

AN ACT

relating to public school accountability, curriculum, and promotion requirements.

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

SECTION 1. Section 7.009, Education Code, is amended 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

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[~~7~~
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 [~~E~~], 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 (g) 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(c)(5) [~~39.051(b)(8)~~]
13 and may implement interventions or sanctions under Subchapter E
14 [~~E~~], 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 is promoted by a grade placement committee
27 under this section must be assigned in each subject in which the

1 student failed to perform satisfactorily on an assessment
2 instrument specified under Subsection (a) to a teacher who meets
3 all state and federal qualifications to teach that subject and
4 grade.

5 SECTION 30. Section 28.025, Education Code, is amended by
6 amending Subsections (a), (b), and (b-1) and adding Subsections
7 (b-3) through (b-10) to read as follows:

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

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

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

2 (2) has completed two credits required for graduation
3 in each subject of the foundation curriculum under Section
4 28.002(a)(1); or

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

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

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

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

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

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

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

1 (3) the curriculum requirements for the minimum,
2 recommended, and advanced high school programs under Subsection (a)
3 include a requirement that students successfully complete:

4 (A) one credit in fine arts under Section
5 28.002(a)(2)(D); and

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

8 (b-3) In adopting rules to provide students with the option
9 described by Subsection (b-1)(1)(A), the State Board of Education
10 must approve a variety of mathematics and science courses that may
11 be taken after the completion of Algebra II and physics to comply
12 with the recommended program requirements.

13 (b-4) A school district may offer the curriculum described
14 in Subsection (b-1)(1)(A) in an applied manner. Courses delivered
15 in an applied manner must cover the essential knowledge and skills,
16 and the student shall be administered the applicable end-of-course
17 assessment instrument as provided by Sections 39.023(c) and 39.025.

18 (b-5) A school district may offer a mathematics or science
19 course to be taken by a student after completion of Algebra II and
20 physics to comply with the recommended program requirements in
21 Subsection (b-1)(1)(A). A course approved under this subsection
22 must be endorsed by an institution of higher education as a course
23 for which the institution would award course credit or as a
24 prerequisite for a course for which the institution would award
25 course credit.

26 (b-6) Before a student's parent or other person standing in
27 parental relation to the student may agree that the student be

1 permitted to take courses under the minimum high school program as
2 provided by Subsection (b), a school district must provide written
3 notice to the parent or person standing in parental relation
4 explaining the benefits of the recommended high school program.
5 The notice shall be developed by the agency and must:

6 (1) be printed in English and Spanish; and

7 (2) require that the student's parent or person
8 standing in parental relation to the student sign a confirmation of
9 receipt and return the confirmation to the student's campus.

10 (b-7) The State Board of Education, in coordination with the
11 Texas Higher Education Coordinating Board, shall adopt rules to
12 ensure that a student may comply with the curriculum requirements
13 under the minimum, recommended, or advanced high school program for
14 each subject of the foundation curriculum under Section
15 28.002(a)(1) and for languages other than English under Section
16 28.002(a)(2)(A) by successfully completing appropriate courses in
17 the core curriculum of an institution of higher education under
18 Section 61.822.

19 (b-8) A student agreeing to take courses under the minimum
20 high school program as provided by Subsection (b) may, upon
21 request, resume taking courses under the recommended high school
22 program.

23 (b-9) The agency shall establish a pilot program allowing a
24 student attending school in a county with a population of more than
25 one million and in which more than 80 percent of the population
26 resides in a single municipality to satisfy the fine arts credit
27 required under Subsection (b-1)(3)(A) by participating in a fine

1 arts program not provided by the school district in which the
2 student is enrolled. The fine arts program may be provided on or
3 off a school campus and outside the regular school day. Not later
4 than December 1, 2010, the agency shall provide to the legislature a
5 report regarding the pilot program, including the feasibility of
6 expanding the pilot program statewide.

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

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

15 (b) If the commissioner develops a standard method under
16 this section, a school district shall use the standard method to
17 compute a student's high school grade point average[~~, except that~~
18 ~~to the extent of a conflict between that method and the method~~
19 ~~adopted under Section 51.807, the student's grade point average~~
20 ~~computed in accordance with the method established under Section~~
21 ~~51.807 shall be used in determining the student's eligibility for~~
22 ~~university admission under Subchapter U, Chapter 51].~~

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

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

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

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

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

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

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

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

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

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

26 (3) assist school administrators, school counselors,
27 and other educators in each of those school districts in designing

1 the specific requirements of and implementing the program in the
2 district.

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

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

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

25 (f) A research university that participates in the pilot
26 program shall enter into an agreement with an education research
27 center established under Section 1.005 to conduct an evaluation of

1 the program with respect to that university and the school
2 districts with which the university partners. Not later than
3 January 1, 2013, the education research center shall provide a
4 written report of the evaluation to the commissioner and the
5 commissioner of higher education and make the report available on
6 the center's Internet website. The report may include an analysis
7 of the effects of the program on the university's admissions review
8 process.

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

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

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

22 (c) A campus may apply to the commissioner to participate in
23 the pilot program. The commissioner may select for participation
24 in the pilot program only campuses that have failed to improve
25 student performance in reading according to standards established
26 by the commissioner. The standards established by the commissioner
27 for purposes of this subsection must be based on reading

1 performance standards considered [~~required~~] for student promotion
2 under Section 28.021 [~~28.0211~~].

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

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

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

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

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

26 (a) In this section, "council" means the High School
27 Completion and Success Initiative Council established under

1 Subchapter M [~~L~~], Chapter 39.

2 (c) A school district or open-enrollment charter school is
3 eligible to participate and receive a grant under this section
4 under the eligibility criteria established under Section 39.408
5 [~~39.358~~].

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

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

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

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

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

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

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

23 (b) The state plan must include procedures designed to
24 ensure that:

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

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

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

9 (A) incorporates competencies leading to
10 academic and technical skill attainment;

11 (B) leads to:

12 (i) an industry-recognized license,
13 credential, or certificate; or

14 (ii) at the postsecondary level, an
15 associate or baccalaureate degree;

16 (C) includes opportunities for students to earn
17 college credit for coursework; and

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

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

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

1 (1) at which 50 percent or more of the students did not
2 perform satisfactorily on an assessment instrument administered
3 under Section 39.023(a) or (c) in any two of the preceding three
4 years; or

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

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

10 (d) A plan developed under this section:

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

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

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

26 (B) are enrolled in courses that meet the
27 curriculum requirements for the recommended or advanced high school

1 program as determined under Section 28.025;

2 (C) have submitted a free application for federal
3 student aid (FAFSA);

4 (D) are exempt under Section 51.3062(p) or (q)
5 [~~51.306(1) or (m)~~] from administration of an assessment [~~a test~~]
6 instrument under Section 51.3062 [~~51.306~~] or have performed
7 successfully on an assessment [~~a test~~] instrument under Section
8 51.3062 [~~51.306~~];

9 (E) graduate from high school;

10 (F) graduate from an institution of higher
11 education; and

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

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

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

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

19 (e) The agency shall:

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

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

26 (A) meets the criteria prescribed by Subsection
27 (b); and

1 (B) is approved by the committee selected under
2 Subsection (c); and

3 (3) include in the report required under Section
4 39.332 [~~39.182~~]:

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

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

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

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

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

1 with this section.

2 SECTION 46. Section 30A.101, Education Code, is amended to
3 read as follows:

4 Sec. 30A.101. ELIGIBILITY TO ACT AS PROVIDER SCHOOL
5 DISTRICT OR SCHOOL. (a) A school district is eligible to act as a
6 provider school district under this chapter only if the district is
7 rated [~~academically~~] acceptable or higher under Section 39.054
8 [~~39.072~~].

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

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

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

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

20 (a) After the expiration of the pilot project, the agency
21 may review the pilot project based on the annual reports the agency
22 receives from the board of trustees of participating school
23 districts. The agency may include the review of the pilot project
24 in the comprehensive annual report required under Section 39.332
25 [~~39.182~~] that covers the 2010-2011 school year.

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

1 (b) The portal must serve as a single point of access to
2 educational resources other than student assessment data
3 accessible through the student assessment data portal under Section
4 32.258. In addition to any other purpose specified by this
5 subchapter or any other educational purpose, the portal may be used
6 to:

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

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

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

20 (4) [~~provide secure access to student assessment data,~~
21 ~~or~~

22 [~~5~~] provide links to appropriate educational
23 resources and experts available through the Internet.

24 SECTION 49. Section 32.258, Education Code, is amended to
25 read as follows:

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

27 (a) The agency shall establish and maintain a student assessment

1 data portal for use by school districts, teachers, parents,
2 students, and public institutions of higher education. The
3 agency shall [~~may~~] establish a secure, interoperable system to be
4 implemented through the portal under which:

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

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

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

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

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

23 (d) Student assessment data provided under this section
24 must:

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

1 (2) include student performance data on assessment
2 instruments over multiple years, beginning with the 2007-2008
3 school year, including any data indicating progress in student
4 achievement.

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

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

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

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

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

21 (b) The agency shall develop or adopt appropriate
22 criterion-referenced alternative assessment instruments to be
23 administered to each student in a special education program under
24 Subchapter A, Chapter 29, [~~who receives modified instruction in the~~
25 ~~essential knowledge and skills identified under Section 28.002 for~~
26 ~~the assessed subject but~~] for whom an assessment instrument adopted
27 under Subsection (a), even with allowable accommodations

1 ~~[modifications]~~, would not provide an appropriate measure of
2 student achievement, as determined by the student's admission,
3 review, and dismissal committee. ~~[The assessment instruments~~
4 ~~required under this subsection must assess essential knowledge and~~
5 ~~skills and growth in the subjects of reading, mathematics, and~~
6 ~~writing. A student's admission, review, and dismissal committee~~
7 ~~shall determine whether any allowable modification is necessary in~~
8 ~~administering to the student an assessment instrument required~~
9 ~~under this subsection. The assessment instruments required under~~
10 ~~this subsection shall be administered on the same schedule as the~~
11 ~~assessment instruments administered under Subsection (a).]~~

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

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

12 (c-4) To the extent practicable and subject to Section
13 39.024, the agency shall ensure that each end-of-course assessment
14 instrument adopted under Subsection (c) is:

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

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

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

1 an end-of-course assessment instrument [~~or whether the student~~
2 ~~should be exempted under Section 39.027(a)(2)~~].

