early college high school programs and dual credit, advanced
20 placement, and international baccalaureate courses;

21 (3) implement or administer a program that provides
22 opportunities for students to take academically rigorous course
23 work, including four years of mathematics and four years of science
24 at the high school level;

25 (4) implement or administer a program, including
26 online course support and professional development, that aligns the
27 curriculum for grades six through 12 with postsecondary curriculum

1 and expectations; or

2 (5) implement or administer other high school
3 completion and success initiatives in grades six through 12
4 approved by the commissioner.

5 (b) A school district may use funds allocated under Section
6 42.2516(b)(3) on any instructional program in grades six through 12
7 other than an athletic program if:

8 (1) the district's measure of progress toward college
9 readiness is determined exceptional by a standard set [~~district is~~
10 ~~recognized as exceptional~~] by the commissioner [~~under the academic~~
11 ~~accountability indicator adopted under Section 39.051(b)(13)~~]; and

12 (2) the district's completion rates for grades nine
13 through 12 [~~meet or~~] exceed completion rate standards required by
14 the commissioner to achieve a status of accredited under Section
15 39.051 [~~rating of exemplary under Section 39.072~~].

16 (b-1) Subsection (b) applies beginning with the 2008-2009
17 school year. This subsection expires September 1, 2009.

18 (c) An open-enrollment charter school is entitled to an
19 allotment under this section in the same manner as a school
20 district.

21 (d) The commissioner shall adopt rules to administer this
22 section, including rules related to the permissible use of funds
23 allocated under this section to an open-enrollment charter school.

24 Sec. 39.235 [~~39.115~~]. HIGH SCHOOL INNOVATION GRANT
25 INITIATIVE. (a) From funds appropriated for that purpose, the
26 commissioner may establish a grant program under which grants are
27 awarded to secondary campuses and school districts to support:

1 (1) the implementation of innovative high school
2 improvement programs that are based on the best available research
3 regarding high school reform, dropout prevention, and preparing
4 students for postsecondary coursework or employment;

5 (2) enhancing education practices that have been
6 demonstrated by significant evidence of effectiveness; and

7 (3) the alignment of grants and programs to the
8 strategic plan adopted under Section 39.407 [~~39.357~~].

9 (b) Before awarding a grant under this section, the
10 commissioner may require a campus or school district to:

11 (1) obtain local matching funds; or

12 (2) meet other conditions, including developing a
13 personal graduation plan under Section 28.0212 for each student
14 enrolled at the campus or in a district high school.

15 (c) The commissioner may:

16 (1) accept gifts, grants, or donations from a private
17 foundation to implement a grant program under this section; and

18 (2) coordinate gifts, grants, or donations with other
19 available funding to implement a grant program under this section.

20 (d) The commissioner may use funds appropriated under this
21 section to support technical assistance services for school
22 districts and open-enrollment charter schools to implement a high
23 school improvement program under this section.

24 Sec. 39.236. GIFTED AND TALENTED STANDARDS. The
25 commissioner shall adopt standards to evaluate school district
26 programs for gifted and talented students to determine whether a
27 district operates a program for gifted and talented students in

1 accordance with:

2 (1) the Texas Performance Standards Project; or

3 (2) another program approved by the commissioner that
4 meets the requirements of the state plan for the education of gifted
5 and talented students under Section 29.123.

6 ~~[Sec. 39.116. INITIATIVE FOR RETAINING QUALITY EDUCATORS.~~
7 ~~Notwithstanding Section 39.1324(b), a school district, to assist in~~
8 ~~preventing dropouts and disruptions that may result from certain~~
9 ~~mandatory sanctions, may retain at a campus a principal who has been~~
10 ~~employed at the campus as a principal during the two-year period~~
11 ~~described by Section 39.1324(a) if the students enrolled at the~~
12 ~~campus have demonstrated a pattern of significant academic~~
13 ~~improvement.]~~

14 SUBCHAPTER I [E]. SUCCESSFUL SCHOOL AWARDS

15 Sec. 39.261 [~~39.091~~]. CREATION OF SYSTEM. The Texas
16 Successful Schools Awards System is created to recognize and reward
17 those schools and school districts that demonstrate progress or
18 success in achieving the education goals of the state.

19 Sec. 39.262 [~~39.092~~]. TYPES OF AWARDS. (a) The governor
20 may present a financial award to the schools or districts that the
21 commissioner determines have demonstrated the highest levels of
22 sustained success or the greatest improvement in achieving the
23 education goals. For each student in average daily attendance,
24 each of those schools or districts is entitled to an amount set for
25 the award for which the school or district is selected by the
26 commissioner, subject to any limitation set by the commissioner on
27 the total amount that may be awarded to a school or district.

1 (b) The governor may present proclamations or certificates
2 to additional schools and districts determined to have met or
3 exceeded the education goals.

4 (c) The commissioner may establish additional categories of
5 awards and award amounts for a school or district determined to be
6 successful under Subsection (a) or (b) that are contingent on the
7 school's or district's involvement with paired, lower-performing
8 schools.

9 Sec. 39.263 [~~39.093~~]. AWARDS. (a) The criteria that the
10 commissioner shall use to select successful schools and districts
11 must be related to the goals in Section 4.002 and must include
12 consideration of performance on the student achievement [~~academic~~
13 ~~excellence~~] indicators adopted under Section 39.053(c) and
14 consideration of the distinction designation criteria prescribed
15 by or developed under Subchapter G [~~39.051~~].

16 **(b)** For purposes of selecting schools and districts under
17 Section 39.262(a) [~~39.092(a)~~], each school's performance shall be
18 compared to state standards and to its previous performance.

19 **(c)** [~~(b)~~] The commissioner shall select annually schools
20 and districts qualified to receive successful school awards for
21 their performance and report the selections to the governor and the
22 State Board of Education.

23 **(d)** [~~(c)~~] The agency shall notify each school district of
24 the manner in which the district or a school in the district may
25 qualify for a successful school award.

26 Sec. 39.264 [~~39.094~~]. USE OF AWARDS. (a) In determining
27 the use of a monetary award received under this subchapter, a school

1 or district shall give priority to academic enhancement purposes.
2 The award may not be used for any purpose related to athletics, and
3 it may not be used to substitute for or replace funds already in the
4 regular budget for a school or district.

5 (b) The campus-level committee established under Section
6 11.253 shall determine the use of the funds awarded to a school
7 under this subchapter. The professional staff of the district
8 shall determine the use of the funds awarded to the school district
9 under this subchapter.

10 Sec. 39.265 [~~39.095~~]. FUNDING. The award system may be
11 funded by donations, grants, or legislative appropriations. The
12 commissioner may solicit and receive grants and donations for the
13 purpose of making awards under this subchapter. A small portion of
14 the award funds may be used by the commissioner to pay for the costs
15 associated with sponsoring a ceremony to recognize or present
16 awards to schools or districts under this subchapter. The
17 donations, grants, or legislative appropriations shall be
18 accounted for and distributed by the agency. The awards are subject
19 to audit requirements established by the State Board of Education.

20 Sec. 39.266 [~~39.096~~]. CONFIDENTIALITY. All information
21 and reports received by the commissioner under this subchapter from
22 schools or school districts deemed confidential under Chapter 552,
23 Government Code, are confidential and may not be disclosed in any
24 public or private proceeding.

25 SUBCHAPTER J. PARENT AND EDUCATOR REPORTS

26 Sec. 39.301. ADDITIONAL PERFORMANCE INDICATORS:
27 REPORTING. (a) In addition to the indicators adopted under

1 Section 39.053, the commissioner shall adopt indicators of the
2 quality of learning for the purpose of preparing reports under this
3 chapter. The commissioner biennially shall review the indicators
4 for the consideration of appropriate revisions.

5 (b) Performance on the indicators adopted under this
6 section shall be evaluated in the same manner provided for
7 evaluation of the student achievement indicators under Section
8 39.053(c).

9 (c) Indicators for reporting purposes must include:

10 (1) the percentage of graduating students who meet the
11 course requirements established by State Board of Education rule
12 for the minimum high school program, the recommended high school
13 program, and the advanced high school program;

14 (2) the results of the SAT, ACT, articulated
15 postsecondary degree programs described by Section 61.852, and
16 certified workforce training programs described by Chapter 311,
17 Labor Code;

18 (3) for students who have failed to perform
19 satisfactorily, under each performance standard under Section
20 39.0241, on an assessment instrument required under Section
21 39.023(a) or (c), the performance of those students on subsequent
22 assessment instruments required under those sections, aggregated
23 by grade level and subject area;

24 (4) for each campus, the number of students,
25 disaggregated by major student subpopulations, that agree under
26 Section 28.025(b) to take courses under the minimum high school
27 program;

1 (5) the percentage of students, aggregated by grade
2 level, provided accelerated instruction under Section 28.0211(c),
3 the results of assessment instruments administered under that
4 section, the percentage of students promoted through the grade
5 placement committee process under Section 28.0211, the subject of
6 the assessment instrument on which each student failed to perform
7 satisfactorily under each performance standard under Section
8 39.0241, and the performance of those students in the school year
9 following that promotion on the assessment instruments required
10 under Section 39.023;

11 (6) the percentage of students of limited English
12 proficiency exempted from the administration of an assessment
13 instrument under Sections 39.027(a)(1) and (2);

14 (7) the percentage of students in a special education
15 program under Subchapter A, Chapter 29, assessed through assessment
16 instruments developed or adopted under Section 39.023(b);

17 (8) the percentage of students who satisfy the college
18 readiness measure;

19 (9) the measure of progress toward dual language
20 proficiency under Section 39.034(b), for students of limited
21 English proficiency, as defined by Section 29.052;

22 (10) the percentage of students who are not
23 educationally disadvantaged;

24 (11) the percentage of students who enroll and begin
25 instruction at an institution of higher education in the school
26 year following high school graduation; and

27 (12) the percentage of students who successfully

1 complete the first year of instruction at an institution of higher
2 education without needing a developmental education course.

3 (d) Performance on the indicators described by Section
4 39.053(c) and Subsections (c)(3), (4), and (9) must be based on
5 longitudinal student data that is disaggregated by the bilingual
6 education or special language program, if any, in which students of
7 limited English proficiency, as defined by Section 29.052, are or
8 former students of limited English proficiency were enrolled. If a
9 student described by this subsection is not or was not enrolled in
10 specialized language instruction, the number and percentage of
11 those students shall be provided.

12 (e) Section 39.055 applies in evaluating indicators
13 described by Subsection (c).

14 Sec. 39.302. REPORT TO DISTRICT: COMPARISONS FOR ANNUAL
15 PERFORMANCE ASSESSMENT. (a) The agency shall report to each school
16 district the comparisons of student performance made under Section
17 39.034.

18 (b) To the extent practicable, the agency shall combine the
19 report of comparisons with the report of the student's performance
20 on assessment instruments under Section 39.023.

21 Sec. 39.303. REPORT TO PARENTS. (a) The school district a
22 student attends shall provide a record of the comparisons made
23 under Section 39.034 and provided to the district under Section
24 39.302 in a written notice to the student's parent or other person
25 standing in parental relationship.

26 (b) For a student who failed to perform satisfactorily as
27 determined under either performance standard under Section 39.0241

1 on an assessment instrument administered under Section 39.023(a),
2 (c), or (1), the school district shall include in the notice
3 specific information relating to access to online educational
4 resources at the appropriate assessment instrument content level,
5 including educational resources described by Section 32.252(b)(2)
6 and assessment instruments questions and answers released under
7 Section 39.023(e).

8 Sec. 39.304. TEACHER REPORT CARD. (a) Each school district
9 shall prepare a report of the comparisons made under Section 39.034
10 and provided to the district under Section 39.302 and provide the
11 report at the beginning of the school year to:

12 (1) each teacher for all students, including incoming
13 students, who were assessed on an assessment instrument under
14 Section 39.023; and

15 (2) all students under Subdivision (1) who were
16 provided instruction by that teacher in the subject for which the
17 assessment instrument was administered under Section 39.023.

18 (b) The report shall indicate whether the student performed
19 satisfactorily or, if the student did not perform satisfactorily,
20 whether the student met the standard for annual improvement under
21 Section 39.034.

22 Sec. 39.305 [~~39.052~~]. CAMPUS REPORT CARD. (a) Each school
23 year, the agency shall prepare and distribute to each school
24 district a report card for each campus. The campus report cards
25 must be based on the most current data available disaggregated by
26 student groups. Campus performance must be compared to previous
27 campus and district performance, current district performance, and

1 state established standards[, ~~and comparable campus group~~
2 ~~performance~~].

3 (b) The report card shall include the following
4 information:

5 (1) where applicable, the student achievement
6 indicators described by Section 39.053(c) and the reporting
7 indicators described by Sections 39.301(c)(1) through (5)
8 [~~academic excellence indicators adopted under Sections~~
9 ~~39.051(b)(1) through (10)~~];

10 (2) average class size by grade level and subject;

11 (3) the administrative and instructional costs per
12 student, computed in a manner consistent with Section 44.0071; and

13 (4) the district's instructional expenditures ratio
14 and instructional employees ratio computed under Section 44.0071,
15 and the statewide average of those ratios, as determined by the
16 commissioner.

17 (c) The commissioner shall adopt rules requiring
18 dissemination of the information required under Subsection (b)(4)
19 and appropriate class size and student performance portions of
20 campus report cards annually to the parent, guardian, conservator,
21 or other person having lawful control of each student at the campus.
22 On written request, the school district shall provide a copy of a
23 campus report card to any other party.

24 Sec. 39.306 [~~39.053~~]. PERFORMANCE REPORT. (a) Each board
25 of trustees shall publish an annual report describing the
26 educational performance of the district and of each campus in the
27 district that includes uniform student performance and descriptive

1 information as determined under rules adopted by the commissioner.

2 The annual report must also include:

3 (1) campus performance objectives established under
4 Section 11.253 and the progress of each campus toward those
5 objectives, which shall be available to the public;

6 (2) information indicating the district's
7 accreditation status and identifying each district campus awarded a
8 distinction designation under Subchapter G or considered an
9 unacceptable campus under Subchapter E [~~the performance rating for~~
10 ~~the district as provided under Section 39.072(a) and the~~
11 ~~performance rating of each campus in the district as provided under~~
12 ~~Section 39.072(c)~~];

13 (3) the district's current special education
14 compliance status with the agency;

15 (4) a statement of the number, rate, and type of
16 violent or criminal incidents that occurred on each district
17 campus, to the extent permitted under the Family Educational Rights
18 and Privacy Act of 1974 (20 U.S.C. Section 1232g);

19 (5) information concerning school violence prevention
20 and violence intervention policies and procedures that the district
21 is using to protect students; [~~and~~]

22 (6) the findings that result from evaluations
23 conducted under the Safe and Drug-Free Schools and Communities Act
24 of 1994 (20 U.S.C. Section 7101 et seq.) [~~and its subsequent~~
25 ~~amendments~~]; and

26 (7) information received under Section 51.403(e) for
27 each high school campus in the district, presented in a form

1 determined by the commissioner.

2 (b) Supplemental information to be included in the reports
3 shall be determined by the board of trustees. Performance
4 information in the annual reports on the indicators described by
5 Sections 39.053 and 39.301 [~~established under Section 39.051~~] and
6 descriptive information required by this section shall be provided
7 by the agency.

8 (c) The board of trustees shall hold a hearing for public
9 discussion of the report. The board of trustees shall give notice
10 of the hearing to property owners in the district and parents of and
11 other persons standing in parental relation to [~~, guardians,~~
12 ~~conservators, and other persons having lawful control of~~] a
13 district student. The notification must include notice to a
14 newspaper of general circulation in the district and notice to
15 electronic media serving the district. After the hearing the
16 report shall be widely disseminated within the district in a manner
17 to be determined under rules adopted by the commissioner.

18 (d) The report must also include a comparison provided by
19 the agency of:

20 (1) the performance of each campus to its previous
21 performance and to state-established standards; and

22 (2) the performance of each district to its previous
23 performance and to state-established standards [~~, and~~

24 [~~(3) the performance of each campus or district to~~
25 ~~comparable improvement~~].

26 (e) The report may include the following information:

27 (1) student information, including total enrollment,

1 enrollment by ethnicity, socioeconomic status, and grade groupings
2 and retention rates;

3 (2) financial information, including revenues and
4 expenditures;

5 (3) staff information, including number and type of
6 staff by sex [~~gender~~], ethnicity, years of experience, and highest
7 degree held, teacher and administrator salaries, and teacher
8 turnover;

9 (4) program information, including student enrollment
10 by program, teachers by program, and instructional operating
11 expenditures by program; and

12 (5) the number of students placed in a disciplinary
13 alternative education program under Chapter 37.

14 (f) The commissioner [~~State Board of Education~~] by rule
15 shall authorize the combination of this report with other reports
16 and financial statements and shall restrict the number and length
17 of reports that school districts, school district employees, and
18 school campuses are required to prepare.

19 (g) The report must include a statement of the amount, if
20 any, of the school district's unencumbered surplus fund balance as
21 of the last day of the preceding fiscal year and the percentage of
22 the preceding year's budget that the surplus represents.

23 Sec. 39.307 [~~39.054~~]. USES OF PERFORMANCE REPORT. The
24 information required to be reported under Section 39.306 [~~39.053~~]
25 shall be:

26 (1) the subject of public hearings or meetings
27 required under Sections 11.252, 11.253, and 39.306 [~~39.053~~];

1 (2) a primary consideration in school district and
2 campus planning; and

3 (3) a primary consideration of:

4 (A) the State Board of Education in the
5 evaluation of the performance of the commissioner;

6 (B) the commissioner in the evaluation of the
7 performance of the directors of the regional education service
8 centers;

9 (C) the board of trustees of a school district in
10 the evaluation of the performance of the superintendent of the
11 district; and

12 (D) the superintendent in the evaluation of the
13 performance of the district's campus principals.

14 Sec. 39.308 [~~39.055~~]. ANNUAL AUDIT OF DROPOUT RECORDS;
15 REPORT. (a) The commissioner shall develop a process for auditing
16 school district dropout records electronically. The commissioner
17 shall also develop a system and standards for review of the audit or
18 use systems already available at the agency. The system must be
19 designed to identify districts that are at high risk of having
20 inaccurate dropout records and that, as a result, require on-site
21 monitoring of dropout records.

22 (b) If the electronic audit of a school district's dropout
23 records indicates that a district is not at high risk of having
24 inaccurate dropout records, the district may not be subject to
25 on-site monitoring under this subsection.

26 (c) If the risk-based system indicates that a school
27 district is at high risk of having inaccurate dropout records, the

1 district is entitled to an opportunity to respond to the
2 commissioner's determination before on-site monitoring may be
3 conducted. The district must respond not later than the 30th day
4 after the date the commissioner notifies the district of the
5 commissioner's determination. If the district's response does not
6 change the commissioner's determination that the district is at
7 high risk of having inaccurate dropout records or if the district
8 does not respond in a timely manner, the commissioner shall order
9 agency staff to conduct on-site monitoring of the district's
10 dropout records.

11 (d) [~~(e)~~] The commissioner shall notify the board of
12 trustees of a school district of any objection the commissioner has
13 to the district's dropout data, any violation of sound accounting
14 practices or of a law or rule revealed by the data, or any
15 recommendation by the commissioner concerning the data. If the data
16 reflect that a penal law has been violated, the commissioner shall
17 notify the county attorney, district attorney, or criminal district
18 attorney, as appropriate, and the attorney general.

19 (e) The commissioner is entitled to access to all district
20 records the commissioner considers necessary or appropriate for the
21 review, analysis, or approval of district dropout data.

22 SUBCHAPTER K [~~H~~]. REPORTS BY TEXAS EDUCATION AGENCY

23 Sec. 39.331 [~~39.181~~]. GENERAL REQUIREMENTS. (a) Each
24 report required by this subchapter must:

25 (1) unless otherwise specified, contain summary
26 information and analysis only, with an indication that the agency
27 will provide the data underlying the report on request;

1 (2) specify a person at the agency who may be contacted
2 for additional information regarding the report and provide the
3 person's telephone number; and

4 (3) identify other sources of related information,
5 indicating the level of detail and format of information that may be
6 obtained, including the availability of any information on the
7 Texas Education Network.

8 (b) Each component of a report required by this subchapter
9 must:

10 (1) identify the substantive goal underlying the
11 information required to be reported;

12 (2) analyze the progress made and longitudinal trends
13 in achieving the underlying substantive goal;

14 (3) offer recommendations for improved progress in
15 achieving the underlying substantive goal; and

16 (4) identify the relationship of the information
17 required to be reported to state education goals.

18 (c) Unless otherwise provided, each report required by this
19 subchapter is due not later than December 1 of each even-numbered
20 year.

21 (d) Subsections (a) and (b) apply to any report required by
22 statute that the agency or the State Board of Education must prepare
23 and deliver to the governor, lieutenant governor, speaker of the
24 house of representatives, or legislature.

25 (e) Unless otherwise provided by law, any report required by
26 statute that the agency or the State Board of Education must prepare
27 and deliver to the governor, lieutenant governor, speaker of the

1 house of representatives, or legislature may be combined, at the
2 discretion of the commissioner, with a report required by this
3 subchapter.

4 Sec. 39.332 [~~39.182~~]. COMPREHENSIVE ANNUAL REPORT. (a)
5 Not later than December 1 of each year, the agency shall prepare and
6 deliver to the governor, the lieutenant governor, the speaker of
7 the house of representatives, each member of the legislature, the
8 Legislative Budget Board, and the clerks of the standing committees
9 of the senate and house of representatives with primary
10 jurisdiction over the public school system a comprehensive report
11 covering the preceding school year and containing the information
12 described by Subsection (b).

13 (b) [+]
14 (1) The report must contain an evaluation of the
15 achievements of the state educational program in relation to the
16 statutory goals for the public education system under Section
17 4.002. [+]

18 (2) The report must contain an evaluation of the
19 status of education in the state as reflected by:

20 (A) the student achievement [~~academic~~
21 ~~excellence~~] indicators described by [~~adopted under~~] Section 39.053
22 [~~39.051~~]; and

23 (B) the reporting indicators described by
24 Section 39.301.

25 (3) The report must contain a summary compilation of
26 overall student performance on academic skills assessment
27 instruments required by Section 39.023 with the number and
percentage of students exempted from the administration of those

1 instruments and the basis of the exemptions, aggregated by grade
2 level, subject area, campus, and district, with appropriate
3 interpretations and analysis, and disaggregated by race,
4 ethnicity, gender, and socioeconomic status. [+]

5 (4) The report must contain a summary compilation of
6 overall performance of students placed in a disciplinary
7 alternative education program established under Section 37.008 on
8 academic skills assessment instruments required by Section 39.023
9 with the number of those students exempted from the administration
10 of those instruments and the basis of the exemptions, aggregated by
11 district, grade level, and subject area, with appropriate
12 interpretations and analysis, and disaggregated by race,
13 ethnicity, gender, and socioeconomic status. [+]

14 (5) The report must contain a summary compilation of
15 overall performance of students at risk of dropping out of school,
16 as defined by Section 29.081(d), on academic skills assessment
17 instruments required by Section 39.023 with the number of those
18 students exempted from the administration of those instruments and
19 the basis of the exemptions, aggregated by district, grade level,
20 and subject area, with appropriate interpretations and analysis,
21 and disaggregated by race, ethnicity, gender, and socioeconomic
22 status. [+]

23 (6) The report must contain an evaluation of the
24 correlation between student grades and student performance on
25 academic skills assessment instruments required by Section
26 39.023. [+]

27 (7) The report must contain a statement of the dropout

1 rate of students in grade levels 7 through 12, expressed in the
2 aggregate and by grade level, and a statement of the completion
3 rates of students for grade levels 9 through 12. [✓]

4 (8) The report must contain a statement of:

5 (A) the completion rate of students who enter
6 grade level 9 and graduate not more than four years later;

7 (B) the completion rate of students who enter
8 grade level 9 and graduate, including students who require more
9 than four years to graduate;

10 (C) the completion rate of students who enter
11 grade level 9 and not more than four years later receive a high
12 school equivalency certificate;

13 (D) the completion rate of students who enter
14 grade level 9 and receive a high school equivalency certificate,
15 including students who require more than four years to receive a
16 certificate; and

17 (E) the number and percentage of all students who
18 have not been accounted for under Paragraph (A), (B), (C), or
19 (D). [✓]

20 (9) The report must contain a statement of the
21 projected cross-sectional and longitudinal dropout rates for grade
22 levels 9 through 12 for the next five years, assuming no state
23 action is taken to reduce the dropout rate. [✓]

24 (10) The report must contain a description of a
25 systematic, measurable plan for reducing the projected
26 cross-sectional and longitudinal dropout rates to five percent or
27 less. [~~for the 1997-1998 school year~~]

1 (11) The report must contain a summary of the
2 information required by Section 29.083 regarding grade level
3 retention of students and information concerning:

4 (A) the number and percentage of students
5 retained; and

6 (B) the performance of retained students on
7 assessment instruments required under Section 39.023(a).[+]

8 (12) The report must contain information, aggregated
9 by district type and disaggregated by race, ethnicity, gender, and
10 socioeconomic status, on:

11 (A) the number of students placed in a
12 disciplinary alternative education program established under
13 Section 37.008;

14 (B) the average length of a student's placement
15 in a disciplinary alternative education program established under
16 Section 37.008;

17 (C) the academic performance of students on
18 assessment instruments required under Section 39.023(a) during the
19 year preceding and during the year following placement in a
20 disciplinary alternative education program; and

21 (D) the dropout rates of students who have been
22 placed in a disciplinary alternative education program established
23 under Section 37.008.[+]

24 (13) The report must contain a list of each school
25 district or campus that does not satisfy performance standards,
26 with an explanation of the actions taken by the commissioner to
27 improve student performance in the district or campus and an

1 evaluation of the results of those actions. [✓]

2 (14) The report must contain an evaluation of the
3 status of the curriculum taught in public schools, with
4 recommendations for legislative changes necessary to improve or
5 modify the curriculum required by Section 28.002. [✓]

6 (15) The report must contain a description of all
7 funds received by and each activity and expenditure of the
8 agency. [✓]

9 (16) The report must contain a summary and analysis of
10 the instructional expenditures ratios and instructional employees
11 ratios of school districts computed under Section 44.0071. [✓]

12 (17) The report must contain a summary of the effect of
13 deregulation, including exemptions and waivers granted under
14 Section 7.056 or 39.232. [~~39.112~~] [✓]

15 (18) The report must contain a statement of the total
16 number and length of reports that school districts and school
17 district employees must submit to the agency, identifying which
18 reports are required by federal statute or rule, state statute, or
19 agency rule, and a summary of the agency's efforts to reduce overall
20 reporting requirements. [✓]

21 (19) The report must contain a list of each school
22 district that is not in compliance with state special education
23 requirements, including:

24 (A) the period for which the district has not
25 been in compliance;

26 (B) the manner in which the agency considered the
27 district's failure to comply in determining the district's

1 accreditation status; and

2 (C) an explanation of the actions taken by the
3 commissioner to ensure compliance and an evaluation of the results
4 of those actions. [+]

5 (20) The report must contain a comparison of the
6 performance of open-enrollment charter schools and school
7 districts on the student achievement [~~academic excellence~~]
8 indicators described by Section 39.053(c), the reporting
9 indicators described by Section 39.301(c), [~~specified in Section~~
10 ~~39.051(b)~~] and the accountability measures adopted under Section
11 39.053(i) [~~39.051(g)~~], with a separately aggregated comparison of
12 the performance of open-enrollment charter schools predominantly
13 serving students at risk of dropping out of school, as described
14 [~~defined~~] by Section 29.081(d), with the performance of school
15 districts. [+]

16 (21) The report must contain a summary of the
17 information required by Section 38.0141 regarding student health
18 and physical activity from each school district. [+]

19 (22) The report must contain a summary compilation of
20 overall student performance under the assessment system developed
21 to evaluate the longitudinal academic progress as required by
22 Section 39.027(e), disaggregated by bilingual education or special
23 language program instructional model, if any. [~~and~~]

24 (23) The report must contain any additional
25 information considered important by the commissioner or the State
26 Board of Education.

27 (c) [~~(b)~~] In reporting the information required by

1 Subsection (b)(3) or (4) [~~(a)(3) or (4)~~], the agency may separately
2 aggregate the performance data of students enrolled in a special
3 education program under Subchapter A, Chapter 29.

4 (d) [~~(b-1)~~] In reporting the information required by
5 Subsections (b)(3), (5), and (7) [~~(a)(3), (5), and (7)~~], the agency
6 shall separately aggregate the longitudinal performance data of all
7 students identified as students of limited English proficiency, as
8 defined by Section 29.052, or former students of limited English
9 proficiency, disaggregated by bilingual education or special
10 language program instructional model, if any, in which the students
11 are or were enrolled.

12 (e) [~~(e)~~] Each report must contain the most recent data
13 available.

14 Sec. 39.333 [~~39.183~~]. REGIONAL AND DISTRICT LEVEL REPORT.
15 The agency shall prepare and deliver to the governor, the
16 lieutenant governor, the speaker of the house of representatives,
17 each member of the legislature, the Legislative Budget Board, and
18 the clerks of the standing committees of the senate and house of
19 representatives with primary jurisdiction over the public school
20 system a regional and district level report covering the preceding
21 two school years and containing:

22 (1) a summary of school district compliance with the
23 student/teacher ratios and class-size limitations prescribed by
24 Sections 25.111 and 25.112, including:

25 (A) the number of campuses and classes at each
26 campus granted an exception from Section 25.112; and

27 (B) for [~~the performance rating under Subchapter~~

1 ~~D of~~] each campus granted an exception from Section 25.112, a
2 statement of whether the campus has been awarded a distinction
3 designation under Subchapter G or has been identified as an
4 unacceptable campus under Subchapter E;

5 (2) a summary of the exemptions and waivers granted to
6 campuses and school districts under Section 7.056 or 39.232
7 [39.112] and a review of the effectiveness of each campus or
8 district following deregulation;

9 (3) an evaluation of the performance of the system of
10 regional education service centers based on the indicators adopted
11 under Section 8.101 and client satisfaction with services provided
12 under Subchapter B, Chapter 8;

13 (4) an evaluation of accelerated instruction programs
14 offered under Section 28.006, including an assessment of the
15 quality of such programs and the performance of students enrolled
16 in such programs; and

17 (5) the number of classes at each campus that are
18 currently being taught by individuals who are not certified in the
19 content areas of their respective classes.

20 Sec. 39.334 [~~39.184~~]. TECHNOLOGY REPORT. The agency shall
21 prepare and deliver to the governor, the lieutenant governor, the
22 speaker of the house of representatives, each member of the
23 legislature, the Legislative Budget Board, and the clerks of the
24 standing committees of the senate and house of representatives with
25 primary jurisdiction over the public school system a technology
26 report covering the preceding two school years and containing
27 information on the status of the implementation of and revisions to

1 the long-range technology plan required by Section 32.001,
2 including the equity of the distribution and use of technology in
3 public schools.

4 Sec. 39.335 [~~39.185~~]. INTERIM REPORT. Not later than
5 December 1 of each odd-numbered year, the agency shall prepare and
6 deliver to the governor, the lieutenant governor, the speaker of
7 the house of representatives, each member of the legislature, the
8 Legislative Budget Board, and the clerks of the standing committees
9 of the senate and house of representatives with primary
10 jurisdiction over the public school system an interim report
11 containing, for the previous school year, the information required
12 by Section 39.333(2) [~~39.183(2)~~].

13 SUBCHAPTER L [~~J~~]. NOTICE OF PERFORMANCE

14 Sec. 39.361 [~~39.251~~]. NOTICE IN STUDENT GRADE REPORT. The
15 first written notice of a student's performance that a school
16 district gives during a school year as required by Section
17 28.022(a)(2) must include [~~the following information~~]:

18 (1) a statement of whether the campus at which the
19 student is enrolled has been awarded a distinction designation
20 under Subchapter G or has been identified as an unacceptable campus
21 under Subchapter E [~~the most recent performance rating of the~~
22 ~~campus at which the student is enrolled, as determined under~~
23 ~~Section 39.072~~]; and

24 (2) an explanation of the significance of the
25 information provided under Subdivision (1) [~~a definition and~~
26 ~~explanation of each performance rating described by Section~~
27 ~~39.072(a)~~].

1 Sec. 39.362 [~~39.252~~]. NOTICE ON DISTRICT WEBSITE. Not
2 later than the 10th day after the first day of instruction of each
3 school year, a school district that maintains an Internet website
4 shall make the following information available to the public on the
5 website:

6 (1) the information contained in the most recent
7 campus report card for each campus in the district[~~, as determined~~]
8 under Section 39.305 [~~39.052~~];

9 (2) the information contained in the most recent
10 performance report for the district[~~, as determined~~] under Section
11 39.306 [~~39.053~~];

12 (3) the most recent accreditation status [~~performance~~
13 ~~rating~~] of the district[~~, as determined~~] under Section 39.052
14 [~~39.072~~]; and

15 (4) a definition and explanation of each accreditation
16 status under [~~performance rating described by~~] Section 39.051,
17 based on commissioner rule adopted under that section [~~39.072(a)~~].

18 SUBCHAPTER M [~~L~~]. HIGH SCHOOL COMPLETION AND SUCCESS INITIATIVE

19 Sec. 39.401 [~~39.351~~]. DEFINITION. In this subchapter,
20 "council" means the High School Completion and Success Initiative
21 Council.

22 Sec. 39.402 [~~39.352~~]. HIGH SCHOOL COMPLETION AND SUCCESS
23 INITIATIVE COUNCIL. (a) The High School Completion and Success
24 Initiative Council is established to identify strategic priorities
25 for and make recommendations to improve the effectiveness,
26 coordination, and alignment of high school completion and college
27 and workforce readiness efforts.

1 (b) The council is composed of:

2 (1) the commissioner of education;

3 (2) the commissioner of higher education; and

4 (3) seven members appointed by the commissioner of
5 education.

6 (c) In making appointments required by Subsection (b)(3),
7 the commissioner of education shall appoint:

8 (1) three members from a list of nominations provided
9 by the governor;

10 (2) two members from a list of nominations provided by
11 the lieutenant governor; and

12 (3) two members from a list of nominations provided by
13 the speaker of the house of representatives.

14 (d) In making nominations under Subsection (c), the
15 governor, lieutenant governor, and speaker of the house of
16 representatives shall nominate persons who have distinguished
17 experience in:

18 (1) developing and implementing high school reform
19 strategies; and

20 (2) promoting college and workforce readiness.

21 Sec. 39.403 [~~39.353~~]. TERMS. Members of the council
22 appointed under Section 39.402(b)(3) [~~39.352(b)(3)~~] serve terms of
23 two years and may be reappointed for additional terms.

24 Sec. 39.404 [~~39.354~~]. PRESIDING OFFICER. The commissioner
25 of education serves as the presiding officer of the council.

26 Sec. 39.405 [~~39.355~~]. COMPENSATION AND REIMBURSEMENT. A
27 member of the council is not entitled to compensation for service on

1 the council but is entitled to reimbursement for actual and
2 necessary expenses incurred in performing council duties.

3 Sec. 39.406 [~~39.356~~]. COUNCIL STAFF AND FUNDING. (a)
4 Except as otherwise provided, staff members of the agency, with the
5 assistance of the Texas Higher Education Coordinating Board, shall
6 provide administrative support for the council.

7 (b) Funding for the administrative and operational expenses
8 of the council shall be provided by appropriation to the agency for
9 that purpose and by gifts, grants, and donations solicited and
10 accepted by the agency for that purpose.

11 Sec. 39.407 [~~39.357~~]. STRATEGIC PLAN. (a) The council
12 shall adopt a strategic plan under this subchapter to:

13 (1) specify strategies to identify, support, and
14 expand programs to improve high school completion rates and college
15 and workforce readiness;

16 (2) establish specific goals with which to measure the
17 success of the strategies identified under Subdivision (1) in
18 improving high school completion rates and college and workforce
19 readiness;

20 (3) identify strategies for alignment and
21 coordination of federal and other funding sources that may be
22 pursued for high school reform, dropout prevention, and preparation
23 of students for postsecondary coursework or employment; and

24 (4) identify key objectives for appropriate research
25 and program evaluation conducted as provided by this subchapter.

26 (b) The commissioner of education and the commissioner of
27 higher education shall adopt rules as necessary to administer the

1 strategic plan adopted by the council under this section.

2 (c) The commissioner of education or the commissioner of
3 higher education may not, in a manner inconsistent with the
4 strategic plan, spend money, award a grant, or enter into a contract
5 in connection with a program relating to high school success and
6 completion.

7 Sec. 39.408 [~~39.358~~]. ELIGIBILITY CRITERIA FOR CERTAIN
8 GRANT PROGRAMS. A school district or campus is eligible to
9 participate in programs under Sections 21.4541, 29.095, 29.096,
10 29.097, and 29.098 if the district or campus exhibited during each
11 of the three preceding school years characteristics that strongly
12 correlate with high dropout rates.

13 Sec. 39.409 [~~39.359~~]. PRIVATE FOUNDATION PARTNERSHIPS.
14 (a) The commissioner of education or the commissioner of higher
15 education, as appropriate, and the council may coordinate with
16 private foundations that have made a substantial investment in the
17 improvement of high schools in this state to maximize the impact of
18 public and private investments.

19 (b) A private foundation is not required to obtain the
20 approval of the appropriate commissioner or the council under
21 Subsection (a) before allocating resources to a school in this
22 state.

23 Sec. 39.410 [~~39.360~~]. GRANT PROGRAM EVALUATION. (a) The
24 commissioner of education shall annually set aside not more than
25 five percent of the funds appropriated for high school completion
26 and success to contract for the evaluation of programs supported by
27 grants approved under this subchapter. In awarding a contract

1 under this subsection, the commissioner shall consider centers for
2 education research established under Section 1.005.

3 (b) A person who receives a grant approved under this
4 subchapter must consent to an evaluation under this section as a
5 condition of receiving the grant.

6 (c) The commissioner shall ensure that an evaluation
7 conducted under this section includes an assessment of whether
8 student achievement has improved. Results of the evaluation shall
9 be provided through the online clearinghouse of information
10 relating to the best practices of campuses and school districts
11 established under Section 7.009.

12 Sec. 39.411 [~~39.361~~]. COUNCIL RECOMMENDATIONS. (a) Based
13 on the strategic plan adopted under this subchapter [~~section~~], the
14 council shall make recommendations to the commissioner of education
15 or the commissioner of higher education, as applicable, for the use
16 of federal and state funds appropriated or received for high school
17 reform, college readiness, and dropout prevention, including
18 grants awarded under Sections 21.4511, 21.4541, 29.095-29.098,
19 29.917, 29.919, and 39.235 [~~39.115~~].

20 (b) The council shall include recommendations under this
21 section for:

- 22 (1) key elements of program design;
- 23 (2) criteria for awarding grants and evaluating
24 programs;
- 25 (3) program funding priorities; and
- 26 (4) program evaluation as provided by this subchapter.

27 (c) The commissioner of education or the commissioner of

1 higher education, as applicable, shall consider the council's
2 recommendations and based on those recommendations may award grants
3 to school districts, open-enrollment charter schools, institutions
4 of higher education, regional education service centers, and
5 nonprofit organizations to meet the goals of the council's
6 strategic plan.

7 (d) The commissioner of education or the commissioner of
8 higher education, as applicable:

9 (1) is not required under this section to allocate
10 funds to a program or initiative recommended by the council; and

11 (2) may not initiate a program funded under this
12 section that does not conform to the recommended use of funds as
13 provided under Subsections (a) and (b).