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

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

1 students are administered assessment instruments in Spanish under
2 this subsection.

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

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

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

24 (1) the number of questions on the assessment
25 instrument;

26 (2) the number of questions that must be answered
27 correctly to achieve satisfactory performance as determined by the

1 commissioner under Section 39.0241(a);

2 (3) the number of questions that must be answered
3 correctly to achieve satisfactory performance under the college
4 readiness performance standard as provided by Section 39.0241; and
5 (4) the corresponding scale scores.

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

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

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

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

18 SECTION 53. Subchapter B, Chapter 39, Education Code, is
19 amended by amending Section 39.024 and adding Sections 39.0241 and
20 39.0242 to read as follows:

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

1 (1) a general academic teaching institution, as
2 defined by Section 61.003, other than a research institution, as
3 categorized under the Texas Higher Education Coordinating Board's
4 accountability system; or

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

8 (b) The agency and the Texas Higher Education Coordinating
9 Board shall ensure that the Algebra II and English III
10 end-of-course assessment instruments required under Section
11 39.023(c) are developed to be capable of, beginning with the
12 2011-2012 school year, measuring college readiness.

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

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

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

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

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

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

24 (2) a summary of any implementation procedures adopted
25 for each standard.

26 (f-2) Subsection (f-1) and this subsection expire January
27 1, 2013.

1 (g) The agency, in collaboration with the Texas Higher
2 Education Coordinating Board, shall continue to gather data to
3 perform studies as provided under Subsections (c) and (f) at least
4 once every three years.

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

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

1 (1) military service; or

2 (2) a workforce training, certification, or other
3 credential program at a postsecondary educational institution that
4 primarily offers associate degrees or certificates or credentials
5 other than baccalaureate or advanced degrees.

6 Sec. 39.0241. [SATISFACTORY] PERFORMANCE STANDARDS.

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

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

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

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

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

26 (3) the performance standards for the English I
27 end-of-course assessment instrument, as determined based on

1 studies under Section 39.0242 that correlate student performance on
2 the English I end-of-course assessment instrument with student
3 performance on the English II assessment instrument;

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

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

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

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

1 instrument administered under this subchapter.

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

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

17 Sec. 39.0242. PERFORMANCE STANDARDS: RESEARCH STUDIES AND
18 IMPLEMENTATION OF STANDARDS. (a) During the 2009-2010 and
19 2010-2011 school years, the agency shall collect data through:

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

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

27 (b) Before the beginning of the 2011-2012 school year, the

1 agency shall analyze the data collected under Subsection (a) to
2 substantiate:

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

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

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

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

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

1 satisfactory performance under the same performance standard on the
2 Algebra II end-of-course assessment instrument.

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

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

12 (e) Based on the data collected and studies performed
13 periodically under Subsection (d), the commissioner shall increase
14 the rigor of the performance standard established under Section
15 39.0241(a) as the commissioner determines necessary.

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

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

1 28.002(a)(1), a cumulative score that is at least equal to the
2 product of the number of end-of-course assessment instruments
3 administered to the student in that subject and a scale score that
4 indicates satisfactory performance, as determined by the
5 commissioner under Section 39.0241(a) [70, with each end-of-course
6 assessment instrument scored on a scale of 100]. A student must
7 achieve a minimum score as determined by the commissioner to be
8 within a reasonable range of the scale score under Section
9 39.0241(a) [of at least 60] on an end-of-course assessment
10 instrument for the score to count towards the student's cumulative
11 score. For purposes of this subsection, a student's cumulative
12 score is determined using the student's highest score on each
13 end-of-course assessment instrument administered to the
14 student. A student may not receive a high school diploma until the
15 student has performed satisfactorily on the end-of-course
16 assessment instruments in the manner provided under this
17 subsection. This subsection does not require a student to
18 demonstrate readiness to enroll in an institution of higher
19 education.

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

1 cumulative score requirement of that subsection. The commissioner
2 by rule may determine a method by which a student's satisfactory
3 performance on a Preliminary Scholastic Assessment Test (PSAT)
4 assessment or a preliminary American College Test (ACT) assessment
5 may be used as a factor in determining whether the student satisfies
6 the requirements of Subsection (a).

7 (a-2) In addition to the cumulative score requirements
8 under Subsection (a), a student must achieve a score that meets or
9 exceeds the score determined by the commissioner under Section
10 39.0241(a) for English III and Algebra II end-of-course assessment
11 instruments to graduate under the recommended high school program.

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

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

1 end-of-course assessment instrument.

2 (b-1) A school district shall provide each student who fails
3 to perform satisfactorily as determined by the commissioner under
4 Section 39.0241(a) [~~achieve a score of at least 70~~] on an
5 end-of-course assessment instrument with accelerated instruction
6 in the subject assessed by the assessment instrument.

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

23 (c-1) A school district may not administer an assessment
24 instrument required for graduation administered under this section
25 as this section existed before September 1, 1999. A school district
26 may administer to a student who failed to perform satisfactorily on
27 an assessment instrument described by this subsection an alternate

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

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

26 (1) for students entering a grade above the ninth
27 grade during the 2011-2012 school year, the commissioner shall

1 retain, administer, and use for purposes of accreditation and other
2 campus and district accountability measures [~~ratings~~] under this
3 chapter [~~Subchapter D~~] the assessment instruments required by
4 Section 39.023(a) or (c), as that section existed before amendment
5 by Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature,
6 Regular Session, 2007;

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

13 (3) [~~(2)~~] the agency may defer releasing assessment
14 instrument questions and answer keys as required by Section
15 39.023(e) to the extent necessary to develop additional assessment
16 instruments.

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

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

1 percentage of the instructional days in any school year.

2 SECTION 56. Section 39.027, Education Code, is amended by
3 amending Subsections (a) and (e) and adding Subsection (a-1) to
4 read as follows:

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

9 (1) ~~[Section 39.023(a) or (b) if the student is~~
10 ~~eligible for a special education program under Section 29.003 and~~
11 ~~the student's individualized education program does not include~~
12 ~~instruction in the essential knowledge and skills under Section~~
13 ~~28.002 at any grade level;~~

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

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

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

23 ~~[(3)]~~ Section 39.023(a), (b), (c), or (1) for a period
24 of up to one year after initial enrollment in a school in the United
25 States if the student is of limited English proficiency, as defined
26 by Section 29.052, and has not demonstrated proficiency in English
27 as determined by the assessment system under Subsection (e); ~~[or]~~

1 (2) [~~(4)~~ Section 39.023(a), (b), (c), or (1) for a
2 period of up to two years in addition to the exemption period
3 authorized by Subdivision (1) [~~(3)~~] if the student has received an
4 exemption under Subdivision (1) [~~(3)~~] and:

5 (A) is a recent unschooled immigrant; or

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

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

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

14 (1) initially enrolled in a school in the United
15 States as:

16 (A) an asylee as defined by 45 C.F.R. Section
17 400.41; or

18 (B) a refugee as defined by 8 U.S.C. Section
19 1101;

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

24 (3) as a result of inadequate schooling outside of the
25 United States, lacks the necessary foundation in the essential
26 knowledge and skills of the curriculum prescribed under Section
27 28.002, as determined by the language proficiency assessment

1 committee established under Section 29.063.

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

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

22 (b) An agreement under this section must require the private
 23 school to:

24 (1) as determined appropriate by the commissioner,
 25 provide to the commissioner the information described by Sections
 26 39.053(c) and 39.301(c); [~~Section 39.051(b)~~] and

27 (2) [~~to~~] maintain confidentiality in compliance with

1 Section 39.030.

2 SECTION 58. Section 39.034, Education Code, is amended by
3 amending Subsection (d) and adding Subsection (d-1) to read as
4 follows:

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

8 (1) the grade five assessment instruments;

9 (2) the grade eight assessment instruments; and

10 (3) the end-of-course assessment instruments required
11 under this subchapter for graduation.

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

16 SECTION 59. Subchapters C through L, Chapter 39, Education
17 Code, as amended by Section 2.25, Chapter 396 (S.B. 4), and Section
18 4, Chapter 931 (H.B. 2307), Acts of the 76th Legislature, Regular
19 Session, 1999, are amended to read as follows:

20 SUBCHAPTER C. ACCREDITATION [~~PERFORMANCE INDICATORS~~

21 [~~SUBCHAPTER D. ACCREDITATION STATUS~~]

22 Sec. 39.051 [~~39.071~~]. ACCREDITATION STATUS. [~~(a)~~]

23 Accreditation of a school district is determined in accordance with
24 this subchapter [~~section~~]. The commissioner by rule shall
25 determine in accordance with this subchapter the criteria for
26 [~~define~~] the following accreditation statuses:

27 (1) accredited;

1 (2) accredited-warned; and

2 (3) accredited-probation.

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

6 (b) In determining the accreditation status of a school
7 district, the commissioner:

8 (1) shall evaluate and consider:

9 (A) [the] performance on student achievement
10 indicators described by Section 39.053(c) [of the district under:
11 [~~(A) the academic accountability system under~~
12 ~~Section 39.072]~~; and

13 (B) performance under the financial
14 accountability rating system developed under Subchapter D [~~±~~]; and

15 (2) may evaluate and consider:

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

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

23 (ii) the high school graduation
24 requirements under Section 28.025; or

25 (iii) an item listed under Sections
26 7.056(e)(3)(C)-(I) that applies to the district;

27 (B) the effectiveness of the district's programs

1 for special populations; and

2 (C) the effectiveness of the district's career
3 and technology program.

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

6 (1) assign each [~~a~~] district an accreditation status;
7 or

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

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

14 (e) [~~(d)~~] The commissioner shall notify a school district
15 that receives an accreditation status of accredited-warned or
16 accredited-probation or a campus that performs below a standard
17 required under this subchapter that the performance of the district
18 or campus is below a standard required under this subchapter
19 [~~section~~]. The commissioner shall require the district to notify
20 the parents of students enrolled in the district and property
21 owners in the district of the district's accreditation status and
22 the implications of that accreditation status.

23 (f) [~~(e)~~] A school district that is not accredited may not
24 receive funds from the agency or hold itself out as operating a
25 public school of this state.

26 (g) [~~(f)~~] This chapter may not be construed to invalidate a
27 diploma awarded, course credit earned, or grade promotion granted

1 by a school district before the commissioner revoked the district's
2 accreditation.

3 Sec. 39.053. PERFORMANCE INDICATORS: STUDENT ACHIEVEMENT.

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

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

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

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

22 (1) the results of assessment instruments required
23 under Sections 39.023(a), (c), and (l), including the results of
24 assessment instruments required for graduation retaken by a
25 student, aggregated across [~~by~~] grade levels by [~~level and~~] subject
26 area, including:

27 (A) for the performance standard determined by

1 the commissioner under Section 39.0241(a):

2 (i) the percentage of students who
3 performed satisfactorily on the assessment instruments, aggregated
4 across grade levels by subject area; and

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

10 (B) for the college readiness performance
11 standard as determined under Section 39.0241:

12 (i) the percentage of students who
13 performed satisfactorily on the assessment instruments, aggregated
14 across grade levels by subject area; and

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

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

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

1 seq.).

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

7 (e) [~~(Pub. L. No. 107-110)~~;

8 ~~(4) student attendance rates;~~

9 ~~(5) the percentage of graduating students who attain~~
10 ~~scores on the questions developed for end-of-course assessment~~
11 ~~instruments under Section 39.0233(a) that are equivalent to a~~
12 ~~passing score on the assessment instrument required under Section~~
13 ~~51.3062;~~

14 ~~(6) the percentage of graduating students who meet~~
15 ~~the course requirements established for the recommended high school~~
16 ~~program by State Board of Education rule;~~

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

21 ~~(8) the percentage of students, aggregated by grade~~
22 ~~level, provided accelerated instruction under Section 28.0211(c),~~
23 ~~the results of assessments administered under that section, the~~
24 ~~percentage of students promoted through the grade placement~~
25 ~~committee process under Section 28.0211, the subject of the~~
26 ~~assessment instrument on which each student failed to perform~~
27 ~~satisfactorily, and the performance of those students in the school~~

1 ~~year following that promotion on the assessment instruments~~
2 ~~required under Section 39.023;~~

3 ~~[(9) for students who have failed to perform~~
4 ~~satisfactorily on an assessment instrument required under Section~~
5 ~~39.023(a) or (c), the numerical progress of those students grouped~~
6 ~~by percentage on subsequent assessment instruments required under~~
7 ~~those sections, aggregated by grade level and subject area;~~

8 ~~[(10) the percentage of students exempted, by~~
9 ~~exemption category, from the assessment program generally~~
10 ~~applicable under this chapter;~~

11 ~~[(11) the percentage of students of limited English~~
12 ~~proficiency exempted from the administration of an assessment~~
13 ~~instrument under Sections 39.027(a)(3) and (4);~~

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

18 ~~[(13) the measure of progress toward preparation for~~
19 ~~postsecondary success; and~~

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

23 ~~[(b-1) Performance on the indicators described by~~
24 ~~Subsections (b)(1), (2), (3), (8), (9), and (14) must be based on~~
25 ~~longitudinal student data that is disaggregated by the bilingual~~
26 ~~education or special language program, if any, in which students of~~
27 ~~limited English proficiency, as defined by Section 29.052, are or~~

1 ~~former students of limited English proficiency were enrolled. If a~~
 2 ~~student described by this subsection is not or was not enrolled in~~
 3 ~~specialized language instruction, the number and percentage of~~
 4 ~~those students shall be provided.~~

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

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

21 ~~[(d)]~~ Annually, the commissioner shall define the state
 22 standard for the current school year for each student achievement
 23 ~~[exemplary, recognized, and unacceptable performance for each~~
 24 ~~academic excellence]~~ indicator described by Subsection (c)
 25 ~~[included under Subsections (b)(1) through (7)]~~ and shall project
 26 the state standards for each ~~[of those levels of performance for~~
 27 ~~succeeding years. For the]~~ indicator for the following two school

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

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

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

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

21 (1) the student's expulsion under Section 37.007; and

22 (2) as applicable:

23 (A) adjudication as having engaged in delinquent
24 conduct or conduct indicating a need for supervision, as defined by
25 Section 51.03, Family Code; or

26 (B) conviction of and sentencing for an offense
27 under the Penal Code.

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

3 (1) students who are ordered by a court to attend a
4 high school equivalency certificate program but who have not yet
5 earned a high school equivalency certificate;

6 (2) students who were previously reported to the state
7 as dropouts;

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

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

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

17 (6) students who are incarcerated in state jails and
18 federal penitentiaries as adults and as persons certified to stand
19 trial as adults.

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

24 (i) [~~f~~] ~~The indicator under Subsection (b)(1) must include~~
25 ~~the results of assessment instruments required under Section~~
26 ~~39.023(b).~~

27 [~~g~~] The commissioner by rule shall adopt accountability

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

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

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

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

25 [(1) exemplary (meets or exceeds state exemplary
26 standards),

27 [(2) recognized (meets or exceeds required

1 ~~improvement and within 10 percent of state exemplary standards);~~

2 ~~[(3) academically acceptable (below the exemplary and~~
3 ~~recognized standards but exceeds the academically unacceptable~~
4 ~~standards); or~~

5 ~~[(4) academically unacceptable (below the state~~
6 ~~clearly unacceptable performance standard and does not meet~~
7 ~~required improvement)].~~

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

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

17 ~~[(A) reporting data through the Public Education~~
18 ~~Information Management System (PEIMS);~~

19 ~~[(B) the high school graduation requirements~~
20 ~~under Section 28.025; or~~

21 ~~[(C) an item listed in Sections~~
22 ~~7.056(e)(3)(C)-(I) that applies to the district;~~

23 ~~[(2) the effectiveness of the district's programs for~~
24 ~~special populations; and~~

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

27 ~~[(c) The agency shall evaluate against state standards and~~

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

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

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

11 (B) include the results of assessments required
12 under Section 39.023; and

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

15 (c) In evaluating school district and campus performance on
16 the student achievement indicators adopted under Sections
17 39.053(c)(1) and (2), the commissioner shall define acceptable
18 performance as meeting the state standard determined by the
19 commissioner under Section 39.053(e) for the current school year
20 based on:

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

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

24 (d) In evaluating performance under Subsection (c), the
25 commissioner:

26 (1) may assign an acceptable performance rating if the
27 campus or district:

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

5 (B) does not fail to perform satisfactorily on
6 the same measure described by Paragraph (A) for two consecutive
7 school years;

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

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

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

20 (e) [Notwithstanding any other provision of this code, for
21 purposes of determining the performance of a school district under
22 this chapter, including the accreditation status of the district, a
23 student confined by court order in a residential program or
24 facility operated by or under contract with the Texas Youth
25 Commission, Texas Juvenile Probation Commission, or any other
26 governmental entity, including a juvenile board, is not considered
27 to be a student of the school district in which the program or

1 ~~facility is physically located. The performance of such a student~~
2 ~~on an assessment instrument or other academic excellence indicator~~
3 ~~adopted under Section 39.051 shall be determined, reported, and~~
4 ~~considered separately from the performance of students attending a~~
5 ~~school of the district in which the program or facility is~~
6 ~~physically located.~~

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

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

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

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

21 ~~[(A) assessment instruments administered under~~
22 ~~Sections 39.023(a), (c), and (1), and~~

23 ~~[(B) other measures of proficiency determined by~~
24 ~~the commissioner,~~

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

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

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

4 ~~[(5) in the case of high school campuses:]~~

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

7 ~~[(B) the percentage of students who take advanced~~
8 ~~placement tests and student performance on those tests; and~~

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

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

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

24 ~~[(b)]~~ Each annual performance review under this section
25 shall include an analysis of the student achievement indicators
26 adopted under Section 39.053(c) [~~Sections 39.051(b)(1) through~~
27 ~~(8)] to determine school district and campus performance in~~

1 relation to:

- 2 (1) standards established for each indicator; and
- 3 (2) required improvement as defined under Section
- 4 39.053(e) [~~39.051(c)~~; and
- 5 [~~(3) comparable improvement as defined by Section~~
- 6 ~~39.051(c)~~].

7 [~~(c) A district's accreditation rating may be raised or~~

8 ~~lowered based on the district's performance or may be lowered based~~

9 ~~on the unacceptable performance of one or more campuses in the~~

10 ~~district.~~

11 [~~(d) The commissioner shall notify a district that is rated~~

12 ~~academically unacceptable that the performance of the district or a~~

13 ~~campus in the district is below each standard under Subsection (b)~~

14 ~~and shall require the district to notify property owners and~~

15 ~~parents in the district of the lowered accreditation rating and its~~

16 ~~implication.~~

17 [~~(e) In determining a district's accreditation rating, the~~

18 ~~agency shall consider:~~

- 19 [~~(1) the district's current special education~~
- 20 ~~compliance status with the agency; and~~

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

25 (f) In the computation of dropout rates under Section

26 39.053(c)(2) [~~39.051(b)(2)~~], a student who is released from a

27 juvenile pre-adjudication secure detention facility or juvenile

1 post-adjudication secure correctional facility and fails to enroll
2 in school or a student who leaves a residential treatment center
3 after receiving treatment for fewer than 85 days and fails to enroll
4 in school may not be considered to have dropped out from the [~~campus~~
5 ~~or~~] school district or campus serving the facility or center unless
6 that district or campus [~~or district~~] is the one to which the
7 student is regularly assigned. The agency may not limit an appeal
8 relating to dropout computations under this subsection.