14 Sec. 39.412 [~~39.362~~]. FUNDING PROVIDED TO SCHOOL
15 DISTRICTS. From funds appropriated, the commissioner of education
16 may provide funding to school districts to permit a school district
17 to obtain technical assistance in preparing a grant proposal for a
18 grant program administered under this subchapter.

19 Sec. 39.413 [~~39.363~~]. FUNDING FOR CERTAIN PROGRAMS. (a)
20 From funds appropriated, the Texas Higher Education Coordinating
21 Board shall allocate \$8.75 million each year to establish
22 mathematics, science, and technology teacher preparation academies
23 under Section 21.462 and implement and administer the program under
24 Section 29.098.

25 (b) The Texas Higher Education Coordinating Board shall
26 establish mathematics, science, and technology teacher preparation
27 academies under Section 21.462 and implement and administer the

1 program under Section 29.098 in a manner consistent with the goals
2 of this subchapter and the goals in "Closing the Gaps," the state's
3 master plan for higher education.

4 Sec. 39.414 [~~39.364~~]. PRIVATE FUNDING. The commissioner of
5 education or the commissioner of higher education, as appropriate,
6 may accept gifts, grants, or donations to fund a grant administered
7 under this subchapter.

8 Sec. 39.415 [~~39.365~~]. REPORTS. (a) Not later than
9 December 1 of each even-numbered year, the agency shall prepare and
10 deliver a report to the legislature that recommends any statutory
11 changes the council considers appropriate to promote high school
12 completion and college and workforce readiness.

13 (b) Not later than March 1 and September 1 of each year, the
14 commissioner of education shall prepare and deliver a progress
15 report to the presiding officers of the standing committees of each
16 house of the legislature with primary jurisdiction over public
17 education, the Legislative Budget Board, and the Governor's Office
18 of Policy and Planning on:

19 (1) the implementation of Sections 7.031, 21.4511,
20 21.4541, 21.462, 28.008(d-1), 28.0212(d), 29.095-29.098, 29.911,
21 29.917-29.919, and 39.235 [~~39.115~~] and this subchapter;

22 (2) the programs supported by grants approved under
23 this subchapter; and

24 (3) the alignment of grants and programs to the
25 strategic plan adopted under Section 39.407 [~~39.357~~].

26 Sec. 39.416 [~~39.366~~]. RULES. The commissioner of education
27 and the commissioner of higher education shall adopt rules as

1 necessary to administer this subchapter and any programs under the
2 authority of the commissioner of education or the commissioner of
3 higher education and the council under this subchapter.

4 SECTION 60. Section 42.002(b), Education Code, is amended
5 to read as follows:

6 (b) The Foundation School Program consists of:

7 (1) two tiers that in combination provide for:

8 (A) sufficient financing for all school
9 districts to provide a basic program of education that is rated
10 [~~academically~~] acceptable or higher under Section 39.054 [~~39.072~~]
11 and meets other applicable legal standards; and

12 (B) substantially equal access to funds to
13 provide an enriched program; and

14 (2) a facilities component as provided by Chapter 46.

15 SECTION 61. Section 51.3062, Education Code, is amended by
16 adding Subsections (i-1) and (q-1) to read as follows:

17 (i-1) The commissioner of higher education may by rule
18 require an institution of higher education to adopt uniform
19 standards for the placement of a student under this section.

20 (q-1) A student who has completed a recommended or advanced
21 high school program as determined under Section 28.025 and
22 demonstrated the performance standard for college readiness as
23 provided by Section 39.024 on the Algebra II and English III
24 end-of-course assessment instruments is exempt from the
25 requirements of this section with respect to those content areas.
26 The commissioner of higher education by rule shall establish the
27 period for which an exemption under this subsection is valid.

1 SECTION 62. Section 51.807, Education Code, as amended by
2 Chapters 941 (H.B. 3826) and 1369 (H.B. 3851), Acts of the 80th
3 Legislature, Regular Session, 2007, is reenacted to read as
4 follows:

5 Sec. 51.807. RULEMAKING. (a) The Texas Higher Education
6 Coordinating Board may adopt rules relating to the operation of
7 admissions programs under this subchapter, including rules
8 relating to the identification of eligible students.

9 (b) The Texas Higher Education Coordinating Board, after
10 consulting with the Texas Education Agency, by rule shall establish
11 standards for determining for purposes of this subchapter:

12 (1) whether a private high school is accredited by a
13 generally recognized accrediting organization; and

14 (2) whether a person completed a high school
15 curriculum that is equivalent in content and rigor to the
16 curriculum requirements established under Section 28.025 for the
17 recommended or advanced high school program.

18 SECTION 63. Chapter 61, Education Code, is amended by
19 adding Subchapter T-1 to read as follows:

20 SUBCHAPTER T-1. CAREER AND TECHNICAL EDUCATION

21 Sec. 61.861. DEVELOPMENT OF MATHEMATICS AND SCIENCE COURSES
22 FOR HIGH-DEMAND OCCUPATIONS. (a) The commissioner of higher
23 education and the commissioner of education, in consultation with
24 the comptroller and the Texas Workforce Commission, may award a
25 grant in an amount not to exceed \$1 million to an institution of
26 higher education to develop advanced mathematics and science
27 courses to prepare high school students for employment in a

1 high-demand occupation. The commissioner of higher education, the
2 commissioner of education, the comptroller, and the Texas Workforce
3 Commission shall jointly determine what is considered a high-demand
4 occupation for purposes of this subchapter.

5 (b) An institution of higher education shall work in
6 partnership with at least one independent school district and a
7 business entity in developing a course for purposes of this
8 section.

9 (c) A course developed for purposes of this section must:

10 (1) provide content that enables a student to develop
11 the relevant and critical skills needed to be prepared for
12 employment or additional training in a high-demand occupation;

13 (2) incorporate college and career readiness skills as
14 part of the curriculum;

15 (3) be offered for dual credit; and

16 (4) satisfy a mathematics or science requirement under
17 the recommended or advanced high school program as determined under
18 Section 28.025.

19 (d) An institution of higher education shall periodically
20 review and revise the curriculum for a course developed for
21 purposes of this section to accommodate changes in industry
22 standards for the high-demand occupation.

23 Sec. 61.862. GRANT APPLICATION CRITERIA. The commissioner
24 of higher education and the commissioner of education, in
25 consultation with the comptroller and the Texas Workforce
26 Commission, shall establish application criteria for a grant under
27 this subchapter and in making an award shall give priority to

1 courses that:

2 (1) will prepare students for high-demand, high-wage,
3 and high-skill occupations and further postsecondary study;

4 (2) may be transferred as college credit to multiple
5 institutions of higher education; and

6 (3) are developed as part of a sequence of courses that
7 includes statewide availability of the instructional materials and
8 training for the courses at a nominal cost to public educational
9 institutions in this state.

10 Sec. 61.863. USE OF FUNDS. An institution of higher
11 education may use funds awarded under this section to develop, in
12 connection with a course described by Section 61.861:

13 (1) curriculum;

14 (2) assessments;

15 (3) instructional materials, including
16 technology-based supplemental materials; or

17 (4) professional development programs for secondary
18 grade-level teachers teaching a course described by Section 61.861.

19 Sec. 61.864. REVIEW OF COURSES. Courses developed for
20 which a grant is awarded under this subchapter shall be reviewed by
21 the commissioner of higher education and the commissioner of
22 education, in consultation with the comptroller and the Texas
23 Workforce Commission, once every four years to determine whether
24 the course:

25 (1) is being used by public educational institutions
26 in this state;

27 (2) prepares high school students with the skills

1 necessary for employment in the high-demand occupation and further
2 postsecondary study; and

3 (3) satisfies a mathematics or science requirement for
4 the recommended or advanced high school program as determined under
5 Section 28.025.

6 Sec. 61.865. MATCHING CONTRIBUTION REQUIRED. An
7 institution of higher education awarded a grant under this
8 subchapter must obtain from one or more business entities in the
9 industry for which students taking courses developed under Section
10 61.861 are training, in a total amount equal to the amount of the
11 state grant:

12 (1) gifts, grants, or donations of funds; or

13 (2) contributions of property that may be used in
14 providing the courses.

15 Sec. 61.866. LIMITATION ON TOTAL AMOUNT OF GRANTS. In any
16 state fiscal biennium, the total amount of grants awarded under
17 this subchapter may not exceed \$10 million.

18 Sec. 61.867. FUNDING OF GRANTS. The commissioner of higher
19 education shall administer this section using available
20 appropriations and gifts, grants, and donations made for the
21 purposes of this subchapter.

22 SECTION 64. Subtitle G, Title 3, Education Code, is amended
23 by adding Chapter 134 to read as follows:

24 CHAPTER 134. JOBS AND EDUCATION FOR TEXANS (JET) GRANT PROGRAM

25 Sec. 134.001. DEFINITIONS. In this chapter:

26 (1) "Nonprofit organization" means an organization
27 exempt from federal income taxation under Section 501(a), Internal

1 Revenue Code of 1986, as an organization described by Section
2 501(c)(3) of that code.

3 (2) "Public junior college" and "public technical
4 institute" have the meanings assigned by Section 61.003.

5 Sec. 134.002. JOBS AND EDUCATION FOR TEXANS (JET) FUND. (a)
6 The comptroller shall establish and administer the Jobs and
7 Education for Texans (JET) fund as a dedicated account in the
8 general revenue fund.

9 (b) The following amounts shall be deposited in the fund:

10 (1) any amounts appropriated by the legislature for
11 the fund for purposes of this chapter;

12 (2) interest earned on the investment of money in the
13 fund; and

14 (3) gifts, grants, and other donations received for
15 the fund.

16 Sec. 134.003. ADVISORY BOARD. (a) An advisory board of
17 education and workforce stakeholders is created to assist the
18 comptroller in administering this chapter.

19 (b) The advisory board is composed of seven members who
20 serve two-year terms and are appointed as follows:

21 (1) one member appointed by the governor;

22 (2) one member appointed by the lieutenant governor;

23 (3) one member appointed by the speaker of the house of
24 representatives;

25 (4) one member appointed by the Texas Higher Education
26 Coordinating Board;

27 (5) one member appointed by the Texas Workforce

1 Commission;

2 (6) one member of the public appointed by the
3 comptroller; and

4 (7) the comptroller, who serves as the presiding
5 officer.

6 (c) The advisory board shall meet at least once each quarter
7 to review received applications and recommend awarding grants under
8 this chapter.

9 Sec. 134.004. JOBS AND EDUCATION FOR TEXANS (JET) GRANT
10 PROGRAM. The comptroller shall establish and administer the Jobs
11 and Education for Texans (JET) Grant Program to provide grants to
12 public junior colleges, public technical institutes, and eligible
13 nonprofit organizations that apply to the advisory board in the
14 manner prescribed by the advisory board. The comptroller shall
15 award the grants on the advice and recommendations of the advisory
16 board. Grants may be awarded under this chapter from the Jobs and
17 Education for Texans (JET) fund for the following purposes:

18 (1) to develop, support, or expand programs of
19 nonprofit organizations that meet the requirements of Section
20 134.005 and that prepare low-income students for careers in
21 high-demand occupations;

22 (2) to defray the start-up costs associated with the
23 development of new career and technical education programs at
24 public junior colleges and public technical institutes that meet
25 the requirements of Section 134.006; and

26 (3) to provide scholarships for students in career and
27 technical education programs who meet the requirements of Section

1 134.007.

2 Sec. 134.005. GRANTS TO NONPROFIT ORGANIZATIONS FOR
3 INNOVATIVE AND SUCCESSFUL PROGRAMS. (a) The comptroller may award
4 a grant to a nonprofit organization eligible under Subsection (b)
5 for the development, support, or expansion of programs to prepare
6 low-income students for careers in high-demand occupations.

7 (b) To be eligible to receive a grant under this section, a
8 nonprofit organization must:

9 (1) provide a program to offer assistance to
10 low-income students in preparing for, applying to, and enrolling in
11 a public junior college or public technical institute;

12 (2) be governed by a board or other governing
13 structure that includes recognized leaders of broad-based
14 community organizations and members of the local business
15 community;

16 (3) demonstrate to the satisfaction of the advisory
17 board that the organization's program has achieved or will achieve
18 the following measures of success among program participants, to
19 the extent applicable to the type of program the organization
20 provides:

21 (A) above average completion of developmental
22 education among participating public junior college or public
23 technical institute students;

24 (B) above average persistence rates among
25 participating public junior college or public technical institute
26 students;

27 (C) above average certificate or degree

1 completion rates by participating students within a three-year
2 period compared to demographically comparable public junior
3 college and public technical institute students; and

4 (D) employment of participating students at an
5 average full-time starting wage that is equal to or greater than
6 the prevailing wage for the occupation entered; and

7 (4) provide matching funds in accordance with rules
8 adopted under Section 134.008.

9 (c) The matching funds required under Subsection (b)(4) may
10 be obtained from any source available to the nonprofit
11 organization, including in-kind contributions, community or
12 foundation grants, individual contributions, and local
13 governmental agency operating funds.

14 (d) Grants awarded under this section must be awarded in a
15 manner that takes a balanced geographical distribution into
16 consideration.

17 Sec. 134.006. GRANTS TO EDUCATIONAL INSTITUTIONS FOR CAREER
18 AND TECHNICAL EDUCATION PROGRAMS. (a) The comptroller may award a
19 grant for the development of new career and technical education
20 courses or programs at public junior colleges and public technical
21 institutes.

22 (b) A grant received under this section may be used only:

23 (1) to support courses or programs that prepare
24 students for career employment in occupations that are identified
25 by local businesses as being in high demand, including courses
26 offered for dual credit;

27 (2) to finance initial costs of career and technical

1 education course or program development, including the costs of
2 constructing or renovating facilities, purchasing equipment, and
3 other expenses associated with the development of a new course; and
4 (3) to finance a career and technical education course
5 or program that leads to a license, certificate, or postsecondary
6 degree.

7 (c) In awarding a grant under this section, the comptroller
8 shall primarily consider the potential economic returns to the
9 state from the development of the career and technical education
10 course or program. The comptroller may also consider whether the
11 course or program:

12 (1) is part of a new, emerging industry or high-demand
13 occupation;

14 (2) offers new or expanded dual credit career and
15 technical educational opportunities in public high schools; or

16 (3) is provided in cooperation with other public
17 junior colleges or public technical institutes across existing
18 service areas.

19 (d) To be eligible to receive a grant under this section, a
20 public junior college or public technical institute must provide
21 matching funds in accordance with rules adopted under Section
22 134.008. The matching funds may be obtained from any source
23 available to the junior college or technical institute, including
24 in-kind contributions, industry consortia, community or foundation
25 grants, individual contributions, and local governmental agency
26 operating funds.

27 Sec. 134.007. SCHOLARSHIPS. (a) The comptroller may award

1 a scholarship to a public junior college or public technical
2 institute student.

3 (b) To be eligible to receive a scholarship under this
4 section, a student must:

5 (1) demonstrate financial need; and

6 (2) be enrolled in a training program for a
7 high-demand occupation, as determined by the comptroller on the
8 recommendation of the advisory board.

9 Sec. 134.008. RULES. The comptroller shall adopt rules as
10 necessary for the administration of this chapter.

11 SECTION 65. Section 302.006(c), Labor Code, is amended to
12 read as follows:

13 (c) To be eligible to receive a scholarship awarded under
14 this section, a person must:

15 (1) be employed in a child-care facility, as defined
16 by Section 42.002, Human Resources Code;

17 (2) intend to obtain a credential, certificate, or
18 degree specified in Subsection (b);

19 (3) agree to work for at least 18 additional months in
20 a child-care facility, as defined by Section 42.002, Human
21 Resources Code, that accepts federal Child Care Development Fund
22 subsidies and that, at the time the person begins to fulfill the
23 work requirement imposed by this subdivision, is located:

24 (A) within the attendance zone of a public school
25 campus considered low-performing under Subchapter E, Chapter 39
26 [Section 39.132], Education Code; or

27 (B) in an economically disadvantaged community,

1 as determined by the commission; and

2 (4) satisfy any other requirements adopted by the
3 commission.

4 SECTION 66. The following sections of the Education Code
5 are repealed:

6 (1) Sections 39.034(e), (f), and (g); and

7 (2) Section 44.011.

8 SECTION 67. (a) Section 21.054(b), Education Code, is
9 repealed.

10 (b) This repeal applies beginning with the 2009-2010 school
11 year.

12 SECTION 68. (a) Not later than December 1, 2010, the Texas
13 Education Agency shall prepare and deliver to the governor, the
14 lieutenant governor, the speaker of the house of representatives,
15 each member of the legislature, the clerks of the standing
16 committees of the senate and the house of representatives with
17 primary jurisdiction over public education, and the Legislative
18 Budget Board a transition plan containing the information described
19 by Subsections (b) and (c) of this section.

20 (b) The transition plan referred to in Subsection (a) of
21 this section must contain a detailed description of the process the
22 commissioner of education will use to develop and implement this
23 Act, including:

24 (1) the timeline;

25 (2) the means by which public school educators who are
26 representative of this state and other stakeholders, including
27 parents of public primary and secondary school students, and

1 business and community leaders, will be included in the process to
2 develop and implement this Act, in accordance with Section
3 7.055(b)(11), Education Code;

4 (3) the resources required to implement this Act,
5 including resources that may be required by districts and campuses;

6 (4) the scope and sequence of tasks that must be
7 accomplished to implement this Act; and

8 (5) the use of the standard rulemaking process to
9 adopt any procedures necessary to implement this Act.

10 (c) Except as provided by this subsection, the transition
11 plan referred to in Subsection (a) of this section must provide for
12 the implementation during the 2011-2012 school year of changes made
13 by this Act to the accreditation and academic accountability
14 system. The assignment of accreditation statuses and any other
15 academic accountability designations under this Act must be
16 implemented beginning with the 2012-2013 school year.

17 (d) In conjunction with the transition plan prepared and
18 delivered under this section, the commissioner of education shall
19 provide for an equivalence of a performance rating, accreditation
20 status, distinction designation, or performance indicator, as
21 applicable, for each statutory performance rating or performance
22 indicator that is superseded by this Act.

23 SECTION 69. To the extent of any conflict, the reenactment
24 by this Act of Section 51.807, Education Code, prevails over
25 another Act of the 81st Legislature, Regular Session, 2009,
26 relating to nonsubstantive additions to and corrections in enacted
27 codes.

1 SECTION 70. Section 11.203(d), Education Code, as amended
2 by this Act, applies only to a principal employed at a school that
3 is rated academically unacceptable during the 2008-2009 school
4 year.

5 SECTION 71. (a) Except as provided by this section, this
6 Act applies beginning with the 2009-2010 school year.

7 (a-1) Section 28.002(c-3), Education Code, as added by this
8 Act, applies beginning with the 2010-2011 school year.

9 (b) Sections 39.023(e) and 39.053(g), Education Code, as
10 amended by this Act, apply immediately.

11 (c) Section 39.023(o), Education Code, as added by this Act,
12 applies beginning with a student who earns college credit during
13 the 2010-2011 school year.

14 (d) Except as provided by Subsection (b) of this section,
15 Subchapter C, Chapter 39, Education Code, as amended by this Act,
16 applies beginning with the 2011-2012 school year.

17 (e) Except as provided by Subsection (f) of this section,
18 Subchapter E, Chapter 39, Education Code, as amended by this Act,
19 applies as provided by the transition plan adopted by the
20 commissioner of education under Section 39.116, Education Code, as
21 added by this Act.

22 (f) Notwithstanding any other provision of this Act, the
23 commissioner of education may immediately apply any exceptions to
24 interventions and sanctions under Subchapter E, Chapter 39,
25 Education Code, as amended by this Act, to interventions and
26 sanctions under Subchapter G, Chapter 39, Education Code, as that
27 law existed prior to amendment by this Act.

1 SECTION 72. This Act takes effect immediately if it
2 receives a vote of two-thirds of all the members elected to each
3 house, as provided by Section 39, Article III, Texas Constitution.
4 If this Act does not receive the vote necessary for immediate
5 effect, this Act takes effect September 1, 2009.

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SECTION 1. Amends Section 7.009(b), Education Code, to read as follows:

(b) The agency shall solicit and collect from the Legislative Budget Board, centers for education research established under Section 1.005, [~~and exemplary or recognized~~] school districts assigned an acceptable performance rating under Section 39.054, and campuses[-] and open-enrollment charter schools that have received at least one distinction designation under Subchapter G, Chapter 39, [as rated under Section 39.072,] examples of best practices relating to instruction, dropout prevention, public school finance, resource allocation, and business practices, including best practices relating to curriculum, scope and sequence, compensation and incentive systems, bilingual education and special language programs, compensatory education programs, and the effective use of instructional technology, including online courses.

No equivalent provision.

SECTION 1. Amends Section 7.009(b), Education Code, to read as follows:

Sec.7.009. BEST PRACTICES; CLEARINGHOUSE.

(a) In coordination with the Legislative Budget Board, the agency shall establish an online clearinghouse of information relating to best practices of campuses, [~~and~~] school districts, and open-enrollment charter schools. The agency shall determine the appropriate topic categories for which a campus, district, or charter school may submit best [regarding instruction, dropout prevention, public school finance, resource allocation, and business] practices. To the extent practicable, the agency shall ensure that information provided through the online clearinghouse is specific, actionable information relating to the best practices of high-performing and highly efficient campuses, [~~and school~~] districts, and open-enrollment charter schools and of academically acceptable campuses, districts, and open-enrollment charter schools that have demonstrated significant improvement in student achievement rather than general guidelines relating to campus, [~~and school~~] district, and open-enrollment charter school operation. The information must be accessible by campuses, school districts, open-enrollment charter schools, and interested members of the public.

(b) The agency shall solicit and collect from the Legislative Budget Board, centers for education research established under Section 1.005, and [~~exemplary or recognized~~] school districts, campuses, and open-

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SECTION 2. Amends Section 7.028(a), Education Code, relating to certain limitations on compliance monitoring by TEA.

SECTION 3. Amends Sections 7.056(e) and (f), Education Code, as follows:

(e)

(f) A school district or campus that is required to develop and implement a student achievement improvement plan under Section 39.102 [~~39.134~~] or 39.103 [~~39.132~~] may receive an exemption or waiver under this section from any law or rule other than:

- (1) a prohibition on conduct that constitutes a criminal offense;
- (2) a requirement imposed by federal law or rule;
- (3) a requirement, restriction, or prohibition imposed by

SECTION 1. Same as House version.

SECTION 2. Same as House version, except as follows:

(e) Same as House version.

(f) Same as House version, except refers to a student achievement improvement plan under Section 39.101 or 39.102.

~~enrollment charter schools[~~as rated under Section 39.072,~~] examples of best practices as determined by the agency under Subsection (a)~~[relating to instruction, dropout prevention, public school finance, resource allocation, and business practices, including best practices relating to curriculum, scope and sequence, compensation and incentive systems, bilingual education and special language programs, compensatory education programs, and the effective use of instructional technology, including online courses].~~~~

SECTION 2. Same as House version.

SECTION 3. Same as House version..

Same as House version.

Same as House version.

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state law or rule relating to:

- (A) public school accountability as provided by Subchapters B, C, D, E, and J [~~G~~], Chapter 39; or
- (B) educator rights and benefits under Subchapters A, C, D, E, F, G, and I, Chapter 21, or under Subchapter A, Chapter 22; or
- (4) textbook selection under Chapter 31.

SECTION 4. Amends Sections 8.051(b) and (d), Education Code, as follows:

(b) Among other provisions requires each regional education service center' (RESC) annual plan for improvement to include the purposes and description of the services the center will provide to:

(1) campuses assigned an [identified as academically] unacceptable performance rating [based on the indicators adopted] under Section 39.054 [~~39.051~~]:

(d) Includes among the enumerated core services that each RESC must maintain for purchase by school districts and campuses the following:

(3) assistance specifically designed for a school district or campus assigned an [rated academically] unacceptable performance rating under Section 39.054 [~~39.072(a)~~] or a campus whose performance is considered unacceptable based on the indicators adopted under Section ~~39.051~~.

SECTION 5. Amends Section 11.001, Education Code,

SECTION 3. Same as House version, except as follows:

(b) Requires each plan to include the purposes and description of the services the center will provide to:

(1) campuses that fail to satisfy any standard [identified as academically unacceptable based on the indicators adopted] under Section 39.054(d) [~~39.051~~]:

(d) Includes among the enumerated RESC core services the following:

(3) assistance specifically designed for a school district rated accredited-warned or accredited-probation [academically unacceptable] under Section 39.052 [~~39.072(a)~~] or a campus that fails to satisfy any standard [whose performance is considered unacceptable based on the indicators adopted] under Section 39.054(d) [~~39.051~~].

SECTION 4. Same as House version.

SECTION 4. Same as House version.

SECTION 5. Same as House version.

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Accreditation.

SECTION 6. Amends Section 11.003(d), Education Code, relating to administrative efficiency.

SECTION 7. Amends Section 11.1511(b), Education Code, relating to a school district board of trustees' specific powers and duties.

SECTION 8. Amends Section 11.201(d), Education Code, relating so school district superintendents.

SECTION 9. Adds Section 11.163, Education Code, Campus Closures, to establish requirements and procedures for school closures, if a school district's board of trustees proposes to close a campus, including notice and hearing requirements and specific requirements for development and posting of a written closure plan.

SECTION 10. Adds Section 11.172, Education Code, School District Grooming Policy, to prohibit a school district board of trustees from adopting a policy that restricts the length of a student's hair. Makes this section applicable only to certain honor roll eligible students..

SECTION 11. Amends Section 11.203(d), Education Code, to read as follows:

(d) A principal who was employed as a principal at a campus that was [~~of a campus~~] rated academically

SECTION 5. Same as House version.

SECTION 6. Same as House version.

SECTION 7. Same as House version.

No equivalent provision.

No equivalent provision.

SECTION 8. Subsection (d), Section 11.203, Education Code, is amended to read as follows:

(d) A principal who was employed as principal at [~~of~~] a campus that failed to satisfy any standard under Section

SECTION 6. Same as House version.

SECTION 7. Same as House version.

SECTION 8. Same as House version.

Same as Senate version.

Same as Senate version.

SECTION 9. Same as House version.

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unacceptable during the preceding school year [~~as well as any person employed to replace that principal,~~] shall participate in the program and complete the program requirements not later than a date determined by the commissioner.

SECTION 12. Amends Section 11.252(a), Education Code, relating to district-level planning and decision-making.

SECTION 13. Amends Sections 11.253(c) and (d), Education Code, relating to campus planning and site-based decision-making.

SECTION 14. Amends Section 11.255(a), Education Code, relating to dropout prevention review.

SECTION 15. Amends Section 12.013(b), Education Code, to make a home-rule school district subject to, among other provisions;
(G) elementary class size limits under Section 25.112, in the case of any campus in the district that is below any standard [~~considered academically unacceptable~~] under Section 39.054(e) [~~39.132~~].

SECTION 16. Amends Section 12.056(b), Education Code, relating to the applicability of Title 2 to a campus or campus program charter.

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39.054(d) during the preceding school year [~~rated academically unacceptable, as well as any person employed to replace that principal,~~] shall participate in the program and complete the program requirements not later than a date determined by the commissioner.

SECTION 9. Same as House version.

SECTION 10. Same as House version.

SECTION 11. Same as House version.

SECTION 12. Same as House version, except makes a home-rule district subject to

(G) elementary class size limits under Section 25.112, in the case of any campus in the district that fails to satisfy any standard [~~is considered academically unacceptable~~] under Section 39.054(d) [~~39.132~~].

SECTION 13. Same as House version.

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SECTION 10. Same as House version.

SECTION 11. Same as House version.

SECTION 12. Same as House version.

SECTION 13. Same as Senate version.

SECTION 14. Same as House version.

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SECTION 17. Amends Section 12.1012(5), Education Code, relating to the definition of "management services."

SECTION 14. Same as House version.

SECTION 15. Same as House version.

SECTION 18. Adds Section 12.013(c), Education Code, to exempt, under certain conditions, a home-rule school district from provisions of this title relating to public school accountability under Subchapters B, C, D, and G, Chapter 39, or to rules adopted under those provisions.

No equivalent provision.

Same as Senate version.

SECTION 19. Amends Section 12.016, Education Code, CONTENT, to require each home-rule school district charter, among other provisions, to provide an alternative contingency for continuation of the home-rule school district charter based on acceptable student performance on alternative tests approved for that purpose and compliance with an approved alternative accountability plan.

No equivalent provision.

Same as Senate version.

SECTION 20. Adds Section 12.056(c), Education Code, to exempt, under certain conditions, a campus or program for which a charter is granted under this subchapter from provisions of this title relating to public school accountability under Subchapters B, C, D, and G, Chapter 39, or to rules adopted under those provisions.

No equivalent provision.

Same as Senate version.

SECTION 21. Amends Section 12.059, Education Code, CONTENT, to require each charter granted under this subchapter to provide an alternative contingency for

No equivalent provision.

Same as Senate version.

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continuation of the charter based on acceptable student performance on alternative tests approved for that purpose and compliance with an approved alternative accountability plan.

SECTION 22. Amends Section 12.104(b), Education Code, relating to the applicability of Title 2 to an open-enrollment charter school.

SECTION 23. Amends Section 12.1054(a), Education Code, as follows:

(a) A member of the governing body of a charter holder, a member of the governing body of an open-enrollment charter school, or an officer of an open-enrollment charter school is considered to be a local public official for purposes of Chapter 171, Local Government Code. For purposes of that chapter . . .

(2) notwithstanding any provision of Section 12.1054(1), an employee of an open-enrollment charter school rated ~~as academically~~ acceptable or higher under Section 39.054 ~~[Chapter 39]~~ for at least two of the preceding three school years may serve as a member of the governing body of the charter holder of the governing body of the school if the employees do not constitute a quorum of the governing body or any committee of the governing body; however, all members shall comply with the requirements of Sections 171.003-171.007, Local Government Code.

SECTION 15. Same as House version.

SECTION 16. Same as House version, except as follows:

(a) A member of the governing body of a charter holder, a member of the governing body of an open-enrollment charter school, or an officer of an open-enrollment charter school is considered to be a local public official for purposes of Chapter 171, Local Government Code. For purposes of that chapter . . .

(2) notwithstanding any provision of Subdivision (1) ~~[Section 12.1054(1)]~~, an employee of an open-enrollment charter school that satisfies all performance standards ~~[rated as academically acceptable or higher]~~ under Section 39.054(d) ~~[Chapter 39]~~ for at least two of the preceding three school years may serve as a member of the governing body of the charter holder of the governing body of the school if the employees do not constitute a quorum of the governing body or any committee of the governing body; however, all members shall comply with the requirements of Sections 171.003-171.007, Local Government Code.

SECTION 16. Same as House version.

SECTION 17. Same as House version.

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SECTION 24. Amends Section 12.1055(b), Education Code, as follows:

(b) Among other provisions, generally exempts an open-enrollment charter school that is *rated acceptable or higher*, rather than one that is rated academically acceptable or higher, under Section 39.054 for at least two of the preceding three school years from Chapter 573, Government Code.

SECTION 25. Section 12.1162(a), Education Code, is amended to read as follows:

(a) The commissioner shall take any of the actions described by Subsection (b) or by Section 39.102(a) [~~39.131(a)~~], to the extent the commissioner determines necessary, if an open-enrollment charter school, as determined by a report issued under Section 39.058(b) [~~39.076(b)~~]:

- (1) commits a material violation of the school's charter;
- (2) fails to satisfy generally accepted accounting standards of fiscal management; or
- (3) fails to comply with this subchapter or another applicable rule or law.

SECTION 26. Section 18.006(a), Education Code, is amended to authorize the commissioner to develop and implement a system of distinction designations consistent with Subchapter G, Chapter 39, where appropriate, to be used in assigning distinction designations to Job Corps diploma programs comparable to the distinction

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SECTION 17. Same as House version, except exempts an open-enrollment charter school that *satisfies all performance standards* under Section 39.054(d) for at least two of the preceding three school years.

SECTION 18. Same as House version., except cites any of the actions described by Section 39.101(a) rather than any of the actions described by Section 39.102(a).

SECTION 19. Amends Section 18.006(a), Education Code, only to conform a statutory citation

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SECTION 18. Same as House version.

SECTION 19. Same as House version.

SECTION 20. Same as House version.

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designations assigned to campuses under Subchapter G, Chapter 39. Conforms a statutory citation.

SECTION 27. Amends Section 21.354(e), Education Code, relating to appraisals of administrators..

SECTION 28. Amends Section 21.357(c), Education Code, relating to principal performance incentives.

SECTION 29. Amends Section 21.4541(b), Education Code, relating to the mathematics instructional coaches pilot program.

SECTION 30. Section 21.4551(c), Education Code, is amended to require the commissioner by rule to require a teacher to attend a reading academy if the teacher provides instruction in reading, mathematics, science, or social studies to students at the sixth, seventh, or eighth grade level at a campus that *is below any standard* under Section 39.054(e), rather than a campus that is considered academically unacceptable, on the basis of student performance on the reading test administered under Section 39.023(a) to students in any grade level at the campus.

SECTION 31. Section 21.653(a), Education Code, is amended to make a campus eligible to apply for and receive a program grant if the campus, among other conditions, has received at least one distinction

SECTION 20. Same as House version

SECTION 21. Same as House version

SECTION 22. Same as House version

SECTION 23. Same as House version, except applies to a teacher at a campus that *fails to satisfy any standard* under Section 39.054(d) on the basis of student performance on the reading assessment instrument administered under Section 39.023(a) to students in any grade level at the campus.

No equivalent provision.

SECTION 21. Same as House version.

SECTION 22. Same as House version.

SECTION 23. Same as House version.

SECTION 24. Same as Senate version.

SECTION 25 Section 28.002, Education Code, is amended by adding Subsections (c-1), (d), and (q) to read as follows Same as Senate version.

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designation under Section 39.201(b), (c), or (d)(1), rather than on the basis of being rated exemplary or recognized or is ranked in the top quartile of campuses in improvement, as determined by the commissioner, in mathematics or reading.

SECTION 32. Adds Sections 28.002(c-1), (c-2), (d), (n-1), (q), and (r) Education Code, as follows:

(c-1) The State Board of Education shall adopt rules to allow courses offered in the enrichment curriculum to simultaneously satisfy, to the extent practicable, more than one required credit in the enrichment curriculum or in the enrichment curriculum and the foundation curriculum for the basic, recommended, or advanced high school program in which the student is participating.

(c-2)

No equivalent provision.

(d) Requires the SBOE, each time the Texas Higher Education Coordinating Board revises the Internet database of the coordinating board's official statewide

SECTION 24. Adds Section 28.002(c-1), (c-2), and (c-3), Education Code, as follows:

(c-1) The State Board of Education may adopt rules to allow courses offered in the foundation curriculum or the enrichment curriculum to simultaneously satisfy, to the extent practicable, more than one required credit for the minimum, recommended, or advanced high school program in which the student is participating.

(c-2) Same as House version.

(c-3) Requires the SBOE to adopt rules requiring students enrolled in grade levels six, seven, and eight to complete a fine arts course for at least four semesters during those grade levels as part of a district's fine arts curriculum.

No equivalent provision.

No equivalent provision.

No equivalent provision.

(c-1) The State Board of Education shall adopt rules requiring students enrolled in grade levels six, seven, and eight to complete at least one fine arts course during those grade levels, as part of a district's fine arts curriculum.

(d) Same as House version.

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inventory of workforce education courses, to revise by rule the essential knowledge and skills of any corresponding career and technology education curriculum.

(n-1) Requires the SBOE to ensure by rule that the career and technology education curriculum offered at the high school level includes essential knowledge and skills specifically designed to prepare students to enter the workforce. Requires the SBOE to identify essential knowledge and skills that address the social and emotional aspects of entering the workforce, as well as practical aspects such as interviewing skills, workforce etiquette, and dress and grooming standards.

(q) Notwithstanding any other provision of this title, prohibits a school district varying the curriculum for a course in the required curriculum based on whether a student is enrolled in the minimum, recognized, or advanced high school program.

(r) Requires the SBOE to ensure that all career and technology courses adopted under this section that are part of a coherent sequence of courses allow a student to obtain industry certification or licensure in a career and technology profession or college credit for coursework. Career and technology courses that are not part of a coherent sequence of courses are not required to comply with this section.

SECTION 33. Section 28.0021, Education Code, is amended by amending Subsections (b) and (c) and

No equivalent provision.

No equivalent provision.

No equivalent provision.

No equivalent provision.

Same as Senate version.

(q) Same as House version.

Same as Senate version.

Same as Senate version.

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adding Subsection (d).

(a) Specifies the types of instructions that must be included in the materials used by school districts and open-enrollment charter schools to incorporate instruction in personal financial literacy into any course meeting a requirement for an economics credit under Section 28.025.

(c) Requires the SBOE to ensure that the essential knowledge and skills for social studies address personal financial literacy, including the topics listed in Subsection (b), in kindergarten and in each grade level from first through eighth grade, as appropriate.

(d) Requires the SBOE to adopt essential knowledge and skills that include the requirements of Subsection (b) not later than the 2010-2011 school year.

SECTION 34. Section 28.006(j), Education Code, is amended to read as follows:

(j) No more than 15 percent of the funds certified by the commissioner under Subsection (i) may be spent on indirect costs. The commissioner shall evaluate the programs that fail to meet the standard of performance under Section 39.301(b)(4) [~~39.051(b)(8)~~] and may implement interventions or sanctions under Subchapter E [~~G~~], Chapter 39. The commissioner may audit the expenditures of funds appropriated for purposes of this section. The use of the funds appropriated for purposes of this section shall be verified as part of the district audit under Section 44.008.

SECTION 25. Subsection (j), Section 28.006, Education Code, is amended to read as follows:

(j) No more than 15 percent of the funds certified by the commissioner under Subsection (i) may be spent on indirect costs. The commissioner shall evaluate the programs that fail to meet the standard of performance under Section 39.301(c)(4) [~~39.051(b)(8)~~] and may implement sanctions under Subchapter E [~~G~~], Chapter 39. The commissioner may audit the expenditures of funds appropriated for purposes of this section. The use of the funds appropriated for purposes of this section shall be verified as part of the district audit under Section 44.008.

SECTION 16. Same as House version.

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SECTION 35. Amends Section 28.014(d), Education Code, relating to college preparatory courses.

No equivalent provision.

SECTION 36. Amends the heading to Section 28.0211, Education Code, relating to satisfactory performance on certain tests and accelerated instruction.

SECTION 37. Section 28.0211, Education Code, is amended by amending Subsections (a), (b), (c), (d), (e),

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SECTION 26. Same as House version.

No equivalent provision.

SECTION 27. Same as House version.

SECTION 28. Section 28.0211, Education Code, is amended by amending Subsections (a), (b), (c), (d), (e),

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SECTION 27. Same as House version, except further amends the section to remove the prohibition against using a student's performance on an end-of-course test question adopted under this section to determine the student's performance on that test.

SECTION 28 Adds Sections 28.021(c), (d), and (e), Education Code to read as follows:

(c) In determining promotion under subsection (a), a school district shall consider:

(1) the recommendation of the student's teacher;

(2) the student's grade in each subject or course;

(3) the student's score on an assessment instrument administered under Section 39.023(a), (b), or (l); and

(4) any other necessary academic information, as determined by the district.

(d) By the start of the school year, a district shall make public the requirements for student advancement under this section.

(e) The commissioner shall provide guidelines to districts based on best practices that a district may use when considering factors for promotion. .