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

24 Sec. 39.056 [~~39.074~~]. ON-SITE INVESTIGATIONS. (a) The
25 commissioner may:

26 (1) direct the agency to conduct on-site
27 investigations of a school district at any time to answer any

1 questions concerning a program, including special education,
2 required by federal law or for which the district receives federal
3 funds; and

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

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

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

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

21 (2) obtaining information from teachers in a manner
22 that prevents a [~~campus or~~] district or campus from screening the
23 information.

24 (d) The agency shall give written notice to the
25 superintendent and the board of trustees of a school district of any
26 impending investigation of the district's accreditation.

27 (e) [~~If an annual review indicates low performance on one~~

1 ~~or more of the indicators under Sections 39.051(b)(1) through (8)~~
2 ~~of one or more campuses in a district, the agency may conduct an~~
3 ~~on-site evaluation of those campuses only.~~

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

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

10 (a) The commissioner shall authorize special accreditation
11 investigations to be conducted:

12 (1) when excessive numbers of absences of students
13 eligible to be tested on state assessment instruments are
14 determined;

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

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

20 (4) in response to established compliance reviews of
21 the district's financial accounting practices and state and federal
22 program requirements;

23 (5) when extraordinary numbers of student placements
24 in disciplinary alternative education programs, other than
25 placements under Sections 37.006 and 37.007, are determined;

26 (6) in response to an allegation involving a conflict
27 between members of the board of trustees or between the board and

1 the district administration if it appears that the conflict
2 involves a violation of a role or duty of the board members or the
3 administration clearly defined by this code;

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

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

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

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

22 (11) when excessive numbers of students eligible to
23 enroll fail to complete an Algebra II course or any other course
24 determined by the commissioner as distinguishing between students
25 participating in the recommended high school program from students
26 participating in the minimum high school program;

27 (12) when resource allocation practices as evaluated

1 under Section 39.0821 indicate a potential for significant
2 improvement in resource allocation; or

3 (13) as the commissioner otherwise determines
4 necessary.

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

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

13 (d) [~~(c)~~] Based on the results of a special accreditation
14 investigation, the commissioner may:

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

19 (e) [~~(c) Based on the results of a special accreditation~~
20 ~~investigation, the commissioner may lower the district's~~
21 ~~accreditation rating and may take appropriate action under~~
22 ~~Subchapter G.~~] Regardless of whether the commissioner lowers the
23 school district's accreditation status or a district's or campus's
24 performance rating under Subsection (d) [~~rating~~], the commissioner
25 may take action under Sections 39.102(a)(1) through (8) or Section
26 39.103 [~~39.131(a)(1) through (8)~~] if the commissioner determines
27 that the action is necessary to improve any area of a district's or

1 campus's performance, including the district's financial
2 accounting practices.

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

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

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

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

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

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

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

26 (1) distinguish [~~distinguishes~~] among school
27 districts and distinguish among open-enrollment charter schools,

1 as applicable, based on levels of financial performance; and

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

3 (A) provide additional transparency to public
4 education finance; and

5 (B) enable the commissioner and school district
6 and open-enrollment charter school administrators to provide
7 meaningful financial oversight and improvement.

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

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

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

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

21 Sec. 39.0821. COMPTROLLER REVIEW OF RESOURCE ALLOCATION
22 PRACTICES. (a) The comptroller shall identify school districts
23 and campuses that use resource allocation practices that contribute
24 to high academic achievement and cost-effective operations. In
25 identifying districts and campuses under this section, the
26 comptroller shall:

27 (1) evaluate existing academic accountability and

1 financial data by integrating the data;

2 (2) rank the results of the evaluation under
3 Subdivision (1) to identify the relative performance of districts
4 and campuses; and

5 (3) identify potential areas for district and campus
6 improvement.

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

11 (1) the operating cost for each student;

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

13 (3) the staffing cost for each student.

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

18 (1) district revenues and expenditures for the
19 preceding school year; and

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

22 (b) In analyzing the information under Subsection (a), the
23 review process developed must consider, for the preceding school
24 year, the current school year, and the following two school years,
25 as appropriate:

26 (1) student-to-staff ratios relative to expenditures,
27 including average staff salaries;

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

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

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

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

7 (6) actual district financial information for the
8 first quarter.

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

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

20 (1) be capable of importing, to the extent
21 practicable, data a district has previously submitted to the
22 agency;

23 (2) include an entry space that allows a district to
24 enter information explaining any irregularity in data submitted;
25 and

26 (3) provide alerts for:

27 (A) a student-to-staff ratio that is

1 significantly outside the norm;

2 (B) a rapid depletion of the district general
3 fund balance; and

4 (C) a significant discrepancy between actual
5 budget figures and projected revenues and expenditures.

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

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

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

24 (c) The commissioner shall assign a school district an
25 accredited-warned status if:

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

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

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

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

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

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

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

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

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

21 (A) state-established standards; and

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

24 (2) a description of the data submitted using the
25 electronic-based program developed under Section 39.0822; and

26 (3) any descriptive information required by the
27 commissioner.

1 (c) The report may include:

2 (1) information concerning the district's:

3 (A) financial allocations;

4 (B) tax collections;

5 (C) financial strength;

6 (D) operating cost management;

7 (E) personnel management;

8 (F) debt management;

9 (G) facility acquisition and construction
10 management;

11 (H) cash management;

12 (I) budgetary planning;

13 (J) overall business management;

14 (K) compliance with rules; and

15 (L) data quality; and

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

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

23 (1) to a newspaper of general circulation in the
24 district; and

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

27 (e) After the hearing, the report shall be disseminated in

1 the district in the manner prescribed by the commissioner.

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

7 (b) The district shall maintain the adopted budget on the
8 district's Internet website until the third anniversary of the date
9 the budget was adopted.

10 Sec. 39.085 [~~39.204~~]. RULES. The commissioner shall adopt
11 rules as necessary for the implementation and administration of
12 this subchapter.

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

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

21 (1) issue public notice of the deficiency to the board
22 of trustees;

23 (2) order a hearing conducted by the board of trustees
24 of the district for the purpose of notifying the public of the
25 insufficient [~~unacceptable~~] performance, the improvements in
26 performance expected by the agency, and the interventions and
27 sanctions that may be imposed under this section if the performance

1 does not improve;

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

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

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

14 (6) appoint an agency monitor to participate in and
15 report to the agency on the activities of the board of trustees or
16 the superintendent;

17 (7) appoint a conservator to oversee the operations of
18 the district;

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

23 (9) if a district has a current accreditation status
24 of accredited-warned or accredited-probation, fails to satisfy any
25 standard under Section 39.054(e) [~~is rated academically~~
26 ~~unacceptable~~], or fails to satisfy financial accountability
27 standards as determined by commissioner rule, appoint a board of

1 managers to exercise the powers and duties of the board of trustees;

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

9 (A) order closure of the district and annex the
10 district to one or more adjoining districts under Section 13.054;
11 or

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

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

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

22 (B) restructuring the district or appropriate
23 school campuses to improve identification of and service to
24 students who are at risk of dropping out of school, as defined by
25 Section 29.081;

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

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

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

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

19 (b) For a campus described by Subsection (a), the
20 commissioner, to the extent the commissioner determines necessary,
21 may:

22 (1) [~~issue public notice of the deficiency to the~~
23 ~~board of trustees,~~

24 [~~(2) order a hearing conducted by the board of~~
25 ~~trustees at the campus for the purpose of:~~

26 [~~(A) notifying the public of the unacceptable~~
27 ~~performance, the improvements in performance expected by the~~

1 ~~agency, and the sanctions that may be imposed under this section if~~
2 ~~the performance does not improve within a designated period of~~
3 ~~time; and~~

4 ~~[(B) soliciting public comment on the initial~~
5 ~~steps being taken to improve performance;~~

6 ~~[(3) order the preparation of a report regarding the~~
7 ~~parental involvement program at the campus and a plan describing~~
8 ~~strategies for improving parental involvement at the campus;~~

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

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

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

24 (2) establish a school community partnership team
25 composed of members of the campus-level planning and
26 decision-making committee established under Section 11.251 and
27 additional community representatives as determined appropriate by

1 the commissioner

2 [~~(7) appoint a campus intervention team under Section~~
3 ~~39.1322~~].

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

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

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

19 (c) In adopting rules under this section, the commissioner
20 shall require that the charter of an open-enrollment charter
21 school:

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

24 (2) be automatically modified to remove authorization
25 for an individual campus if the campus is ordered closed under this
26 chapter.

27 (d) If interventions or sanctions are imposed on an

1 open-enrollment charter school under the procedures provided by
2 this chapter, a charter school is not entitled to an additional
3 hearing relating to the modification, placement on probation,
4 revocation, or denial of renewal of a charter as provided by
5 Subchapter D, Chapter 12.

6 Sec. 39.105 [~~39.1322~~]. [~~TECHNICAL ASSISTANCE AND~~] CAMPUS
7 IMPROVEMENT PLAN [~~INTERVENTION TEAMS~~]. (a) This section applies
8 if [~~If~~] a campus performance satisfies performance standards under
9 Section 39.054(e) [~~is rated academically acceptable~~] for the
10 current school year but would not satisfy performance standards
11 under Section 39.054(e) [~~be rated as academically unacceptable~~] if
12 the [~~performance~~] standards to be used for the following school
13 year were applied to the current school year. On request of [~~7~~] the
14 commissioner, the campus-level committee established under Section
15 11.251 shall revise and submit to the commissioner in an electronic
16 format the portions of the campus improvement plan developed under
17 Section 11.253 that are relevant to those areas for which the campus
18 would not satisfy performance standards [~~select and assign a~~
19 ~~technical assistance team to assist the campus in executing a~~
20 ~~school improvement plan and any other school improvement strategies~~
21 ~~the commissioner determines appropriate. The commissioner may~~
22 ~~waive the requirement to assign a technical assistance team under~~
23 ~~this subsection if the improvement in performance standards among~~
24 ~~all student groups, including special populations, over the~~
25 ~~preceding three years indicates that the campus is likely to be~~
26 ~~rated academically acceptable in the following school year~~].