Same as House version.

SECTION 29. Section 28.0211, Education Code, is amended by amending Subsection (a) and adding

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(f), (g), (i), and (k) and adding Subsections (c-1), (d-1), (d-2), and (d-3), and (n) to read as follows:

(a) Not later than the first day of the school year, a school district shall determine the requirements for student advancement from one grade level to the next. In determining whether a student may be promoted to the next grade level, the district shall consider:

- (1) the recommendation of the student's teacher;
- (2) the student's grade in each subject or course;
- (3) the student's score on an assessment instrument administered under Section 39.023(a), (b), or (l); and
- (4) any other necessary information, as determined by the district.

~~[Except as provided by Subsection (b) or (e), a student may not be promoted to:~~

- ~~[(1) the fourth grade program to which the student would otherwise be assigned if the student does not perform satisfactorily on the third grade reading assessment instrument under Section 39.023;~~

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(f), (g), (i), and (k) and adding Subsections (c-1), (d-1), (d-2), and (d-3) to read as follows:

(a) Not later than the first day of the school year, a school district shall determine the requirements for student advancement from one grade level to the next. In determining whether a student may be promoted to the next grade level, the district shall consider:

- (1) the recommendation of the student's teacher;
- (2) the student's grade in each subject or course;
- (3) the student's score on an assessment instrument administered under Section 39.023(a), (b), or (l); and
- (4) any other necessary information, as determined by the district

~~[Except as provided by Subsection (b) or (e), a student may not be promoted to:~~

- ~~[(1) the fourth grade program to which the student would otherwise be assigned if the student does not perform satisfactorily on the third grade reading assessment instrument under Section 39.023;~~

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Subsections (a-1), (a-2), (a-3), and (n)

(a-1) Each time a student fails to perform satisfactorily on an assessment instrument administered under Section 39.023(a) in the third, fourth, fifth, sixth, seventh, or eighth grade, the school district in which the student attends school shall provide to the student accelerated instruction in the applicable subject area. Accelerated instruction may require participation of the student before or after normal school hours and may include participation at times of the year outside normal school operations.

(a-2) A student who fails to perform satisfactorily on an assessment instrument specified under Subsection (a) and who is promoted to the next grade level must complete accelerated instruction required under Subsection (a-1) before placement in the next grade level. A student who fails to complete required accelerated instruction may not be promoted.

(a-3) The commissioner shall provide guidelines to districts on research-based best practices and effective strategies that a district may use in developing an accelerated instruction program.

(a) Except as provided by Subsection (b) or (e), a student may not be promoted to:

- (1) ~~[the fourth grade program to which the student would otherwise be assigned if the student does not perform satisfactorily on the third grade reading assessment instrument under Section 39.023;~~

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~~[(2) the sixth grade program to which the student would otherwise be assigned if the student does not perform satisfactorily on the fifth grade mathematics and reading assessment instruments under Section 39.023; or
(3) the ninth grade program to which the student would otherwise be assigned if the student does not perform satisfactorily on the eighth grade mathematics and reading assessment instruments under Section 39.023.]~~

(b) A school district shall provide to a student who initially fails to perform satisfactorily on the third grade reading assessment instrument, the fifth grade mathematics and reading assessment instruments, or the eighth grade mathematics and reading assessment instruments under Section 39.023 an ~~[assessment instrument specified under Subsection (a) at least two]~~ additional opportunity ~~[opportunities]~~ to take the assessment instrument.

~~[A school district may administer an alternate assessment instrument to a student who has failed an assessment instrument specified under Subsection (a) on the previous two opportunities. Notwithstanding any other provision of this section, a student may be promoted if the student performs at grade level on an alternate assessment instrument under this subsection that is appropriate for the student's grade level and approved by the commissioner.]~~

(c) If ~~[Each time]~~ a student fails to perform satisfactorily

~~[(2) the sixth grade program to which the student would otherwise be assigned if the student does not perform satisfactorily on the fifth grade mathematics and reading assessment instruments under Section 39.023; or
(3) the ninth grade program to which the student would otherwise be assigned if the student does not perform satisfactorily on the eighth grade mathematics and reading assessment instruments under Section 39.023].~~

(b) A school district shall provide to a student who initially fails to perform satisfactorily on the third grade reading assessment instrument, the fifth grade mathematics and reading assessment instruments, or the eighth grade mathematics and reading assessment instruments under Section 39.023 an ~~[assessment instrument specified under Subsection (a) at least two]~~ additional opportunity ~~[opportunities]~~ to take the assessment instrument.

~~[A school district may administer an alternate assessment instrument to a student who has failed an assessment instrument specified under Subsection (a) on the previous two opportunities. Notwithstanding any other provision of this section, a student may be promoted if the student performs at grade level on an alternate assessment instrument under this subsection that is appropriate for the student's grade level and approved by the commissioner.]~~

(c) If ~~[Each time]~~ a student fails to perform satisfactorily

~~(2)]~~ the sixth grade program to which the student would otherwise be assigned if the student does not perform satisfactorily on the fifth grade mathematics and reading assessment instruments under Section 39.023; or (2)]~~(3)]~~ the ninth grade program to which the student would otherwise be assigned if the student does not perform satisfactorily on the eighth grade mathematics and reading assessment instruments under Section 39.023.

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on an assessment instrument specified under Subsection (b) ~~[(a)]~~, the school district ~~[in which the student attends school]~~ shall

~~[provide to the student accelerated instruction in the applicable subject area,~~

~~including reading instruction for a student who fails to perform satisfactorily on a reading assessment instrument. After a student fails to perform satisfactorily on an assessment instrument a second time, a grade placement committee shall be established to] prescribe [the] accelerated instruction for ~~[the district shall provide to]~~ the student~~

~~[before the student is administered the assessment instrument the third time. The grade placement committee shall be composed of the principal or the principal's designee, the student's parent or guardian, and the teacher of the subject of an assessment instrument on~~

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on a mathematics or reading [an] assessment instrument administered [specified] under Section 39.023(a), (b), or (l) in the third, fifth, or eighth grade [Subsection (a)], the school district in which the student attends school shall provide to the student accelerated instruction in the applicable subject area. If a student in a third, fifth, or eighth grade program fails to meet the requirements for student advancement from one grade level to the next as determined by a school district under Subsection (a), the district shall establish

~~[-including reading instruction for a student who fails to perform satisfactorily on a reading assessment instrument. After a student fails to perform satisfactorily on an assessment instrument a second time,] a grade placement committee [shall be established] to prescribe the accelerated instruction the district shall provide to the student~~

If a student in a program other than a third, fifth, or eighth grade program fails to meet the requirements for student advancement from one grade level to the next as determined by a school district under Subsection (a), the district may establish a grade placement committee to prescribe the accelerated instruction the district shall provide to the student

~~[before the student is administered the assessment instrument the third time]. The grade placement committee shall be composed of the principal or the principal's designee, the student's parent or guardian, and the teacher of the subject of an assessment instrument on~~

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~~which the student failed to perform satisfactorily. The district shall notify the parent or guardian of the time and place for convening the grade placement committee and the purpose of the committee].~~

The accelerated instruction program provided under this subsection must be systematic and may not be based solely on assessment instrument practice skills and:

- (1) must provide for instruction in the applicable subject area;
- (2) must be developed in consultation with the student's parent or guardian; and
- (3) [An accelerated instruction group administered by a school district under this section] may not have a ratio of more than 10 students for each teacher in an accelerated instruction group.

(c-1) A school district shall implement an accelerated instruction program required under Subsection (c) immediately following the student's failure to perform satisfactorily on an assessment instrument specified under Subsection (b).

(d) In addition to providing accelerated instruction to a student under Subsection (c), the school district shall notify the student's parent or guardian of:

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which the student failed to perform satisfactorily. The district shall notify the parent or guardian of the time and place for convening the grade placement committee and the purpose of the committee.

The accelerated instruction program provided under this subsection must be systematic and may not be based solely on assessment instrument practice skills and:

- (1) for a student in a third, fifth, or eighth grade program:
 - (A) must provide for instruction in the applicable subject area;
 - (B) must be approved by the student's parent or guardian and the district; and
 - (C) [An accelerated instruction group administered by a school district under this section] may not have a ratio of more than 10 students for each teacher in an accelerated instruction group; or
- (2) for a student in a program other than a third, fifth, or eighth grade program, be made available to the student in the next grade level.

(c-1) A school district shall implement an accelerated instruction program under Subsection (c) not later than the 30th day after the first day of school of the next school year. Accelerated instruction may occur outside of regular school hours, including during summer school.

(d) In addition to providing accelerated instruction to a student under Subsection (c), the school district shall notify the student's parent or guardian of:

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- (1) the information collected under Subsection (a), including, if applicable, the student's failure to perform satisfactorily on the assessment instrument;
 - (2) the accelerated instruction program to which the student is assigned; [and]
 - (3) the possibility that the student might be retained at the same grade level for the next school year;
 - (4) the areas requiring improvement for the student to meet the requirements for advancement from one grade level to the next as determined by the district under Subsection (a); and
 - (5) any other applicable information as determined by the district.
- (d-1) A school district shall make information provided to a parent or guardian under Subsections (d)(1), (4), and (5) available to the student's current teacher and the student's teacher in the next grade level.
- (d-2) If a student fails to meet the requirements for student advancement from grade level three, five, or eight determined by a school district under Subsection (a), the district shall establish a grade placement committee for the student composed of the principal or the principal's designee, the student's parent or guardian, and one of the student's teachers. If the student has failed to perform satisfactorily on an assessment instrument administered under Section 39.023(a), (b), or (l), the teacher serving on the committee must be the student's teacher for the subject of an assessment instrument on which the student failed to perform

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- (1) the information collected under Subsection (a), including if applicable, the student's failure to perform satisfactorily on the assessment instrument;
 - (2) the accelerated instruction program to which the student is assigned; [and]
 - (3) the possibility that the student might be retained at the same grade level for the next school year;
 - (4) the areas requiring improvement for the student to meet the requirements for advancement from one grade level to the next as determined by the district under Subsection (a); and
 - (5) any other applicable information as determined by the district.
- (d-1) A school district shall make information provided to a parent or guardian under Subsections (d)(1), (4), and (5) available to the student's current teacher and the student's teacher in the next grade level.

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satisfactorily. If the student participates in a district's special education program under Subchapter A, Chapter 29, or bilingual education or special language program under Subchapter B, Chapter 29, the student's special education or bilingual education or special language program teacher must be included on the grade placement committee.

The grade placement committee shall make a determination that the student be:

(1) retained at the same grade level for the next school year; or

(2) placed in the next grade level with accelerated instruction as provided under Subsection (c).

(d-3) A student who fails to participate in an accelerated instruction program developed under Subsection (c)(1) may not be promoted to the next grade level program to which the student would otherwise be assigned if the student does not perform satisfactorily on the applicable assessment instrument specified under Subsection (b).

(e) A [student who, after at least three attempts, fails to perform satisfactorily on an assessment instrument specified under Subsection (a) shall be retained at the same grade level for the next school year in accordance with Subsection (a). The] student's parent or guardian may [appeal the student's retention by submitting a] request that [to] the grade placement committee

(d-2) The grade placement committee shall make a determination that the student who failed to meet the requirements for student advancement from one grade level to the next determined by a school district under Subsection (a) be:

(1) retained at the same grade level for the next school year; or

(2) placed in the next grade level with accelerated instruction as provided under Subsection (c).

(d-3) A student who fails to participate in an accelerated instruction program developed under Subsection (c)(1) may not be promoted to the next grade level program to which the student would otherwise be assigned if the student does not perform satisfactorily on the applicable assessment instrument specified under Subsection (b).

(e) A [student who, after at least three attempts, fails to perform satisfactorily on an assessment instrument specified under Subsection (a) shall be retained at the same grade level for the next school year in accordance with Subsection (a). The] student's parent or guardian may [appeal the student's retention by submitting a] request that [to] the grade placement committee

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reconsider the committee's decision under Subsection (d-2) to retain the student [established under Subsection (e)]. The school district shall give the parent or guardian written notice of the opportunity to request reconsideration [appeal. ~~The grade placement committee may decide in favor of a student's promotion only if the committee concludes, using standards adopted by the board of trustees, that if promoted and given accelerated instruction, the student is likely to perform at grade level~~]. A student may not be promoted on the basis of the grade placement committee's decision under this subsection unless that decision is unanimous. The commissioner by rule shall establish a time line for making the placement determination. This subsection does not create a property interest in promotion. The decision of the grade placement committee under this subsection is final and may not be appealed.

(f) An accelerated instruction program under Subsection (c) [A school district shall provide to a student who, after three attempts, has failed to perform satisfactorily on an assessment instrument specified under Subsection (a) accelerated instruction during the next school year as prescribed by an educational plan developed for the student by the student's grade placement committee established under Subsection (e). The district shall provide that accelerated instruction regardless of whether the student has been promoted or retained. The educational plan] must be designed to enable the student to perform at the appropriate grade level by the

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reconsider the committee's decision under Subsection (d-2) to retain the student [established under Subsection (e)]. The school district shall give the parent or guardian written notice of the opportunity to request reconsideration [appeal. ~~The grade placement committee may decide in favor of a student's promotion only if the committee concludes, using standards adopted by the board of trustees, that if promoted and given accelerated instruction, the student is likely to perform at grade level~~]. A student may not be promoted on the basis of the grade placement committee's decision under this subsection unless that decision is unanimous. The commissioner by rule shall establish a time line for making the placement determination. This subsection does not create a property interest in promotion. The decision of the grade placement committee under this subsection is final and may not be appealed.

(f) An accelerated instruction program under Subsection (c) [A school district shall provide to a student who, after three attempts, has failed to perform satisfactorily on an assessment instrument specified under Subsection (a) accelerated instruction during the next school year as prescribed by an educational plan developed for the student by the student's grade placement committee established under Subsection (e). The district shall provide that accelerated instruction regardless of whether the student has been promoted or retained. The educational plan] must be designed to enable the student to perform at the appropriate grade level by the

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conclusion of the school year. During the school year, the student shall be monitored to ensure that the student is progressing in accordance with the program [plan]. The district shall administer to the student the assessment instrument for the grade level in which the student is placed at the time the district regularly administers the assessment instruments for that school year.

(g) This section does not preclude the retention at a grade level, in accordance with state law or school district policy, of a student who performs satisfactorily on an assessment instrument administered [specified] under Section 39.023 [Subsection (a)].

(i) The admission, review, and dismissal committee of a student who participates in a district's special education program under Subchapter B, Chapter 29, and who does not perform satisfactorily on a mathematics or reading [an] assessment instrument ~~[specified under Subsection (a) and]~~ administered under Section 39.023(a) or (b) shall determine:

- (1) the manner in which the student will participate in an accelerated instruction program under this section; and
- (2) whether the student will be promoted or retained under this section.

(k) The commissioner shall adopt rules as necessary to implement this section, including rules concerning when school districts shall administer assessment instruments required under this section and which administration of the assessment instruments will be used for purposes of

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conclusion of the school year. During the school year, the student shall be monitored to ensure that the student is progressing in accordance with the program [plan]. The district shall administer to the student the assessment instrument for the grade level in which the student is placed at the time the district regularly administers the assessment instruments for that school year.

(g) This section does not preclude the retention at a grade level, in accordance with state law or school district policy, of a student who performs satisfactorily on an assessment instrument administered [specified] under Section 39.023 [Subsection (a)].

(i) The admission, review, and dismissal committee of a student who participates in a district's special education program under Subchapter B, Chapter 29, and who does not perform satisfactorily on a mathematics or reading [an] assessment instrument ~~[specified under Subsection (a) and]~~ administered under Section 39.023(a) or (b) shall determine:

- (1) the manner in which the student will participate in an accelerated instruction program under this section; and
- (2) whether the student will be promoted or retained under this section.

(k) The commissioner shall adopt rules as necessary to implement this section, including rules concerning when school districts shall administer assessment instruments required under this section and which administration of the assessment instruments will be used for purposes of

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Section 39.053 [~~39.051~~].

Section 39.053 [~~39.051~~].

(n) A student who is promoted by a grade placement committee under this section must be assigned in all foundation curriculum subjects to a teacher who meets all state and federal qualifications to teach that subject and grade.

(n) A student who does not perform satisfactorily on the assessment instrument required under Subsection (b) but is promoted must be assigned in all foundation curriculum subjects to a teacher who meets all states and federal qualifications to teach that grade and subject.

SECTION 38. Section 28.025, Education Code, is amended by amending Subsections (a), (b), (b-1), and (b-2) and adding Subsections (b-3), (b-4), (b-5), (b-6), (b-7), and (b-8) to read as follows:

(a) The State Board of Education by rule shall determine curriculum requirements for the basic [~~minimum~~], recommended, and advanced high school programs that are consistent with the required curriculum under Section 28.002. Subject to Subsection (b-1), the State Board of Education shall designate the specific courses in the foundation curriculum required for a student participating in the basic, recommended, or advanced high school program. Except as provided by Subsection (b-1), the State Board of Education may not designate a specific course or a specific number of credits in the enrichment curriculum as requirements for the recommended program.

SECTION 30. Section 28.025, Education Code, is amended by amending Subsections (a), (b), and (b-1) and adding Subsections (b-3), (b-4), and (b-5) to read as follows:

(a) The State Board of Education by rule shall determine curriculum requirements for the minimum, recommended, and advanced high school programs that are consistent with the required curriculum under Section 28.002. Subject to Subsection (b-1), the State Board of Education shall designate the specific courses in the foundation curriculum required for a student participating in the minimum, recommended, or advanced high school program. Except as provided by Subsection (b-1), the State Board of Education may not designate a specific course or a specific number of credits required for a subject in the enrichment curriculum. This subsection does not prohibit the State Board of Education from designating the total number of credits required under the enrichment curriculum for a student participating in the minimum, recommended, or

SECTION 30. Same as Senate version, except as follows:

(a) Same as House version, but keeps existing name for minimum high school program.

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(b) A school district shall ensure that each student enrolls in the courses necessary to complete the curriculum requirements identified by the State Board of Education under Subsection (a) for the recommended or advanced high school program unless the student, the student's parent or other person standing in parental relation to the student, and a school counselor or school administrator agree in writing signed by each party that the student should be permitted to take courses under the basic [minimum] high school program and the student:

(1) is at least 16 years of age;

(2) has completed the credits necessary for the 10th grade under the recommended or advanced high school program; or

(3) has failed to be promoted to the 10th grade one or more times.

(b-1) The State Board of Education by rule shall require that:

(1) except as provided by Subsection (b-2), the curriculum requirements for the recommended and advanced high school programs under Subsection (a) include a requirement that students successfully complete;

(A) four credits [ourses] in each subject of the foundation curriculum under Section 28.002(a)(1), including at least one-half credit in government and at least one-half credit in economics to meet the social

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advanced high school program.

(b) A school district shall ensure that each student enrolls in the courses necessary to complete the curriculum requirements identified by the State Board of Education under Subsection (a) for the recommended or advanced high school program unless the student, the student's parent or other person standing in parental relation to the student, and a school counselor or school administrator agree that the student should be permitted to take courses under the minimum high school program and the student:

(1) is at least 16 years of age;

(2) has completed two credits required for graduation in each subject of the foundation curriculum under Section 28.002(a)(1); or

(3) has failed to be promoted to the tenth grade one or more times as determined by the school district.

(b-1) The State Board of Education by rule shall require that:

(1) except as provided by Subsection (b-2), the curriculum requirements for the recommended and advanced high school programs under Subsection (a) include a requirement that students successfully complete;

(A) four credits [ourses] in each subject of the foundation curriculum under Section 28.002(a)(1), including at least one-half credit in government and at least one-half credit in economics to meet the social

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(b) Same as Senate version excepts keeps "in writing signed by each party."

(b-1) The State Board of Education by rule shall require that:

(1) except as provided by Subsection (b-2), the curriculum requirements for the recommended and advanced high school programs under Subsection (a) include a requirement that students successfully complete;

(A) four credits [ourses] in each subject of the foundation curriculum under Section 28.002(a)(1), including at least one-half credit in government and at least one-half credit in economics to meet the social

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studies requirement;

(B) two credits in the same language in a language other than English under Section 28.002(a)(2)(A); and

(C) eight elective credits; and

(2) one or more credits [eourses] offered in the required curriculum for the recommended and advanced high school programs include a research writing component.

(b-2) Notwithstanding any other provision of this section, [In adopting rules under Subsection (b-1), the State Board of Education shall allow] a student may [to] comply with the curriculum requirements under the basic, recommended, or advanced program for a mathematics course [under Subsection (b-1)(1) taken

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studies requirement;

(B) for the recommended high school program, two credits in the same language in a language other than English under Section 28.002(a)(2)(A) and, for the advanced high school program, three credits in the same language in a language other than English under Section 28.002(a)(2)(A); and

(C) six elective credits; [and]

(2) one or more credits [eourses] offered in the required curriculum for the recommended and advanced high school programs include a research writing component; and

(3) the curriculum requirements for the minimum, recommended, and advanced high school programs under Subsection (a) include a requirement that students successfully complete:

(A) one credit in fine arts under Section 28.002(a)(2)(D); and

(B) one credit in physical education under Section 28.002(a)(2)(C).

No equivalent provision.

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studies requirement;

(B) for the recommended high school program, two credits in the same language in a language other than English under Section 28.002(a)(2)(A) and, for the advanced high school program, three credits in the same language in a language other than English under Section 28.002(a)(2)(A); and

(C) for the recommended high school program, six elective credits and, for the advanced high school program, five elective credits; and

(2) one or more credits [eourses] offered in the required curriculum for the recommended and advanced high school programs include a research writing component; and

(3) the curriculum requirements for the minimum, recommended, and advanced high school programs under Subsection (a) include a requirement that students successfully complete:

(A) one credit in fine arts under Section 28.002(a)(2)(D);

(B) one credit in physical education under Section 28.002(a)(2)(C).

Same as Senate version.

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~~after the successful completion of an Algebra II course]~~
or science course ~~[under Subsection (b-1)(1) taken after~~
~~the successful completion of a physics course]~~ by
successfully completing a ~~[an advanced]~~ career and
technical course approved for that purpose [designated]
by the State Board of Education under Section 28.027 [as
~~containing substantively similar and rigorous academic~~
~~content. A student may use the option provided by this~~
~~subsection for not more than two courses]. A student's~~
substitution of a career and technical course under this
subsection does not affect requirements relating to end-
of-course assessment instruments otherwise applicable to
the student under Sections 39.023(c) and 39.025, and the
student must comply with those requirements in the same
manner as if the course substitution had not occurred.

(b-3) In adopting rules to provide students with the
option described by Subsection (b-1)(1), the State Board
of Education must approve a variety of mathematics and
science courses that may be taken by a student after
completion of Algebra II and physics to comply with the
recommended program requirements. The board may
not limit the courses approved for that purpose.

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(b-3) In adopting rules to provide students with the
option described by Subsection (b-1)(1), the State Board
of Education must approve a variety of mathematics and
science courses that may be taken by a student after
completion of Algebra II and physics to comply with the
recommended program requirements. A course
approved under this subsection must contain
substantively similar and rigorous academic content as a
course approved under Subsection (b-2).

CONFERENCE

(b-3) In adopting rules to provide students with the
option described by Subsection (b-1)(1)(A), the State
Board of Education must approve a variety of
mathematics and science courses that may be taken by a
student after completion of Algebra II and physics to
comply with the recommended program requirements. A
student completing a course approved under this
subsection must comply with all applicable requirements
relating to end-of-course assessment instruments
otherwise applicable to the student under Sections
39.023(c) and 39.025. A course approved under this
subsection may be provided in an applied manner and
must:

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(b-4) Before a student's parent or other person standing in parental relation to the student may agree that the student be permitted to take courses under the basic high school program as provided by Subsection (b), a school district must provide written notice to the parent or person standing in parental relation explaining the benefits of the recommended high school program. The notice shall be developed by the agency and must:
(1) be printed in English and Spanish; and
(2) require that the student's parent or person standing in parental relation to the student sign a confirmation of receipt and return the confirmation to the student's campus.

(b-5) Notwithstanding Section 5.09, Chapter 5 (H.B. 1), 79th Legislature, 3rd Called Session, 2006, the curriculum requirements for the recommended and advanced high school programs under Subsection (b-1) apply to students entering the ninth grade beginning with the 2011-2012 school year. This subsection expires September 1, 2015.

(b-4) Before a student's parent or other person standing in parental relation to the student may agree that the student be permitted to take courses under the minimum high school program as provided by Subsection (b), a school district must provide written notice to the parent or person standing in parental relation explaining the benefits of the recommended high school program. The notice shall be developed by the agency and must:
(1) be printed in English and Spanish; and
(2) require that the student's parent or person standing in parental relation to the student sign a confirmation of receipt and return the confirmation to the student's campus.

(b-5) Same as House version.

(1) be endorsed by an institution of higher education as a course for which the institution would award course credit or as a prerequisite for a course for which the institution would award course credit; and
(2) cover the essential knowledge and skills identified under Section 28.002 for mathematics or science, as applicable.

(b-4) Same as Senate version.

No equivalent provision.

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(b-6) The State Board of Education, in coordination with the Texas Higher Education Coordinating Board, shall adopt rules to ensure that a student may comply with the curriculum requirements under the minimum, recommended, or advanced high school program for each subject of the foundation curriculum under Section 28.002(a)(1) and for languages other than English under Section 28.002(a)(2)(A) by successfully completing appropriate courses in the core curriculum of an institution of higher education under Section 61.822.

No equivalent provision.

(5) Same as House version.

(b-7) For each campus in the district, a school district shall provide the number of students, disaggregated by major student subpopulations, agreeing under Subsection (b) to take courses under the minimum high school program to the agency for the development of:
(1) campus report cards under Section 39.305; and
(2) performance reports for the district under Section 39.306.

No equivalent provision.

[Provision moved and incorporated into added Section 39.301 as Subdivision (c)(4) in SECTION 59.]

(b-8) A student agreeing to take courses under the minimum high school program as provided by Subsection (b) may, upon request, resume taking courses under the recommended high school program.

No equivalent provision.

(6) Same as House version.

No equivalent provision.

No equivalent provision.

(b-7) The agency shall establish a pilot program allowing a student attending school in a county with a population of more than one million and in which more than 80 percent of the population resides in a single

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No equivalent provision.

SECTION 39. Amends Section 28.0252(b), Education Code, relating to the purpose of the Texas Advanced Placement Incentive Program.

SECTION 40. Adds 28.0253, Education Code, Pilot Program: High School Diplomas For Students Who Demonstrate Early Readiness For College, as follows:
Sec. 28.0253. . (a) defines "Institution of higher education" and "Research university."
(b) Requires a research university that chooses to participate in the pilot program to:

No equivalent provision.

SECTION 31. Same as House version.

No equivalent provision.

municipality to satisfy the fine arts credit required under Subsection (b-1)(3)(A) by participating in a fine arts program not provided by the school district in which the student is enrolled. The fine arts program may be provided on or off a school campus and outside the regular school day. Not later than December 1, 2010, the agency shall provide to the legislature a report regarding the pilot program, including the feasibility of expanding the pilot program statewide.

(b-8) A school district, with the approval of the commissioner, may allow a student to comply with the curriculum requirements for the physical education credit required under Subsection (b-1)(3)(B) by participating in a private or commercially sponsored physical activity program provided on or off a school campus and outside the regular school day.

SECTION 31. Same as House version.

SECTION 32. Same as House version, except Subsection (d) is added to read as follows:

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(1) not later than September 1 of each year, make available on the university's Internet website detailed standards for use in the program regarding: the specific competencies that demonstrate a student's mastery of each subject area for which the coordinating board and the commissioner have adopted college readiness standards; the specific competencies that demonstrate a student's mastery of a language other than English; and acceptable assessments or other means by which a student may demonstrate the student's early readiness for college with respect to each subject area and the language described by this subdivision, subject to Subsection (c);

(2) partner with at least 10 school districts that reflect the state's geographic diversity and the student compositions of which reflect the state's socioeconomic diversity; and

(3) assist school administrators, school counselors, and other educators in each of those school districts in designing the specific requirements of and implementing the program in the district.

(c) Requires the tests or other means filed by a research university to be equivalent to the tests or other means the university uses to place students at the university in courses that may be credited toward a degree requirement.

(d) Requires a research university that partners with a school district to enter into an agreement with the district under which the university and district agree that the district will assess a student's mastery of the subject areas

(d) A research university that partners with a school district under this section shall enter into an agreement with the district under which the university and district agree that the district will assess a student's mastery of the subject areas described by Subsection (b)(1) and a

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described above and a language other than English in accordance with the standards the university filed. Authorizes the district to issue a high school diploma to a student under the program only if, using the standards, the student demonstrates mastery of and early readiness for college in each of those subject areas and in a language other than English.

(e) Provides that a student who receives a high school diploma through the pilot program is considered to have completed the recommended high school program but is not guaranteed admission to any institution of higher education or to any academic program at an institution of higher education solely on the basis of having received the diploma through the program.

(f) Requires a research university that participates in the pilot program to enter into an agreement with an education research center to conduct an evaluation of the program with respect to that university and the school districts with which the university partners. Requires the education research center, not later than January 1, 2013, to provide a written report of the evaluation to the commissioner and the commissioner of higher education and make the report available on the center's Internet website. Authorizes the report to include an analysis of the program's effect on the university's admissions review process.

SECTION 41. Adds Section 28.027, Education Code, Career and Technical Courses, as follows:

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No equivalent provision.

CONFERENCE

language other than English in accordance with the standards the university filed under Subsection (b)(1). The district may issue a high school diploma to a student under the program if, using the standards, the student demonstrates mastery of and early readiness for college in each of those subject areas and in a language other than English, notwithstanding any other local or state requirements.

Same as Senate version.

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Sec. 28.027. (a) Authorizes a school district to seek SBOE approval to offer one or more career and technical courses, including career and technical courses offered as alternatives to mathematics or science courses otherwise required under the basic, recommended, or advanced high school program, and requires such a course to cover the essential knowledge and skills identified for the subject for which the course is offered as an alternative. Requires a student completing a career and technical course approved under this provision to be administered any end-of-course test required for the course for which the career and technical course is offered as an alternative.

(b) Requires a district seeking approval to offer a course under this provision to submit an application for approval by a specified deadline and sets for application procedures and requirements.

(c) Requires the board to evaluate each application and associated information and give consideration to the recommendation under Subsection (e) regarding the application made by the task force established under Subsection (d) and to take action approving or denying an application on or before the 180th day after the date the district submitted the application and all associated information. Authorizes the board to begin evaluation of an application or take any associated administrative action, including posting an agenda item for a public meeting, before the board receives the task force's recommendation.

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(c-1) Enumerates certain requirements for a course developed for purposes of this section:

(d) Requires the commissioner, in consultation with the commissioner of higher education, to establish a Career and Technical Education Course Review Task Force and sets forth the task forces' composition.

(e) Specifies a deadline for the task force to make its recommendation to the board.

(f) Established the term for which a course approval is effective and provides that there is no limit on the number of three-year periods for which course approval may be renewed.

(f-1) Requires the board, at any time after approval of a course and on the request of a legislator or a school board trustees, to review its course approval and authorizes the SBOE board to revoke its approval based on the review.

(g) Authorizes any district in this state to offer a course approved under this section.

(h) Section 7.102(f) does not apply to a rule adopted by the board under this section.

SECTION 42. Amends Section 29.062(a), Education Code, relating to compliance with bilingual education and special language program provisions.

SECTION 43. Amends Section 29.094(c), Education Code, relating to intensive reading or language intervention pilot programs.

SECTION 32. Same as House version.

SECTION 33. Same as House version.

SECTION 33. Same as House version.

SECTION 34. Same as House version.

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SECTION 44. Amends Section 29.095(a)(1), Education Code, as added by Chapter 1058 (H.B. 2237), Acts of the 80th Legislature, Regular Session, 2007,

SECTION 45. Amends Section 29.095(c), Education Code, as added by Chapter 1058 (H.B. 2237), Acts of the 80th Legislature, Regular Session, 2007,

SECTION 46. Amends Sections 29.096(a) and (c), Education Code, relating to a collaborative dropout reduction pilot program.

SECTION 47. Amends Section 29.097(a)(1), Education Code, relating to intensive technology-based academic intervention pilot program..

SECTION 48. Amends Section 29.097(c), Education Code,

SECTION 49. Amends Section 29.098(c), Education Code, relating to intensive summer programs.

SECTION 50. Amends Section 29.202(a), Education Code, as follows:

- (a) A student is eligible to receive a public education grant or to attend another public school in the district in which the student resides under this subchapter if the student is assigned to attend a public school campus: . . .
- (2) that was, at any time in the preceding three years,

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SECTION 34. Same as House version.

SECTION 35. Same as House version.

SECTION 36. Same as House version.

SECTION 37. Same as House version.

SECTION 38. Same as House version.

SECTION 39. Same as House version.

SECTION 40. Same as House version, except as follows:

- (a) A student is eligible to receive a public education grant or to attend another public school in the district in which the student resides under this subchapter if the student is assigned to attend a public school campus: . . .
- (2) that ~~was~~, at any time in the preceding three years,

CONFERENCE

SECTION 35. Same as House version.

SECTION 36. Same as House version.

SECTION 37. Same as House version.

SECTION 38. Same as House version.

SECTION 39 Same as House version.

SECTION 40. Same as House version.

SECTION 42. Same as Senate version.

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below any standard [considered—academically unacceptable] under Section 39.054(e) [39.132].

failed to satisfy any standard [considered—academically unacceptable] under Section 39.054(d) [39.132].

SECTION 51. Amends Section 29.182(b), Education Code, relating to the state plan for career and technology education to require the plan to include procedures designed to ensure that, among other provisions, (3) career and technology education is established as a part of the total education system of this state and constitutes an option for student learning that provides a rigorous course of study consistent with the required curriculum and under which a student may receive specific education in a career and technology program that: incorporates competencies leading to academic and technical skill attainment; leads to an industry-recognized license, credential, or certificate or at the postsecondary level, an associate or baccalaureate degree; includes opportunities for students to earn college credit for coursework; and includes, as an integral part of the program, participation by students and teachers in activities of career and technical student organizations supported by the agency and the State Board of Education.

No equivalent provision.

SECTION 41. Same as House version.

SECTION 52. Amends Section 29.904(d), Education Code,

SECTION 41. Same as House version.

SECTION 43. Same as House version.

SECTION 53. Amends Section 29.906(e), Education Code.,

SECTION 42. Same as House version.

SECTION 44. Same as House version.

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SECTION 54. Sections 29.918(a) and (c), Education Code, are amended to read as follows:

(a)

(c) The commissioner shall adopt rules to administer this section. The commissioner may impose interventions or sanctions under Section 39.102 [~~39.134~~] or 39.104 [~~39.1324~~] if a school district or open-enrollment charter school fails to timely comply with this section.

SECTION 55. Section 30A.101, Education Code, is amended to read as follows:

Sec. 30A.101. ELIGIBILITY TO ACT AS PROVIDER SCHOOL DISTRICT OR SCHOOL. (a) Makes a school district eligible to act as a provider school district under this chapter only if it is rated *acceptable or higher* under Section 39.054, rather than academically acceptable or higher.

(b) Makes an open-enrollment charter school eligible to act as a provider school under this chapter only if the school is rated *acceptable or higher* under Section 39.054, rather than recognized or higher.

SECTION 56. Amends Section 32.157(a), Education Code,.

SECTION 57. Amends Section 29.917(a), and adds (d), Education Code, as follows:

SENATE VERSION

SECTION 43. Subsections (a) and (c), Section 29.918, Education Code, are amended to read as follows:

(a) Same as House version.

(c) Same as House version, except cites interventions or sanctions under Section 39.101 or 39.103.

SECTION 44. Section 30A.101, Education Code, is amended to read as follows:

Sec. 30A.101. ELIGIBILITY TO ACT AS PROVIDER SCHOOL DISTRICT OR SCHOOL. (a) Same as House version, except makes a school district eligible only if it is rated *accredited* under Section 39.052.

(b) Same as House version, except makes an open-enrollment charter school only if the school *satisfies all performance standards* under Section 39.054(d).

SECTION 45. Same as House version

No equivalent provision.

CONFERENCE

SECTION 45. Same as House version.

Same as House version.

Same as House version.

SECTION 46. Same as House version.

SECTION 47. Same as House version.

Same as Senate version.

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(a) Specifies that the commissioner may award grants to organizations that provide volunteers to teach classroom or after-school programs to students enrolled in a school district or open-enrollment charter school to enhance college readiness; workforce readiness; dropout prevention; or personal financial literacy.

(d) This section does not authorize the commissioner to award a grant to an organization to provide a comprehensive educational program to students that serves as a substitute for a regular educational program provided by a school district or open-enrollment charter school but authorizes the commissioner to award a grant to an organization only for the provision of supplemental programs described by Subsection (a).

SECTION 58. Amends Section 32.252(b), Education Code,

SECTION 59. Section 32.258, Education Code, is amended to read as follows:

Sec. 32.258. STUDENT ASSESSMENT DATA; DATA PORTAL. (a) Among other provisions, requires TEA establish a secure, interoperable system to be implemented through the portal under which:

- (1) a student or the student's parent or other person standing in parental relationship can easily access the student's individual assessment data;
- (2) an authorized employee of a school district,

SECTION 46. Same as House version.

SECTION 47. Section 32.258, Education Code, is amended to read as follows:

Sec. 32.258. STUDENT ASSESSMENT DATA; DATA PORTAL. (a) Same as House version, except in Subsection (3) provides that, through the portal, an authorized employee of a public institution of higher education can *readily access individual assessment data of students applying for admission for use in developing strategies for improving student performance.*

SECTION 48. Same as House version.

SECTION 49. Same as Senate version.

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including a district teacher, can readily access individual assessment data of district students for use in developing strategies for improving student performance; and

(3) an authorized employee of a public institution of higher education can *access appropriate student data*.

(b) - (c)

(d) Student assessment data provided under this section must:

(1) include student performance data on assessment instruments over multiple years, beginning with the 2007-2008 school year, including any data indicating progress in student achievement; and

(2) be updated before the beginning of each school year to include current student assessment data.

(e)

SECTION 60. Adds Section 33.006(d), Education Code, as follows:

(d) Requires each district's board of trustees to adopt a policy requiring a school counselor to spend not more than 10 percent of the counselor's total work time on administering tests or providing other assistance in connection with tests and sets forth requirements

(b) - (c) Same as House version.

(d) Student assessment data provided under this section must:

(1) be available on or before the first instructional day of the school year following the year in which the data is collected; and

(2) include student performance data on assessment instruments over multiple years, beginning with the 2007-2008 school year, including any data indicating progress in student achievement.

(e) Same as House version.

No equivalent provision.

Same as Senate version.

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regarding the availability of that policy to district employees, parents, and the public.

SECTION 61. Adds Subchapter A, Chapter 39, Education Code, General Provisions; State Master Plan to Close Academic Achievement Gaps in Public Education.

Sec. 39.001. Rulemaking Authority.

Sec. 39.002. Select Committee on Closing the Gaps in Public Education.

Sec. 39.003. Committee Meetings.

Sec. 39.004. Compensation and Reimbursement.

Sec. 39.005. Committee Staff.

Sec. 39.006. Master Plan for Public Education.

Sec. 39.007. Study of Accountability System and Related Educational Elements.

SECTION 62. Adds Section 39.0221 Education Code, Requirements for Certain Contracts for Assessment Instruments, to prohibit TEA, if it issues a request for proposal for a contract relating to services regarding test under this chapter or accountability reporting and the request for proposal results in only one qualified proposal, from entering into the contract without LBB approval.

SECTION 63. Section 39.023, Education Code, is amended by adding Subsections (a-1), (o), (p), and (q) and amending Subsections (b), (c), (c-4), (d), (e), (l), and

No equivalent provision.

No equivalent provision.

SECTION 48. Section 39.023, Education Code, is amended by adding Subsection (a-1) and amending Subsections (c-4) and (e) to read as follows:

Same as Senate version.

Same as Senate version.

SECTION 50. Same as House version, except as follows:

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(m) to read as follows:

(a-1) The agency shall develop assessment instruments required under Subsection (a) in a manner that allows, to the extent practicable:

(1) the score a student receives to provide reliable information relating to a student's satisfactory performance for each performance standard, as determined under Section 39.0241; and

(2) an appropriate range of performances to serve as a valid indication of growth in student achievement.

(b) Requires TEA to develop or adopt appropriate criterion-referenced alternative tests to be administered to each student in a special education program under Subchapter A, Chapter 29, for whom a test adopted under Subsection (a), even with allowable accommodations would not provide an appropriate measure of student achievement, as determined by the student's admission, review, and dismissal committee. Deletes provisions requiring the tests to assess essential knowledge and skills and growth in reading, mathematics, and writing; requiring a student's admission, review, and dismissal (ARD) committee to determine whether any allowable modification is necessary in testing the student, and requiring the tests to be administered on the same schedule as the test administered under Subsection (a).

(a-1) The agency shall develop assessment instruments required under Subsection (a) in a manner that allows, to the extent practicable:

(1) the score a student receives to provide reliable information relating to a student's satisfactory performance for each performance standard under Section 39.0241; and

(2) an appropriate range of performances to serve as a valid indication of growth in student achievement.

No equivalent provision.

Same as Senate version.

Same as House version.

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(c) Deletes a provision requiring the ARD committee for a student who is in a special education program to determine whether the student should be exempted under Section 39.027(a)(2).

No equivalent provision.

Same as House version.

(c-4)

(c-4) Same as House version.

Same as House version.

(d) Deletes a provision requiring the ARD committee for a student who is in a special education program to determine whether the student should be exempted under Section 39.027(a)(2).

No equivalent provision.

Same as House version.

(e)

(e) Same as House version.

Same as House version.

(l) Among other provisions, requires the SBOE to adopt rules for the administration of the tests adopted under Subsection (a) in Spanish to students in grades three through five rather than grades three through six who are of limited English proficiency, whose primary language is Spanish, and who are not otherwise exempt from the administration of a test under Section 39.027(a)(1) or (2), rather than under 39.027(a)(3) or (4).

No equivalent provision.

Same as House version.

(m) Makes a conforming citation change to the statutes above.

No equivalent provision.

Same as House version.

(o) Notwithstanding Subsection (c) or Section 39.025, a student is exempt from the administration of an end-of-course assessment instrument otherwise required under

(o) The commissioner of education and the commissioner of higher education shall study and make recommendations to the Legislature not later than

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Subsection (c) or Section 39.025 if the student receives college credit through a program implemented under Section 28.009 for a course in the subject area of the course for which the end-of-course assessment instrument was adopted. This subsection does not prohibit a student entitled to an exemption from electing to participate in the administration of an assessment instrument, provided that the student's performance on the assessment instrument in that circumstance is considered in the same manner as performance is considered for other students. The State Board of Education, the commissioner, and the Texas Higher Education Coordinating Board may adopt rules necessary to implement this subsection.

(p) On or before September 1 of each year, the commissioner shall make the following information available on the agency's Internet website for each assessment instrument administered under Subsection (a), (c), or (l):

(1) the number of questions on the assessment instrument;

(2) the number of questions that must be answered correctly to achieve satisfactory performance as determined by the commissioner under Section 39.0241(a);

(3) the number of questions that must be answered correctly to achieve satisfactory performance under the college readiness performance standard as provided by

SENATE VERSION

No equivalent provision.

CONFERENCE

December 1, 2010 regarding the feasibility of allowing students to satisfy end-of-course assessment requirements under 39.023 (c) by successfully dual credit course through an institution of higher education.

Same as House version.

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Section 39.0241; and
(4) the corresponding scale scores.

(q) If the agency, a school district, or a campus releases the results of an assessment instrument, the agency, district, or campus must include the agency Internet website address that provides the information required under Subsection (p).

SECTION 64. Amends Section 39.0233(d), Education Code,

No equivalent provision.

SECTION 65. Subchapter B, Chapter 39, Education Code, is amended by amending Section 39.024 and adding Sections 39.0237, 39.0241, and 39.0242 to read as follows:

Sec. 39.0237. Alternative Assessment Methods Pilot Project. (a) Defines "alternative assessment."
(b) Requires TEA to establish a pilot project to use alternative testing as provided by this section in assessing

No equivalent provision.

SECTION 49. Same as House version

No equivalent provision.

SECTION 50. Subchapter B, Chapter 39, Education Code, is amended by amending Section 39.024 and adding Sections 39.0241 and 39.0242 to read as follows:

No equivalent provision.

Same as Senate version.

SECTION 51. Same as House version.

SECTION 52. Section 39.0234(a), Education Code, is amended to read as follows:
(a) The agency shall ensure that assessment instruments required under Section 39.023 are capable of being administered by computer. The commissioner may not require a district or charter to administer an assessment by computer.

SECTION 53. Same as Senate version.

Same as Senate version.

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student performance.

(c) Requires TEA to select six public schools to participate in the pilot project and sets forth criteria for the selection of schools and performance assessment requirements.

(d) Requires each alternative test to be administered to students near the end of each school year.

(e) Requires TEA to adopt rules as necessary to administer this section, including, notwithstanding any other provision of this.

(f) Requires TEA to implement the pilot project beginning with the 2010-2011 school year and authorizes the agency to consult with an institution of higher education in implementing, administering, or evaluating the pilot project.

(g) Sets forth TEA reporting requirements and deadlines as well as report content requirements.

(h) This section expires September 1, 2013.

Sec. 39.024. MEASURE OF COLLEGE READINESS.

(a) In this section, "college readiness" means the level of preparation, as established by scientifically validated research studies based on empirical evidence, a student must attain in English language arts and mathematics courses to enroll and succeed, without remediation, in an entry-level general education course for credit in that same content area for a baccalaureate degree or associate degree program at:

(1) a general academic teaching institution, as defined

Sec. 39.024. MEASURE OF COLLEGE READINESS.

(a) In this section, "college readiness" means the level of preparation a student must attain in English language arts and mathematics courses to enroll and succeed, without remediation, in an entry-level general education course for credit in that same content area at:

(1) a postsecondary educational institution that primarily

Sec. 39.024. MEASURE OF COLLEGE READINESS.

(a) In this section, "college readiness" means the level of preparation a student must attain in English language arts and mathematics courses to enroll and succeed, without remediation, in an entry-level general education course for credit in that same content area for a baccalaureate degree or associate degree program at:

(1) Same as House version.

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by Section 61.003, other than a research institution, as categorized under the Texas Higher Education Coordinating Board's accountability system; or
(2) a postsecondary educational institution that primarily offers associate degrees or certificates or credentials other than baccalaureate or advanced degrees.

(b) The agency and the Texas Higher Education Coordinating Board shall ensure that the Algebra II and English III end-of-course assessment instruments required under Section 39.023(c) are developed to be capable of, beginning with the 2011-2012 school year, measuring college readiness.

(c) Before the beginning of the 2012-2013 school year, the agency, in collaboration with the Texas Higher Education Coordinating Board, shall gather data and conduct scientifically validated research studies based on empirical evidence to substantiate the correlation between a certain level of performance by students on the Algebra II and English III end-of-course assessment instruments and college readiness. The research studies conducted under this section must be publically available on the agency's Internet website.

(d) Studies under Subsection (c) must include an evaluation of any need for remediation courses to facilitate college readiness.

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offers baccalaureate degrees and primarily serves a limited geographic region; or

(2) a postsecondary educational institution that primarily offers associate degrees or certificates or credentials other than baccalaureate or advanced degrees.

(b) The agency shall ensure that the Algebra II and English III end-of-course assessment instruments required under Section 39.023(c) are developed to be capable of, beginning with the 2011-2012 school year, measuring college readiness.

(c) Before the beginning of the 2011-2012 school year, the agency shall gather data and conduct research studies to substantiate the correlation between a certain level of performance by students on the Algebra II and English III end-of-course assessment instruments and college readiness.

(d) Studies under Subsection (c) must include an evaluation of any need for remediation courses to facilitate college readiness.

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(2) Same as House version..

Same as House version.

(c) Before the beginning of the 2011-2012 school year, the agency, in collaboration with the Texas Higher Education Coordinating Board, shall gather data and conduct research studies to substantiate the correlation between a certain level of performance by students on the Algebra II and English III end-of-course assessment instruments and college readiness. .

Same as House version.

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(e) Based on the results of the studies conducted under Subsection (c), the commissioner of education and the commissioner of higher education shall establish student performance standards for the Algebra II and English III end-of-course assessment instruments indicating that students have attained college readiness.

(f) The agency, in collaboration with the Texas Higher Education Coordinating Board, shall conduct research studies similar to the studies conducted under Subsection (c) for the appropriate science and social studies end-of-course assessment instruments.

(f-1) Not later than December 1, 2012, the agency and the Texas Higher Education Coordinating Board shall deliver to the lieutenant governor, the speaker of the

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(e) Based on the results of the studies conducted under Subsection (c), the commissioner of education, in conjunction with the commissioner of higher education, shall establish student performance standards for the Algebra II and English III end-of-course assessment instruments indicating that students have attained college readiness.

(f) To the extent practicable, the agency, in conjunction with the Texas Higher Education Coordinating Board, shall conduct research studies similar to the studies conducted under Subsection (c) for the appropriate science and social studies end-of-course assessment instruments. If the commissioner of education, in conjunction with the commissioner of higher education, determines that the research studies conducted under this subsection substantiate a correlation between a certain level of performance by students on science and social studies end-of-course assessment instruments and college readiness, the commissioner of education, in conjunction with the commissioner of higher education, as soon as practicable, may establish student performance standards for the science and social studies end-of-course assessment instruments indicating that students have attained college readiness.

(f-1) Not later than December 1, 2012, the agency shall deliver to the lieutenant governor, the speaker of the house of representatives, and the clerks of the standing

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Same as House version.

Substantially the same as Senate version, except omits the qualifying "To the extent practicable" and replaces "conjunction" with "collaboration" as in the house version.

Same as House version, except in Subdivision (f-1)(2) requires inclusion of a summary of any implementation procedures adopted for each standard, as in the Senate

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house of representatives, and the clerks of the standing committees of the senate and the house of representatives with primary jurisdiction over public education and higher education a report that includes:

- (1) an analysis of the feasibility of establishing college readiness performance standards for science and social studies end-of-course assessment instruments; and
- (2) if feasible, recommendations for implementing each standard.

(f-2) Subsection (f-1) and this subsection expire January 1, 2013.

(g) The agency, in collaboration with the Texas Higher Education Coordinating Board, shall continue to gather data to perform studies as provided under Subsections (c) and (f) at least once every three years.

(h) The agency and the Texas Higher Education Coordinating Board shall periodically review the college readiness performance standards established under this section and compare the performance standards to performance standards established nationally and internationally for comparable assessment instruments. Following each review, the agency and the Texas Higher Education Coordinating Board shall deliver to the lieutenant governor, the speaker of the house of representatives, and the clerks of the standing committees of the senate and the house of representatives

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committees of the senate and the house of representatives with primary jurisdiction over public education a report that includes:

- (1) an analysis of the feasibility of establishing college readiness performance standards for science and social studies end-of-course assessment instruments; and
- (2) a summary of any implementation procedures adopted for each standard.

(f-2) Subsection (f-1) and this subsection expire January 1, 2013.

(g) The agency shall continue to gather data to perform studies as provided under Subsections (c) and (f) at least once every three years.

(h) Same as House version, except requires TEA and the coordinating board *jointly* to periodically review the college readiness performance standards, to deliver a *joint* report, and to *jointly* recommend changes in the standards.

CONFERENCE

version.

Same as House version.

Same as House version.

Same as House version.

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with primary jurisdiction over public education and higher education a report on the results of the review indicating whether the college readiness performance standards established under this section are sufficiently rigorous to prepare students in this state to compete academically with students nationally and internationally. If the agency and the Texas Higher Education Coordinating Board determine that the college readiness performance standards established under this section are not sufficiently rigorous, the agency and the Texas Higher Education Coordinating Board shall recommend changes to the college readiness performance standards.

(i) A student who successfully completes a dual credit course offered by an institution described by Subsection (a) is considered to have met the college readiness standard for the subject in that same content area assessed under Section 39.023(c).

No equivalent provision.

No equivalent provision.

Same as Senate version.

(i) The agency shall gather data and conduct research to substantiate any correlation between a certain level of performance by students on end-of-course assessment instruments and success in:
(1) military service; or
(2) a workforce training, certification, or other credential program at a postsecondary educational institution that primarily offers associate degrees or certificates or credentials other than baccalaureate or advanced degrees.

Same as Senate version.

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Sec. 39.0241. SATISFACTORY PERFORMANCE. (a) The commissioner [~~Except as otherwise provided by this subsection, the State Board of Education~~] shall determine the level of performance considered to be satisfactory on the assessment instruments.

(a-1) Beginning with the 2012-2013 school year, satisfactory performance on English language arts and mathematics assessment instruments for purposes of this chapter means the performance across grade levels necessary to indicate:

- (1) college readiness, as defined by Section 39.024(a), except as modified by Section 39.0242(d); and
- (2) satisfactory performance as determined by the commissioner under Subsection (a).

No equivalent provision.

(b) For the purpose of establishing performance across grade levels, the commissioner shall establish:

- (1) the performance standards for the Algebra II and English III end-of-course assessment instruments, as provided under Section 39.024(b) and under Subsection (a);
- (2) the performance standards for the Algebra I and

SENATE VERSION

Sec. 39.0241. [SATISFACTORY] PERFORMANCE STANDARDS. (a) Except as otherwise provided by Subsection (b) [this subsection], the commissioner [~~State Board of Education~~] shall determine the level of performance considered to be satisfactory on the assessment instruments.

No equivalent provision.

(a-1) The commissioner of education, in conjunction with the commissioner of higher education, shall determine the level of performance necessary to indicate college readiness, as defined by Section 39.024(a).

(a-2) For the purpose of establishing performance across grade levels, the commissioner shall establish:

- (1) the performance standards for the Algebra II and English III end-of-course assessment instruments, as provided under Section 39.024(b) and under Subsection (a);
- (2) the performance standards for the Algebra I and

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Same as House version.

Same as Senate version.

Same as Senate version, but specifies collaboration, rather than conjunction.

Same as Senate version, except incorporates Subdivisions (5) through (9) from the House version.

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English II end-of-course assessment instruments, as determined based on studies under Section 39.0242 that correlate student performance on the Algebra I and English II end-of-course assessment instruments with student performance on the Algebra II and English III assessment instruments;

(3) the performance standards for the English I end-of-course assessment instrument, as determined based on studies under Section 39.0242 that correlate student performance on the English I end-of-course assessment instrument with student performance on the English II assessment instrument;

(4) the performance standards for the grade eight assessment instruments, as determined based on studies under Section 39.0242 that correlate student performance on the grade eight assessment instruments with student performance on the Algebra I and English I end-of-course assessment instruments in the same content area; and

(5) the performance standards on the assessment instruments in each of grades three through seven, as determined based on studies under Section 39.0242 that correlate student performance in the same content area on the assessment instrument for each grade with student performance on the assessment instrument in the succeeding grade.

No equivalent provision.

SENATE VERSION

English II end-of-course assessment instruments, as determined based on studies under Section 39.0242 that correlate student performance on the Algebra I and English II end-of-course assessment instruments with student performance on the Algebra II and English III assessment instruments;

(3) the performance standards for the English I end-of-course assessment instrument, as determined based on studies under Section 39.0242 that correlate student performance on the English I end-of-course assessment instrument with student performance on the English II assessment instrument;

(4) the performance standards for the grade eight assessment instruments, as determined based on studies under Section 39.0242 that correlate student performance on the grade eight assessment instruments with student performance on the Algebra I and English I end-of-course assessment instruments in the same content area;

(5) the performance standards for the grade seven assessment instruments, as determined based on studies under Section 39.0242 that correlate student performance on the grade seven assessment instruments with student performance on the grade eight assessment instruments in the same content area;

(6) the performance standards for the grade six assessment instruments, as determined based on studies under Section 39.0242 that correlate student performance

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Same as House version.

Same as House version.

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No equivalent provision.

on the grade six assessment instruments with student performance on the grade seven assessment instruments in the same content area;

(7) the performance standards for the grade five assessment instruments, as determined based on studies under Section 39.0242 that correlate student performance on the grade five assessment instruments with student performance on the grade six assessment instruments in the same content area;

Same as House version.

No equivalent provision.

(8) the performance standards for the grade four assessment instruments, as determined based on studies under Section 39.0242 that correlate student performance on the grade four assessment instruments with student performance on the grade five assessment instruments in the same content area; and

Same as House version.

No equivalent provision.

(9) the performance standards for the grade three assessment instruments, as determined based on studies under Section 39.0242 that correlate student performance on the grade three assessment instruments with student performance on the grade four assessment instruments in the same content area.

Same as House version.

~~[The admission, review, and dismissal committee of a student being assessed under Section 39.023(b) shall determine the level of performance considered to be satisfactory on the assessment instruments administered to that student in accordance with criteria established by agency rule.]~~

(b) The admission, review, and dismissal committee of a student being assessed under Section 39.023(b) shall determine the level of performance considered to be satisfactory on the assessment instruments administered to that student in accordance with criteria established by agency rule.

Same as House version.

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(c) The agency may ~~[shall]~~ develop study guides for the assessment instruments administered under Sections 39.023(a) and (c). To assist parents in providing assistance during the period that school is recessed for summer, each school district shall make ~~[distribute]~~ the study guides available to parents of students who do not perform satisfactorily as determined by the commissioner under Subsection (a) on one or more parts of an assessment instrument administered under this subchapter.

(d) - (e)

Sec. 39.0242. SATISFACTORY PERFORMANCE: RESEARCH STUDIES AND IMPLEMENTATION OF STANDARD.

(a)

(b) Requires the agency, before the beginning of the *2012-2013* school year, analyze the data collected under Subsection (a) to substantiate the correlation between satisfactory student performance for each performance standard under Section 39.0241 certain standardized tests or end and on certain end-of-course test with satisfactory performance under the same performance standard on the assessment instruments in the same content area for the next grade level

SENATE VERSION

(c) The agency shall develop study guides for the assessment instruments administered under Sections 39.023(a) and (c). To assist parents in providing assistance during the period that school is recessed for summer, each school district shall make available ~~[distribute]~~ the study guides to parents of students who do not perform satisfactorily on one or more parts of an assessment instrument administered under this subchapter.

(d) - (e) Same as House version.

Sec. 39.0242. PERFORMANCE STANDARDS: RESEARCH STUDIES AND IMPLEMENTATION OF STANDARDS.

(a) Same as House version.

(b) Same as House version, except requires the agency to conduct its data analysis before the beginning of the *2011-2012* school year.

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Same as House version.

Same as House version.

Same as Senate version.

Same as House version.

Same as Senate version.

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(c)

(d) Once the level of satisfactory performance for the college readiness performance standard has been established at the level indicating college readiness, the agency shall continue to gather data and perform studies as provided under this section at least once every three years.

If the data does not support the correlation between student performance standards and college readiness, the commissioner of education, in conjunction with the commissioner of higher education, shall revise the standard of performance considered to be satisfactory.

SECTION 66. Section 39.025, Education Code, is amended by amending Subsections (a), (a-1), (b), (b-2), and (f) and adding Subsection (c-1) to read as follows:

(a) The commissioner shall adopt rules requiring a student participating in the basic, recommended, or advanced high school program to be administered each end-of-course assessment instrument listed in Section 39.023(c) ~~and requiring a student participating in the minimum high school program to be administered an~~

(c) Same as House version.

(d)

The agency shall continue to gather data and perform studies as provided under this section at least once every three years.

If the data do not support the correlation between student performance standards and college readiness, the commissioner of education, in collaboration with the commissioner of higher education, shall revise the standard of performance considered to be satisfactory.

(e) Based on the data collected and studies performed periodically under Subsection (d), the commissioner shall increase the rigor of the performance standard established under Section 39.0241(a) as the commissioner determines necessary.

SECTION 51. Section 39.025, Education Code, is amended by amending Subsections (a), (a-1), (b), (b-1), (b-2), and (f) and adding Subsections (a-2) and (c-1) to read as follows:

(a) The commissioner shall adopt rules requiring a student participating in the recommended or advanced high school program to be administered each end-of-course assessment instrument listed in Section 39.023(c) and requiring a student participating in the minimum high school program to be administered an end-of-course

Same as House version.

Same as Senate version.

Same as Senate version.

SECTION 54.

(a) The commissioner shall adopt rules requiring a student participating in the recommended or advanced high school program to be administered each end-of-course assessment instrument listed in Section 39.023(c) and requiring a student participating in the minimum high school program to be administered an end-of-course

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~~end-of-course assessment instrument listed in Section 39.023(e)] only for courses [a-course] in which the student is enrolled and for which an end-of-course assessment instrument is administered.~~

Except as provided under Subsection (a-1), a student participating in the basic high school program must perform satisfactorily, as determined by the commissioner under Section 39.0241(a), on the Algebra I and English III end-of-course assessment instruments and a student participating in the recommended or advanced high school program must perform satisfactorily, as determined by the commissioner under Section 39.0241(a), on the Algebra II and English III end-of-course assessment instruments.

~~[A student is required to achieve, in each subject~~

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assessment instrument listed in Section 39.023(c) only for Algebra I and English III and any other [a] course in which the student is enrolled and for which an end-of-course assessment instrument is administered.

[NOTE: the following paragraph moved here from below as indicated.]

Except as provided under Subsection (a-2), a student participating in the minimum high school program must perform satisfactorily on the Algebra I and English III end-of-course assessment instruments and a student participating in the recommended or advanced high school program must perform satisfactorily on the Algebra II and English III end-of-course assessment instruments.

A student who performs satisfactorily on the Algebra II and English III end-of-course assessment instruments under the college readiness performance standard, as determined under Section 39.024, is not required to comply with the requirement to perform satisfactorily on two of three end-of-course assessment instruments in those subjects

Except as otherwise provided by this section, a [A] student is required to perform satisfactorily under either performance standard under Section 39.0241 on two of the three end-of-course assessment instruments [achieve,] in each subject in which the student is required

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assessment instrument listed in Section 39.023(c) only for a course in which the student is enrolled and for which an end-of-course assessment instrument is administered. A student is required to achieve, in each subject in the foundation curriculum under Section 28.002(a)(1), a cumulative score that is at least equal to the product of the number of end-of-course assessment instruments administered to the student in that subject and the scale score that indicates adequate performance determined by the commissioner under 39.0241(a) 70, ~~with each end-of-course assessment instrument scored on a scale of 100.~~ A student must achieve a minimum score as determined by the commissioner to be within a reasonable range of the scale score under 39.0241(a) of at least 60 on an end-of-course assessment instrument for the score to count towards the student's cumulative score. For purposes of this subsection, a student's cumulative score is determined using the student's highest score on each end-of-course assessment instrument administered to the student. A student may not receive a high school diploma until the student has performed satisfactorily on the end-of-course assessment instruments in the manner provided under this subsection. This subsection does not require a student to demonstrate readiness to enroll in an institution of higher education.

(a-1) The commissioner by rule shall determine a method by which a student's satisfactory performance on an advanced placement test, international baccalaureate examination, an SAT [a-Scholastic Assessment Test

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~~in the foundation curriculum under Section 28.002(a)(1), a cumulative score that is at least equal to the product of the number of end-of-course assessment instruments administered to the student in that subject and 70, with each end-of-course assessment instrument scored on a scale of 100. A student must achieve a score of at least 60 on an end-of-course assessment instrument for the score to count towards the student's cumulative score.~~

~~For purposes of this subsection, a student's cumulative score is determined using the student's highest score on each end-of-course assessment instrument administered to the student.] A student may not receive a high school diploma until the student has performed satisfactorily on the end-of-course assessment instruments in the manner provided under this subsection. [This subsection does not require a student to demonstrate readiness to enroll in an institution of higher education.]~~

(a-1) The commissioner by rule shall determine a method by which a student's satisfactory performance on an advanced placement test, international baccalaureate examination, an SAT [~~a Scholastic Assessment Test (SAT)~~] Subject Test, or another assessment instrument

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to take end-of-course assessment instruments
~~[in the foundation curriculum under Section 28.002(a)(1), a cumulative score that is at least equal to the product of the number of end-of-course assessment instruments administered to the student in that subject and 70, with each end-of-course assessment instrument scored on a scale of 100. A student must achieve a score of at least 60 on an end-of-course assessment instrument for the score to count towards the student's cumulative score].~~

[Paragraph moved from here.]

~~[For purposes of this subsection, a student's cumulative score is determined using the student's highest score on each end-of-course assessment instrument administered to the student]. A student may not receive a high school diploma until the student has performed satisfactorily on the end-of-course assessment instruments in the manner provided under this subsection. [This subsection does not require a student to demonstrate readiness to enroll in an institution of higher education.]~~

(a-1) The student's score on an end-of-course assessment instrument constitutes 15 percent of the student's grade in the course for which the assessment instrument is administered.

(a-2) The commissioner by rule shall determine a method by which a student's satisfactory performance on an advanced placement test, international baccalaureate examination, a Scholastic Assessment Test (SAT) Subject Test, or another assessment instrument

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~~(SAT)] Subject Test, or another assessment instrument determined by the commissioner to be at least as rigorous as an end-of-course assessment instrument adopted under Section 39.023(c) may be used as a factor in determining whether the student satisfies the requirements of Subsection (a), including the cumulative score requirement of that subsection. The commissioner by rule may determine a method by which a student's satisfactory performance on a Preliminary Scholastic Assessment Test (PSAT) assessment or a preliminary American College Test (ACT) assessment may be used as a factor in determining whether the student satisfies the requirements of Subsection (a).~~

(a-2) In addition to the cumulative score requirements under subsection (a), in order to graduate under the recommended high school program, a student must achieve a score that meets or exceeds the score determined by the commissioner under 39.0241(a) on English III and Algebra II end of course assessments.

(a-3) In addition to the cumulative score requirements under subsection (a), in order to graduate under the advanced high school program, a student must achieve a score that meets or exceeds the score determined by the commissioner under 39.0241(a-1) on English III and Algebra II end of course assessments.

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determined by the commissioner to be at least as rigorous as an end-of-course assessment instrument adopted under Section 39.023(c) may be used as a factor in determining whether the student satisfies the requirements of Subsection (a) [~~including the cumulative score requirement of that subsection~~].

(b) Each time an end-of-course assessment instrument is administered, a student who failed to perform satisfactorily on an [achieve a score of at least 60 on the] assessment instrument required for graduation shall retake the assessment instrument.

A student who performs satisfactorily on an Algebra II or English III end-of-course assessment instrument under the performance standard determined by the commissioner under Section 39.0241(a) but who fails to perform satisfactorily under the college readiness performance standard, as determined under Section 39.024, [Any other student] may retake the [an] end-of-course assessment instrument [for any reason]. A student is not required to retake a course as a condition of retaking an end-of-course assessment instrument.

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determined by the commissioner to be at least as rigorous as an end-of-course assessment instrument adopted under Section 39.023(c) may be used as a factor in determining whether the student satisfies the requirements of Subsection (a) [~~including the cumulative score requirement of that subsection~~]. The commissioner by rule may determine a method by which a student's satisfactory performance on a Preliminary Scholastic Assessment Test (PSAT) assessment or a preliminary American College Test (ACT) assessment may be used as a factor in determining whether the student satisfies the requirements of Subsection (a).

(b) Each time an end-of-course assessment instrument is administered, a student who failed to perform satisfactorily [achieve a score of at least 60] on the assessment instrument as determined by the commissioner under Section 39.0241(a) shall retake the assessment instrument.

A student who fails to perform satisfactorily on an Algebra II or English III end-of-course assessment instrument under the college readiness performance standard, as determined under Section 39.024(b), may retake the assessment instrument [Any other student may retake an end of course assessment instrument for any reason]. A student is not required to retake a course as a condition of retaking an end-of-course assessment instrument.

(b-1) A school district shall provide each student who

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(b) Each time an end-of-course assessment instrument is administered, a student who failed to achieve a minimum score under Subsection (a) [of at least 60 on the assessment instrument] shall retake the assessment instrument.

A student who fails to perform satisfactorily on an Algebra II or English III end-of-course assessment instrument under the college readiness performance standard, as determined under Section 39.024(b), may retake the assessment instrument. Any other student may retake an end-of-course assessment instrument for any reason. A student is not required to retake a course as a condition of retaking an end-of-course assessment instrument.

(b-1) A school district shall provide each student who

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(b-2) The agency, in consultation with the Texas Higher Education Coordinating Board, shall develop senior-level English language arts and mathematics accelerated instruction courses for purposes of this section. If ~~a school district determines that~~ a student does not demonstrate the performance standard for college readiness as provided by Section 39.024 on the Algebra II or English III end-of-course assessment instrument [on completion of grade 11, is unlikely to achieve the cumulative score requirements for one or more subjects prescribed by Subsection (a) for receiving a high school diploma], the district shall offer ~~require~~ the student the opportunity to enroll in a [corresponding content area college preparatory] course described by this subsection [for which an end-of-course assessment instrument has been adopted, if available]. A student who enrolls in a ~~[college preparatory] course described by this subsection shall be administered the appropriate [an] end-of-course assessment instrument [for the course, with the end-of-course assessment instrument scored on a scale of 40. A student may use the student's score on the end-of-course assessment instrument for the college preparatory course towards satisfying the cumulative score requirements]~~ prescribed by Subsection (a).

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fails to perform satisfactorily as determined by the commissioner under Section 39.0241(a) [achieve a score of at least 70] on an end-of-course assessment instrument with accelerated instruction in the subject assessed by the assessment instrument.

(b-2) The agency, in collaboration with the Texas Higher Education Coordinating Board, shall develop senior-level English language arts and mathematics accelerated instruction courses for purposes of this section. If ~~a school district determines that~~ a student does not demonstrate the performance standard for college readiness as provided by Section 39.024(b) on the Algebra II or English III end-of-course assessment instrument [on completion of grade 11, is unlikely to achieve the cumulative score requirements for one or more subjects prescribed by Subsection (a) for receiving a high school diploma], the district shall offer ~~require~~ the student the opportunity to enroll in a [corresponding content area college preparatory] course described by this subsection [for which an end-of-course assessment instrument has been adopted, if available]. A student who enrolls in a ~~[college preparatory] course described by this subsection shall be administered an appropriate end-of-course assessment instrument [for the course, with the end-of-course assessment instrument scored on a scale of 40. A student may use the student's score on the end-of-course assessment instrument for the college preparatory course towards satisfying the cumulative score requirements]~~ prescribed by Subsection (a).

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fails to perform satisfactorily as determined by the commissioner under Section 39.0241(a) [achieve a score of at least 70] on an end-of-course assessment instrument with accelerated instruction in the subject assessed by the assessment instrument.

(b-2) If a school district determines that a student, on completion of grade 11, is unlikely to achieve the cumulative score requirements for one or more subjects prescribed by Subsection (a) for receiving a high school diploma, the district shall require the student to enroll in a corresponding content-area college preparatory course for which an end-of-course assessment instrument has been adopted, if available. A student who enrolls in a college preparatory course described by this subsection shall be administered an end-of-course assessment instrument for the course, with the end-of-course assessment instrument scored on a scale determined by the commissioner not to exceed 20 percent of the cumulative score requirements needed to graduate as determined under Subsection (a) [of 40]. A student may use the student's score on the end-of-course assessment instrument for the college preparatory course towards satisfying the cumulative score requirements prescribed by Subsection (a).

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(c-1) A school district may not administer an assessment instrument required for graduation administered under this section as this section existed before September 1, 1999. A school district may administer to a student who failed to perform satisfactorily on an assessment instrument described by this subsection an alternate assessment instrument designated by the commissioner. The commissioner shall determine the level of performance considered to be satisfactory on an alternate assessment instrument. The district may not administer to the student an assessment instrument or a part of an assessment instrument that assesses a subject that was not assessed in an assessment instrument required for graduation administered under this section as this section existed before September 1, 1999. The commissioner shall make available to districts information necessary to administer the alternate assessment instrument authorized by this subsection.

The commissioner's determination regarding designation of an appropriate alternate assessment instrument under this subsection and the performance required on the assessment instrument is final and may not be appealed.

SENATE VERSION

(c-1) A school district may not administer an assessment instrument required for graduation administered under this section as this section existed before September 1, 1999. A school district may administer to a student who failed to perform satisfactorily on an assessment instrument described by this subsection an alternate assessment instrument selected from a list of assessment instruments approved by the commissioner. The commissioner shall determine the level of performance considered to be satisfactory on an alternate assessment instrument. The district may not administer to the student an assessment instrument or a part of an assessment instrument that assesses a subject that was not assessed in an assessment instrument required for graduation administered under this section as this section existed before September 1, 1999. The commissioner shall make available to districts information necessary to administer the alternate assessment instrument authorized by this subsection.

The determination of the commissioner regarding the list of approved alternate assessment instruments under this subsection and the performance required on the assessment instruments are final and may not be appealed.

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(c-1) A school district may not administer an assessment instrument required for graduation administered under this section as this section existed before September 1, 1999. A school district may administer to a student who failed to perform satisfactorily on an assessment instrument described by this subsection an alternate assessment instrument designated by the commissioner. The commissioner shall determine the level of performance considered to be satisfactory on an alternate assessment instrument. The district may not administer to the student an assessment instrument or a part of an assessment instrument that assesses a subject that was not assessed in an assessment instrument required for graduation administered under this section as this section existed before September 1, 1999. The commissioner shall make available to districts information necessary to administer the alternate assessment instrument authorized by this subsection.

The commissioner's determination regarding designation of an appropriate alternate assessment instrument under this subsection and the performance required on the assessment instrument is final and may not be appealed.

[(2)] the agency may defer releasing assessment instrument questions and answer keys as required by Section 39.023(e) to the extent necessary to develop additional assessment instruments.

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(f)

(1) for students entering a grade above the ninth grade during the 2011-2012 school year, the commissioner shall retain, administer, and use for purposes of accreditation and other campus and district accountability measures [ratings] under this chapter [Subchapter D] the assessment instruments required by Section 39.023(a) or (c), as that section existed before amendment by Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature, Regular Session, 2007;

(2) a student subject to Subdivision (1) may not receive a high school diploma unless the student has performed satisfactorily on each required assessment instrument administered under Section 39.023(c) as that section existed before amendment by Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature, Regular Session, 2007; and

(3) ~~(2)~~ the agency may defer releasing assessment instrument questions and answer keys as required by Section 39.023(e) to the extent necessary to develop additional assessment instruments.

SECTION 67. Section 39.0262(a), Education Code, is amended to read as follows:

(a) In a subject area for which assessment instruments are administered under Section 39.023, a school district may not administer to any student on more than eight

(f) Same as House version.

(1) for students entering a grade above the ninth grade during the 2011-2012 school year, the commissioner shall retain, administer, and use for purposes of district accreditation and other campus and district accountability measures [ratings] under this chapter [Subchapter D] the assessment instruments required by Section 39.023(a) or (c), as that section existed before amendment by Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature, Regular Session, 2007;

(2) a student subject to Subdivision (1) may not receive a high school diploma unless the student has performed satisfactorily on the English language arts, mathematics, science, and social studies assessment instruments administered under Section 39.023(c), as that section existed before amendment by Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature, Regular Session, 2007; and

(3) ~~(2)~~ the agency may defer releasing assessment instrument questions and answer keys as required by Section 39.023(e) to the extent necessary to develop additional assessment instruments.

No equivalent provision.

Same as House version.

~~(2)~~ the agency may defer releasing assessment instrument questions and answer keys as required by Section 39.023(e) to the extent necessary to develop additional assessment instruments.

SECTION 55. Section 39.0262(a), Education Code, is amended to read as follows

(a) In a subject area for which assessment instruments are administered under Section 39.023, a school district may not administer ~~[district]~~ locally required assessment

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instructional days in any school year locally-required
~~[district-required]~~ assessment instruments designed to
prepare students for state-administered assessment
instruments ~~[to any student on more than 10 percent of~~
~~the instructional days in any school year].~~

No equivalent provision.

SECTION 68. Section 39.027, Education Code, is amended by amending Subsections (a) and (e) and adding Subsection (a-1) to read as follows:

(a) A student may be administered an accommodated or alternative assessment instrument or may be granted an exemption ~~[exempted]~~ from or a postponement of the administration of an assessment instrument under:

(1) ~~[Section 39.023(a) or (b) if the student is eligible for a special education program under Section 29.003 and the student's individualized education program does not include instruction in the essential knowledge and skills under Section 28.002 at any grade level;~~

~~[(2) Section 39.023(c) or (d) if the student is eligible for~~

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SECTION 52. Adds Section 39.0261(a-1), Education Code, as follows:

(a-1) Requires the commissioner, as part of the assessment program under Section 39.022, by rule to develop a plan for implementing college preparation test under this section beginning with eighth grade assessment instruments under Subsection (a)(1) in the 2010-2011 school year.

SECTION 53. Section 39.027, Education Code, is amended by amending Subsections (a) and (e) and adding Subsections (a-1) and (a-2) to read as follows:

(a) A student may be administered an accommodated or alternative assessment instrument or may be granted an exemption ~~[exempted]~~ from or a postponement of the administration of an assessment instrument under:

(1) Section 39.023(a) or (b) if the student is eligible for a special education program under Section 29.003 and the student's individualized education program does not include instruction in the essential knowledge and skills under Section 28.002 at any grade level;

(2) Section 39.023(c) or (d) if the student is eligible for a

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instruments designed to prepare student for state-
administered assessment instruments to any student on
more than 10 percent of the instructional days in any
school year. Allow a campus level committee
established under Chapter 11 to approve a
lower percentage of testing.

Same as House version.