27 (b) If the [~~a~~] campus to which this section applies is an

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

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

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

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

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

25 (A) a targeted [~~comprehensive~~] on-site needs
 26 assessment relevant to an area of insufficient performance
 27 [~~evaluation~~] of the campus as provided by Subsection (b) [~~to~~

1 ~~determine the cause for the campus's low performance and lack of~~
 2 ~~progress]; or~~

3 (B) if the commissioner determines necessary, a
 4 comprehensive on-site needs assessment, using the procedures
 5 provided by Subsection (b);

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

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

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

19 (5) assist the commissioner in monitoring the progress
 20 of the campus in implementing the targeted [~~school~~] improvement
 21 plan [for improvement of student achievement].

22 (b) An [~~A campus intervention team assigned under Section~~
 23 ~~39.1322 to a campus shall conduct a comprehensive]~~ on-site needs
 24 assessment of the campus under Subsection (a) must [~~to~~] determine
 25 the contributing education-related and other [~~causal~~] factors
 26 resulting in the campus's low performance and lack of progress. The
 27 team shall use all of the following guidelines and procedures

1 relevant to each area of insufficient performance in conducting a
2 targeted on-site needs assessment and shall use each of the
3 following guidelines and procedures in conducting a [the]
4 comprehensive on-site needs assessment [~~of the campus~~]:

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

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

12 (3) an assessment of the quality, quantity, and
13 appropriateness of instructional materials, including the
14 availability of technology-based instructional materials;

15 (4) a report on the parental involvement strategies
16 and the effectiveness of the strategies;

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

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

24 (7) a demographic analysis of the student population,
25 including student demographics, at-risk populations, and special
26 education percentages;

27 (8) a report of disciplinary incidents and school

1 safety information;

2 (9) financial and accounting practices;

3 (10) an assessment of the appropriateness of the
4 curriculum and teaching strategies; ~~and~~

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

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

13 (A) recommending an action under Subsection (c);

14 and

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

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

22 (1) reallocation of resources;

23 (2) technical assistance;

24 (3) changes in school procedures or operations;

25 (4) staff development for instructional and
26 administrative staff;

27 (5) intervention for individual administrators or

1 teachers;

2 (6) waivers from state statutes or rules; ~~or~~

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

6 (8) other actions the campus intervention team
7 considers appropriate.

8 (d) The campus intervention team shall assist the campus in
9 submitting the targeted improvement plan to the commissioner for
10 approval.

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

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

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

24 (1) assist the campus in implementing research-based
25 practices for curriculum development and classroom instruction,
26 including bilingual education and special education programs~~[, if~~
27 ~~appropriate]~~ and financial management;

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

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

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

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

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

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

21 (2) assist in updating the targeted improvement plan
22 to identify and analyze areas of growth and areas that require
23 improvement; and

24 (3) submit each updated plan described by Subdivision
25 (2) to the board of trustees of the school district [~~may continually~~
26 ~~update the school improvement plan, with approval from the~~
27 ~~commissioner, to meet the needs of the campus~~].

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

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

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

10 (B) soliciting public comment on the targeted
11 improvement plan or any updated plan;

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

14 (3) may conduct one hearing relating to one or more
15 campuses subject to a targeted improvement plan or an updated plan;
16 and

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

19 (f) Notwithstanding any other provision of this subchapter,
20 if the commissioner determines that a campus for which an
21 intervention is ordered under Subsection (a) [~~Section 39.1322(b)~~]
22 is not fully implementing the campus intervention team's
23 recommendations or targeted [~~school~~] improvement plan or updated
24 plan, the commissioner may order the reconstitution of the campus
25 as provided by Section 39.107.

26 Sec. 39.107 [~~39.1324~~]. RECONSTITUTION, REPURPOSING,
27 ALTERNATIVE MANAGEMENT, AND CLOSURE [~~MANDATORY SANCTIONS~~]. (a)

1 After [~~If~~] a campus has been identified as [~~academically~~]
2 unacceptable for two consecutive school years, [~~including the~~
3 ~~current school year,~~] the commissioner shall order the
4 reconstitution of the campus [~~and assign a campus intervention~~
5 ~~team~~].

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

8 (1) developing an updated targeted [~~a school~~]
9 improvement plan;

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

14 (3) [~~(2)~~] obtaining approval of the updated plan from
15 the commissioner; and

16 (4) [~~(3)~~] executing the plan on approval by the
17 commissioner.

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

25 (b-1) A teacher of a subject assessed by an assessment
26 instrument under Section 39.023 may be retained only if the campus
27 intervention team determines that a pattern exists of significant

1 academic improvement by students taught by the teacher. If an
2 educator is not retained, the educator may be assigned to another
3 position in the district.

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

6 (1) assist in updating the targeted improvement plan
7 to identify and analyze areas of growth and areas that require
8 improvement;

9 (2) submit the updated plan to:

10 (A) the board of trustees of the school district;
11 and

12 (B) the parents of campus students; and

13 (3) assist in submitting the updated plan to the
14 commissioner for approval.

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

25 (d) If [Notwithstanding any other provision of this
26 subchapter, if] the commissioner determines that the [a] campus
27 [subject to Subsection (a)] is not fully implementing the updated

1 targeted [school] improvement plan or if the students enrolled at
2 the campus fail to demonstrate substantial improvement in the areas
3 targeted by the updated plan, the commissioner may order:

4 (1) repurposing of the campus under this section;

5 (2) [pursue] alternative management of the campus
6 under this section; [Section 39.1327] or

7 (3) [may order] closure of the campus.

8 (e) ~~[If a campus is considered an academically unacceptable~~
9 ~~campus for the subsequent school year after the campus is~~
10 ~~reconstituted under this section, the commissioner shall review the~~
11 ~~progress of the campus and may order closure of the campus or pursue~~
12 ~~alternative management under Section 39.1327.~~

13 ~~[(f)]~~ If a campus is considered to have an unacceptable
14 performance rating [considered academically unacceptable] for
15 three [two] consecutive school years after the campus is
16 reconstituted under Subsection (a), the commissioner shall order:

17 (1) repurposing of the campus under this section;

18 (2) alternative management of the campus under this
19 section; or

20 (3) closure of the campus [or pursue alternative
21 management under Section 39.1327].

22 (e-1) The commissioner may waive the requirement to enter an
23 order under Subsection (e) for not more than one school year if the
24 commissioner determines that, on the basis of significant
25 improvement in student performance over the preceding two school
26 years, the campus is likely to be assigned an acceptable
27 performance rating for the following school year.

1 (f) If the commissioner orders repurposing of a campus, the
2 school district shall develop a comprehensive plan for repurposing
3 the campus and submit the plan to the board of trustees for
4 approval, using the procedures described by Section 39.106(e-1),
5 and to the commissioner for approval. The plan must include a
6 description of a rigorous and relevant academic program for the
7 campus. The plan may include various instructional models. The
8 commissioner may not approve the repurposing of a campus unless:

9 (1) all students in the assigned attendance zone of
10 the campus in the school year immediately preceding the repurposing
11 of the campus are provided with the opportunity to enroll in and are
12 provided transportation on request to another campus, unless the
13 commissioner grants an exception because there is no other campus
14 in the district in which the students may enroll;

15 (2) the principal is not retained at the campus,
16 unless the commissioner determines that students enrolled at the
17 campus have demonstrated significant academic improvement; and

18 (3) teachers employed at the campus in the school year
19 immediately preceding the repurposing of the campus are not
20 retained at the campus, unless the commissioner or the
21 commissioner's designee grants an exception, at the request of a
22 school district, for:

23 (A) a teacher who provides instruction in a
24 subject other than a subject for which an assessment instrument is
25 administered under Section 39.023(a) or (c) who demonstrates to the
26 commissioner satisfactory performance; or

27 (B) a teacher who provides instruction in a

1 subject for which an assessment instrument is administered under
2 Section 39.023(a) or (c) if the district demonstrates that the
3 students of the teacher demonstrated satisfactory performance or
4 improved academic growth on that assessment instrument.

5 (g) If an educator is not retained under Subsection (f), the
6 educator may be assigned to another position in the district.

7 (h) If the commissioner orders alternative management under
8 this section, the [~~Sec. 39.1327. MANAGEMENT OF CERTAIN~~
9 ~~ACADEMICALLY UNACCEPTABLE CAMPUSES. (a) A campus may be subject~~
10 ~~to this section if the campus has been identified as academically~~
11 ~~unacceptable under Section 39.132 and the commissioner orders~~
12 ~~alternative management under Section 39.1324(d), (e), or (f).~~

13 ~~[(b) The]~~ commissioner shall solicit proposals from
14 qualified nonprofit entities to assume management of a campus
15 subject to this section or may appoint to assume management of a
16 campus subject to this section a school district other than the
17 district in which the campus is located that is located in the
18 boundaries of the same regional education service center as the
19 campus is located. The commissioner may solicit proposals from
20 qualified for-profit entities to assume management of a campus
21 subject to this section if a nonprofit entity has not responded to
22 the commissioner's request for proposals. A district appointed
23 under this section shall assume management of a campus subject to
24 this section in the same manner provided by this section for a
25 qualified [~~nonprofit~~] entity or in accordance with commissioner
26 rule.

27 (i) [(c)] If the commissioner determines that the basis for

1 the unsatisfactory performance of [~~identifying~~] a campus for more
2 than two consecutive school years [~~as academically unacceptable~~] is
3 limited to a specific condition that may be remedied with targeted
4 technical assistance, the commissioner may~~+~~

5 [~~(1) provide the campus a one-year waiver under this~~
6 ~~section, and~~

7 [~~(2)~~] require the district to contract for the
8 appropriate technical assistance.

9 (j) [~~(d)~~] The commissioner may annually solicit proposals
10 under this section for the management of a campus subject to this
11 section. The commissioner shall notify a qualified [~~nonprofit~~]
12 entity that has been approved as a provider under this section. The
13 district must execute a contract with an approved provider and
14 relinquish control of the campus before January 1 of the school
15 year.