SECTION 56. Section 39.027, Education Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) A student may be administered an accommodated or alternative assessment instrument or may be granted an exemption ~~[exempted]~~ from or a postponement of the administration of an assessment instrument under:

(1) Section 39.023(a) or (b) if the student is eligible for a special education program under Section 29.003 and the student's individualized education program does not include instruction in the essential knowledge and skills under Section 28.002 at any grade level;

(2) Section 39.023(c) or (d) if the student is eligible for

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~~a special education program under Section 29.003 and:~~
~~[(A) the student's individualized education program does not include instruction in the essential knowledge and skills under Section 28.002 at any grade level; or~~
~~[(B) the assessment instrument, even with allowable modifications, would not provide an appropriate measure of the student's achievement as determined by the student's admission, review, and dismissal committee;~~
[(3)] Section 39.023(a) or (l) for a period of up to one year after initial enrollment in a school in the United States if the student is of limited English proficiency, as defined by Section 29.052,

and has not demonstrated proficiency in English as determined by the assessment system under Subsection (e); or

~~(2) [(4)]~~ Section 39.023(a) or (l) for a period of up to two years

in addition to the exemption period authorized by Subdivision (1) ~~[(3)]~~ if the student has received an exemption under Subdivision (1) ~~[(3)]~~ and:

(A) is a recent unschooled immigrant; ~~or~~

(B) is in a grade for which no assessment instrument in

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special education program under Section 29.003 and:
(A) the student's individualized education program does not include instruction in the essential knowledge and skills under Section 28.002 at any grade level; or
(B) the assessment instrument, even with allowable modifications, would not provide an appropriate measure of the student's achievement as determined by the student's admission, review, and dismissal committee;
(3) Section 39.023(a), (b), (c), or (l) for a period of up to three years ~~[one year]~~ after initial enrollment in a school in the United States if the student is an immigrant and a student of limited English proficiency, as defined by Section 29.052, who, as a result of inadequate schooling outside of the United States, lacks the necessary foundation in the essential knowledge and skills of the curriculum
~~[and has not demonstrated proficiency in English as determined by the assessment system under Subsection (e)]; or~~
(4) Section 39.023(a), (b), (c), or (l) for a period of up to five ~~[two]~~ years, if the student is a student of limited English proficiency, as defined by Section 29.052, whose initial enrollment in a school in the United States was as an unschooled asylee or refugee
~~[in addition to the exemption period authorized by Subdivision (3) if the student has received an exemption under Subdivision (3) and:~~
~~[(A) is a recent unschooled immigrant; or~~
~~[(B) is in a grade for which no assessment instrument in~~

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a special education program under Section 29.003 and:
(A) the student's individualized education program does not include instruction in the essential knowledge and skills under Section 28.002 at any grade level; or
(B) the assessment instrument, even with allowable modifications, would not provide an appropriate measure of the student's achievement as determined by the student's admission, review, and dismissal committee;
(3) Section 39.023(a), (b), (c), or (l) for a period of up to one year after initial enrollment in a school in the United States if the student is of limited English proficiency, as defined by Section 29.052, and has not demonstrated proficiency in English as determined by the assessment system under Subsection (e); [or]

(4) Section 39.023(a), (b), (c), or (l) for a period of up to two years in addition to the exemption period authorized by Subdivision (3) if the student has received an exemption under Subdivision (3) and:

(A) is a recent unschooled immigrant; or

(B) is in a grade for which no assessment instrument in

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the primary language of the student is available; or
(C) as a result of significant gaps in formal schooling, lacks the necessary foundation in the essential knowledge and skills of the curriculum prescribed under Section 28.002, as determined by the language proficiency assessment committee established under Section 29.063.

(a-1) The language proficiency assessment committee established under Section 29.063 shall determine whether a student meets the criteria under Subsection (a)(1), (2), or (3). The commissioner by rule shall develop procedures under which the language proficiency assessment committee makes a determination under this subsection. In adopting rules under this subsection, the commissioner shall:

- (1) consider the end-of-course requirements for graduation for students; and
- (2) ensure that the language proficiency assessment committee requires students to be administered assessment instruments under this section at the earliest practicable date.

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~~the primary language of the student is available].~~

(a-1) The language proficiency assessment committee established under Section 29.063 shall determine whether a student meets the criteria under Subsection (a)(3) or (4). The commissioner by rule shall develop procedures under which the language proficiency assessment committee makes a determination under this subsection. In adopting rules under this subsection, the commissioner shall:

- (1) consider the end-of-course requirements for graduation for students; and
- (2) ensure that the language proficiency assessment committee requires students to be administered assessment instruments under this section at the earliest practical date.

(a-2) For purposes of this section, "unschooled asylee or refugee" means a student who:

- (1) initially enrolled in a school in the United States as:
 - (A) an asylee as defined by 45 C.F.R. Section 400.41; or
 - (B) a refugee as defined by 8 U.S.C. Section 1101;
- (2) has a visa issued by the United States Department of State with a Form I-94 Arrival/Departure record, or a successor document, issued by the United States

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the primary language of the student is available; or
(5) Section 39.023(a), (b), (c), or (l) for a period of up to four years, in addition to the exemption period authorized by Subdivision (3), if the student's initial enrollment in a school in the United States was as an unschooled asylee or refugee.

(a-1) For purposes of this section, "unschooled asylee or refugee" means a student who:

- (1) initially enrolled in a school in the United States as:
 - (A) an asylee as defined by 45 C.F.R. Section 400.41; or
 - (B) a refugee as defined by 8 U.S.C. Section 1101;
- (2) has a visa issued by the United States Department of State with a Form I-94 Arrival/Departure record, or a successor document, issued by the United States

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Citizenship and Immigration Services that is stamped with "Asylee," "Refugee," or "Asylum"; and (3) has had little or no formal schooling outside of the United States and lacks even rudimentary literacy skills.

Citizenship and Immigration Services that is stamped with "Asylee," "Refugee," or "Asylum"; and (3) as a result of inadequate schooling outside of the United States, lacks the necessary foundation in the essential knowledge and skills of the curriculum prescribed under Section 28.002 as determined by the language proficiency assessment committee established under Section 29.063.

(e) The commissioner shall develop an assessment system that shall be used for evaluating the academic progress, including reading proficiency in English, of all students of limited English proficiency, as defined by Section 29.052. A student who is exempt from the administration of an assessment instrument under Subsection (a)(1) or (2) [(a)(3) or (4)] who achieves reading proficiency in English as determined by the assessment system developed under this subsection shall be administered the assessment instruments described by Sections 39.023(a) and (c). The performance under the assessment system developed under this subsection of students to whom Subsection (a)(1) or (2) [(a)(3) or (4)] applies shall be included in the ~~academic excellence~~ indicator ~~systems~~ system under Section 39.301, as applicable ~~[Section 39.054]~~, the performance report under Section 39.306 ~~[39.053]~~, and the comprehensive annual report under Section 39.332 ~~[39.182]~~. This information shall be provided in a manner that is disaggregated by the bilingual education or special language program, if any, in which the student is

(e) The commissioner shall develop an assessment system that shall be used for evaluating the academic progress, including reading proficiency in English, of all students of limited English proficiency, as defined by Section 29.052. A student who is exempt from the administration of an assessment instrument under Subsection (a)(3) or (4) who achieves reading proficiency in English as determined by the assessment system developed under this subsection shall be administered the assessment instruments described by Sections 39.023(a) and (c). The performance under the assessment system developed under this subsection of students to whom Subsection (a)(3) or (4) applies shall be included in the ~~academic excellence~~ indicator system under Section 39.301, as applicable ~~[Section 39.054]~~, the performance report under Section 39.306 ~~[39.053]~~, and the comprehensive annual report under Section 39.332 ~~[39.182]~~. This information shall be provided in a manner that is disaggregated by the bilingual education or special language program, if any, in which the student is enrolled.

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enrolled.

SECTION 69. Section 39.0301(a), Education Code, is amended to require the commissioner to establish procedures for the administration of assessment instruments adopted or developed under Section 39.023, including procedures designed to ensure, among other things, the appropriate local implementation of those procedures, including instructions for classroom monitoring during testing.

No equivalent provision.

Same as Senate version.

SECTION 70. Section 39.032, Education Code, is amended by amending Subsection (c) and adding Subsections (c-1) and (c-2) to increase six years to eight years the limit on the age of data used to compute state and national norms of averages on test results; require the norms to be updated at least every eight years, rather than at least every six years, and provide an exception to the eight-year limitation on data if only data older than eight years is available for a particular test.

No equivalent provision.

Same as Senate version.

SECTION 71. Section 39.033(b), Education Code, is amended to read as follows:

(b) An agreement under this section must require the private school to:

(1) as determined appropriate by the commissioner, provide to the commissioner the information described by Sections 39.053(c) and 39.301(b); [~~Section 39.051(b)~~] and

SECTION 54. Same as House version, except cites the information described by Section 39.301(c), rather than the information described by ;Section and 39.301(b)

SECTION 57. Same as Senate version..

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(2) ~~[(t)]~~ maintain confidentiality in compliance with Section 39.030.

SECTION 72. Amends Section 39.034, Education Code,.

SECTION 73. Subchapters C through L, Chapter 39, Education Code, as amended by Section 2.25, Chapter 396 (S.B. 4), and Section 4, Chapter 931 (H.B. 2307), Acts of the 76th Legislature, Regular Session, 1999, are amended to read as follows:

SUBCHAPTER C. ACCREDITATION
~~[PERFORMANCE INDICATORS~~
~~[SUBCHAPTER D. ACCREDITATION STATUS]~~

Sec. 39.051 ~~[39.071]~~. ACCREDITATION STATUS.

Sec. 39.052. DETERMINATION OF ACCREDITATION STATUS OR PERFORMANCE RATING. (a) ~~[(b)]~~ Each year, the commissioner shall determine the accreditation status of each school district.

(b) In determining the accreditation status of a school district, the commissioner:
(1) shall evaluate and consider:
(A) the performance on student achievement indicators described by Section 39.053(c)

SECTION 55. Same as House version.

SECTION 56. Subchapters C through L, Chapter 39, Education Code, as amended by Section 2.25, Chapter 396 (S.B. 4), and Section 4, Chapter 931 (H.B. 2307), Acts of the 76th Legislature, Regular Session, 1999, are amended to read as follows:

SUBCHAPTER C. ACCREDITATION
~~[PERFORMANCE INDICATORS~~
~~[SUBCHAPTER D. ACCREDITATION STATUS]~~

Sec. 39.051 ~~[39.071]~~. Same as House version.

Sec. 39.052. DETERMINATION OF ACCREDITATION STATUS. (a) Not later than August 8 of each ~~[(b)—Each]~~ year, the commissioner shall determine the accreditation status of each school district.

(b) In determining the accreditation status of a school district, the commissioner:
(1) shall evaluate and consider:
(A) the performance on student achievement indicators described by Section 39.053(c);
(B) whether a significant pattern of decreased academic

SECTION 58. Same as House version.

SECTION 59.

Same as House version.

Same as House version, except omits Paragraph D and Subsection (c).

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~~[of the district under:~~

~~[(A) the academic accountability system under Section 39.072]; and~~

B) performance under the financial accountability rating system developed under Subchapter D [F]; and

(2) may evaluate and consider:

(A) the district's compliance with statutory requirements and requirements imposed by rule of the commissioner or State Board of Education under specific statutory authority that relate to:

(i) reporting data through the Public Education Information Management System (PEIMS) or other reports required by state or federal law or court order;

(ii) the high school graduation requirements under Section 28.025; or

(iii) an item listed under Sections 7.056(e)(3)(C)-(I) that applies to the district;

(B) the effectiveness of the district's programs for special populations; ~~and~~

(C) the effectiveness of the district's career and technology program; and

(D) the effectiveness of the district in promoting college aspirations for each student, including the district's plans for assisting students to achieve postsecondary success.

performance has developed as a result of the promotion in the preceding two school years of students who did not perform satisfactorily as determined by the commissioner under Section 39.0241(a) on assessment instruments administered under Section 39.023(a), (c), or

~~(l) [of the district under:~~

~~[(A) the academic accountability system under Section 39.072]; and~~

(C) performance under [(B)] the financial accountability rating system developed under Subchapter D [F]; and

(2) may evaluate and consider:

(A) the district's compliance with statutory requirements and requirements imposed by rule of the commissioner or State Board of Education under specific statutory authority that relate to:

(i) reporting data through the Public Education Information Management System (PEIMS) or other reports required by state or federal law or court order;

(ii) the high school graduation requirements under Section 28.025; or

(iii) an item listed under Sections 7.056(e)(3)(C)-(I) that applies to the district;

(B) the effectiveness of the district's programs for special populations; and

(C) the effectiveness of the district's career and technology program.

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(c) In determining the performance rating of a campus, the commissioner:

(1) shall evaluate and consider performance on student achievement indicators described by Section 39.053(c);

and

(2) may evaluate and consider other factors the commissioner considers appropriate.

(d) Based on a school district's performance under Subsection (b), the commissioner shall:

(1) assign each [a] district an accreditation status; or

(2) revoke the accreditation of the district and order closure of the district under Subchapter E [~~this subchapter~~].

(e) A school district's accreditation status may be raised or lowered based on the district's performance or may be lowered based on the performance of one or more campuses in the district.

(f) [(d)] The commissioner shall notify a school district that receives an accreditation status of accredited-warned or accredited-probation that the performance of the district is below a standard required under this subchapter

(c) Based on a school district's performance under Subsection (b), the commissioner shall:

(1) assign each [a] district an accreditation status; or

(2) revoke the accreditation of the district and order closure of the district under this subchapter.

(d) A school district's accreditation status may be raised or lowered based on the district's performance or may be lowered based on the performance of one or more campuses in the district that is below a standard required under this subchapter.

(e) [(d)] The commissioner shall notify a school district that receives an accreditation status of accredited-warned or accredited-probation or a campus that performs below a standard required under this subchapter that the performance of the district or campus is below a standard required under this subchapter. If the district received an accreditation status of accredited-warned or accredited-probation for the preceding school year or if any campus

(2) revoke the accreditation of the district and order closure of the district [~~this subchapter~~].

Same as Senate version.

Same as Senate version.

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~~[section]~~ The commissioner shall require the district to notify the parents of students enrolled in the district and property owners in the district of the ~~[district's]~~ accreditation status of the district and the implications of that accreditation status.

(g) ~~(e)~~ .

(h) ~~(f)~~

Sec. 39.053. PERFORMANCE INDICATORS:
STUDENT ACHIEVEMENT.

(a)

(b) Performance on the student achievement indicators adopted under this section shall be compared to state-established standards. ~~[The degree of change from one school year to the next in performance on each indicator adopted under this section shall also be considered.]~~ The indicators must be based on information that is disaggregated by race, ethnicity, ~~[gender,]~~ and socioeconomic status.

performed below a standard required under this subchapter in the preceding school year, the commissioner shall notify the district or campus of a subsequent such designation on or before June 15 ~~[section]~~. The commissioner shall require the district to notify the parents of students enrolled in the district and property owners in the district of the district's accreditation status and the implications of that accreditation status.

(f) ~~(e)~~ Same as House version.

(g) ~~(f)~~ Same as House version.

Sec. 39.053. PERFORMANCE INDICATORS:
STUDENT ACHIEVEMENT. Same as House version, except as follows:

(a) Same as House version.

(b) Performance on the student achievement indicators adopted under this section shall be compared to state-established standards. The degree of change from one school year to the next in performance on each indicator adopted under this section shall also be considered. The indicators must be based on information that is disaggregated by race, ethnicity, ~~[gender,]~~ and socioeconomic status.

Same as House version.

Same as House version.

Same as House version.

Same as House version.

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(c) Indicators of student achievement adopted under this section [and] must include:

(1) the results of assessment instruments required under Sections 39.023(a), (c), and (l), including the results of assessment instruments required for graduation retaken by a student, aggregated across [by] grade levels by [level and] subject area, including:

(A) the percentage of students who performed satisfactorily, as determined by the commissioner under Section 39.0241(a) on the assessment instruments, aggregated across grade levels by subject area;

(B) for students who did not perform satisfactorily as described by Paragraph (A), the percentage of students who met the standard for annual improvement, as determined by the agency under Section 39.034, on assessment instruments, aggregated across grade levels by subject area;

(C) the percentage of students who performed satisfactorily, as determined under the college readiness performance standards under Section 39.0241, on the assessment instruments, aggregated across grade levels by subject area; and

(D) for students who did not perform satisfactorily as described by Paragraph (C), the percentage of students who met the standard for annual improvement, as

(c) Indicators of student achievement adopted under this section [and] must include:

(1) the results of assessment instruments required under Sections 39.023(a), (c), and (l), including the results of assessment instruments required for graduation retaken by a student, aggregated across [by] grade levels by [level and] subject area, including:

(A) for the performance standard determined by the commissioner under Section 39.0241(a):

(i) the percentage of students who performed satisfactorily on the assessment instruments, aggregated across grade levels by subject area; and

(ii) for students who did not perform satisfactorily, the percentage of students who met the standard for annual improvement, as determined by the agency under Section 39.034, on the assessment instruments, aggregated across grade levels by subject area; and

(B) for the college readiness performance standard as determined under Section 39.0241:

(i) the percentage of students who performed satisfactorily on the assessment instruments, aggregated across grade levels by subject area; and

(ii) for students who did not perform satisfactorily, the percentage of students who met the standard for annual improvement, as determined by the agency under Section

Same as Senate version.

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determined by the agency under Section 39.034, on assessment instruments, aggregated across grade levels by subject area;

(2) the percentage increase from school year to school year in students who performed satisfactorily as described by Subdivision (1)(C) or who met the standard for annual improvement as described by Subdivision (1)(D);

(3) dropout rates, including dropout rates and district completion rates for grade levels 9 through 12, computed in accordance with standards and definitions adopted by the National Center for Education Statistics of the United States Department of Education; and

(4) ~~(3)~~ high school graduation rates, computed in accordance with standards and definitions adopted in compliance with the No Child Left Behind Act of 2001 (20 U.S.C. Section 6301 et seq.).

(d) ~~[(Pub. L. No. 107-110);~~

[Strikes existing subdivisions (4) through (14 and Subsection (b-1))]

~~(e)~~ Performance on the student achievement indicators

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39.034, on the assessment instruments, aggregated across grade levels by subject area;

(2) dropout rates, including dropout rates and district completion rates for grade levels 9 through 12, computed in accordance with standards and definitions adopted by the National Center for Education Statistics of the United States Department of Education; and

(3) high school graduation rates, computed in accordance with standards and definitions adopted in compliance with the No Child Left Behind Act of 2001 (20 U.S.C. Section 6301 et seq.).

(d) For purposes of Subsection (c), the commissioner by rule shall determine the period within which a student must retake an assessment instrument for that assessment instrument to be considered in determining the accreditation status of the district.

(e) ~~[(Pub. L. No. 107-110);~~

[Same as House version.]

~~(e)~~ Performance on the student achievement indicators

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[indicator] under Subsections (c)(1) and (3) [~~Subsection (b)(1)~~] shall be compared to state standards and [required improvement~~, and comparable improvement~~]. The state standard shall be established by the commissioner. Required improvement is [defined as] the progress necessary for the campus or district to meet state standards and, for the student achievement indicator under Subsection (c)(1), for its students to meet each of the performance standards as determined under Section 39.0241.

~~(e) [exit requirements as defined by the commissioner. Comparable improvement is derived by measuring campuses and districts against a profile developed from a total state student performance database which exhibits substantial equivalence to the characteristics of students served by the campus or district, including past academic performance, socioeconomic status, ethnicity, and limited English proficiency.~~

~~[(d)] Annually, the commissioner shall define the state standard for the current school year for each student achievement [exemplary, recognized, and unacceptable performance for each academic excellence] indicator described by Subsection (c) [included under Subsections (b)(1) through (7)] and shall project the state standards for each [of those levels of performance for succeeding years. For the] indicator for the following two school [under Subsection (b)(8), the commissioner shall define exemplary, recognized, and unacceptable performance~~

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[indicator] under Subsections (c)(1) and (2) [~~Subsection (b)(1)~~] shall be compared to state standards and [required improvement~~, and comparable improvement~~]. The state standard shall be established by the commissioner. Required improvement is [defined as] the progress necessary for the campus or district to meet state standards and, for the student achievement indicator under Subsection (c)(1), for its students to meet each of the performance standards as determined under Section 39.0241.

~~(f) [exit requirements as defined by the commissioner. Comparable improvement is derived by measuring campuses and districts against a profile developed from a total state student performance database which exhibits substantial equivalence to the characteristics of students served by the campus or district, including past academic performance, socioeconomic status, ethnicity, and limited English proficiency.~~

~~[(d)] Annually, the commissioner shall define the state standard for the current school year for each student achievement [exemplary, recognized, and unacceptable performance for each academic excellence] indicator described by Subsection (c) [included under Subsections (b)(1) through (7)] and shall project the state standards for each [of those levels of performance for succeeding years. For the] indicator for the following two school [under Subsection (b)(8), the commissioner shall define exemplary, recognized, and unacceptable performance~~

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~~based on student performance for the period covering both the current and preceding academic] years. The commissioner shall periodically raise the state standards for the student achievement indicator described by Subsection (c)(1)(C) for accreditation as necessary to reach the goals of achieving, by not later than the 2019-2020 school year:~~

(1) student performance in this state, disaggregated by race, ethnicity, and socioeconomic status, that ranks nationally in the top 10 states in terms of college readiness; and

(2) student performance, including the percentage of students graduating under the recommended or advanced high school program, with no significant achievement gaps by race, ethnicity, and socioeconomic status.

(f)

(g) In computing dropout and completion rates under Subsection (c)(3), the commissioner shall exempt students who:

(1) are ordered by a court to attend a high school equivalency certificate program but who have not yet earned a high school equivalency certificate;

(2) are incarcerated in a correctional facility operated by or under contract with the Texas Department of Criminal Justice;

(3) were previously reported to the state as dropouts; or

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~~based on student performance for the period covering both the current and preceding academic] years.~~

(g) Same as House version.

(g-1) In computing dropout and completion rates under Subsection (c)(2), the commissioner shall exclude:

(1) students who are ordered by a court to attend a high school equivalency certificate program but who have not yet earned a high school equivalency certificate;

(2) students who were previously reported to the state as dropouts;

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Same as Senate version, except omits Subdivision (6).

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(4) are not subject to compulsory school attendance under Section 25.085.

(3) students in attendance who are not in membership for purposes of average daily attendance;

(4) students whose initial enrollment in a school in the United States in grades 7 through 12 was as unschooled refugees or asylees as defined by Section 39.027(a-2);

(5) students who are in the district exclusively as a function of having been detained at a county detention facility but are otherwise not students of the district in which the facility is located;

(6) students who return to school at any point up through the fourth Friday in October each year; and

(7) students who are incarcerated in state jails and federal penitentiaries as adults and as persons certified to stand trial as adults.

(h) In calculating the academic performance of a campus or school district, the commissioner may exclude assessment instruments results for a student eligible under Section 39.027(a)(2)(C) for exemption from the administration of an assessment instrument regardless of whether the student was tested.

No equivalent provision.

Same as Senate version.

(i) [(e)]

(h) [(e)] Same as House version.

Same as House version.

(i) [(f) The indicator under Subsection (b)(1) must include the results of assessment instruments required under Section 39.023(b).

(i) [(f) The indicator under Subsection (b)(1) must include the results of assessment instruments required under Section 39.023(b).

Same as House version.

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~~(e)~~ The commissioner by rule shall adopt accountability measures to be used in assessing the progress of students who have failed to perform satisfactorily as described by Subsections (c)(1)(A) and (C) in the preceding school year on an assessment instrument required under Section 39.023(a), (c), or (l).

~~(e)~~ The commissioner by rule shall adopt accountability measures to be used in assessing the progress of students who have failed to perform satisfactorily as determined by the commissioner under Section 39.0241(a) or under the college readiness standard as determined under Section 39.0241 in the preceding school year on an assessment instrument required under Section 39.023(a), (c), or (l).

Same as Senate version.

Sec. 39.054. METHODS AND STANDARDS FOR EVALUATING PERFORMANCE. (a) The commissioner shall adopt rules to evaluate school district and campus performance and, not later than August 8 of each year, assign each district and campus a performance rating that reflects acceptable performance, unacceptable performance, or, for campuses, performance eligible for distinction under Subchapter G. If a district or campus received a performance rating of unacceptable performance for the preceding school year the commissioner shall notify the district of a subsequent such designation on or before June 15.

Sec. 39.054. METHODS AND STANDARDS FOR EVALUATING PERFORMANCE. (a) The commissioner shall adopt rules consistent with this section to evaluate school district and campus performance and assign each district and campus a performance rating that reflects satisfactory performance, unsatisfactory performance, or performance eligible for distinction under Subchapter G.

Same as House version.

No equivalent provision.

(a-1) A campus is considered academically accredited if the campus is assigned a satisfactory performance rating under this section.

Same as House version.

(b) In evaluating performance, the commissioner shall evaluate against state standards and consider the performance of each campus in a school district and each

(b) In evaluating performance, the commissioner shall evaluate against state standards and consider the performance of each campus in a school district and each

Same as House version.

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open-enrollment charter school on the basis of the campus's or school's performance on the student achievement indicators adopted under Section 39.053(c).

~~(b-1) [39.072. ACCREDITATION STANDARDS. (a) [Deletes existing Subsections (a) and (b and portions of (c))]~~

Consideration of the effectiveness of district programs under Section 39.052(b)(2)(B) or (C)

~~[Subsection (b)(2) or (3)]~~ must

be based on data collected through the Public Education Information Management System (PEIMS) for purposes of accountability under this chapter or through a special accreditation investigation under Section 39.057

and include the results of assessments required under Section 39.023.

(c) In evaluating school district and campus performance on the student achievement indicators adopted under

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open-enrollment charter school on the basis of:

(1) the campus's or school's performance on the student achievement indicators adopted under Section 39.053(c); and

(2) whether a significant pattern of decreased academic performance has developed as a result of the promotion in the preceding two school years of students who did not perform satisfactorily as determined by the commissioner under Section 39.0241(a) on assessment instruments administered under Section 39.023(a), (c), or (l).

~~(b-1) [39.072. ACCREDITATION STANDARDS. (a) [Same as House version]~~

Consideration of the effectiveness of district programs under Section 39.052(b)(2)(B) or (C):

~~(1) [Subsection (b)(2) or (3)]~~ must:

(A) be based on data collected through the Public Education Information Management System (PEIMS) for purposes of accountability under this chapter;

and (B) include the results of assessments required under Section 39.023; and

(2) may be based on the results of a special accreditation investigation conducted under Section 39.057.

(c) In evaluating school district and campus performance on the student achievement indicators

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Same as Senate version.

Same as House version.

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Sections 39.053(c)(1) and (3), the commissioner shall define acceptable performance as meeting the state standard determined by the commissioner under Section 39.053(e) for the current school year based on:

- (1) student performance in the current school year; or
- (2) student performance as averaged over the current school year and the preceding two school years.

(2) may not grant an exception under this subsection if a district or campus fails to satisfy the minimum performance standard on the same measure of evaluation for two consecutive school years; and

(3) may establish other performance criteria for a district or campus to obtain an exception under this subsection.

(d) In evaluating performance under Subsection (c), the commissioner may assign an acceptable performance rating if:

(1) the campus or district:

(A) performs satisfactorily on 85 percent of the measures the commissioner determines appropriate with respect to the student achievement indicators adopted under Sections 39.053(c)(1) and (3); and

(B) does not fail to perform satisfactorily on the same measure described by Paragraph (A) for two consecutive school years; or

(2) the campus or district satisfies any additional criteria established by the commissioner.

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adopted under Sections 39.053(c)(1) and (2), the commissioner shall identify satisfactory performance as meeting the state standard determined by the commissioner under Section 39.053(f) for the current school year based on:

- (1) student performance in the current school year; or
- (2) student performance as averaged over the current school year and the preceding two school years.

No equivalent provision.

CONFERENCE

(d) In evaluating performance under Subsection (c), the commissioner may assign an acceptable performance rating if:

(1) the campus or district:

(A) performs satisfactorily on 85 percent of the measures the commissioner determines appropriate with respect to the student achievement indicators adopted under Sections 39.053(c)(1) and (3); and

(B) does not fail to perform satisfactorily on the same measure described by Paragraph (A) for two consecutive school years; or

(2) may grant an exception under this subsection to a district or campus only if the performance of the district or campus is within a certain percentage, as determined

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(d-1) The commissioner may consider alternative performance criteria to Subsection (d)(1)(A) only in special circumstances, including campus or district performance on the same measure for student groups that are substantially similar in composition to all students on the same campus or district.

(d-2) The commissioner by rule may adopt a method of evaluation by which a district or campus is not assigned an unacceptable performance rating solely because the district or campus fails to satisfy the minimum performance standards on 15 percent or fewer of the measures of evaluation the commissioner determines appropriate with respect to the student achievement indicators adopted under Section 39.053(c). Under the method of evaluation adopted by the commissioner under this subsection, the commissioner:

(1) may grant an exception under this subsection to a district or campus only if the performance of the district or campus is within a certain percentage, as determined by the commissioner, of the minimum performance standard established by the commissioner for the measure of evaluation;

(d-1) The commissioner by rule may adopt a method of evaluation by which a district or campus is not assigned an unsatisfactory performance rating solely because the district or campus fails to satisfy the minimum performance standards on 15 percent or fewer of the measures of evaluation the commissioner determines appropriate with respect to the student achievement indicators adopted under Section 39.053(c). Under the method of evaluation adopted by the commissioner under this subsection, the commissioner:

(1) may grant an exception under this subsection to a district or campus only if the performance of the district or campus is within five percentage points of the minimum performance standard established by the commissioner for the measure of evaluation;

by the commissioner, of the minimum performance standard established by the commissioner for the measure of evaluation;

(3) may establish other performance criteria for a district or campus to obtain an exception under this subsection.

(d-1) The commissioner may consider alternative performance criteria to Subsection (d)(1)(A) only in special circumstances, including campus or district performance on the same measure for student groups that are substantially similar in composition to all students on the same campus or district.

Same as House version.

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(2) may not grant an exception under this subsection if a district or campus fails to satisfy the minimum performance standard on the same measure of evaluation for two consecutive school years; and

(3) may establish other performance criteria for a district or campus to obtain an exception under this subsection

(e)

[Deletes existing Subsections (c) - (e)]

(f) In the computation of dropout rates under Section 39.053(c)(3) [~~39.051(b)(2)~~], a student who is released from a juvenile pre-adjudication secure detention facility or juvenile post-adjudication secure correctional facility and fails to enroll in school or a student who leaves a residential treatment center after receiving treatment for fewer than 85 days and fails to enroll in school may not be considered to have dropped out from the [~~campus or~~] school district or campus serving the facility or center unless that district or campus [~~or district~~] is the one to which the student is regularly assigned.

(g) Notwithstanding any other provision of this chapter, the commissioner may not consider performance on a student achievement indicator under Section 39.053(c) for purposes of determining the accreditation status of a

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(2) may not grant an exception under this subsection if a district or campus fails to satisfy the minimum performance standard on the same measure of evaluation for two consecutive school years; and

(3) may establish other performance criteria for a district or campus to obtain an exception under this subsection

(d) Same as House version.

[Same as House version.]

(e) [~~(f)~~] In the computation of dropout rates under Section 39.053(c)(2) [~~39.051(b)(2)~~], a student who is released from a juvenile pre-adjudication secure detention facility or juvenile post-adjudication secure correctional facility and fails to enroll in school or a student who leaves a residential treatment center after receiving treatment for fewer than 85 days and fails to enroll in school may not be considered to have dropped out from the [~~campus or~~] school district or campus serving the facility or center unless that district or campus [~~or district~~] is the one to which the student is regularly assigned. The commissioner may not limit the number of students excluded from being counted as dropouts under this subsection.

No equivalent provision.

CONFERENCE

Same as House version.

Same as House version, except conforms reference to Section 39.053(c)(2) and adds the following provision: "The agency may not limit an appeal relating to dropout computations under this subsection."

Same as Senate version.

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district or the performance rating of a district, campus, or open-enrollment charter school until the data for that indicator has been available to all districts, campuses, and open-enrollment charter schools for at least two consecutive school years.

Sec. 39.055. STUDENTS ORDERED BY JUVENILE COURT TO CERTAIN RESIDENTIAL PROGRAMS OR FACILITIES OR IN A STATE SCHOOL NOT CONSIDERED FOR ACCOUNTABILITY PURPOSES. Notwithstanding any other provision of this code, for purposes of determining the performance of a school district or campus under this chapter, a student ordered by a juvenile court to a residential program or facility operated by or under contract with the Texas Youth Commission, the Texas Juvenile Probation Commission, a juvenile board, or any other governmental entity is not considered to be a student of the school district in which the program or facility is physically located. Additionally, a student resident of a state school is not considered to be a student of the district regardless of whether the student is court-ordered to the state school. The performance of such a student on an assessment instrument or other student achievement indicator adopted under Section 39.053 or reporting indicator adopted under Section 39.301 shall be determined, reported, and considered separately from the performance of students attending a school of the district

Sec. 39.055. STUDENT ORDERED BY A JUVENILE COURT NOT CONSIDERED FOR ACCOUNTABILITY PURPOSES. Notwithstanding any other provision of this code, for purposes of determining the performance of a school district or campus under this chapter, a student ordered by a juvenile court into a residential program or facility operated by or under contract with the Texas Youth Commission, the Texas Juvenile Probation Commission, a juvenile board, or any other governmental entity is not considered to be a student of the school district in which the program or facility is physically located.

Same as Senate version.

The performance of such a student on an assessment instrument or other student achievement indicator adopted under Section 39.053 or reporting indicator adopted under Section 39.301 shall be determined, reported, and considered separately from the performance of students attending a school of the district

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in which the program or facility is physically located.
This section shall also apply to the performance and accreditation status of an open-enrollment charter school established by Subchapter D, Chapter 12, that provides educational services only to students confined by a court order to a juvenile correctional facility or facility operated by a county juvenile board.

in which the program or facility is physically located.

Sec. 39.056 [~~39.074~~]. ON-SITE INVESTIGATIONS.

(a) The commissioner may:

(1) direct the agency to conduct on-site investigations of a school district at any time to answer any questions concerning a program, including special education, required by federal law or for which the district receives federal funds; and

(2) [~~raise or lower the performance rating~~] as a result of the investigation, change the accreditation status of a district, change the accountability rating of a district or campus, or withdraw a distinction designation under Subchapter G.

(b)

(c) In making an on-site accreditation investigation, the investigators shall obtain information from administrators, teachers, and parents of students enrolled in the school district. The investigation may not be closed until information is obtained from each of those sources. The State Board of Education shall adopt rules

Sec. 39.056 [~~39.074~~]. ON-SITE INVESTIGATIONS.

(a) The commissioner may:

(1) direct the agency to conduct on-site investigations of a school district at any time to answer any questions concerning a program, including special education, required by federal law or for which the district receives federal funds; and

(2) [~~raise or lower the performance rating~~] as a result of the investigation, change the accreditation status of a district or accountability rating of a district or campus or withdraw a distinction designation under Subchapter G.

(b) Same as House version.

(c) In making an on-site [~~accreditation~~] investigation, the investigators shall obtain information from administrators, teachers, and parents of students enrolled in the school district. The investigation may not be closed until information is obtained from each of those sources. The State Board of Education shall adopt rules

Same as House version.

Same as House version.

Same as House version.

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for:

- (1) obtaining information from parents and using that information in the investigator's report; and
- (2) obtaining information from teachers in a manner that prevents a ~~[campus or]~~ district or campus from screening the information.

(d) - (e)

(f) Before an investigation, the commissioner shall request that the district scheduled for the investigation assess the district's compliance with the policy adopted under Section 33.006(d) and provide a written copy of the assessment to the investigators on or before the date specified by the commissioner. As part of each investigation, the investigators shall interview a percentage of district school counselors determined by the commissioner to assess the district's compliance with the policy adopted under Section 33.006(d). The commissioner shall adopt rules to implement this subsection.

Sec. 39.057 [~~39.075~~]. SPECIAL ACCREDITATION INVESTIGATIONS. (a) Requires the commissioner to authorize special accreditation investigations to be conducted, among other circumstances,

(9) when a significant pattern of increased student dropout rates or decreased academic performance develops as the result of the promotion of students who

for:

- (1) obtaining information from parents and using that information in the investigator's report; and
- (2) obtaining information from teachers in a manner that prevents a ~~[campus or]~~ district or campus from screening the information.

(d) - (e) Same as House version.

No equivalent provision.

Sec. 39.057 [~~39.075~~]. SPECIAL ACCREDITATION INVESTIGATIONS. (a) The commissioner shall authorize special accreditation investigations to be conducted: . . .

Same as House version.

Same as Senate version.

Same as Senate version.

(9) when a significant pattern of decreased academic performance has developed as a result of the promotion in the preceding two school years of students who did

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did not perform satisfactorily on assessment instruments administered under Section 39.023(a), (c), or (l);

(10) when excessive numbers of students graduate under the basic high school program; or

(11) as the commissioner otherwise determines necessary.

(b) - (d)

~~(e) [(e) Based on the results of a special accreditation investigation, the commissioner may lower the district's accreditation rating and may take appropriate action under Subchapter G.]~~ Regardless of whether the commissioner lowers the school district's accreditation status or a district's or campus's performance rating under Subsection (d) [rating], the commissioner may take action under Sections 39.102(a)(1) through (8) or Section 39.103 [39.131(a)(1) through (8)] if the commissioner determines that the action is necessary to improve any

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(9) when excessive numbers of students graduate under the minimum high school program;

(10) when excessive numbers of students eligible to enroll fail to complete an Algebra II course or any other course determined by the commissioner as distinguishing between students participating in the recommended high school program from students participating in the minimum high school program; or

(11) as the commissioner otherwise determines necessary.

(b) - (d) Substantially the same as House version.

~~(e) [(e) Based on the results of a special accreditation investigation, the commissioner may lower the district's accreditation rating and may take appropriate action under Subchapter G.]~~ Regardless of whether the commissioner lowers the school district's accreditation status or the district's or campus's accountability rating under Subsection (d), the commissioner may take action under Sections 39.101(a)(1) through (8) or Section 39.102 [39.131(a)(1) through (8)] if the commissioner determines that the action is necessary to improve any

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not perform satisfactorily as determined by the commissioner under Section 39.0241(a) on assessment instruments administered under Section 39.023(a), (c) or (l).

(10) Same as Senate version.

(11) Same as Senate version.

(12) when resources practices as evaluated under 39.0821 indicate significant improvement in resource allocation.

(13) Same as Senate version.

Same as House version.

Same as House version.

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area of a district's or campus's performance, including the district's financial accounting practices.

area of a district's or campus's performance, including the district's financial accounting practices.

Sec. 39.058 [~~39.076~~]. CONDUCT OF INVESTIGATIONS

Sec. 39.058 [~~39.076~~]. Same as House version.

Same as House version.

SUBCHAPTER D [I]. FINANCIAL ACCOUNTABILITY

SUBCHAPTER D [I]. FINANCIAL ACCOUNTABILITY

Same as House version.

Sec. 39.081 [~~39.204~~]. DEFINITIONS. In this subchapter:

Sec. 39.081 [~~39.204~~]. DEFINITIONS. In this subchapter:

Same as House version.

(1) "Parent" includes a guardian or other person having lawful control of a student.

(1) "Parent" includes a guardian or other person having lawful control of a student.

(2) "System" means a [the] financial accountability rating system developed under this subchapter.

(2) "System" means the financial accountability rating system.

Sec. 39.082 [~~39.202~~]. DEVELOPMENT AND IMPLEMENTATION. (a) The commissioner shall, in consultation with the comptroller, develop and implement separate [a] financial accountability rating systems [system] for school districts and open-enrollment charter schools in this state that:

Sec. 39.082 [~~39.202~~]. DEVELOPMENT AND IMPLEMENTATION. (a) The commissioner shall, in consultation with the comptroller, develop and implement a financial accountability rating system for school districts in this state that:

Same as House version.

(1) distinguish [distinguishes] among school districts and distinguish among open-enrollment charter schools, as applicable, based on levels of financial performance; and

(1) distinguishes among school districts based on levels of financial performance; and

(2) include [includes] procedures to:

(2) includes procedures to:

(A) provide additional transparency to public education finance; and

(A) provide additional transparency to public education finance; and

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(B) enable the commissioner and school district and open-enrollment charter school administrators to provide meaningful financial oversight and improvement.

(b) The system must include uniform indicators adopted by the commissioner by which to measure the [a district's] financial management performance of a district or open-enrollment charter school.

(c) The system may not include an indicator under Subsection (b) or any other performance measure that:

(1) requires a school district to spend at least 65 percent or any other specified percentage of district operating funds for instructional purposes; or

(2) lowers the financial management performance rating of a school district for failure to spend at least 65 percent or any other specified percentage of district operating funds for instructional purposes.