16 (k) [~~(e)~~] To qualify for consideration as a managing entity
17 under this section, the entity must submit a proposal that provides
18 information relating to the entity's management and leadership team
19 that will participate in management of the campus under
20 consideration, including information relating to individuals that
21 have:

22 (1) documented success in whole school interventions
23 that increased the educational and performance levels of students
24 in [~~academically unacceptable~~] campuses considered to have an
25 unacceptable performance rating;

26 (2) a proven record of effectiveness with programs
27 assisting low-performing students;

1 (3) a proven ability to apply research-based school
2 intervention strategies;

3 (4) a proven record of financial ability to perform
4 under the management contract; and

5 (5) any other experience or qualifications the
6 commissioner determines necessary.

7 (1) [~~(f)~~] In selecting a managing entity under this
8 section, the commissioner shall give preference to a qualified
9 [~~nonprofit~~] entity that:

10 (1) meets any qualifications under this section; and

11 (2) has documented success in educating students from
12 similar demographic groups and with similar educational needs as
13 the students who attend the campus that is to be operated by a
14 managing entity under this section.

15 (m) [~~(g)~~] The school district may negotiate the term of a
16 management contract for not more than five years with an option to
17 renew the contract. The management contract must include a
18 provision describing the district's responsibilities in supporting
19 the operation of the campus. The commissioner shall approve the
20 contract before the contract is executed and, as appropriate, may
21 require the district, as a term of the contract, to support the
22 campus in the same manner as the district was required to support
23 the campus before the execution of the management contract.

24 (n) [~~(h)~~] A management contract under this section shall
25 include provisions approved by the commissioner that require the
26 managing entity to demonstrate improvement in campus performance,
27 including negotiated performance measures. The performance

1 measures must be consistent with the priorities of this chapter.
2 The commissioner shall evaluate a managing entity's performance on
3 the first and second anniversaries of the date of the management
4 contract. If the evaluation fails to demonstrate improvement as
5 negotiated under the contract by the first anniversary of the date
6 of the management contract, the district may terminate the
7 management contract, with the commissioner's consent, for
8 nonperformance or breach of contract and select another provider
9 from an approved list provided by the commissioner. If the
10 evaluation fails to demonstrate significant improvement, as
11 determined by the commissioner, by the second anniversary of the
12 date of the management contract, the district shall terminate the
13 management contract and select another provider from an approved
14 list provided by the commissioner or resume operation of the campus
15 if approved by the commissioner. If the commissioner approves the
16 district's operation of the campus, the commissioner shall assign a
17 technical assistance team to assist the campus.

18 (o) [~~(i)~~] Notwithstanding any other provision of this code,
19 the funding for a campus operated by a managing entity must be not
20 less than the funding of the other campuses in the district on a per
21 student basis so that the managing entity receives at least the same
22 funding the campus would otherwise have received.

23 (p) [~~(j)~~] Each campus operated by a managing entity under
24 this section is subject to this chapter in the same manner as any
25 other campus in the district.

26 (q) [~~(k)~~] The commissioner may adopt rules necessary to
27 implement this section.

1 (r) [~~(1)~~] With respect to the management of a campus under
2 this section:

3 (1) a managing entity is considered to be a
4 governmental body for purposes of Chapters 551 and 552, Government
5 Code; and

6 (2) any requirement in Chapter 551 or 552, Government
7 Code, that applies to a school district or the board of trustees of
8 a school district applies to a managing entity.

9 Sec. 39.108 [~~39.133~~]. ANNUAL REVIEW. The commissioner
10 shall review annually the performance of a district or campus
11 subject to this subchapter to determine the appropriate actions to
12 be implemented under this subchapter. The commissioner must review
13 at least annually the performance of a district for which the
14 accreditation status or rating has been lowered due to insufficient
15 [~~unacceptable~~] student performance and may not raise the
16 accreditation status or rating until the district has demonstrated
17 improved student performance. If the review reveals a lack of
18 improvement, the commissioner shall increase the level of state
19 intervention and sanction unless the commissioner finds good cause
20 for maintaining the current status.

21 Sec. 39.109 [~~39.1331~~]. ACQUISITION OF PROFESSIONAL
22 SERVICES. In addition to other interventions and sanctions
23 authorized under this subchapter [~~Sections 39.131 and 39.132~~], the
24 commissioner may order a school district or campus to acquire
25 professional services at the expense of the district or campus to
26 address the applicable financial, assessment, data quality,
27 program, performance, or governance deficiency. The

1 commissioner's order may require the district or campus to:

2 (1) select or be assigned an external auditor, data
3 quality expert, professional authorized to monitor district
4 assessment instrument administration, or curriculum or program
5 expert; or

6 (2) provide for or participate in the appropriate
7 training of district staff or board of trustees members in the case
8 of a district, or campus staff, in the case of a campus.

9 Sec. 39.110 [~~39.134~~]. COSTS PAID BY DISTRICT. The costs of
10 providing a monitor, conservator, management team, campus
11 intervention team, technical assistance team, managing entity, or
12 service provider under this subchapter [~~Section 39.1327, or service~~
13 ~~provider under Section 39.1331~~] shall be paid by the district. If
14 the district fails or refuses to pay the costs in a timely manner,
15 the commissioner may:

16 (1) pay the costs using amounts withheld from any
17 funds to which the district is otherwise entitled; or

18 (2) recover the amount of the costs in the manner
19 provided for recovery of an overallocation of state funds under
20 Section 42.258.

21 Sec. 39.111 [~~39.135~~]. CONSERVATOR OR MANAGEMENT TEAM. (a)
22 The commissioner shall clearly define the powers and duties of a
23 conservator or management team appointed to oversee the operations
24 of the district.

25 (b) At least every 90 days, the commissioner shall review
26 the need for the conservator or management team and shall remove the
27 conservator or management team unless the commissioner determines

1 that continued appointment is necessary for effective governance of
2 the district or delivery of instructional services.

3 (c) A conservator or management team, if directed by the
4 commissioner, shall prepare a plan for the implementation of action
5 under Section 39.102(a)(9) [~~39.131(a)(9)~~] or (10). The conservator
6 or management team:

7 (1) may direct an action to be taken by the principal
8 of a campus, the superintendent of the district, or the board of
9 trustees of the district;

10 (2) may approve or disapprove any action of the
11 principal of a campus, the superintendent of the district, or the
12 board of trustees of the district;

13 (3) may not take any action concerning a district
14 election, including ordering or canceling an election or altering
15 the date of or the polling places for an election;

16 (4) may not change the number of or method of selecting
17 the board of trustees;

18 (5) may not set a tax rate for the district; and

19 (6) may not adopt a budget for the district that
20 provides for spending a different amount, exclusive of required
21 debt service, from that previously adopted by the board of
22 trustees.

23 Sec. 39.112 [~~39.136~~]. BOARD OF MANAGERS. (a) A board of
24 managers may exercise all of the powers and duties assigned to a
25 board of trustees of a school district by law, rule, or regulation.
26 This subchapter applies to a district governed by a board of
27 managers in the same manner that this subchapter applies to any

1 other district.

2 (b) If the commissioner appoints a board of managers to
3 govern a district, the powers of the board of trustees of the
4 district are suspended for the period of the appointment and the
5 commissioner shall appoint a district superintendent.
6 Notwithstanding any other provision of this code, the board of
7 managers may amend the budget of the district.

8 (c) If the commissioner appoints a board of managers to
9 govern a campus, the powers of the board of trustees of the district
10 in relation to the campus are suspended for the period of the
11 appointment and the commissioner shall appoint a campus principal.
12 Notwithstanding any other provision of this code, the board of
13 managers may submit to the commissioner for approval amendments to
14 the budget of the district for the benefit of the campus. If the
15 commissioner approves the amendments, the board of trustees of the
16 district shall adopt the amendments.

17 (d) A conservator or a member of a management team appointed
18 to serve on a board of managers may continue to be compensated as
19 determined by the commissioner.

20 (e) At the direction of the commissioner but not later than
21 the second anniversary of the date the board of managers of a
22 district was appointed, the board of managers shall order an
23 election of members of the district board of trustees. The election
24 must be held on a uniform election date on which an election of
25 district trustees may be held under Section 41.001, Election Code,
26 that is at least 180 days after the date the election was ordered.
27 On qualification of members for office, the board of trustees

1 assumes all of the powers and duties assigned to a board of trustees
2 by law, rule, or regulation.

3 Sec. 39.113 [~~39.137~~]. [~~SPECIAL~~] CAMPUS INTERVENTION TEAM.
4 A [~~special~~] campus intervention team appointed under this
5 subchapter may consist of teachers, principals, other educational
6 professionals, and superintendents recognized for excellence in
7 their roles and appointed by the commissioner to serve as members of
8 a team.

9 Sec. 39.114 [~~39.138~~]. IMMUNITY FROM CIVIL LIABILITY. An
10 employee, volunteer, or contractor acting on behalf of the
11 commissioner under this subchapter is immune from civil liability
12 to the same extent as a professional employee of a school district
13 under Section 22.051.

14 Sec. 39.115. CAMPUS NAME CHANGE PROHIBITED. In
15 reconstituting, repurposing, or imposing any other intervention or
16 sanction on a campus under this subchapter, the commissioner may
17 not require that the name of the campus be changed.

18 Sec. 39.116. TRANSITIONAL INTERVENTIONS AND SANCTIONS. (a)
19 During the period of transition to the accreditation system
20 established under H.B. No. 3, Acts of the 81st Legislature, Regular
21 Session, 2009, to be implemented in August 2013, the commissioner
22 may suspend assignment of accreditation statuses and performance
23 ratings for the 2011-2012 school year.

24 (b) As soon as practicable following the 2011-2012 school
25 year, the commissioner shall report district and campus performance
26 under the student achievement indicators under Sections
27 39.053(c)(1)(A) and (B).

1 (c) For the 2012-2013 school year, the commissioner shall:

2 (1) report district and campus performance under the
3 student achievement indicator under Section 39.053(c)(1)(B); and

4 (2) evaluate district and campus performance under the
5 student achievement indicator under Section 39.053(c)(1)(A) and
6 assign district accreditation statuses and district and campus
7 performance ratings based on that evaluation.

8 (d) Beginning with the 2013-2014 school year, the
9 commissioner shall evaluate district and campus performance under
10 the student achievement indicators under Sections 39.053(c)(1)(A)
11 and (B) and assign district accreditation statuses and district and
12 campus performance ratings based on that evaluation.

13 (e) During the 2011-2012 and 2012-2013 school years, the
14 commissioner shall continue to implement interventions and
15 sanctions for districts and campuses identified as having
16 unacceptable performance in the 2010-2011 school year in accordance
17 with the performance standards applicable during the 2010-2011
18 school year and may increase or decrease the level of interventions
19 and sanctions based on an evaluation of the district's or campus's
20 performance.

21 (f) For purposes of determining multiple years of
22 unacceptable performance and required district and campus
23 interventions and sanctions under this subchapter, the performance
24 ratings and accreditation statuses issued in the 2010-2011 and
25 2012-2013 school years shall be considered consecutive.

26 (g) This section expires September 1, 2014.

1 SUBCHAPTER F [~~K~~]. PROCEDURES FOR CHALLENGE OF ACCOUNTABILITY

2 DETERMINATION, INTERVENTION, [RATING] OR SANCTION

3 Sec. 39.151 [~~39.301~~]. REVIEW BY COMMISSIONER:

4 ACCOUNTABILITY DETERMINATION [~~RATINGS~~]. (a) The commissioner by
5 rule shall provide a process for a school district or
6 open-enrollment charter school to challenge an agency decision made
7 under this chapter relating to an academic or financial
8 accountability rating that affects the district or school.

9 (b) The rules under Subsection (a) must provide for the
10 commissioner to appoint a committee to make recommendations to the
11 commissioner on a challenge made to an agency decision relating to
12 an academic performance rating or determination or financial
13 accountability rating. The commissioner may not appoint an agency
14 employee as a member of the committee.

15 (c) The commissioner may limit a challenge under this
16 section to a written submission of any issue identified by the
17 school district or open-enrollment charter school challenging the
18 agency decision.

19 (d) The commissioner shall make a final decision under this
20 section after considering the recommendation of the committee
21 described by Subsection (b). The commissioner's decision may not
22 be appealed under Section 7.057 or other law.

23 (e) A school district or open-enrollment charter school may
24 not challenge an agency decision relating to an academic or
25 financial accountability rating under this chapter in another
26 proceeding if the district or school has had an opportunity to
27 challenge the decision under this section.

1 Sec. 39.152 [~~39.302~~]. REVIEW BY STATE OFFICE OF
2 ADMINISTRATIVE HEARINGS: SANCTIONS. (a) A school district or
3 open-enrollment charter school that intends to challenge a decision
4 by the commissioner under this chapter to close the district or a
5 district campus or the charter school or to pursue alternative
6 management of a district campus or the charter school must appeal
7 the decision under the procedures provided for a contested case
8 under Chapter 2001, Government Code.

9 (b) A challenge to a decision under this section is under
10 the substantial evidence rule as provided by Subchapter G, Chapter
11 2001, Government Code.

12 (c) Notwithstanding other law:

13 (1) the State Office of Administrative Hearings shall
14 provide an expedited review of a challenge under this section;

15 (2) the administrative law judge shall issue a final
16 order not later than the 30th day after the date on which the
17 hearing is finally closed; and

18 (3) the decision of the administrative law judge is
19 final and may not be appealed.

20 SUBCHAPTER G. DISTINCTION DESIGNATIONS

21 Sec. 39.201. DISTINCTION DESIGNATIONS. Not later than
22 August 8 of each year, the commissioner shall award distinction
23 designations under this subchapter. A district or campus may not be
24 awarded a distinction designation under this subchapter unless the
25 district or campus has acceptable performance under Section 39.054.

26 Sec. 39.202. ACADEMIC EXCELLENCE DISTINCTION DESIGNATION
27 FOR DISTRICTS AND CAMPUSES. The commissioner by rule shall

1 establish a recognized and exemplary rating for awarding districts
2 and campuses an academic distinction designation under this
3 subchapter. In establishing the recognized and exemplary ratings,
4 the commissioner shall adopt criteria for the ratings, including:

5 (1) percentages of students who:

6 (A) performed satisfactorily, as determined
7 under the college readiness performance standard under Section
8 39.0241, on assessment instruments required under Section
9 39.023(a), (b), (c), or (l), aggregated across grade levels by
10 subject area; or

11 (B) met the standard for annual improvement, as
12 determined by the agency under Section 39.034, on assessment
13 instruments required under Section 39.023(a), (b), (c), or (l),
14 aggregated across grade levels by subject area, for students who
15 did not perform satisfactorily as described by Paragraph (A); and

16 (2) other factors for determining sufficient student
17 attainment of postsecondary readiness.

18 Sec. 39.203. CAMPUS DISTINCTION DESIGNATIONS. (a) The
19 commissioner shall award a campus a distinction designation if the
20 campus is ranked in the top 25 percent of campuses in the state in
21 annual improvement in student achievement as determined under
22 Section 39.034.

23 (b) In addition to the distinction designation described by
24 Subsection (a), the commissioner shall award a campus a distinction
25 designation if the campus demonstrates an ability to significantly
26 diminish or eliminate performance differentials between student
27 subpopulations and is ranked in the top 25 percent of campuses in

1 this state under the performance criteria described by this
2 subsection. The commissioner shall adopt rules related to the
3 distinction designation under this subsection to ensure that a
4 campus does not artificially diminish or eliminate performance
5 differentials through inhibiting the achievement of the highest
6 achieving student subpopulation.

7 (c) In addition to the distinction designations described
8 by Subsections (a) and (b), a campus that satisfies the criteria
9 developed under Section 39.204 shall be awarded a distinction
10 designation by the commissioner for the following programs or the
11 following specific categories of performance:

12 (1) academic achievement in English language arts,
13 mathematics, science, or social studies;

14 (2) fine arts;

15 (3) physical education;

16 (4) 21st Century Workforce Development program; and

17 (5) second language acquisition program.

18 Sec. 39.204. CAMPUS DISTINCTION DESIGNATION CRITERIA;
19 COMMITTEES. (a) The commissioner by rule shall establish:

20 (1) standards for considering campuses for
21 distinction designations under Section 39.203(c); and

22 (2) methods for awarding distinction designations to
23 campuses.

24 (b) In adopting rules under this section, the commissioner
25 shall establish a separate committee to develop criteria for each
26 distinction designation under Section 39.203(c).

27 (c) Each committee established under this section must

1 include:

2 (1) individuals who practice as professionals in the
3 content area relevant to the distinction designation, as
4 applicable;

5 (2) individuals with subject matter expertise in the
6 content area relevant to the distinction designation;

7 (3) educators with subject matter expertise in the
8 content area relevant to the distinction designation; and

9 (4) community leaders, including leaders from the
10 business community.

11 (d) For each committee, the governor, lieutenant governor,
12 and speaker of the house of representatives may each appoint a
13 person described by each subdivision of Subsection (c).

14 (e) In developing criteria for distinction designations
15 under this section, each committee shall:

16 (1) identify a variety of indicators for measuring
17 excellence; and

18 (2) consider categories for distinction designations,
19 with criteria relevant to each category, based on:

20 (A) the level of a program, whether elementary
21 school, middle or junior high school, or high school; and

22 (B) the student enrollment of a campus.

23 SUBCHAPTER H [~~F~~]. ADDITIONAL REWARDS

24 [~~Sec. 39.111. RECOGNITION AND REWARDS. The State Board of~~
25 ~~Education shall develop a plan for recognizing and rewarding school~~
26 ~~districts and campuses that are rated as exemplary or recognized~~
27 ~~and for developing a network for sharing proven successful~~

1 ~~practices statewide and regionally. The reward may be used to~~
2 ~~provide educators with summer stipends to develop curricula based~~
3 ~~on the cited successful strategies. The educators may copyright~~
4 ~~the curricula they develop.]~~

5 Sec. 39.232 [~~39.112~~]. EXCELLENCE EXEMPTIONS. (a) Except
6 as provided by Subsection (b), a school campus or district that is
7 rated exemplary under Subchapter G is exempt from requirements and
8 prohibitions imposed under this code including rules adopted under
9 this code.

10 (b) A school campus or district is not exempt under this
11 section from:

12 (1) a prohibition on conduct that constitutes a
13 criminal offense;

14 (2) requirements imposed by federal law or rule,
15 including requirements for special education or bilingual
16 education programs; or

17 (3) a requirement, restriction, or prohibition
18 relating to:

19 (A) curriculum essential knowledge and skills
20 under Section 28.002 or high school [~~minimum~~] graduation
21 requirements under Section 28.025;

22 (B) public school accountability as provided by
23 Subchapters B, C, D, E, and J [~~G~~];

24 (C) extracurricular activities under Section
25 33.081;

26 (D) health and safety under Chapter 38;

27 (E) purchasing [~~competitive bidding~~] under

1 Subchapter B, Chapter 44;

2 (F) elementary school class size limits, except
3 as provided by Subsection (d) or Section 25.112;

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

6 (H) at risk programs under Subchapter C, Chapter
7 29;

8 (I) prekindergarten programs under Subchapter E,
9 Chapter 29;

10 (J) rights and benefits of school employees;

11 (K) special education programs under Subchapter
12 A, Chapter 29; or

13 (L) bilingual education programs under
14 Subchapter B, Chapter 29.

15 (c) The agency shall monitor and evaluate deregulation of a
16 school campus or district under this section and Section 7.056.

17 (d) The commissioner may exempt an exemplary school campus
18 under Subchapter G from elementary class size limits under this
19 section if the school campus submits to the commissioner a written
20 plan showing steps that will be taken to ensure that the exemption
21 from the class size limits will not be harmful to the academic
22 achievement of the students on the school campus. The commissioner
23 shall review achievement levels annually. The exemption remains in
24 effect until the commissioner determines that achievement levels of
25 the campus have declined.