Sec. 39.0821. COMPTROLLER REVIEW OF RESOURCE ALLOCATION PRACTICES

Sec. 39.0822. FINANCIAL SOLVENCY REVIEW REQUIRED. (a) The agency shall develop a review

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(B) enable the commissioner and school district administrators to provide meaningful financial oversight and improvement.

(b) The system must include uniform indicators adopted by the commissioner by which to measure a district's financial management performance.

Sec. 39.0821. Same as House version.

Sec. 39.0822. FINANCIAL SOLVENCY REVIEW REQUIRED. (a) The agency shall develop a review

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Same as House version, except adds Subsection (b) as follows:

(b) In reviewing districts and campuses resource allocation practices, the Comptroller will ensure resources are being used on the instruction of students by evaluating the:

(1) operating cost per student,

(2) operating cost per program, and

(3) staffing cost per student.

Same as Senate version.

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process to anticipate the future financial solvency of each school district. The review process shall analyze:

(1) district revenues and expenditures for the preceding school year; and

(2) projected district revenues and expenditures for the current school year and the following five school years.

(b) In analyzing the information under Subsection (a), the review process developed must consider, for the preceding school year, the current school year, and the following five years, as appropriate:

(1) student-to-staff ratios relative to expenditures, including average staff salaries;

(2) the rate of depletion of the district general fund balance;

(3) the number of students enrolled in the district;

(4) the adopted tax rate of the district;

(5) any independent audit report prepared for the district; and

(6) actual financial data for the district for the month of September.

(c) The agency shall consult school district and open-enrollment charter school financial officers in developing the review process under this section.

(d) The agency shall develop a computer software template for school districts to use in submitting information to the agency for purposes of this section. Each district shall update information to the template within the period prescribed by the commissioner. The commissioner shall adopt rules under this subsection to

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process to anticipate the future financial solvency of each school district. The review process shall analyze:

(1) district revenues and expenditures for the preceding school year; and

(2) projected district revenues and expenditures for the current school year and the following two school years.

(b) In analyzing the information under Subsection (a), the review process developed must consider, for the preceding school year, the current school year, and the following two school years, as appropriate:

(1) student-to-staff ratios relative to expenditures, including average staff salaries;

(2) the rate of change in the district unreserved general fund balance;

(3) the number of students enrolled in the district;

(4) the adopted tax rate of the district;

(5) any independent audit report prepared for the district; and

(6) actual district financial information for the first quarter.

(c) The agency shall consult school district financial officers and public finance experts in developing the review process under this section.

(d) The agency shall develop an electronic-based program for school districts to use in submitting information to the agency for purposes of this section. Each district shall update information for purposes of the program within the period prescribed by the commissioner. The commissioner shall adopt rules

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allow a district to enter estimates of critical data into the template before the district adopts its budget. The template must:

- (1) be capable of importing, to the extent practicable, data a district has previously submitted to the agency;
- (2) include an entry space that allows a district to enter information explaining any irregularity in data submitted; and
- (3) provide alerts for:
 - (A) a student-to-staff ratio that is significantly outside the norm;
 - (B) a rapid depletion of the district general fund balance; and
 - (C) a significant discrepancy between actual budget figures and projected revenues and expenditures.
- (e) An alert in the template developed under Subsection (d) must be developed to notify the agency immediately on the occurrence of a condition described by Subsection (d)(3). After the agency is alerted, the agency shall immediately notify the affected school district regarding the condition triggering the alert.

Sec. 39.0823. PROJECTED DEFICIT. (a) If the review process under Section 39.0822 indicates a projected deficit for a school district general fund within the following five school years, the district shall provide the agency interim financial reports, supplemented by staff and student count data, as needed, to evaluate the district's current budget status.

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under this subsection to allow a district to enter estimates of critical data into the program before the district adopts its budget. The program must:

- (1) be capable of importing, to the extent practicable, data a district has previously submitted to the agency;
- (2) include an entry space that allows a district to enter information explaining any irregularity in data submitted; and
- (3) provide alerts for:
 - (A) a student-to-staff ratio that is significantly outside the norm;
 - (B) a rapid depletion of the district general fund balance; and
 - (C) a significant discrepancy between actual budget figures and projected revenues and expenditures.
- (e) An alert in the program developed under Subsection (d) must be developed to notify the agency immediately on the occurrence of a condition described by Subsection (d)(3). After the agency is alerted, the agency shall immediately notify the affected school district regarding the condition triggering the alert.

Sec. 39.0823. PROJECTED DEFICIT. (a) If the review process under Section 39.0822 indicates a projected deficit for a school district general fund within the following three school years, the district shall provide the agency interim financial reports, supplemented by staff and student count data, as needed, to evaluate the district's current budget status.

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Same as Senate version.

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(b) - (c)

Sec. 39.083 [~~39.203~~]. REPORTING.

(a)

(b) Requires the annual financial management report to include, among other provisions a description of the data submitted using the *computer software template* developed under Section 39.0822.

(d) - (e)

Sec. 39.084. POSTING OF DISTRICT GENERAL LEDGER. Requires a school district to post on the district's Internet website the district's general ledger statement containing all asset, liability, capital, income, and expense accounts; to post an updated general ledger statement at least once each fiscal year, and to maintain each general ledger statement until the third anniversary of the date of that statement. Requires the ledger to be prepared according to generally accepted accounting principles.

Sec. 39.085. POSTING OF ADOPTED BUDGET. (a) Requires the district to post on the district's Internet website a copy of the budget adopted by the board of trustees and to maintain the adopted budget on the website until the third anniversary of the date the budget

(b) - (c) Same as House version

Sec. 39.083 [~~39.203~~]. REPORTING.

(a) Same as House version.

(b) Same as House version, except requires the report to include a description of the data submitted using the *electronic-based program* developed under Section 39.0822.

(d) - (e) Same as House version.

No equivalent provision.

No equivalent provision.

Same as House version.

Same as House version.

Same as Senate version.

Same as House version.

Same as Senate version.

Sec. 39.084. Same as House version,

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was adopted.

Sec. 39.086 [~~39.204~~]. RULES.

SUBCHAPTER E [G]. ACCREDITATION INTERVENTIONS AND SANCTIONS

Sec. 39.102 [~~39.134~~]. INTERVENTIONS AND SANCTIONS FOR DISTRICTS. (a) If a school district does not satisfy the accreditation criteria under Section 39.052 [~~39.074~~], the academic performance standards under Section 39.053 or 39.054 [~~39.072~~], or any financial accountability standard as determined by commissioner rule, the commissioner shall take any of the following actions to the extent the commissioner determines necessary: . . .

(2) order a hearing conducted by the board of trustees of the district for the purpose of notifying the public of the insufficient [~~unacceptable~~] performance, the improvements in performance expected by the agency, and the sanctions that may be imposed under this section if the performance does not improve;

...
(10) if for two consecutive school years, including the current school year, a district has received an accreditation status of accredited-warned or accredited-probation, has failed to satisfy any standard under Section 39.054(e) [~~been rated academically unacceptable~~], or has failed to satisfy financial

Sec. 39.084 [~~39.204~~]. Same as House version.

SUBCHAPTER E [G]. ACCREDITATION INTERVENTIONS AND SANCTIONS

Sec. 39.101 [~~39.134~~]. INTERVENTIONS AND SANCTIONS FOR DISTRICTS. (a) If a school district does not satisfy the accreditation criteria under Section 39.052 [~~39.074~~], the [~~academic~~] performance standards under Section 39.053 or 39.054 [~~39.072~~], or any financial accountability standard as determined by commissioner rule, the commissioner shall take any of the following actions to the extent the commissioner determines necessary: . . .

(2) order a hearing conducted by the board of trustees of the district for the purpose of notifying the public of the insufficient [~~unacceptable~~] performance, the improvements in performance expected by the agency, and the interventions and sanctions that may be imposed under this section if the performance does not improve;

...
(10) if for two consecutive school years, including the [~~current~~] school year for which performance is currently determined, a district has received an accreditation status of accredited-warned or accredited-probation, has failed to satisfy any standard under Section 39.054(d) [~~been rated academically unacceptable~~], or has failed to satisfy

Sec. 39.085. Same as House version.

Same as House version.

Same as House version, except in Subdivision (a)(2) keeps the Senate reference to interventions.

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accountability standards as determined by commissioner rule, revoke the district's accreditation and:

- (A) order closure of the district and annex the district to one or more adjoining districts under Section 13.054; or
- (B) in the case of a home-rule school district or open-enrollment charter school, order closure of all programs operated under the district's or school's charter; or
- (11) if a district has failed to satisfy any standard under Section 39.054(e) ~~[been rated academically unacceptable for two consecutive school years, including the current school year,]~~ due to the district's dropout rates, impose sanctions designed to improve high school completion rates, including:

- (A) ordering the development of a dropout prevention plan for approval by the commissioner;
 - (B) restructuring the district or appropriate school campuses to improve identification of and service to students who are at risk of dropping out of school, as defined by Section 29.081;
 - (C) ordering lower student-to-counselor ratios on school campuses with high dropout rates; and
 - (D) ordering the use of any other intervention strategy effective in reducing dropout rates, including mentor programs and flexible class scheduling.
- (b) This subsection applies regardless of whether a district has satisfied the accreditation criteria. If for two consecutive school years, including the current school year, a district has had a conservator or management

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financial accountability standards as determined by commissioner rule, revoke the district's accreditation and:

- (A) order closure of the district and annex the district to one or more adjoining districts under Section 13.054; or
- (B) in the case of a home-rule school district or open-enrollment charter school, order closure of all programs operated under the district's or school's charter; or
- (11) if a district has failed to satisfy any standard under Section 39.054(d) ~~[been rated academically unacceptable for two consecutive school years, including the current school year,]~~ due to the district's dropout rates, impose sanctions designed to improve high school completion rates, including:

- (A) ordering the development of a dropout prevention plan for approval by the commissioner;
 - (B) restructuring the district or appropriate school campuses to improve identification of and service to students who are at risk of dropping out of school, as defined by Section 29.081;
 - (C) ordering lower student-to-counselor ratios on school campuses with high dropout rates; and
 - (D) ordering the use of any other intervention strategy effective in reducing dropout rates, including mentor programs and flexible class scheduling.
- (b) This subsection applies regardless of whether a district has satisfied the accreditation criteria. If for two consecutive school years, including the [current] school year for which the accreditation status is currently

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team assigned, the commissioner may appoint a board of managers, a majority of whom must be residents of the district, to exercise the powers and duties of the board of trustees.

Sec. 39.103 ~~[39.132]~~. INTERVENTIONS AND SANCTIONS FOR [ACADEMICALLY UNACCEPTABLE] CAMPUSES. (a) If a campus performance is below any standard under Section 39.054(e), the commissioner [39.073(b), the campus is considered an academically unacceptable campus. The commissioner may permit the campus to participate in an innovative redesign of the campus to improve campus performance or] shall take [any of the other following] actions, to the extent the commissioner determines necessary, as provided by this subchapter.

(b) For a campus described by Subsection (a), the commissioner, to the extent the commissioner determines necessary, may:

(1) ~~[issue public notice of the deficiency to the board of trustees;~~

~~[Deletes existing Subdivisions (1) - (5) and (7)]~~

~~[(6)] order a hearing to be held before the commissioner or the commissioner's designee at which the president of the board of trustees, the superintendent, and the campus principal shall appear and explain the campus's low performance, lack of improvement, and plans for improvement; or~~

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~~determined,~~ a district has had a conservator or management team assigned, the commissioner may appoint a board of managers, a majority of whom must be residents of the district, to exercise the powers and duties of the board of trustees.

Sec. 39.102 ~~[39.132]~~. INTERVENTIONS AND SANCTIONS FOR [ACADEMICALLY UNACCEPTABLE] CAMPUSES. (a) If a campus performance is below any standard under Section 39.054(d) [39.073(b)], the [campus is considered an academically unacceptable campus. The] commissioner [may permit the campus to participate in an innovative redesign of the campus to improve campus performance or] shall take [any of the other following] actions, to the extent the commissioner determines necessary, as provided by this subchapter.

(b) For a campus described by Subsection (a), the commissioner, to the extent the commissioner determines necessary, may[:

[Same as House version.]

~~[(6)] order a hearing to be held before the commissioner or the commissioner's designee at which the president of the board of trustees, the superintendent, and the campus principal shall appear and explain the campus's low performance, lack of improvement, and plans for improvement [; or~~

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Same as House version, except substitutes the following for subdivision (b)(2):

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(2) establish a school community partnership team composed of members of the campus-level planning and decision-making committee established under Section 11.251 and additional representatives as determined appropriate by the commissioner, such as members of the board of trustees of the district, administrators, educators, parents of district students, representatives of municipal and county governments in which the district is located, and community and business representatives, including representatives of nonprofit entities

(c)

Sec. 39.104 [~~39.1324~~]. INTERVENTIONS AND SANCTIONS FOR CHARTER SCHOOLS.

Sec. 39.105 [~~39.1322~~]. ~~TECHNICAL ASSISTANCE AND] CAMPUS IMPROVEMENT PLAN [INTERVENTION TEAMS]. (a) This section applies if [H] a campus performance satisfies performance standards under Section 39.054(e) [is rated academically acceptable] for the current school year but would not satisfy performance standards under Section 39.054(e) [be rated as academically unacceptable] if the [performance] standards to be used for the following school year were applied to the current school year. On request of[-] the commissioner, the campus-level committee established under Section 11.251 shall revise and submit to the commissioner in an electronic format~~

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(c) Same as House version.

Sec. 39.103 [~~39.1321~~]. Same as House version.

Sec. 39.104 [~~39.1322~~]. ~~TECHNICAL ASSISTANCE AND] CAMPUS IMPROVEMENT PLAN [INTERVENTION TEAMS]. (a) This section applies if [H] a campus performance satisfies performance standards under Section 39.054(d) [is rated academically acceptable] for the current school year but would not satisfy performance standards under Section 39.054(d) [be rated as academically unacceptable] if the [performance] standards to be used for the following school year were applied to the current school year. On request of[-] the commissioner, the campus shall submit to the commissioner in an electronic format the portions of the campus improvement plan developed under~~

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(2) establish a school community partnership team composed of members of the campus-level planning and decision-making committee established under 11.251 and additional community representatives as determined appropriate by the commissioner.

Same as House version.

Same as House version.

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the portions of the campus improvement plan developed under Section 11.253 that are relevant to those areas for which the campus would not satisfy performance standards

[Deletes a provision relating to the selection and assignment of a technical assistance team and to a waiver of such requirement under certain conditions.]

(b) If the [a] campus to which this section applies is an open-enrollment charter school, the school shall establish a campus-level planning and decision-making committee as provided for through procedures as much as practicable the same as those provided by Sections 11.251(b)-(e) and develop a campus improvement plan as provided by Section 11.253. On request of the commissioner, the school shall submit to the commissioner in an electronic format the portions of the campus improvement plan that are relevant to those areas for which the campus would not satisfy performance standards [has been identified as academically unacceptable under Section 39.132, the commissioner shall appoint a campus intervention team.

[Deletes existing Subsections (c) and (d).]

Sec. 39.106 [39.1323]. CAMPUS INTERVENTION TEAM [PROCEDURES]. (a) If a campus performance is below any standard under Section 39.054(e), the commissioner shall assign a campus intervention team.

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Section 11.253 that are relevant to those areas for which the campus would not satisfy performance standards

[Same as House version.]

(b) If the [a] campus to which this section applies is an open-enrollment charter school, the school shall establish a campus-level planning and decision-making committee as provided for through procedures as much as practicable the same as those provided by Sections 11.251(b)-(e) and develop a campus improvement plan as provided by Section 11.253. On request of the commissioner, the school shall submit to the commissioner in an electronic format the portions of the campus improvement plan that are relevant to those areas for which the school would not satisfy performance standards [has been identified as academically unacceptable under Section 39.132, the commissioner shall appoint a campus intervention team.

[Same as House version..]

Sec. 39.105 [39.1323]. CAMPUS INTERVENTION TEAM [PROCEDURES]. (a) If a campus performance is below any standard under Section 39.054(d), the commissioner shall assign a campus intervention team.

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Same as House version.

Same as House version, except omits the House provision in Subdivision (e-1)(2) requiring the board to provide a copy of the proposed targeted improvement plan or any proposed updated plan to each person

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A campus intervention team shall:

- (1) conduct, with the involvement and advice of the school community partnership team, if applicable:
 - (A) a targeted [comprehensive] on-site needs assessment relevant to an area of insufficient performance [evaluation] of the campus as provided by Subsection (b) [to determine the cause for the campus's low performance and lack of progress]; or
 - (B) if the commissioner determines necessary, a comprehensive on-site needs assessment, using the procedures provided by Subsection (b);
 - (2) recommend appropriate actions as provided by Subsection (c) [including reallocation of resources and technical assistance, changes in school procedures or operations, staff development for instructional and administrative staff, intervention for individual administrators or teachers, waivers from state statute or rule, or other actions the team considers appropriate];
 - (3) assist in the development of a targeted [school] improvement plan [for student achievement]; [and]
 - (4) assist the campus in submitting the targeted improvement plan to the board of trustees for approval and presenting the plan in a public hearing as provided by Subsection (e-1); and
 - (5) assist the commissioner in monitoring the progress of the campus in implementing the targeted [school] improvement plan [for improvement of student achievement].
- (b) An [A campus intervention team assigned under

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A campus intervention team shall:

- (1) conduct:
 - (A) a targeted [comprehensive] on-site needs assessment relevant to an area of insufficient performance [evaluation] of the campus as provided by Subsection (b) [to determine the cause for the campus's low performance and lack of progress]; or
 - (B) if the commissioner determines necessary, a comprehensive on-site needs assessment, using the procedures provided by Subsection (b);
 - (2) recommend appropriate actions as provided by Subsection (c) [including reallocation of resources and technical assistance, changes in school procedures or operations, staff development for instructional and administrative staff, intervention for individual administrators or teachers, waivers from state statute or rule, or other actions the team considers appropriate];
 - (3) assist in the development of a targeted [school] improvement plan [for student achievement]; [and]
 - (4) assist the campus in submitting the targeted improvement plan to the board of trustees for approval and presenting the plan in a public hearing as provided by Subsection (e-1); and
 - (5) assist the commissioner in monitoring the progress of the campus in implementing the targeted [school] improvement plan [for improvement of student achievement].
- (b) An [A campus intervention team assigned under

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attending a meeting under that subdivision and retains the Senate provision in Subsection (f) referring to an *updated* plan.

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~~Section 39.1322 to a campus shall conduct a~~ comprehensive] on-site needs assessment of the campus under Subsection (a) must [to] determine the contributing education-related and other [causal] factors resulting in the campus's low performance and lack of progress. The team shall use all of the following guidelines and procedures relevant to each area of insufficient performance in conducting a targeted on-site needs assessment and shall use each of the following guidelines and procedures in conducting a [the] comprehensive on-site needs assessment [of the campus]:

- (1) an assessment of the staff to determine the percentage of certified teachers who are teaching in their field, the percentage of teachers who are fully certified, the number of teachers with more [less] than three years of experience, and teacher retention [turnover] rates;
- (2) compliance with the appropriate class-size rules and number of class-size waivers received;
- (3) an assessment of the quality, quantity, and appropriateness of instructional materials, including the availability of technology-based instructional materials;
- (4) a report on the parental involvement strategies and the effectiveness of the strategies;
- (5) an assessment of the extent and quality of the mentoring program provided for new teachers on the campus and provided for experienced teachers on the campus who have less than two years of teaching experience in the subject or grade level to which the teacher is assigned;

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~~Section 39.1322 to a campus shall conduct a~~ comprehensive] on-site needs assessment of the campus under Subsection (a) must [to] determine the contributing [causal] factors resulting in the campus's low performance and lack of progress. The team shall use any of the following guidelines and procedures relevant to any area of insufficient performance in conducting a targeted on-site needs assessment and shall use each of the following guidelines and procedures in conducting a [the] comprehensive on-site needs assessment [of the campus]:

- (1) an assessment of the staff to determine the percentage of certified teachers who are teaching in their field,
the number of teachers with less than three years of experience, and teacher turnover rates;
- (2) compliance with the appropriate class-size rules and number of class-size waivers received;
- (3) an assessment of the quality, quantity, and appropriateness of instructional materials, including the availability of technology-based instructional materials;
- (4) a report on the parental involvement strategies and the effectiveness of the strategies;
- (5) an assessment of the extent and quality of the mentoring program provided for new teachers on the campus;

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- (6) an assessment of the type and quality of the professional development provided to the staff;
- (7) a demographic analysis of the student population, including student demographics, at-risk populations, and special education percentages;
- (8) a report of disciplinary incidents and school safety information;
- (9) financial and accounting practices;
- (10) an assessment of the appropriateness of the curriculum and teaching strategies; ~~and~~
- (11) compare the findings from Subdivisions (1) through (10) to other campuses serving the same grade levels within the district or to other campuses within the campus's comparison group if there are no other campuses within the district serving the same grade levels as the campus; and
- (12) any other research-based data or information obtained from a data collection process that would assist the campus intervention team in:
 - (A) recommending an action under Subsection (c); and
 - (B) executing a targeted ~~[school]~~ improvement plan under Subsection (d-3) ~~[(d)]~~.
- (c) On completing the on-site needs assessment [evaluation] under this section, the campus intervention team shall, with the involvement and advice of the school community partnership team, if applicable, recommend actions relating to any area of insufficient performance, including:
 - (1) reallocation of resources;

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- (6) an assessment of the type and quality of the professional development provided to the staff;
- (7) a demographic analysis of the student population, including student demographics, at-risk populations, and special education percentages;
- (8) a report of disciplinary incidents and school safety information;
- (9) financial and accounting practices;
- (10) an assessment of the appropriateness of the curriculum and teaching strategies; and
- (11) any other research-based data or information obtained from a data collection process that would assist the campus intervention team in:
 - (A) recommending an action under Subsection (c); and
 - (B) executing a targeted ~~[school]~~ improvement plan under Subsection (d-1) ~~[(d)]~~.
- (c) On completing the on-site needs assessment [evaluation] under this section, the campus intervention team shall

recommend actions relating to any area of insufficient performance, including:
 - (1) reallocation of resources;

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- (2) technical assistance;
- (3) changes in school procedures or operations;
- (4) staff development for instructional and administrative staff;
- (5) intervention for individual administrators or teachers;
- (6) waivers from state statutes or rules; ~~[or]~~
- (7) teacher recruitment and/or retention strategies and incentives provided by the district to attract and retain teachers with the characteristics included in Subsection (b)(1); or
- (8) other actions the campus intervention team considers appropriate.
- (d) The campus intervention team shall assist the campus in submitting the targeted improvement plan to the commissioner for approval.
- (d-1) The commissioner may authorize a school community partnership team established under this subchapter to supersede the authority of and satisfy the requirements of establishing and maintaining a campus-level planning and decision-making committee under Subchapter F, Chapter 11.
- (d-2) The commissioner may authorize a targeted improvement plan or updated plan developed under this subchapter to supersede the provisions of and satisfy the requirements of developing, reviewing, and revising a campus improvement plan under Subchapter F, Chapter 11.
- (d-3) In executing the targeted ~~[a school]~~ improvement

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- (2) technical assistance;
- (3) changes in school procedures or operations;
- (4) staff development for instructional and administrative staff;
- (5) intervention for individual administrators or teachers;
- (6) waivers from state statutes or rules; or

- (7) other actions the campus intervention team considers appropriate.
- (d) The campus intervention team shall assist the campus in submitting the targeted improvement plan to the commissioner for approval.

- (d-1) In executing the targeted ~~[a school]~~ improvement

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plan ~~developed under Subsection (a)(3)~~, the campus intervention team shall, if appropriate:

(1) assist the campus in implementing research-based practices for curriculum development and classroom instruction, including bilingual education and special education programs~~[-if appropriate,]~~ and financial management;

(2) provide research-based technical assistance, including data analysis, academic deficiency identification, intervention implementation, and budget analysis, to strengthen and improve the instructional programs at the campus; and

(3) require the district to develop a teacher recruitment and retention plan to address the qualifications and retention of the teachers at the campus

~~[submit the school improvement plan to the commissioner for approval].~~

(e) For each year a campus is assigned an unacceptable performance rating, a [A] campus intervention team shall ~~[appointed under Section 39.1322(b)]~~:

(1) ~~[shall]~~ continue to work with a campus until:

(A) the campus satisfies all performance standards under Section 39.054(e) [is rated academically acceptable] for a two-year period; or

(B) the campus satisfies all performance standards under Section 39.054(e) [is rated academically acceptable] for a one-year period and the commissioner determines that the campus is operating and will continue to operate in a

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plan ~~developed under Subsection (a)(3)~~, the campus intervention team shall, if appropriate:

(1) assist the campus in implementing research-based practices for curriculum development and classroom instruction, including bilingual education and special education programs~~[-if appropriate,]~~ and financial management; and

(2) provide research-based technical assistance, including data analysis, academic deficiency identification, intervention implementation, and budget analysis, to strengthen and improve the instructional programs at the campus ~~[-and~~

~~[(3) submit the school improvement plan to the commissioner for approval].~~

(e) For each year campus performance is below any standard under Section 39.054(d), a [A] campus intervention team shall ~~[appointed under Section 39.1322(b)]~~:

(1) ~~[shall]~~ continue to work with a campus until:

(A) the campus satisfies all performance standards under Section 39.054(d) [is rated academically acceptable] for a two-year period; or

(B) the campus satisfies all performance standards under Section 39.054(d) [is rated academically acceptable] for a one-year period and the commissioner determines that the campus is operating and will continue to operate in a

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manner that improves student achievement; ~~and]~~

(2) assist in updating the targeted improvement plan to identify and analyze areas of growth and areas that require improvement; and

(3) submit each updated plan described by Subdivision (2) to the board of trustees of the school district [may continually update the school improvement plan, with approval from the commissioner, to meet the needs of the campus].

(e-1) After a targeted improvement plan or updated plan is submitted to the board of trustees of the school district, the board:

(1) shall conduct a hearing for the purpose of:

(A) notifying the public of the insufficient performance, the improvements in performance expected by the agency, and the intervention measures or sanctions that may be imposed under this subchapter if the performance does not improve within a designated period; and

(B) soliciting public comment on the targeted improvement plan or any updated plan;

(2) shall provide a copy of the proposed targeted improvement plan or any proposed updated plan to each person who attends a hearing under this subsection;

(3) must post the targeted improvement plan on the district's Internet website before the hearing;

(4) may conduct one hearing relating to one or more campuses subject to a targeted improvement plan or an updated plan; and

(5) shall submit the targeted improvement plan or any

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manner that improves student achievement; ~~and]~~

(2) assist in updating the targeted improvement plan to identify and analyze areas of growth and areas that require improvement; and

(3) submit each updated plan described by Subdivision (2) to the board of trustees of the school district [may continually update the school improvement plan, with approval from the commissioner, to meet the needs of the campus].

(e-1) After a targeted improvement plan or updated plan is submitted to the board of trustees of the school district, the board:

(1) shall conduct a hearing for the purpose of:

(A) notifying the public of the insufficient performance, the improvements in performance expected by the agency, and the intervention measures or sanctions that may be imposed under this subchapter if the performance does not improve within a designated period; and

(B) soliciting public comment on the targeted improvement plan or any updated plan;

(2) may conduct one hearing relating to one or more campuses subject to a targeted improvement plan or an updated plan; and

(3) shall submit the targeted improvement plan or any

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updated plan to the commissioner for approval.

(f) Notwithstanding any other provision of this subchapter, if the commissioner determines that a campus for which an intervention is ordered under Subsection (a) [Section 39.1322(b)] is not fully implementing the campus intervention team's recommendations or targeted [school] improvement plan, the commissioner may order the reconstitution of the campus as provided by Section 39.107.

Sec. 39.107 [39.1324]. RECONSTITUTION, REPURPOSING, ALTERNATIVE MANAGEMENT, AND CLOSURE [MANDATORY SANCTIONS]. (a) Unless otherwise provided under the procedures for approval of an updated targeted improvement plan under Section 39.106(e-1) or this subsection, after [H] a campus has been identified as [academically] unacceptable for two consecutive school years, [including the current school year,] the commissioner shall order the reconstitution of the campus [and assign a campus intervention team].

The commissioner may waive the requirement to order reconstitution for not more than one school year if the commissioner determines that, on the basis of significant improvement in student performance over the preceding two school years, the campus is likely to be assigned an acceptable performance rating for the following school year.

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updated plan to the commissioner for approval.

(f) Notwithstanding any other provision of this subchapter, if the commissioner determines that a campus for which an intervention is ordered under Subsection (a) [Section 39.1322(b)] is not fully implementing the campus intervention team's recommendations or targeted [school] improvement plan or updated plan, the commissioner may order the reconstitution of the campus as provided by Section 39.106.

Sec. 39.106 [39.1324]. RECONSTITUTION, REPURPOSING, ALTERNATIVE MANAGEMENT, AND CLOSURE [MANDATORY SANCTIONS]. (a) Unless otherwise provided under the procedures for approval of an updated targeted improvement plan under Section 39.105(e-1) or this subsection, after [H] a campus has been identified as below any standard under Section 39.054(d) [academically unacceptable] for two consecutive school years, [including the current school year,] the commissioner shall order the reconstitution of the campus [and assign a campus intervention team].

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Same as House version with respect to the campus identification but omits the phrase beginning "Unless otherwise provided . . ." and the provision granting the commissioner waiver authority.

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(a-1) In reconstituting a ~~[the]~~ campus, a campus intervention team shall assist the campus in:

(1) developing an updated targeted ~~[a—school]~~ improvement plan;

(2) submitting the updated targeted improvement plan to the board of trustees of the school district for approval and presenting the plan in a public hearing as provided by Section 39.106(e-1);

(3) ~~(2)~~ obtaining approval of the updated plan from the commissioner; and

(4) ~~(3)~~ executing the plan on approval by the commissioner.

(b) The campus intervention team shall decide which educators may be retained at that campus. A principal who has been employed by the campus in that capacity during the full ~~[two-year]~~ period described by Subsection (a) may not be retained at that campus unless the school district determines that

retention is appropriate under Section 39.236.

(b-1)

(b-2) For each year that a campus is considered to have an unacceptable performance rating,

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(a) (cont'd) In reconstituting a ~~[the]~~ campus, a campus intervention team shall assist the campus in:

(1) developing an updated targeted ~~[a—school]~~ improvement plan;

(2) submitting the updated targeted improvement plan to the board of trustees of the school district for approval and presenting the plan in a public hearing as provided by Section 39.105(e-1);

(3) ~~(2)~~ obtaining approval of the updated plan from the commissioner; and

(4) ~~(3)~~ executing the plan on approval by the commissioner.

(b) The campus intervention team shall decide which educators may be retained at that campus. A principal who has been employed by the campus in that capacity during the full ~~[two-year]~~ period described by Subsection (a) may not be retained at that campus unless the campus intervention team determines that:

(1) students enrolled at the campus have demonstrated significant academic improvement; or

(2) retention is appropriate under Section 39.236.

(b-1) Same as House version.

(b-2) For each year the performance of a campus is below any standard under Section 39.054(d) after the second consecutive school year the performance of the campus is below any standard under Section 39.054(d),

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Same as House version.

Bases the principal's retention on the campus intervention team's determination that retention of the principal would be more beneficial to the student achievement and campus stability than removal.

Same as House version.

Same as House version.

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a campus intervention team shall:

(1) assist in updating the targeted improvement plan to identify and analyze areas of growth and areas that require improvement;

(2) submit the updated plan to:

(A) the board of trustees of the school district; and

(B) the parents of campus students; and

(3) assist in submitting the updated plan to the commissioner for approval.

(b-3) A district that operates a campus subject to Subsection (a) shall, in accordance with requirements of the commissioner, provide an e-mail address or telephone number that may be used by parents to provide comments to the school district about the targeted improvement plan. The school district shall publish comments provided by parents as required by the commissioner.

(c) A campus subject to Subsection (a) shall implement the updated targeted [school] improvement plan as approved by the commissioner. The commissioner may appoint a monitor, conservator, management team, or [a] board of managers to the district to ensure and oversee district-level support to low-performing campuses and the implementation of the updated targeted [school] improvement plan. In making appointments under this subsection, the commissioner shall consider individuals who have demonstrated success in managing campuses

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a campus intervention team shall:

(1) assist in updating the targeted improvement plan to identify and analyze areas of growth and areas that require improvement;

(2) submit the updated plan to

the board of trustees of the school district; and

(3) assist in submitting the updated plan to the commissioner for approval.

No equivalent provision.

(c) A campus subject to Subsection (a) shall implement the updated targeted [school] improvement plan as approved by the commissioner. The commissioner may appoint a monitor, conservator, management team, or [a] board of managers to the district to ensure and oversee district-level support to low-performing campuses and the implementation of the updated targeted [school] improvement plan. In making appointments under this subsection, the commissioner shall consider individuals who have demonstrated success in managing campuses

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Same as Senate version.

Same as House version.

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with student populations similar to the campus at which the individual appointed will serve.

(d)

(e) *[Deletes existing Subsection (e).]*

~~[(f)]~~ If a campus is considered to have an unacceptable performance rating ~~[considered—academically unacceptable]~~ for three ~~[two]~~ consecutive school years after the campus is reconstituted under Subsection (a), the commissioner shall order:

(1) repurposing of the campus under this section;

(2) alternative management of the campus under this section; or

(3) closure of the campus ~~[or pursue alternative management under Section 39.1327].~~

(e-1) The commissioner may waive the requirement to enter an order under Subsection (e) for not more than one school year if the commissioner determines that, on the basis of significant improvement in student performance over the preceding two school years, the campus is likely to be assigned an acceptable performance rating for the following school year.

(f) If the commissioner orders repurposing of a campus, the school district shall develop a comprehensive plan for

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with student populations from similar demographic groups and with similar educational needs as the student population the campus at which the individual appointed will serve.

(d) Same as House version.

(e) [Deletion same as House version.]

~~[(f)]~~ If the performance of a campus is below any standard under Section 39.054(d) ~~[considered academically unacceptable]~~ for three ~~[two]~~ consecutive school years after the campus is reconstituted under Subsection (a), the commissioner shall order:

(1) repurposing of the campus under this section;

(2) alternative management of the campus under this section; or

(3) closure of the campus ~~[or pursue alternative management under Section 39.1327].~~

No equivalent provision.

(f) If the commissioner orders repurposing of a campus, the school district shall develop a comprehensive plan

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Same as House version.

Same as House version.

Same as House version.

Substantially the same as Senate version, with the exceptions of subdivision (1), which retains the language

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repurposing the campus and submit the plan to the board of trustees for approval, using the procedures described by Section 39.106(e-1), and to the commissioner for approval. The plan must include a description of a rigorous and relevant academic program for the campus. The plan may include various instructional models. The commissioner may not approve the repurposing of a campus unless:

(1) all students in the assigned attendance zone of the campus in the school year immediately preceding the repurposing of the campus are provided with the opportunity to enroll in and are provided transportation on request to another campus, unless the commissioner grants an exception because there is no other campus in the district in which the students may enroll;

(2) the principal is not retained at the campus; and

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for repurposing the campus and submit the plan to the board of trustees for approval, using the procedures described by Section 39.105(e-1), and to the commissioner for approval. The plan must include a description of a rigorous and relevant academic program for the campus. The plan may include various instructional models. The commissioner may not approve the repurposing of a campus unless:

(1) all students in the assigned attendance zone of the campus in the school year immediately preceding the repurposing of the campus are provided with the opportunity to enroll in and are provided transportation on request to another school, which may include another school on the same campus, unless the commissioner grants an exception because there is no other school in the district in which the students may enroll;

(2) the principal is not retained at the campus, unless the commissioner determines that students enrolled at the campus have demonstrated significant academic improvement; and

(3) at least 75 percent of the teachers employed at the campus in the school year immediately preceding the repurposing of the campus are not retained at the campus, unless the commissioner or the commissioner's designee grants an exception, at the request of a school district, for:

(A) a teacher who provides instruction in a subject other than a subject for which an assessment instrument is administered under Section 39.023(a) or (c) who

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in House version, and Senate subdivision (3) which does not specify minimum percentage of teachers who are not retained as a condition for the granting of a waiver.

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(3) the principal assigned to the campus has reviewed the performance of all teachers employed at the campus in the school year immediately preceding the repurposing of the campus and determined, after consulting with the community and the campus intervention team assigned to the campus, which teachers may be retained at the campus, giving preference to teachers certified in the subject matter taught by those teachers.

(g)

(h)

[Deletes existing Section 39.1327(a).]

~~[(b)]~~ The commissioner shall solicit proposals from qualified ~~[nonprofit]~~ entities to assume management of a campus subject to this section or may appoint to assume management of a campus subject to this section a school district other than the district in which the campus is located that is located in the boundaries of the same regional education service center as the campus is

demonstrates to the commissioner satisfactory performance; or

(B) a teacher who provides instruction in a subject for which an assessment instrument is administered under Section 39.023(a) or (c) if the district demonstrates that the students of the teacher demonstrated satisfactory performance or improved academic growth on that assessment instrument.

(g) Same as House version.

(h) If the commissioner orders alternative management under this section, the

[Deletion same as House version.]

~~[(b)—The]~~ commissioner shall solicit proposals from qualified ~~[nonprofit]~~ entities to assume management of a campus subject to this section or may appoint to assume management of a campus subject to this section a school district other than the district in which the campus is located that is located in the boundaries of the same regional education service center as the campus is

Same as House version.

Same as Senate version, except allows solicitation from for profit entities only if no qualified nonprofit entities apply.

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located. A district appointed under this section shall assume management of a campus subject to this section in the same manner provided by this section for a qualified ~~[nonprofit]~~ entity or in accordance with commissioner rule. A for-profit entity may not operate as a qualified entity under this section.

(i) [(e)] If the commissioner determines that the basis for identifying a campus as ~~[academically]~~ unacceptable

is limited to a specific condition that may be remedied with targeted technical assistance, the commissioner may:

- (1) provide the campus a one-year waiver under this section; and
- (2) require the district to contract for the appropriate technical assistance.

(j) [(d)]

(k) [(e)] To qualify for consideration as a managing entity under this section, the entity must submit a proposal that provides information relating to the entity's management and leadership team that will participate in management of the campus under consideration, including information relating to individuals that have:

- (1) documented success in whole school interventions that increased the educational and performance levels of

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located. A district appointed under this section shall assume management of a campus subject to this section in the same manner provided by this section for a qualified ~~[nonprofit]~~ entity or in accordance with commissioner rule.

(i) [(e)] If the commissioner determines that the basis for the unsatisfactory performance of [identifying] a campus for more than two consecutive school years ~~[as academically unacceptable]~~

is limited to a specific condition that may be remedied with targeted technical assistance, the commissioner may[:

- ~~[(1) provide the campus a one-year waiver under this section; and~~
- [(2)] require the district to contract for the appropriate technical assistance.

(j) [(d)] Same as House version.

(k) [(e)] To qualify for consideration as a managing entity under this section, the entity must submit a proposal that provides information relating to the entity's management and leadership team that will participate in management of the campus under consideration, including information relating to individuals that have:

- (1) documented success in whole school interventions that increased the educational and performance levels of

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Same as Senate version.

Same as House version.

Same as House version.

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students in [~~academically unacceptable~~] campuses considered to have an unacceptable performance rating;

- (2) a proven record of effectiveness with programs assisting low-performing students;
- (3) a proven ability to apply research-based school intervention strategies;
- (4) a proven record of financial ability to perform under the management contract; and
- (5) any other experience or qualifications the commissioner determines necessary.

(k-1) For purposes of Subsection (k)(1), in demonstrating documented success, a managing entity must submit to the commissioner a side-by-side analysis of before and after conditions of campuses managed by individuals constituting the entity's management and leadership team that will participate in the management of the campus under consideration. The analysis must specify:

- (1) the status of each campus before management of the campus began and at the time the management of the campus ended; and
- (2) the demographic characteristics of each campus.

(l) - (r)

Sec. 39.108 [~~39.133~~]. ANNUAL REVIEW. The commissioner shall review annually the performance of a

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students in [~~academically unacceptable~~] campuses in which the campus performance was below any standard under Section 39.054(d);

- (2) a proven record of effectiveness with programs assisting low-performing students;
- (3) a proven ability to apply research-based school intervention strategies;
- (4) a proven record of financial ability to perform under the management contract; and
- (5) any other experience or qualifications the commissioner determines necessary.

No equivalent provision.

(l) - (r) Same as House version.

Sec. 39.107 [~~39.133~~]. ANNUAL REVIEW. The commissioner shall review annually the performance of a

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Same as Senate version.

Same as House version.

Same as Senate version.

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district or campus subject to this subchapter to determine the appropriate actions to be implemented under this subchapter. The commissioner must review at least annually the performance of a district for which the accreditation status under Subchapter C [rating] has been lowered due to insufficient [unacceptable] student performance and may not raise the accreditation status under Subchapter C [rating] until the district has demonstrated improved student performance. If the review reveals a lack of improvement, the commissioner shall increase the level of state intervention and sanction unless the commissioner finds good cause for maintaining the current status.

Sec. 39.109 [39.133]. ACQUISITION OF PROFESSIONAL SERVICES.

Sec. 39.110 [39.134]. COSTS PAID BY DISTRICT.

Sec. 39.111 [39.135]. CONSERVATOR OR MANAGEMENT TEAM. Amends a citation in Subsection (c), which requires a conservator or management team, if directed by the commissioner, to prepare a plan for the implementation of action under Section 39.102(a)(9), rather than 39.131(a)(9), or (10).

Sec. 39.112 [39.136]. BOARD OF MANAGERS.

Sec. 39.113 [39.137]. [SPECIAL] CAMPUS

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district or campus subject to this subchapter to determine the appropriate actions to be implemented under this subchapter. The commissioner must review at least annually the performance of a district for which the accreditation status or rating has been lowered due to insufficient [unacceptable] student performance and may not raise the accreditation status or rating until the district has demonstrated improved student performance. If the review reveals a lack of improvement, the commissioner shall increase the level of state intervention and sanction unless the commissioner finds good cause for maintaining the current status.

Sec. 39.108 [39.133]. Same as House version.

Sec. 39.109 [39.134]. Same as House version.

Sec. 39.110 [39.135]. CONSERVATOR OR MANAGEMENT TEAM. Same as House version, except changes the reference to Section 39.101(a)(9) or (10).

Sec. 39.111 [39.136]. Same as House version.

Sec. 39.112 [39.137]. Same as House version.

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Same as House version.

Same as House version.

Same as House version.

Same as House version.

Same as House version.

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INTERVENTION TEAM.

Sec. 39.114 [~~39-138~~]. IMMUNITY FROM CIVIL LIABILITY.

Sec. 39.115. CAMPUS NAME CHANGE PROHIBITED. In reconstituting, repurposing, or imposing any other intervention or sanction on a campus under this subchapter, the commissioner may not require that the name of the campus be changed.

Sec. 39.116. TRANSITIONAL INTERVENTIONS AND SANCTIONS. (a) During the period of transition to the accreditation system established under .B. No. 3, Acts of the 81st Legislature, Regular Session, 2009, to be implemented in August 2013, the commissioner may suspend assignment of accreditation statuses and performance ratings for the 2011-2012 school year.

No equivalent provision.

Sec. 39.113 [~~39-138~~]. Same as House version.

Sec. 39.114. CAMPUS NAME CHANGE PROHIBITED. In reconstituting, repurposing, or imposing any other intervention or sanction on a campus under this subchapter, other than closure, the commissioner may not require that the name of the campus be changed.

Sec. 39.115. TRANSITIONAL INTERVENTIONS AND SANCTIONS. (a) During the period of transition to the accreditation system established under H.B. No. 3, Acts of the 81st Legislature, Regular Session, 2009, to be implemented in August 2014, the commissioner may suspend assignment of accreditation statuses and performance ratings for the 2011-2012 school year and, with respect to the college readiness indicators under Section 39.053(c)(1)(B), for the 2012-2013 school year.

No equivalent provision.

Same as House version.

Same as House version.

Same as House version, except as follows:

(b) Following the 2011-12 school year, the commissioner shall report as soon as practicable district and campus performance under (CITE) passing standard and college readiness standard). For the 2012-13 school year, the commissioner shall use the passing standard (CITE) to assign accreditation statuses and performance ratings but shall only report performance under the college readiness

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(b) During the 2011-2012 school year,

the commissioner shall continue to implement interventions and sanctions for districts and campuses identified as having unacceptable performance in the 2010-2011 school year in accordance with the performance standards applicable during the 2010-2011 school year and may increase or decrease the level of interventions and sanctions based on an evaluation of the district's or campus's performance.

(c) For purposes of determining multiple years of unacceptable performance and required district and campus interventions and sanctions under this subchapter, the performance ratings and accreditation statuses issued in the 2010-2011 and 2012-2013 school years

shall be considered consecutive.

(d) This section expires September 1, 2014.

SUBCHAPTER F [~~K~~]. PROCEDURES FOR

(b) During the 2011-2012 school year and, with respect to the college readiness indicators under Section 39.053(c)(1)(B), the 2012-2013 school year,

the commissioner shall continue to implement interventions and sanctions for those districts and campuses identified as having unsatisfactory performance in the 2010-2011 school year in accordance with the performance standards applicable during the 2010-2011 school year and may increase or decrease the level of interventions and sanctions based on an evaluation of the district's or campus's performance.

(c) For purposes of determining multiple years of unsatisfactory performance and required district and campus interventions and sanctions under this subchapter, the performance ratings and accreditation statuses issued in the 2010-2011 and 2012-2013 school years and, with respect to the college readiness indicators under Section 39.053(c)(1)(B), the 2010-2011 and 2013-2014 school years,

shall be considered consecutive.

(d) This section expires September 1, 2015.

SUBCHAPTER F [~~K~~]. PROCEDURES FOR

standard (CITE). Beginning with the 2013-2014 school year, the commissioner shall base accreditation statuses and performance ratings on both the passing standard (CITE) and the college readiness standard (CITE).

(c) Same as House version, except applies during the 2011-2012 and 2011-2012 school years.

Same as House version.

SUBCHAPTER F [~~K~~]. PROCEDURES FOR

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CHALLENGE OF ACCREDITATION STATUS, ACCOUNTABILITY DETERMINATION, INTERVENTION, [RATING] OR SANCTION

CHALLENGE OF ACCOUNTABILITY DETERMINATION [RATING OR SANCTION]

CHALLENGE OF ACCOUNTABILITY DETERMINATION, INTERVENTION, [RATING] OR SANCTION

Sec. 39.151 [39.301]. REVIEW BY COMMISSIONER: ACCOUNTABILITY DETERMINATION [RATINGS].

Sec. 39.151 [39.301]. Same as House version.

Same as House version.

Sec. 39.152 [39.302]. REVIEW BY STATE OFFICE OF ADMINISTRATIVE HEARINGS: SANCTIONS.

Sec. 39.152 [39.302]. Same as House version.

Same as House version.

SUBCHAPTER G. DISTINCTION DESIGNATIONS

SUBCHAPTER G. DISTINCTION DESIGNATIONS

SUBCHAPTER G. DISTINCTION DESIGNATIONS

No equivalent provision.

Sec. 39.201. ELIGIBILITY INDICATOR FOR DISTINCTION DESIGNATION. (a) Makes a district or campus eligible for a distinction designation under this subchapter if:

(1) the district or campus attains a minimum percentage, as determined by the commissioner, of: students who performed satisfactorily, as determined under the college readiness performance standard under Section 39.0241, on assessment instruments required under Section 39.023(a), (b), (c), or (l), aggregated across grade levels by subject area; or students who met the standard for annual improvement, as determined by the agency under Section 39.034, on assessment instruments required under Section 39.023(a), (b), (c), or (l), aggregated across grade levels by subject area, for students who did not perform satisfactorily as described by Paragraph (A); or

Sec. 39.201. ELIGIBILITY FOR DISTINCTION DESIGNATION. (a) Not later than August 8 of each year, the commissioner shall award distinction designations under this subchapter. A district or campus may not be awarded a distinction designation under this subchapter unless the district or campus has acceptable performance under Section 39.054.

(b) A district or campus is eligible for a distinction designation under this subchapter if:

(1) the district or campus attains a minimum percentage, as determined by the commissioner, of:

(A) students who performed satisfactorily, as determined under the college readiness performance standard under Section 39.0241, on assessment instruments required under Section 39.023(a), (b), (c), or (l), aggregated across grade levels by subject area; or
(B) students who met the standard for annual

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(2) the district or campus demonstrates a significant increase as compared to the preceding school year, as determined by the commissioner, in the percentage of students who performed satisfactorily as described by Subdivision (1)(A) or who met the standard for annual improvement as described by Subdivision (1)(B).

(b) Requires the commissioner to periodically raise the minimum percentage for the eligibility for the distinction designation described by Subsection (a)(1) as necessary to reach the goal of achieving, by not later than the 2019-2020 school year, student performance in this state, disaggregated by race, ethnicity, and socioeconomic status, that ranks nationally in the top 10 states in terms of college readiness.

(c) If college readiness performance standards are adopted for science and social studies end-of-course assessment instruments under Section 39.024(f), those performance standards and assessment instruments apply in determining district or campus eligibility under this section.

Sec. 39.202. ACADEMIC EXCELLENCE DISTINCTION DESIGNATION FOR DISTRICTS AND CAMPUSES. (a) Requires the commissioner to award a district or campus an academic excellence distinction designation if the district or campus attains percentages of students under Sections 39.201(a)(1) and (2) higher than the percentages determined by the commissioner under Sections 39.201(a)(1) and (2).

improvement, as determined by the agency under Section 39.034, on assessment instruments required under Section 39.023(a), (b), (c), or (l), aggregated across grade levels by subject area, for students who did not perform satisfactorily as described by Paragraph (A); or
(2) the district or campus satisfies the criteria adopted by the commissioner under Section 39.202 to demonstrate sufficient student attainment of postsecondary success.
(c) If college readiness performance standards are adopted for science and social studies end-of-course assessment instruments under Section 39.024(f), those performance standards and assessment instruments apply in determining district or campus eligibility under this section.

Sec. 39.202. ACADEMIC EXCELLENCE DISTINCTION DESIGNATION FOR DISTRICTS AND CAMPUSES. (a) The commissioner shall award a district or campus an academic excellence distinction designation if the district or campus attains percentages of students under Sections 39.201(b)(1) and (2) higher than the percentages determined by the commissioner under Sections 39.201(b)(1) and (2).

No equivalent provision.

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(b) Requires the commissioner by rule to establish a recognized and exemplary rating for the academic distinction designation under this section and, in establishing the recognized and exemplary ratings, to adopt criteria for the ratings, including the percentages of students under Sections 39.201(a)(1) and (2). Authorizes the commissioner to consider the level of increased performance from school year to school year as a factor.

(c) Requires the commissioner to investigate types and amounts of monetary and nonmonetary awards available to motivate districts and campuses to increase the number of students who perform satisfactorily, as determined under the college readiness performance standard under Section 39.0241. Requires the commissioner, not later than November 30, 2010, to provide a report based on the investigation to the governor, the lieutenant governor, the speaker of the house, and the presiding officers of the standing committees with primary jurisdiction over public education and appropriations. Requires the report to include strategies for increasing student performance in this state to a level that ranks in the top 10 states in terms of college readiness.

(b) The commissioner by rule shall establish a recognized and exemplary rating for the academic distinction designation under this section. In establishing the recognized and exemplary ratings, the commissioner shall adopt criteria for the ratings, including the percentages of students under Sections 39.201(b)(1) and (2) and factors other than performance on assessment instruments for determining sufficient student attainment of postsecondary success.

Sec. 39.201. CAMPUS DISTINCTION DESIGNATIONS. (a) Not later than August 8 of each year, the commissioner shall award distinction designations under this subchapter. A campus may not be awarded a distinction designation under this

Sec. 39.203. CAMPUS DISTINCTION DESIGNATIONS.

Same as House version.

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subchapter unless the campus has acceptable performance under Section 39.054.

(b) The commissioner shall award a campus a distinction designation if the campus is ranked in the top 25 percent of campuses in the state in annual improvement in student achievement as determined under Section 39.034.

(c) In addition to the distinction designation described by Subsection (b), the commissioner shall award a campus a distinction designation if the campus demonstrates an ability to significantly diminish or eliminate performance differentials between student subpopulations.

The commissioner shall adopt rules related to the distinction designation under this subsection to ensure that a campus does not artificially diminish or eliminate performance differentials through inhibiting the achievement of the highest achieving student subpopulation or other means.

(d) In addition to the distinction designations described by Subsections (b) and (c), a campus that satisfies the criteria developed under Section 39.202 shall be awarded a distinction designation by the commissioner for the

(a) The commissioner shall award a campus a distinction designation if the campus is ranked in the top 25 percent of campuses eligible under Section 39.201 in annual improvement in student achievement, as determined under Section 39.034, in English language arts, mathematics, science, or social studies.

(b) In addition to the distinction designation described by Subsection (a), the commissioner shall award a campus a distinction designation if the campus demonstrates an ability to significantly diminish or eliminate performance differentials between student subpopulations and is ranked in the top 25 percent of campuses eligible under Section 39.201 under the performance criteria described by this subsection.

The commissioner shall adopt rules related to the distinction designation under this subsection to ensure that a campus does not artificially diminish or eliminate performance differentials through inhibiting the achievement of the highest achieving student subpopulation.

(c) In addition to the distinction designations described by Subsections (a) and (b), a campus that satisfies the criteria developed under Section 39.204 shall be awarded a distinction designation by the commissioner for the

Same as House version.

Same as Senate version, except replaces the citation to Section 39.201 with "in this state" and keeps the House reference to "other means" at the end of the last sentence.

Same as Senate version.

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following programs or the following specific categories of performance:

- (1) academic achievement in English language arts, mathematics, science, or social studies;
- (2) fine arts;
- (3) physical education;
- (4) 21st Century Workforce Development program;
- (5) second language acquisition program; and
- (6) recognized achievement in placing high school graduates in institutions of higher education.

Sec. 39.202. CAMPUS DISTINCTION DESIGNATION CRITERIA; COMMITTEES. (a) The commissioner by rule shall establish:

- (1) standards for considering campuses for distinction designations under Section 39.201(d); and
 - (2) methods for awarding distinction designations to campuses.
- (b) In adopting rules under this section, the commissioner shall establish a separate committee to develop criteria for each distinction designation under Section 39.201(d).

(c) - (e)

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following programs or the following specific categories of performance:

- (1) academic achievement in English language arts, mathematics, science, or social studies;
- (2) fine arts;
- (3) physical education;
- (4) 21st Century Workforce Development program; and
- (5) second language acquisition program.

(d) A campus may not be awarded a distinction designation under this subchapter unless the campus is eligible under Section 39.201 and satisfies all performance standards under Section 39.054(d).

Sec. 39.204. CAMPUS DISTINCTION DESIGNATION CRITERIA; COMMITTEES. (a) The commissioner by rule shall establish:

- (1) standards for considering campuses for distinction designations under Section 39.203(c); and
 - (2) methods for awarding distinction designations to campuses.
- (b) In adopting rules under this section, the commissioner shall establish a separate committee to develop criteria for each distinction designation under Section 39.203(c).

(c) - (e) Same as House version.

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Same as House version.

Same as Senate version.

Same as House version.

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Sec. 39.203. **STUDY REGARDING ADDITIONAL CATEGORIES FOR DISTINCTION DESIGNATION.** Requires the agency to conduct a study on the feasibility and appropriateness of including additional categories of performance for a distinction designation under Section 39.201(d), including library services and the campus learning environment and sets forth study requirements. Requires TEA to adopt rules.

No equivalent provision.

Same as Senate version.

SUBCHAPTER H [F]. **ADDITIONAL REWARDS**

SUBCHAPTER H [F]. **ADDITIONAL REWARDS**

Same as House version, except as follows.

Sec. 39.231 [39.444]. **RECOGNITION AND REWARDS.**

Sec. 39.231 [39.444]. **RECOGNITION AND REWARDS.**

No equivalent provision.

Sec. 39.232 [39.442]. **DISTINCTION [EXCELLENCE] EXEMPTIONS.** (a) Except as provided by Subsection (b), a school campus [~~or district~~] that holds a distinction designation under Section 39.201(b) or (d)(1) [is rated exemplary] is exempt from requirements and prohibitions imposed under this code including rules adopted under this code..

Sec. 39.232 [39.442]. **EXCELLENCE EXEMPTIONS.** (a) Except as provided by Subsection (b), a school campus or district that is rated exemplary under Subchapter G is exempt from requirements and prohibitions imposed under this code including rules adopted under this code.

Same as Senate version.

(b) Enumerates requirements and prohibitions from which a school *campus* is not exempt under this section

(b) Same as House version, except includes a school *district* as well as a school campus.

Same as Senate version.

(c) Requires TEA to monitor and evaluate deregulation of a school campus under this section and Section 7.056 and deletes a district from the provision.

(c) Same as House version, except retains a district in the provision.

Same as Senate version.

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(d) The commissioner may exempt a ~~[an-exemplary]~~ school campus that receives a distinction designation under Section 39.201(b) or (d)(1) from elementary class size limits under this section if the school campus submits to the commissioner a written plan showing steps that will be taken to ensure that the exemption from the class size limits will not be harmful to the academic achievement of the students on the school campus. The commissioner shall review achievement levels annually. The exemption remains in effect until the commissioner determines that achievement levels of the campus have declined.

Sec. 39.233 ~~[39.113]~~. RECOGNITION OF HIGH SCHOOL COMPLETION AND SUCCESS AND COLLEGE READINESS PROGRAMS

Sec. 39.234 ~~[39.114]~~. HIGH SCHOOL ALLOTMENT.

Sec. 39.235 ~~[39.115]~~. HIGH SCHOOL INNOVATION GRANT INITIATIVE.

Sec. 39.236 ~~[39.116]~~. INITIATIVE FOR RETAINING QUALITY EDUCATORS. Notwithstanding Section 39.107(b) ~~[39.1324(b)]~~, a school district, to assist in preventing dropouts and disruptions that may result from certain mandatory sanctions, may retain at a campus a principal who has been employed at the campus as a principal during the ~~[two-year]~~ period described by

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(d) The commissioner may exempt an exemplary school campus under Subchapter G from elementary class size limits under this section if the school campus submits to the commissioner a written plan showing steps that will be taken to ensure that the exemption from the class size limits will not be harmful to the academic achievement of the students on the school campus. The commissioner shall review achievement levels annually. The exemption remains in effect until the commissioner determines that achievement levels of the campus have declined.

Sec. 39.233 ~~[39.113]~~. Same as House version.

Sec. 39.234 ~~[39.114]~~. Same as House version.

Sec. 39.235 ~~[39.115]~~. Same as House version.

Sec. 39.236 ~~[39.116]~~. INITIATIVE FOR RETAINING QUALITY EDUCATORS. Notwithstanding Section 39.106(b) ~~[39.1324(b)]~~, a school district, to assist in preventing dropouts and disruptions that may result from certain mandatory sanctions, may retain at a campus a principal who has been employed at the campus as a principal during the ~~[two-year]~~ period described by

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Same as Senate version.

Same as House version.

Same as House version.

Same as House version.

No equivalent provision.

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Section 39.107(a) [~~39.1324(a)~~] if the campus intervention team determines that retention of the principal would be more beneficial to student achievement and campus stability than removal [~~students enrolled at the campus have demonstrated a pattern of significant academic improvement~~].

Sec. 39.237. GIFTED AND TALENTED STANDARDS. Requires the commissioner to adopt standards to evaluate school district programs for gifted and talented students to determine whether a district operates a program for gifted and talented students in accordance with the Texas Performance Standards Project or another program approved by the commissioner that meets the requirements of the state plan for the education of gifted and talented students under Section 29.123.

SUBCHAPTER I [E]. SUCCESSFUL SCHOOL AWARDS

Sec. 39.261 [~~39.094~~]. CREATION OF SYSTEM.

Sec. 39.262 [~~39.092~~]. TYPES OF AWARDS.

Sec. 39.263 [~~39.093~~]. AWARDS. (a) The criteria that the commissioner shall use to select successful schools and districts must be related to the goals in Section 4.002 and must include:

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Section 39.106(a) [~~39.1324(a)~~] if the students enrolled at the campus have demonstrated a pattern of significant academic improvement.

No equivalent provision.

SUBCHAPTER I [E]. SUCCESSFUL SCHOOL AWARDS

Sec. 39.261 [~~39.094~~]. Same as House version.

Sec. 39.262 [~~39.092~~]. Same as House version.

Sec. 39.263 [~~39.093~~]. AWARDS. (a) The criteria that the commissioner shall use to select successful schools and districts must be related to the goals in Section 4.002 and must include

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Same as House version.

Same as House version.

Same as House version.

Same as House version.

Same as Senate version.

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(1) for districts and campuses, consideration of performance on the student achievement [academic excellence] indicators adopted under Section 39.053(c); and
(2) for campuses, consideration of the distinction designation criteria prescribed by or developed under Subchapter G [39.054].

(b) - (d)

Sec. 39.264 [39.094]. USE OF AWARDS.

Sec. 39.265 [39.095]. FUNDING

Sec. 39.266 [39.096]. CONFIDENTIALITY.

SUBCHAPTER J. PARENT AND EDUCATOR REPORTS

Sec. 39.301. ADDITIONAL PERFORMANCE INDICATORS: REPORTING. (a) In addition to the indicators adopted under Section 39.053, the commissioner shall adopt indicators of the quality of learning on a campus for the purpose of preparing reports under this chapter. The commissioner biennially shall review the indicators for the consideration of appropriate revisions.

No equivalent provision.

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consideration of performance on the student achievement [academic-excellence] indicators adopted under Section 39.053(c) and

consideration of the distinction designation criteria prescribed by or developed under Subchapter G [39.054].

(b) - (d) Same as House version.

Sec. 39.264 [39.094]. Same as House version.

Sec. 39.265 [39.095]. Same as House version.

Sec. 39.266 [39.096]. Same as House version.

SUBCHAPTER J. PARENT AND EDUCATOR REPORTS

Sec. 39.301. ADDITIONAL PERFORMANCE INDICATORS: REPORTING. (a) In addition to the indicators adopted under Section 39.053, the commissioner shall adopt indicators of the quality of learning for the purpose of preparing reports under this chapter. The commissioner biennially shall review the indicators for the consideration of appropriate revisions.

(b) Performance on the indicators adopted under this

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Same as House version.

Same as House version.

Same as House version.

Same as House version, except as follows:

Same as Senate version.

Same as Senate version.

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(b) Indicators for reporting purposes must include:

(1) the percentage of graduating students who meet the course requirements established for the recommended high school program by State Board of Education rule;

(2) the results of the SAT, ACT, articulated postsecondary degree programs described by Section 61.852, and certified workforce training programs described by Chapter 311, Labor Code;

(3) for students who have failed to perform satisfactorily, as determined under each performance standard under Section 39.0241, on an assessment instrument required under Section 39.023(a) or (c), the numerical progress of those students grouped by percentage on subsequent assessment instruments required under those sections, aggregated across grade levels by subject area;

(4) the percentage of students, aggregated across grade levels, provided accelerated instruction under Section 28.0211(c), the results of assessment instruments administered under that section, the percentage of students promoted through the grade placement committee process under Section 28.0211, the subject of the assessment instrument on which each student failed to perform satisfactorily, and the performance of those

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section shall be evaluated in the same manner provided for evaluation of the student achievement indicators under Section 39.053(b).

(c) Indicators for reporting purposes must include:

(1) the percentage of graduating students who meet the course requirements established for the recommended high school program by State Board of Education rule;

(2) the results of the Scholastic Assessment Test (SAT), the American College Test (ACT), articulated postsecondary degree programs described by Section 61.852, and certified workforce training programs described by Chapter 311, Labor Code;

(3) for students who have failed to perform satisfactorily, under each performance standard under Section 39.0241, on an assessment instrument required under Section 39.023(a) or (c), the numerical progress of those students grouped by percentage on subsequent assessment instruments required under those sections, aggregated by grade level and subject area;

(4) the percentage of students, aggregated by grade level, provided accelerated instruction under Section 28.0211(c), the results of assessment instruments administered under that section, the percentage of students promoted through the grade placement committee process under Section 28.0211, the subject of the assessment instrument on which each student failed to perform satisfactorily under each performance

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(c) Indicators for reporting purposes must include:

(1) the percentage of graduating students who meet the course requirements established by State Board of Education rule for the minimum high school program, the recommended high school program, and the advanced high school program;

(2) the results of the SAT, ACT, articulated postsecondary degree programs described by Section 61.852, and certified workforce training programs described by Chapter 311, Labor Code;

(3) for students who have failed to perform satisfactorily, under each performance standard under Section 39.0241, on an assessment instrument required under Section 39.023(a) or (c), the performance of those students on subsequent assessment instruments required under those sections, aggregated by grade level and subject area;

(4) for each campus, the number of students, disaggregated by major student subpopulations, that agree under Section 28.025(b) to take courses under the minimum high school program;

(5) the percentage of students, aggregated by grade level, provided accelerated instruction under Section 28.0211(c), the results of assessment instruments administered under that section, the percentage of

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students in the school year following that promotion on the assessment instruments required under Section 39.023;

(5) the percentage of students of limited English proficiency exempted from the administration of an assessment instrument under Sections 39.027(a)(1) and (2);

(6) the percentage of students in a special education program under Subchapter A, Chapter 29, assessed through assessment instruments developed or adopted under Section 39.023(b);

(7) the measure of progress toward college readiness;

(8) the measure of progress toward dual language proficiency under Section 39.034(b), for students of limited English proficiency, as defined by Section 29.052;

(9) the percentage of students who are not educationally disadvantaged; and

(10) the percentage of students who enroll and begin instruction at an institution of higher education in the school year following graduation.

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standard under Section 39.0241, and the performance of those students in the school year following that promotion on the assessment instruments required under Section 39.023;

(5) the percentage of students exempted, by exemption category, from the assessment program generally applicable under this chapter;

(6) the percentage of students of limited English proficiency exempted from the administration of an assessment instrument under Sections 39.027(a)(3) and (4);

(7) the percentage of students in a special education program under Subchapter A, Chapter 29, assessed through assessment instruments developed or adopted under Section 39.023(b);

(8) the measure of progress toward college readiness;

(9) the measure of progress toward dual language proficiency under Section 39.034(b), for students of limited English proficiency, as defined by Section 29.052;

(10) the percentage of students who enroll and begin instruction at an institution of higher education in the school year following high school graduation; and

(11) the percentage of students who successfully complete the first year of instruction at an institution of higher education without needing a developmental education course.

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students promoted through the grade placement committee process under Section 28.0211, the subject of the assessment instrument on which each student failed to perform satisfactorily under each performance standard under Section 39.0241, and the performance of those students in the school year following that promotion on the assessment instruments required under Section 39.023;

(6) the percentage of students of limited English proficiency exempted from the administration of an assessment instrument under Sections 39.027(a)(1) and (2);

(7) the percentage of students in a special education program under Subchapter A, Chapter 29, assessed through assessment instruments developed or adopted under Section 39.023(b);

(8) the percentage of students who satisfy the college readiness measure;

(9) the measure of progress toward dual language proficiency under Section 39.034(b), for students of limited English proficiency, as defined by Section 29.052;

(10) the percentage of students who are not educationally disadvantaged;

(11) the percentage of students who enroll and begin instruction at an institution of higher education in the school year following high school graduation; and

(12) the percentage of students who successfully complete the first year of instruction at an institution of

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higher education without needing a developmental education course.

(c) Performance on the indicators described by Section 39.053(c) and Subsections (b)(3), (4), and (8) must be based on longitudinal student data that is disaggregated by the bilingual education or special language program, if any, in which students of limited English proficiency, as defined by Section 29.052, are or former students of limited English proficiency were enrolled. If a student described by this subsection is not or was not enrolled in specialized language instruction, the number and percentage of those students shall be provided.

(d)

Sec. 39.302. REPORT TO DISTRICT: COMPARISONS FOR ANNUAL PERFORMANCE ASSESSMENT.

Sec. 39.303. REPORT TO PARENTS.

(a)

(b) For a student who failed to perform satisfactorily as determined under either performance standard under Section 39.0241 on an assessment instrument administered under Section 39.023(a), (c), or (l), the school district shall include in the notice specific

(d) Performance on the indicators described by Section 39.053(c) and Subsections (c)(3), (4), and (9) must be based on longitudinal student data that is disaggregated by the bilingual education or special language program, if any, in which students of limited English proficiency, as defined by Section 29.052, are or former students of limited English proficiency were enrolled. If a student described by this subsection is not or was not enrolled in specialized language instruction, the number and percentage of those students shall be provided.

(e) Same as House version.

Sec. 39.302. Same as House version.

Sec. 39.303. REPORT TO PARENTS.

(a) Same as House version.

(b) For a student who failed to perform satisfactorily as determined by the commissioner under Section 39.0241(a) on an assessment instrument administered under Section 39.023(a), (c), or (l), the school district shall include in the notice specific information relating to

Same as House version.

Same as House version.

Same as House version.

Same as House version.

Same as House version.

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information relating to access to online educational resources at the appropriate assessment instrument content level, including educational resources described by Section 32.252(b)(2) and assessment instruments questions and answers released under Section 39.023(e).

Sec. 39.304. TEACHER REPORT CARD. Each school district shall prepare a report of the comparisons made under Section 39.034 and provided to the district under 39.302 and provide the report to each teacher for all students who:

- (1) were assessed on an assessment instrument under Section 39.023; and
- (2) were provided instruction by that teacher in the subject for which the assessment instrument was administered under Section 39.023.

Sec. 39.305 [39.052]. CAMPUS REPORT CARD. (a) The agency shall report the performance of each campus in a school district on the basis of the campus's performance on the indicators described by Section 39.053(c).

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access to online educational resources at the appropriate assessment instrument content level, including educational resources described by Section 32.252(b)(2) and assessment instruments questions and answers released under Section 39.023(e).

Sec. 39.304. TEACHER REPORT CARD. Each school district shall prepare a report of the comparisons made under Section 39.034 and provided to the district under Section 39.302 and provide the report at the beginning of the school year to each teacher for incoming students who were assessed on an assessment instrument under Section 39.023.

Sec. 39.305 [39.052]. CAMPUS REPORT CARD.

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Sec. 39.304. TEACHER REPORT CARD. (a) Each school district shall prepare a report of the comparisons made under Section 39.034 and provided to the district under Section 39.302 and provide the report at the beginning of the school year to:

- (1) each teacher for all students, including incoming students, who were assessed on an assessment instrument under Section 39.023; and
- (2) all students under Subdivision (1) who were provided instruction by that teacher in the subject for which the assessment instrument was administered under Section 39.023.

(b) The report shall indicate whether the student performed satisfactorily or, if the student did not perform satisfactorily, whether the student met the standard for annual improvement under Section 39.034.

Same as Senate version.

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(b)

(c) ~~[(b)]~~ The report card shall include the following information:

(1) where applicable, the student achievement indicators described by Section 39.053(c) and the reporting indicators described by Sections 39.301(b)(1) through (4) and (10) ~~[academic excellence indicators adopted under Sections 39.051(b)(1) through (10)]~~;

(2) average class size by grade level and subject;

(3) the administrative and instructional costs per student, computed in a manner consistent with Section 44.0071; ~~[and]~~

(4) the district's instructional expenditures ratio and instructional employees ratio computed under Section 44.0071, and the statewide average of those ratios, as determined by the commissioner; and

(5) the number of students taking courses under the minimum high school program.

(d)

Sec. 39.306 ~~[39.053]~~. PERFORMANCE REPORT. (a) Among other provisions, requires the board of trustees' annual report describing the educational performance of the district and of each campus in the district to include:...

(2) information indicating the district's accreditation

(a) Same as House version.

(b) The report card shall include the following information:

(1) where applicable, the student achievement indicators described by Section 39.053(c) and the reporting indicators described by Sections 39.301(c)(1) through (4) ~~[academic excellence indicators adopted under Sections 39.051(b)(1) through (10)]~~;

(2) average class size by grade level and subject;

(3) the administrative and instructional costs per student, computed in a manner consistent with Section 44.0071; and

(4) the district's instructional expenditures ratio and instructional employees ratio computed under Section 44.0071, and the statewide average of those ratios, as determined by the commissioner.

(c) Same as House version.

Sec. 39.306 ~~[39.053]~~. PERFORMANCE REPORT. (a) Same as House version, except requires the annual report to include:

(2) information indicating the district's accreditation

Same as Senate version.

Same as Senate version.

Same as House version.

Same as House version, except in Subdivision (2) refers to *an unacceptable campus* rather than a low performing campus and omits Subdivision (8)

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status and identifying each district campus awarded a distinction designation under Subchapter G or considered an unacceptable campus under Subchapter E;
and
(8) the number of students taking courses under the minimum high school program.

(b) - (g)

(h) Requires the report to include an additional evaluation of a campus that has significantly declined in enrollment due to voluntary transfers of students to other campuses in the district. Requires the board of trustees to develop a plan to attract students who reside in the campus attendance zone through the establishment of innovative programs, magnet programs, or other programs and, if the campus has been assigned an accreditation status below accredited, to hold a hearing on the plan at the campus to discuss district support for the plan and resource allocation to support implementation of the plan. Requires a campus intervention team to incorporate a plan under this subsection into a targeted improvement plan required under Section 39.106.

Sec. 39.307 [~~39.054~~]. USES OF PERFORMANCE REPORT.

Sec. 39.308 [~~39.055~~]. ANNUAL AUDIT OF

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status and identifying each district campus awarded a distinction designation under Subchapter G or considered a low-performing campus under Subchapter E.

(b) - (g) Same as House version.

No equivalent provision.

Sec. 39.307 [~~39.054~~]. Same as House version.

Sec. 39.308 [~~39.055~~]. Same as House version.

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Same as House version.

Same as Senate version.

Same as House version.

Same as House version.

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DROPOUT RECORDS; REPORT. .

SUBCHAPTER K [(H)]. REPORTS BY TEXAS
EDUCATION AGENCY

SUBCHAPTER K [(H)]. REPORTS BY TEXAS
EDUCATION AGENCY

Same as House version.

Sec. 39.331 [~~39.184~~]. GENERAL REQUIREMENTS.

Sec. 39.331 [~~39.184~~]. Same as House version.

Same as House version.

Sec. 39.332 [~~39.182~~]. COMPREHENSIVE ANNUAL
REPORT. Requires the comprehensive annual report to
contain, among other provisions, a description of a
systematic, measurable plan for reducing the projected
cross-sectional and longitudinal dropout rates to five
percent or less for the *2017-2018* school year.

Sec. 39.332 [~~39.182~~]. COMPREHENSIVE ANNUAL
REPORT. Same as House version, except requires the
report to contain a description of a systematic,
measurable plan for reducing the projected cross-
sectional and longitudinal dropout rates to five percent or
less for the *1997-1998* school year.

Same as House version, except in Subdivision (10) omits
the school year reference.

Sec. 39.333 [~~39.183~~]. REGIONAL AND DISTRICT
LEVEL REPORT. Requires TEA to prepare and deliver
to the governor, the lieutenant governor, the speaker of
the house of representatives, each member of the
legislature, the LBB, and the clerks of the standing
committees of the senate and house of representatives
with primary jurisdiction over the public school system a
regional and district level report covering the preceding
two school years and containing, among other items, a
statement of whether the campus has been awarded a
distinction designation under Subchapter G or has been
identified as *an unacceptable* campus under Subchapter
E.

Sec. 39.333 [~~39.183~~]. REGIONAL AND DISTRICT
LEVEL REPORT. Same as House version, except
requires the annual report to contain a statement of
whether the campus has been awarded a distinction
designation under Subchapter G or has been identified as
a low-performing campus under Subchapter E.

Same as House version.

Sec. 39.334 [~~39.184~~]. TECHNOLOGY REPORT.

Sec. 39.334 [~~39.184~~]. Same as House version.

Same as House version.

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Sec. <u>39.335</u> [39.185]. INTERIM REPORT.	Sec. <u>39.335</u> [39.185]. Same as House version.	Same as House version.
SUBCHAPTER <u>L</u> [H]. NOTICE OF PERFORMANCE	SUBCHAPTER <u>L</u> [H]. NOTICE OF PERFORMANCE	Same as House version.
Sec. <u>39.361</u> [39.254]. NOTICE IN STUDENT GRADE REPORT. Requires the first written notice of a student's performance that a school district gives during a school year as required by Section 28.022(a)(2) to include, among other items, a statement of whether the campus at which the student is enrolled has been awarded a distinction designation under Subchapter G or has been identified as <i>an unacceptable</i> campus under Subchapter E and an explanation of the significance of the information provided under Subdivision (1).	Sec. <u>39.361</u> [39.254]. NOTICE IN STUDENT GRADE REPORT. Same as House version, except requires the notice to include a statement of whether the campus at which the student is enrolled has been awarded a distinction designation under Subchapter G or has been identified as <i>a low-performing</i> campus under Subchapter E.	Same as House version.
Sec. <u>39.362</u> [39.252]. NOTICE ON DISTRICT WEBSITE.	Sec. <u>39.362</u> [39.252]. Same as House version.	Same as House version.
SUBCHAPTER <u>M</u> [L]. HIGH SCHOOL COMPLETION AND SUCCESS INITIATIVE	SUBCHAPTER <u>M</u> [L]. HIGH SCHOOL COMPLETION AND SUCCESS INITIATIVE	Same as House version.
Sec. <u>39.401</u> [39.354]. DEFINITION.	Sec. <u>39.401</u> [39.354]. Same as House version.	Same as House version.
Sec. <u>39.402</u> [39.352]. HIGH SCHOOL COMPLETION AND SUCCESS INITIATIVE COUNCIL.	Sec. <u>39.402</u> [39.352]. Same as House version.	Same as House version.
Sec. <u>39.403</u> [39.353]. TERMS	Sec. <u>39.403</u> [39.353]. Same as House version.	Same as House version.
Sec. <u>39.404</u> [39.354]. PRESIDING OFFICER.	Sec. <u>39.404</u> [39.354]. Same as House version.	Same as House version.

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Sec. 39.405 [~~39.355~~]. COMPENSATION AND REIMBURSEMENT.

Sec. 39.405 [~~39.355~~]. Same as House version.

Same as House version.

Sec. 39.406 [~~39.356~~]. COUNCIL STAFF AND FUNDING.

Sec. 39.406 [~~39.356~~]. Same as House version.

Same as House version.

Sec. 39.407 [~~39.357~~]. STRATEGIC PLAN.

Sec. 39.407 [~~39.357~~]. Same as House version.

Same as House version.

Sec. 39.408 [~~39.358~~]. ELIGIBILITY CRITERIA FOR CERTAIN GRANT PROGRAMS.

Sec. 39.408 [~~39.358~~]. Same as House version.

Same as House version.

Sec. 39.409 [~~39.359~~]. PRIVATE FOUNDATION PARTNERSHIPS. (

Sec. 39.409 [~~39.359~~]. Same as House version.

Same as House version.

Sec. 39.410 [~~39.360~~]. GRANT PROGRAM EVALUATION.

Sec. 39.410 [~~39.360~~]. Same as House version.

Same as House version.

Sec. 39.411 [~~39.361~~]. COUNCIL RECOMMENDATIONS.

Sec. 39.411 [~~39.361~~]. COUNCIL RECOMMENDATIONS.

(a) - (b)

(a) - (b) Same as House version.

Same as House version.

(c) To meet the goals of the council's strategic plan, the ~~The~~ commissioner of education or the commissioner of higher education, as applicable, shall consider the council's recommendations and based on those recommendations may award grants listed in Subsection (a) to school districts, open-enrollment charter schools, institutions of higher education, regional education

(c) The commissioner of education or the commissioner of higher education, as applicable, shall consider the council's recommendations and based on those recommendations may award grants to school districts, open-enrollment charter schools, institutions of higher education, regional education

Same as Senate version.

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service centers, and nonprofit organizations that provide technical assistance, professional development, case-managed student services, and programs for the benefit of students enrolled in school districts or open-enrollment charter schools ~~[to meet the goals of the council's strategic plan].~~

service centers, and nonprofit organizations to meet the goals of the council's strategic plan.

(d)

(d) Same as House version.

Same as House version.

Sec. 39.412 ~~[39.362]~~. FUNDING PROVIDED

Sec. 39.412 ~~[39.362]~~. Same as House version.

Same as House version.

Sec. 39.413 ~~[39.363]~~. FUNDING FOR CERTAIN PROGRAMS.

Sec. 39.413 ~~[39.363]~~. Same as House version.

Same as House version.

Sec. 39.414 ~~[39.364]~~. PRIVATE FUNDING.

Sec. 39.414 ~~[39.364]~~. Same as House version.

Same as House version.

Sec. 39.415 ~~[39.365]~~. REPORTS.

Sec. 39.415 ~~[39.365]~~. Same as House version.

Same as House version.

Sec. 39.416 ~~[39.366]~~. RULES.

Sec. 39.416 ~~[39.366]~~. Same as House version..

Same as House version.

Sec. 39.417. CERTAIN GRANTS TO NONPROFIT ORGANIZATIONS NOT AUTHORIZED. Provides that this subchapter does not authorize the commissioner to award a grant to a nonprofit organization for services provided as a private school or to a private school.

No equivalent provision.

Same as Senate version.

SECTION 74. Section 42.002(b), Education Code, is amended to specify that The Foundation School Program consists of (1) two tiers that in combination provide for

SECTION 57. Subsection (b), Section 42.002, Education Code, is amended to specify that the Foundation School Program consists of (1) two tiers that

SECTION 60. Same as House version.

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(A) sufficient financing for all school districts to provide a basic program of education that is rated *acceptable or higher* under Section 39.054 and meets other applicable legal standards and (B) substantially equal access to funds to provide an enriched program; and (2) a facilities component as provided by Chapter 46.

SECTION 75. Section 44.008, Education Code, is amended by adding Subsection (d-1) as follows:

(d-1) If a school district has not filed a copy of the school district's annual audit report in compliance with Subsection (d) by the 180th day after the date specified by that subsection:

(1) requires the agency to promptly report the school district's failure to comply to each member of the legislature whose district contains any portion of the territory included in the school district;

(2) requires the agency to provide a written notification to the district that specifies the date on which the audit report was required by this section to be filed with the agency; and

(3) requires the district, if it has an Internet website, to post a statement on the website informing interested persons that the district is more than six months late in filing the district's audit report as required by this section; to maintain the statement on the website until the district files the district's audit report in compliance with this section; and to conduct a public meeting specifically

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in combination provide for (A) sufficient financing for all school districts to provide a basic program of education that is rated *accredited* under Section 39.052 and meets other applicable legal standards and (B) substantially equal access to funds to provide an enriched program; and (2) a facilities component as provided by Chapter 46.

No equivalent provision.

CONFERENCE

Same as Senate version.

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for the purpose of publicizing, by reading into the record of the meeting, the notification received by the district from the agency and discussing the date on which the district anticipates the audit report will be filed, as well as the reasons for the district's failure to comply with the filing requirement in a timely manner.

SECTION 76. Section 51.3062, Education Code, is amended by adding Subsection (q-1) to read as follows:

No equivalent provision.

(q-1)

SECTION 77. Amends Section 51.807, Education Code, as amended by Chapters 941 (H.B. 3826) and 1369 (H.B. 3851), Acts of the 80th Legislature, Regular Session, 2007.

SECTION 78. Chapter 61, Education Code, is amended by adding Subchapter T-1 to read as follows:

SUBCHAPTER T-1. CAREER AND TECHNICAL EDUCATION

Sec. 61.861. DEVELOPMENT OF MATHEMATICS

SECTION 58. Section 51.3062, Education Code, is amended by adding Subsections (i-1) and (q-1) as follows:

(i-1) Authorizes the commissioner of higher education by rule to require an institution of higher education to adopt uniform standards for the placement of a student under this section.

(q-1) Same as House version.

SECTION 59. Same as House version.

SECTION 60. Chapter 61, Education Code, is amended by adding Subchapter T-1 to read as follows:

SUBCHAPTER T-1. CAREER AND TECHNICAL EDUCATION

Sec. 61.861. DEVELOPMENT OF MATHEMATICS

SECTION 61. Same as Senate version.

Same as Senate version.

Same as House version.

SECTION 62. Same as House version.

SECTION 63. Same as Senate version.

Same as Senate version.

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AND SCIENCE COURSES FOR HIGH-DEMAND OCCUPATIONS. (a) The commissioner of higher education, in consultation with the comptroller and the Texas Workforce Commission, may award a grant in an amount not to exceed \$1 million to an institution of higher education to develop advanced mathematics and science courses to prepare high school students for employment in a high-demand occupation. The commissioner of higher education, the comptroller, and the Texas Workforce Commission shall jointly determine what is considered a high-demand occupation for purposes of this subchapter.

(b) - (d)

Sec. 61.862. GRANT APPLICATION CRITERIA. The commissioner of higher education, in consultation with the comptroller and the Texas Workforce Commission, shall establish application criteria for a grant under this subchapter and in making an award, shall give priority to courses that:

(1) will prepare students for high-demand, high-wage, and high-skill occupations;

(2) may be transferred as college credit to multiple institutions of higher education; and

(3) are developed as part of a sequence of courses that includes statewide availability of the instructional

SENATE VERSION

AND SCIENCE COURSES FOR HIGH-DEMAND OCCUPATIONS. (a) The commissioner of higher education and the commissioner of education, in consultation with the comptroller and the Texas Workforce Commission, may award a grant in an amount not to exceed \$1 million to an institution of higher education to develop advanced mathematics and science courses to prepare high school students for employment in a high-demand occupation. The commissioner of higher education, the commissioner of education, the comptroller, and the Texas Workforce Commission shall jointly determine what is considered a high-demand occupation for purposes of this subchapter.

(b) - (d) Same as House version.

Sec. 61.862. GRANT APPLICATION CRITERIA. The commissioner of higher education and the commissioner of education, in consultation with the comptroller and the Texas Workforce Commission, shall establish application criteria for a grant under this subchapter and in making an award shall give priority to courses that:

(1) will prepare students for high-demand, high-wage, and high-skill occupations and further postsecondary study;

(2) may be transferred as college credit to multiple institutions of higher education; and

(3) are developed as part of a sequence of courses that includes statewide availability of the instructional

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Same as Senate version.

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materials and training for the courses at a nominal cost to public educational institutions in this state.

Sec. 61.863. USE OF FUNDS. An institution of higher education may use funds awarded under this section to develop, in connection with a course described by Section 61.861:

- (1) curriculum;
- (2) assessments; or
- (3) instructional materials, including technology-based supplemental materials.

Sec. 61.864. REVIEW OF COURSES. Courses developed for which a grant is awarded under this subchapter shall be reviewed by the commissioner of higher education and the commissioner of education, in consultation with the comptroller and the Texas Workforce Commission, once every four years to determine whether the course:

- (1) is being used by public educational institutions in this state;
- (2) prepares high school students with the skills necessary for employment in the high-demand occupation and further postsecondary study; and
- (3) satisfies a mathematics or science requirement for the recommended or advanced high school program as

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materials and training for the courses at a nominal cost to public educational institutions in this state.

Sec. 61.863. USE OF FUNDS. An institution of higher education may use funds awarded under this section to develop, in connection with a course described by Section 61.861:

- (1) curriculum;
- (2) assessments;
- (3) instructional materials, including technology-based supplemental materials; or
- (4) professional development programs for secondary grade-level teachers teaching a course described by Section 61.861.

Sec. 61.864. REVIEW OF COURSES. Courses developed for which a grant is awarded under this subchapter shall be reviewed by the commissioner of higher education and the commissioner of education, in consultation with the comptroller and the Texas Workforce Commission, once every four years to determine whether the course:

- (1) is being used by public educational institutions in this state;
- (2) prepares high school students with the skills necessary for employment in the high-demand occupation and further postsecondary study; and
- (3) satisfies a mathematics or science requirement for the recommended or advanced high school program as

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Same as Senate version.

Same as Senate version.

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determined under Section 28.025.

determined under Section 28.025.

Sec. 61.865. MATCHING CONTRIBUTION REQUIRED.

Sec. 61.865. Same as House version.

Same as House version.

Sec. 61.866. LIMITATION ON TOTAL AMOUNT OF GRANTS.

Sec. 61.866. Same as House version.

Same as House version.

Sec. 61.867. FUNDING OF GRANTS

Sec. 61.867. Same as House version.

Same as House version.

SECTION 79. Subtitle G, Title 3, Education Code, is amended by adding Chapter 134 to read as follows:

CHAPTER 134. JOBS AND EDUCATION FOR TEXANS (JET) GRANT PROGRAM

Sec. 134.001. DEFINITIONS. Defines "Nonprofit organization," "Public junior college" and "public technical institute."

Sec. 134.002. JOBS AND EDUCATION FOR TEXANS (JET) FUND. (a) The comptroller shall establish and administer the Jobs and Education for Texans (JET) fund as a dedicated account in the general revenue fund.

(b) Requires certain amounts to be deposited in the fund.

Sec. 134.003. ADVISORY BOARD. (a) Creates an advisory board of education and workforce stakeholders to assist the comptroller in administering this chapter.

(b) Sets forth the composition of the seven-member board.

(c) Requires the board to meet at least once each quarter

No equivalent provision.

SECTION 64. Same as House version, except in Section 134.005 (b)(1) requires a nonprofit organization, as a condition of eligibility for a grant, to provide a program to offer assistance to low-income students in preparing for, applying to, and enrolling in a public junior college or public technical institutions and omits the requirement that these students be high school students.

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to review received applications and recommend awarding grants under this chapter.

Sec. 134.004. **JOBS AND EDUCATION FOR TEXANS (JET) GRANT PROGRAM.** Requires the comptroller to establish and administer the Jobs and Education for Texans (JET) Grant Program to provide grants to public junior colleges, public technical institutes, and eligible nonprofit organizations that apply to the advisory board in the manner prescribed by the advisory board and to award the grants on the advice and recommendations of the advisory board. Specifies purposes for which grants may be awarded.

Sec. 134.005. **GRANTS TO NONPROFIT ORGANIZATIONS FOR INNOVATIVE AND SUCCESSFUL PROGRAMS.** (a) Authorizes the comptroller to award a grant to a nonprofit organization eligible for the development, support, or expansion of programs to prepare low-income students for careers in high-demand occupations.

(b) Sets forth eligibility criteria for receiving a grant under this section.

(c) Allows the matching funds required to be obtained from any source available to the nonprofit organization, including in-kind contributions, community or foundation grants, individual contributions, and local governmental agency operating funds.

(d) Requires the award of grants in a manner that takes a balanced geographical distribution into consideration.

Sec. 134.006. **GRANTS TO EDUCATIONAL**

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INSTITUTIONS FOR CAREER AND TECHNICAL EDUCATION PROGRAMS. (a) Authorizes the comptroller to award a grant for the development of new career and technical education courses or programs at public junior colleges and public technical institutes.

(b) Restricts the use of a grant received under this section to certain purposes..

(c) Requires the comptroller, in awarding a grant under this section, to consider primarily the potential economic returns to the state from the development of the career and technical education course or program. Lists other permissible considerations

(d) Sets forth eligibility criteria for a public junior college or public technical institute to receive a grant under this section.

Sec. 134.007. SCHOLARSHIPS. (a) Authorizes the comptroller to award a scholarship to a public junior college or public technical institute student.

(b) Sets forth eligibility criteria for a student to be eligible to receive a scholarship under this section.

Sec. 134.008. RULES. Grants the comptroller rulemaking authority.

SECTION 80. Section 302.006(c), Labor Code, is amended to require a person, as a condition of eligibility for a scholarship awarded under this section, to

(3) agree to work for at least 18 additional months in a child-care facility, as defined by Section 42.002, Human

SECTION 61. Subsection (c), Section 302.006, Labor Code, is amended as follows:

Same as House version, except refers to a public school campus considered low-performing under *Section 39.102*, Education Code.

SECTION 65. Same as House version.

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Resources Code, that accepts federal Child Care Development Fund subsidies and that, at the time the person begins to fulfill the work requirement imposed by this subdivision, is located:

- (A) within the attendance zone of a public school campus considered low-performing under *Subchapter E, Chapter 39*, rather than Section 39.132, Education Code; or
- (B) in an economically disadvantaged community, as determined by the commission.

SECTION 81. (a) The State Board of Education shall establish the Dallas Independent School District Education Improvement Commission to examine the following issues:

- (1) the potential efficiencies realized in the administrative operations of a small or medium size school district compared to a large size school district;
- (2) the potential improvements in the systematic management of a small or medium size school district compared to large size school district;
- (3) the financial stability of operating a small or medium size school district in Dallas County, including bond structure, tax revenue, and state assistance;
- (4) the ability of the Dallas County School District to provide for the overall transportation or other general needs of multiple school districts located in Dallas County;
- (5) any increase in parent accessibility to school district

No equivalent provision.

Same as Senate version.

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administration in a small or medium size district;

(6) the effects of a small or medium size district on enhancing feeder pattern continuity; and

(7) the effect of a projected student's enrollment on the ability of the current school district to meet the educational needs of the student.

(b) The commission is composed of:

(1) one person appointed by the board of trustees of the Dallas Independent School District;

(2) one person appointed by the Greater Dallas Chamber of Commerce;

(3) one person appointed by the Dallas Black Chamber of Commerce;

(4) one person appointed by the Greater Dallas Asian Chamber of Commerce;

(5) one person appointed by the Greater Dallas Hispanic Chamber of Commerce;

(6) one person appointed by the mayor of the City of Dallas;

(7) one person appointed by the mayor of the City of Seagoville;

(8) one person who lives in the district of a state representative whose territory includes territory located in the Dallas Independent School District, appointed by the governor;

(9) one person who lives in the district of a state senator whose territory includes territory located in the Dallas Independent School District, appointed by the governor;

(10) one representative from the Dallas Council of the

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Parent-Teacher Association.

- (11) one person appointed by Dallas County Commissioners Court;
- (12) one representative appointed by the Dallas County Tax Appraisal District;
- (13) a dean or representative from the college of education - University of North Texas-Dallas;
- (14) a dean or representative of the college of education - Southern Methodist University;
- (15) a dean or representative of the college of education - Paul Quinn College;
- (16) a dean or representative of the college of education - Dallas Baptist University;
- (17) one person appointed by the Region 10 Education Service Center;
- (18) one person appointed by the Dallas Achieve Commission;
- (19) the State Board of Education member that represents District 13;
- (20) one member appointed by the Texas Education Agency; and
- (21) the comptroller.
- (c) The State Board of Education member serves as the chair of the commission.
- (d) The Texas Education Agency shall provide all necessary administrative and research support.
- (e) The commission may seek research support from the Council of Greater Cities School and the North Texas Central Council of Governments or any other entity.

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(f) Not later than September 1, 2010, the commission shall submit a preliminary report regarding the commission's findings to the governor, lieutenant governor, speaker of the house of representatives, the presiding officer of each legislative standing committee with primary jurisdiction over primary and secondary education, Dallas Independent School District, Dallas County, the City of Seagoville, and the City of Dallas. Not later than December 31, 2010, a final report must be submitted to the entities listed above.

SECTION 82. The following sections of the Education Code are repealed:

- (1) Section 39.0234;
- (2) Section 39.025(b-1);
- (3) Sections 39.032(a), (b), and (d); and
- (4) Sections 39.034(e), (f), and (g).

SECTION 83. (a) Section 21.054(b), Education Code, is repealed.

(b) This repeal applies beginning with the 2009-2010 school year.

SECTION 84. It is the intent of the legislature that the grants that may not be awarded to an organization or nonprofit organization under Sections 29.917(d) and 39.417, Education Code, as added by this Act, include dropout recovery grants, such as the grants awarded in 2008 in response to the Texas Education Agency's

SECTION 62. The following provisions of the Education Code are repealed:

- (1) Subsections (e), (f), and (g), Section 39.034; and
- (2) Section 44.011.

No equivalent provision.

No equivalent provision.

SECTION 66. The following sections of the Education Code are repealed:

- (1) Sections 39.034(e), (f), and (g); and
- (2) Section 44.011.

SECTION 67. Same as House version.

Same as Senate version.

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Request for Applications (RFA) 701-08-116.

SECTION 85. (a) Not later than January 1, 2010, the Texas Education Agency shall prepare

a transition plan containing

a detailed description of the process the commissioner of education will use to implement this Act.

SECTION 63. (a) Not later than December 1, 2010, the Texas Education Agency shall prepare and deliver to the governor, the lieutenant governor, the speaker of the house of representatives, each member of the legislature, the clerks of the standing committees of the senate and the house of representatives with primary jurisdiction over public education, and the Legislative Budget Board a transition plan containing the information described by Subsections (b) and (c) of this section.

(b) The transition plan referred to in Subsection (a) of this section must contain

a detailed description of the process the commissioner of education will use to develop and implement this Act, including:

- (1) the timeline;
- (2) the means by which public school educators who are representative of this state and other stakeholders, including parents of public primary and secondary school students, and business and community leaders, will be included in the process to develop and implement this Act, in accordance with Subdivision (11), Subsection (b), Section 7.055, Education Code;
- (3) the resources required to implement this Act, including resources that may be required by districts and campuses;
- (4) the scope and sequence of tasks that must be accomplished to implement this Act; and

SECTION 68. Same as Senate version.

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(b) In developing the transition plan, the Texas Education Agency shall consult with stakeholders in public primary and secondary education.

(c) In conjunction with the transition plan prepared under this section, the commissioner of education shall provide for an equivalence of a performance rating, accreditation status, distinction designation, or performance indicator, as applicable, for each statutory reference to a performance rating or performance indicator that is superseded by this Act.

SECTION 86. To the extent of any conflict, the reenactment by this Act of Section 51.807, Education Code, prevails over another Act of the 81st Legislature, Regular Session, 2009, relating to nonsubstantive additions to and corrections in enacted codes.

(5) the use of the standard rulemaking process to adopt any procedures necessary to implement this Act.

(c) Except as provided by this subsection, the transition plan referred to in Subsection (a) of this section must provide for the implementation during the 2011-2012 school year of changes made by this Act to the accreditation and academic accountability system. The assignment of accreditation statuses and any other academic accountability designations under this Act must be implemented beginning with the 2012-2013 school year.

(d) In conjunction with the transition plan prepared and delivered under this section, the commissioner of education shall provide for an equivalence of a performance rating, accreditation status, distinction designation, or performance indicator, as applicable, for each statutory performance rating or performance indicator that is superseded by this Act.

SECTION 64. Same as House version.

SECTION 69. Same as House version.

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SECTION 87. Section 11.203(d), Education Code, as amended by this Act, applies only to a principal employed at a school that is rated academically unacceptable during the 2008-2009 school year.

SECTION 88. (a) Each school district shall implement a policy adopted under Section 33.006(d), Education Code, as added by this Act, beginning with the 2009-2010 school year.

(b) Section 33.006(e), Education Code, as added by this Act, applies only to a contract executed on or after the effective date of this Act. A contract executed before the effective date of this Act is governed by the law in effect on the date the contract was executed, and the former law is continued in effect for that purpose.

(c) Section 39.056(f), Education Code, as added by this Act, applies beginning with the 2009-2010 school year.

SECTION 89. (a) Except as provided by this section, this Act applies beginning with the 2009-2010 school year.

(a-1) Section 28.002(n-1), Education Code, as added by this Act, applies beginning with the 2010-2011 school year.

(b) Sections 39.023(e) and 39.053(g), Education Code, as amended by this Act, apply immediately.

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No equivalent provision.

No equivalent provision.

SECTION 65. (a) Except as provided by Subsections (b) and (c) of this section, this Act applies beginning with the 2009-2010 school year.

(b) Subsection (c-3), Section 28.002, Education Code, as added by this Act, applies beginning with the 2011-2012 school year.

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SECTION 70. Same as House version.

Same as Senate version.

SECTION 71. (a) Except as provided by this section, this Act applies beginning with the 2009-2010 school year.

(a-1) Section 28.002(c-3), Education Code, as added by this Act, applies beginning with the 2010-2011 school year.

(b) Sections 39.023(e) and 39.053(g), Education Code, as amended by this Act, apply immediately.

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(c) Section 39.023(o), Education Code, as added by this Act, applies beginning with a student who earns college credit during the 2010-2011 school year.

(d) Except as provided by Subsection (b) of this section, Subchapter C, Chapter 39, Education Code, as amended by this Act, applies beginning with the 2011-2012 school year.

(e) Except as provided by Subsection (f) of this section, Subchapter E, Chapter 39, Education Code, as amended by this Act, applies as provided by the transition plan adopted by the commissioner of education under Section 39.116, Education Code, as added by this Act.

(f) Notwithstanding any other provision of this Act, the commissioner of education may immediately apply any exceptions to interventions and sanctions under Subchapter E, Chapter 39, Education Code, as amended by this Act, to interventions and sanctions under Subchapter G, Chapter 39, Education Code, as that law existed prior to amendment by this Act.

No equivalent provision.

SECTION 90. This Act takes effect immediately if it

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(c) Subchapter E, Chapter 39, Education Code, as amended by this Act, applies as provided by the transition plan adopted by the commissioner of education under Section 39.115, Education Code, as added by this Act.

SECTION 66. Notwithstanding any other provision of this Act, the commissioner of education may immediately apply any provisions related to interventions and sanctions under Subchapter E, Chapter 39, Education Code, as amended by this Act, to interventions and sanctions under Subchapter G, Chapter 39, Education Code, as that law existed prior to amendment by this Act.

SECTION 67. This Act does not make an appropriation. This Act takes effect only if a specific appropriation for the implementation of the Act is provided in a general appropriations act of the 81st Legislature.

SECTION 68. Except as provided by Section 67 of this

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(c) Section 39.023(o), Education Code, as added by this Act, applies beginning with a student who earns college credit during the 2010-2011 school year.

(d) Except as provided by Subsection (b) of this section, Subchapter C, Chapter 39, Education Code, as amended by this Act, applies beginning with the 2011-2012 school year.

(e) Except as provided by Subsection (f) of this section, Subchapter E, Chapter 39, Education Code, as amended by this Act, applies as provided by the transition plan adopted by the commissioner of education under Section 39.116, Education Code, as added by this Act.

(f) Notwithstanding any other provision of this Act, the commissioner of education may immediately apply any exceptions to interventions and sanctions under Subchapter E, Chapter 39, Education Code, as amended by this Act, to interventions and sanctions under Subchapter G, Chapter 39, Education Code, as that law existed prior to amendment by this Act.

Same as House version.

SECTION 72. Same as House version.

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receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009.

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Act, this Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009, except as provided by Section 67 of this Act.

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LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

Revision 1

May 30, 2009

TO: Honorable David Dewhurst , Lieutenant Governor, Senate
Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB3 by Eissler (Relating to public school accountability, curriculum, and promotion requirements.), **Conference Committee Report**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3, Conference Committee Report: a negative impact of (\$67,575,608) through the biennium ending August 31, 2011.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	(\$33,796,054)
2011	(\$33,779,554)
2012	(\$13,229,554)
2013	(\$13,329,554)
2014	(\$13,329,554)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>Foundation School Fund</i> 193	Change in Number of State Employees from FY 2009
2010	(\$33,796,054)	\$0	37.0
2011	(\$23,279,554)	(\$10,500,000)	37.0
2012	(\$13,229,554)	\$0	37.0
2013	(\$13,329,554)	\$0	37.0
2014	(\$13,329,554)	\$0	37.0

Fiscal Analysis

The bill would make numerous changes to the state's public education accountability system and would revise current grade promotion standards and procedures. The bill would amend curriculum requirements for high school graduation in the recommended and advanced high school programs. New curriculum requirements for the recommended program would be effective for students entering the ninth grade in the 2011-12 school year.

The bill would require that the TEA establish a student assessment data portal through which students, parents, school district employees, and public institutions of higher education could access individual

assessment data. The bill would require that the system provide information regarding students' progress toward meeting assessment requirements for graduation, that it provide assessment data beginning from the 2007-08 school year, and that student assessment data for the prior year be made available through the system on or before the first day of school. The system would be required to enable comparisons of student performance at classroom, campus, district, and state levels.

The bill would require TEA to develop assessments to allow the score to indicate students' satisfactory performance relative to performance standards determined based on the provisions of the bill and growth in student achievement. The bill would allow that TEA not be required to release test items and answers from assessments administered to students for the purpose of retaking the assessment. The bill would eliminate the testing of students with limited English proficiency in Spanish in grade 6.

The bill would define college readiness and would require that TEA develop the Algebra II and English III EOC assessments to measure college readiness. The bill would require TEA to conduct studies to establish correlation between performance on those assessments and college readiness. The Commissioner of Education, in consultation with the Commissioner of Higher Education, would be required to use the results of those studies to establish performance standards for college readiness for the Algebra II and English III EOC assessments. TEA would be required to continue studies correlating the Algebra II and English III EOC assessments with the college readiness performance standards every three years.

TEA, in conjunction with the Texas Higher Education Coordinating Board (THECB), would be required to conduct similar studies for science and social studies EOC assessments and would be permitted to establish associated college readiness performance standards. The bill would require TEA, in conjunction with THECB, to deliver a report to the legislative leadership and the committees of the legislature with primary jurisdiction over public education by December 2012 providing analysis of the feasibility of and recommendations regarding the establishment of college readiness performance standards for science and social studies and a summary of any implementation procedures in place.

TEA and THECB would be required to periodically review and compare the Texas college readiness performance standards to international and national performance standards for comparable assessment instruments. TEA would be required to conduct a study of the correlation between student performance on EOC assessments and military service or workforce training, certification, or other postsecondary credentials. TEA and THECB would be required to conduct studies correlating student performance on the English II and Algebra II EOC assessments with the standard for college readiness. TEA and THECB would be required to conduct studies correlating student performance on the English I, English II, and Algebra I EOC assessments with satisfactory student performance on English II, English III, and Algebra II EOC assessments respectively.

TEA would be required to conduct studies correlating performance on 8th grade assessments with satisfactory student performance on English I and Algebra I EOC assessments; and for each previous year tested, TEA would be required to conduct studies correlating performance on assessments with satisfactory student performance on assessments in the same content area in the subsequent year. The bill would require students to retake any EOC assessments on which they fail to meet established performance standards. The bill would allow students who fail to meet the college readiness standard on Algebra II or English III EOC assessments to retake the assessments. The bill would eliminate the use of the Texas Assessment of Academic Skills assessment instrument as an alternative assessment.

The bill would require TEA to determine annual improvement required each year for a student to perform satisfactorily on the fifth and eighth grade assessments and to provide that information to school districts.

The bill would amend provisions related to accreditation and accountability. The bill would require school districts to report to TEA certain data regarding participation in the minimum high school program.

The bill would require the Comptroller of Public Accounts to identify school districts and campuses with resource allocation practices contributing to high student achievement and cost-effective

operations. The Comptroller would be required to rank the relative performance of school districts and campuses and identify areas of improvement.

The bill would require TEA to develop a process for projecting future financial solvency of school districts and would be required to develop a software template for school districts to use in submitting data to TEA. The software would be required to provide for alerts for certain discrepancies to notify TEA. Charter schools would be required to participate in the state financial accountability system.

The bill would require modifications to the calculation of dropout for state accountability purposes.

The bill would require TEA to award a campus a distinction designation if the campus was ranked in the top 25 percent of campuses in annual improvement in student achievement in core curriculum subjects, if a campus diminished or eliminated performance gaps among student populations, or for meeting specific criteria related to academic achievement, fine arts, physical education, the 21st Century workforce development program, or a second language acquisition program. The Commissioner would be required to establish separate committees to develop criteria for each component of the distinction designations related to academic achievement, fine arts, physical education, the 21st Century workforce development program, or a second language acquisition program. Each committee would comprise educators, professionals in the relevant field, and subject matter experts and could include appointees from the Governor, Lieutenant Governor, and Speaker of the House.

The bill would require the Commissioner of Education to adopt indicators of quality learning on a campus and to review indicators every two years. Performance on indicators of quality learning would be evaluated similarly to the student achievement indicators under current law. TEA would be required to report performance on the indicators of each campus in a school district through a campus report card.

The bill would direct the Commissioner of Higher Education, in consultation with the Comptroller and the Texas Workforce Commission (TWC), to award a grants in amounts not to exceed \$1 million to institutes of higher education to work jointly with at least one school district and business entity to develop advanced mathematics and science courses to prepare high school students for employment in high-demand occupations. The Commissioner of Higher Education, the Comptroller, and the TWC would determine which occupations would be considered high-demand. The total amount of grants awarded could not exceed \$10 million per biennium.

The bill would require the Comptroller of Public Accounts (CPA) to establish and administer the Jobs and Education for Texans (JET) Grant program to provide grants to public junior colleges and public technical institutes, and would establish and administer GR Account—Jobs and Education for Texans (JET) Grant, which could receive legislative appropriations, interest earnings, gifts, grants, and donations from public and private sources for facilitating this program. The bill would authorize the Comptroller to award grants for innovative and successful programs, grants for career and technical education programs, and scholarships for public junior college or public technical institute students.

The bill would take effect in fiscal year 2010 unless otherwise noted.

Methodology

TEA estimates the cost of contracting to provide the students assessment data portal at \$1.2 million in FY2010 with \$250,000 annual maintenance costs in each subsequent year. TEA estimates these provisions would require 5.0 full time equivalent positions (FTEs) to provide help-desk functions for system users at a cost of \$354,857 in FY2010 and \$314,857 in each subsequent year, inclusive of salary, benefits, and other operating expenses.

TEA estimates \$500,000 in annual cost associated with test development. The bill would allow that TEA not be required to release test items and answers from assessments administered to students for the purpose of retaking the assessment, which is expected to result in a savings of \$200,000 per year. The bill would eliminate the testing of students with limited English proficiency in Spanish in grade 6, which is expected to result in a savings of \$250,000 per year.

The bill would require TEA to conduct studies to establish correlation between performance on state assessments and college readiness. TEA would be required to continue studies correlating the Algebra II and English III EOC assessments with the college readiness performance standards every three years. The agency estimates the cost of these studies at \$250,000 in FY2010 and \$100,000 in FY2013. The Commissioner of Education would be required to adopt performance standards based on these studies. TEA estimates cost associated with establishing performance standards at \$175,000 in FY2010.

TEA would be required to conduct similar studies for science and social studies EOC assessments, set standards, and deliver a report to the committees of the legislature with primary jurisdiction over public education by December 2012. TEA estimates the cost of conducting the studies under this section of the bill at \$250,000 in FY2010.

TEA would be required to periodically review and compare the Texas performance standards to international and national performance standards for comparable assessment instruments. The cost of administering the Programme for International Student Assessment (PISA) exam to a sample of Texas students to facilitate the comparison is estimated at \$2.3 million in FY2011.

TEA would be required to collect data through the annual administration of the TAKS assessments in grades 3 through 8 and administration of EOCs to a sufficiently large sample in order to establish performance standards. Assuming a 50 percent sample for nine EOC tests in FY2010 and 3 EOC tests in FY2011, costs for the purposes of this fiscal note are estimated at \$10.2 million in FY2010 and \$4.5 million in FY2011. The majority of those costs would be associated with the development of EOC exams on a faster schedule than that prescribed under current law. For purposes of this estimate, offsetting reductions in cost of about \$3.2 million annually would be anticipated for FY2012, FY2013, and FY2014 for test development costs that would otherwise have occurred in later years.

TEA would be required to conduct studies correlating student performance on assessments with satisfactory student performance on relevant assessments in the subsequent year at an estimated cost of \$425,000 in FY2010. TEA would be required to update statutorily required study guides for assessments for the new standards at a one-time cost of \$10.5 million in FY2011. TEA estimates that the agency would need \$100,000 in FY2010 to collect and process data relating to the correlation of student performance to military service or workforce readiness.

The bill would allow students to retake any EOC assessments on which they fail to perform satisfactorily. TEA estimates the cost of this provision at \$8 million per year. The bill would eliminate the use of the Texas Assessment of Academic Skills assessment instrument, which is estimated to result in a savings of \$800,000 per year.

TEA estimates the cost of providing online reporting to districts associated with annual improvement required to attain certain performance standards at \$400,000 per year. Costs associated with developing the reporting system could be covered under the current assessment contract.

TEA estimates that modifications to dropout calculations would require a one-time \$20,000 cost to modify the Public Education Information Management System and one FTE at a cost of \$89,008 in FY2010 and \$81,008 in each subsequent year inclusive of salary, benefits, and other expenses.

TEA estimates 2.0 FTEs would be required to provide technical assistance related to on-site monitoring associated with the provisions of the bill at a cost of \$168,925 in FY2010 and \$152,925 in each subsequent year, inclusive of salary, benefits, and other operating expenses.

Additional reporting requirements related to participation in the minimum high school program would require a one-time modification of the Public Education Information Management System (PEIMS) at a cost of \$10,000 in FY2010.

The Comptroller of Public Accounts would be required to rank the relative performance of school districts and campuses in resource allocation as relates to high student achievement. The Comptroller estimates the cost of implementing these provisions at \$3.7 million in FY2010 and \$975,000 in subsequent years to support initial technology costs of \$3 million, 7.0 FTEs in the first year, and 10.0

FTEs in subsequent years. Six FTEs would be required for data analysis, and 4.0 FTEs would be required for maintenance of information systems. The bill would require charter schools to participate in the state financial accountability system. TEA estimates the cost of associated system modifications at \$1.3 million in FY2010.

The bill would require TEA to develop a process for projecting future financial solvency of school districts and would be required to develop a software template for school districts to use in submitting data to TEA. TEA estimates the cost of developing and maintaining the software at \$800,000 in FY2010 and \$160,000 in subsequent years. TEA estimates these provisions will require 4.0 additional FTEs at a cost of \$337,849 in FY2010 and \$305,849 in each subsequent year inclusive of salary, benefits, and other operating expenses.

The Commissioner would be required to establish five fifteen-member committees to develop criteria for certain distinction designations. Reimbursement costs are estimated at \$94,200 in FY2010 assuming two committee meetings per committee and dropping to \$47,100 per year in subsequent years assuming one meeting per committee per year. TEA estimates 5.0 additional FTEs at an estimated cost of \$434,880 in FY2010 and \$394,880 in subsequent years, inclusive of salary, benefits, and other operating expenses, would be required to staff the committees and 7.0 additional FTEs at an estimated cost of \$600,528 in FY2010 and \$544,528 in subsequent years, inclusive of salary, benefits, and other operating expenses, would be required to provide support to school districts associated with new performance standards.

TEA estimates that the addition of 24 FTEs described above would require an additional 2.5 FTEs to provide for increased central administration functions at a cost of \$211,156 in FY2010 and \$191,156 in each subsequent year, inclusive of salary, benefits, and other operating expenses. Rent for the 26.5 total TEA FTEs is estimated at \$124,550 annually.

The bill limits the total amount of grants awarded for course development to \$10 million biennially, and the Higher Education Coordinating Board estimates that 0.5 FTEs would be required to implement the provisions of the bill at a cost of \$49,601 in FY2010 and \$38,801 in each subsequent year, inclusive of salary, benefits, and other operating expenses.

For purposes of this estimate it is assumed that grants for the JET program would total \$12,500,000 per year. Any costs associated with administration of the program would be absorbed within existing resources.

Technology

TEA estimates costs associated with developing the student assessment data portal are estimated at \$1,200,000 FY 2010, and \$250,000 annually for maintenance. The update to PEIMS to accommodate new dropout computations and data regarding the minimum program is estimated at \$30,000 in FY 2010. The financial solvency software is estimated to cost \$799,500 in FY 2010 and \$159,900 in FYs 2011–2014. The estimated cost to update School First is \$1,313,100 in FY 2010.

The Comptroller of Public Accounts estimates initial FY2010 technology costs at \$3 million.

Local Government Impact

School districts would be required to adopt local promotion policies before the first day of school each year. Local promotion policies would include specific criteria related to student scores on required state assessments, teacher recommendations, student grades, and other locally-determined measures. It is assumed for the purpose of this estimate that costs to develop local policies governing promotion to the next grade level would vary depending upon the nature of existing local decision-making processes and the extent of additional locally-determined criteria to be included in the district's promotion policy. It is likely that the greatest potential for local cost would be in the first year of implementation for initial development of the district's policy. It is assumed that workload and associated costs in subsequent years would be related to updating to the policy.

For students who fail to perform satisfactorily on a state-required reading or mathematics assessment,

school districts would be required to provide to the student's parents and teachers with the information collected under the local promotion policy and information concerning the areas needing improvement to perform satisfactorily on the applicable assessment instruments. School districts would be directed to provide written notices of comparisons of annual performance in student achievement and information on accessing online educational resources to students failing to meet the college readiness standards. Local costs associated with notifications would vary depending upon the number of students who fail to perform satisfactorily or fail to meet college readiness standards.

A school district would be required to submit financial data to determine the school district's financial solvency and to submit a plan if analysis indicated that the school district could become insolvent over a three-year period. School districts would experience some local administrative costs to submit additional actual financial data for the month of September each year for the purpose of determining financial solvency. For districts found to face potential insolvency during a three-year period, the Agency indicates that costs to develop and implement the required financial plans would vary widely among affected districts, depending on local resources and the size of the school district.

The Agency indicates that school districts could incur some additional administrative cost to revise locally developed or vendor software systems to maintain and submit data as necessary to establish authorization for school district employees to access online student performance data through the interoperable system proposed. If necessary, costs for modification of local software systems would vary among school districts depending upon existing infrastructure and the terms of existing vendor contracts concerning software modifications necessary to comply with statutory changes.

Source Agencies: 304 Comptroller of Public Accounts, 320 Texas Workforce Commission, 701 Central Education Agency, 781 Higher Education Coordinating Board

LBB Staff: JOB, JSp, JGM, JSc

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 30, 2009

TO: Honorable David Dewhurst , Lieutenant Governor, Senate
Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB3 by Eissler (Relating to public school accountability, curriculum, and promotion requirements.), Conference Committee Report

The fiscal implications of the bill cannot be determined at this time

Local Government Impact

The fiscal implications of the bill cannot be determined at this time

Source Agencies:

LBB Staff: JOB, JSp