26 Sec. 39.233 [~~39.113~~]. RECOGNITION OF HIGH SCHOOL
27 COMPLETION AND SUCCESS AND COLLEGE READINESS PROGRAMS. (a) The

1 agency shall:

2 (1) develop standards for evaluating the success and
3 cost-effectiveness of high school completion and success and
4 college readiness programs implemented under Section 39.234
5 [~~39.114~~];

6 (2) provide guidance for school districts and campuses
7 in establishing and improving high school completion and success
8 and college readiness programs implemented under Section 39.234
9 [~~39.114~~]; and

10 (3) develop standards for selecting and methods for
11 recognizing school districts and campuses that offer exceptional
12 high school completion and success and college readiness programs
13 under Section 39.234 [~~39.114~~].

14 (b) The commissioner may adopt rules for the administration
15 of this section.

16 Sec. 39.234 [~~39.114~~]. HIGH SCHOOL ALLOTMENT. (a) Except
17 as provided by Subsection (b), a school district or campus must use
18 funds allocated under Section 42.2516(b)(3) to:

19 (1) implement or administer a college readiness
20 program that provides academic support and instruction to prepare
21 underachieving students for entrance into an institution of higher
22 education;

23 (2) implement or administer a program that encourages
24 students to pursue advanced academic opportunities, including
25 early college high school programs and dual credit, advanced
26 placement, and international baccalaureate courses;

27 (3) implement or administer a program that provides

1 opportunities for students to take academically rigorous course
2 work, including four years of mathematics and four years of science
3 at the high school level;

4 (4) implement or administer a program, including
5 online course support and professional development, that aligns the
6 curriculum for grades six through 12 with postsecondary curriculum
7 and expectations; or

8 (5) implement or administer other high school
9 completion and success initiatives in grades six through 12
10 approved by the commissioner.

11 (b) A school district may use funds allocated under Section
12 42.2516(b)(3) on any instructional program in grades six through 12
13 other than an athletic program if:

14 (1) the district's measure of progress toward college
15 readiness is determined exceptional by a standard set [~~district is~~
16 ~~recognized as exceptional~~] by the commissioner [~~under the academic~~
17 ~~accountability indicator adopted under Section 39.051(b)(13)~~]; and

18 (2) the district's completion rates for grades nine
19 through 12 [~~meet or~~] exceed completion rate standards required by
20 the commissioner to achieve a status of accredited under Section
21 39.051 [~~rating of exemplary under Section 39.072~~].

22 (b-1) Subsection (b) applies beginning with the 2008-2009
23 school year. This subsection expires September 1, 2009.

24 (c) An open-enrollment charter school is entitled to an
25 allotment under this section in the same manner as a school
26 district.

27 (d) The commissioner shall adopt rules to administer this

1 section, including rules related to the permissible use of funds
2 allocated under this section to an open-enrollment charter school.

3 Sec. 39.235 [~~39.115~~]. HIGH SCHOOL INNOVATION GRANT
4 INITIATIVE. (a) From funds appropriated for that purpose, the
5 commissioner may establish a grant program under which grants are
6 awarded to secondary campuses and school districts to support:

7 (1) the implementation of innovative high school
8 improvement programs that are based on the best available research
9 regarding high school reform, dropout prevention, and preparing
10 students for postsecondary coursework or employment;

11 (2) enhancing education practices that have been
12 demonstrated by significant evidence of effectiveness; and

13 (3) the alignment of grants and programs to the
14 strategic plan adopted under Section 39.407 [~~39.357~~].

15 (b) Before awarding a grant under this section, the
16 commissioner may require a campus or school district to:

17 (1) obtain local matching funds; or

18 (2) meet other conditions, including developing a
19 personal graduation plan under Section 28.0212 for each student
20 enrolled at the campus or in a district high school.

21 (c) The commissioner may:

22 (1) accept gifts, grants, or donations from a private
23 foundation to implement a grant program under this section; and

24 (2) coordinate gifts, grants, or donations with other
25 available funding to implement a grant program under this section.

26 (d) The commissioner may use funds appropriated under this
27 section to support technical assistance services for school

1 districts and open-enrollment charter schools to implement a high
2 school improvement program under this section.

3 Sec. 39.236. GIFTED AND TALENTED STANDARDS. The
4 commissioner shall adopt standards to evaluate school district
5 programs for gifted and talented students to determine whether a
6 district operates a program for gifted and talented students in
7 accordance with:

8 (1) the Texas Performance Standards Project; or

9 (2) another program approved by the commissioner that
10 meets the requirements of the state plan for the education of gifted
11 and talented students under Section 29.123.

12 ~~[Sec. 39.116. INITIATIVE FOR RETAINING QUALITY EDUCATORS.~~
13 ~~Notwithstanding Section 39.1324(b), a school district, to assist in~~
14 ~~preventing dropouts and disruptions that may result from certain~~
15 ~~mandatory sanctions, may retain at a campus a principal who has been~~
16 ~~employed at the campus as a principal during the two-year period~~
17 ~~described by Section 39.1324(a) if the students enrolled at the~~
18 ~~campus have demonstrated a pattern of significant academic~~
19 ~~improvement.]~~

20 SUBCHAPTER I ~~[E]~~. SUCCESSFUL SCHOOL AWARDS

21 Sec. 39.261 ~~[39.091]~~. CREATION OF SYSTEM. The Texas
22 Successful Schools Awards System is created to recognize and reward
23 those schools and school districts that demonstrate progress or
24 success in achieving the education goals of the state.

25 Sec. 39.262 ~~[39.092]~~. TYPES OF AWARDS. (a) The governor
26 may present a financial award to the schools or districts that the
27 commissioner determines have demonstrated the highest levels of

1 sustained success or the greatest improvement in achieving the
2 education goals. For each student in average daily attendance,
3 each of those schools or districts is entitled to an amount set for
4 the award for which the school or district is selected by the
5 commissioner, subject to any limitation set by the commissioner on
6 the total amount that may be awarded to a school or district.

7 (b) The governor may present proclamations or certificates
8 to additional schools and districts determined to have met or
9 exceeded the education goals.

10 (c) The commissioner may establish additional categories of
11 awards and award amounts for a school or district determined to be
12 successful under Subsection (a) or (b) that are contingent on the
13 school's or district's involvement with paired, lower-performing
14 schools.

15 Sec. 39.263 [~~39.093~~]. AWARDS. (a) The criteria that the
16 commissioner shall use to select successful schools and districts
17 must be related to the goals in Section 4.002 and must include
18 consideration of performance on the student achievement [~~academic~~
19 ~~excellence~~] indicators adopted under Section 39.053(c) and
20 consideration of the distinction designation criteria prescribed
21 by or developed under Subchapter G [~~39.051~~].

22 (b) For purposes of selecting schools and districts under
23 Section 39.262(a) [~~39.092(a)~~], each school's performance shall be
24 compared to state standards and to its previous performance.

25 (c) [~~(b)~~] The commissioner shall select annually schools
26 and districts qualified to receive successful school awards for
27 their performance and report the selections to the governor and the

1 State Board of Education.

2 (d) [~~(c)~~] The agency shall notify each school district of
3 the manner in which the district or a school in the district may
4 qualify for a successful school award.

5 Sec. 39.264 [~~39.094~~]. USE OF AWARDS. (a) In determining
6 the use of a monetary award received under this subchapter, a school
7 or district shall give priority to academic enhancement purposes.
8 The award may not be used for any purpose related to athletics, and
9 it may not be used to substitute for or replace funds already in the
10 regular budget for a school or district.

11 (b) The campus-level committee established under Section
12 11.253 shall determine the use of the funds awarded to a school
13 under this subchapter. The professional staff of the district
14 shall determine the use of the funds awarded to the school district
15 under this subchapter.

16 Sec. 39.265 [~~39.095~~]. FUNDING. The award system may be
17 funded by donations, grants, or legislative appropriations. The
18 commissioner may solicit and receive grants and donations for the
19 purpose of making awards under this subchapter. A small portion of
20 the award funds may be used by the commissioner to pay for the costs
21 associated with sponsoring a ceremony to recognize or present
22 awards to schools or districts under this subchapter. The
23 donations, grants, or legislative appropriations shall be
24 accounted for and distributed by the agency. The awards are subject
25 to audit requirements established by the State Board of Education.

26 Sec. 39.266 [~~39.096~~]. CONFIDENTIALITY. All information
27 and reports received by the commissioner under this subchapter from

1 schools or school districts deemed confidential under Chapter 552,
2 Government Code, are confidential and may not be disclosed in any
3 public or private proceeding.

4 SUBCHAPTER J. PARENT AND EDUCATOR REPORTS

5 Sec. 39.301. ADDITIONAL PERFORMANCE INDICATORS:

6 REPORTING. (a) In addition to the indicators adopted under
7 Section 39.053, the commissioner shall adopt indicators of the
8 quality of learning for the purpose of preparing reports under this
9 chapter. The commissioner biennially shall review the indicators
10 for the consideration of appropriate revisions.

11 (b) Performance on the indicators adopted under this
12 section shall be evaluated in the same manner provided for
13 evaluation of the student achievement indicators under Section
14 39.053(c).

15 (c) Indicators for reporting purposes must include:

16 (1) the percentage of graduating students who meet the
17 course requirements established by State Board of Education rule
18 for the minimum high school program, the recommended high school
19 program, and the advanced high school program;

20 (2) the results of the SAT, ACT, articulated
21 postsecondary degree programs described by Section 61.852, and
22 certified workforce training programs described by Chapter 311,
23 Labor Code;

24 (3) for students who have failed to perform
25 satisfactorily, under each performance standard under Section
26 39.0241, on an assessment instrument required under Section
27 39.023(a) or (c), the performance of those students on subsequent

1 assessment instruments required under those sections, aggregated
2 by grade level and subject area;

3 (4) for each campus, the number of students,
4 disaggregated by major student subpopulations, that agree under
5 Section 28.025(b) to take courses under the minimum high school
6 program;

7 (5) the percentage of students, aggregated by grade
8 level, provided accelerated instruction under Section 28.0211(c),
9 the results of assessment instruments administered under that
10 section, the percentage of students promoted through the grade
11 placement committee process under Section 28.0211, the subject of
12 the assessment instrument on which each student failed to perform
13 satisfactorily under each performance standard under Section
14 39.0241, and the performance of those students in the school year
15 following that promotion on the assessment instruments required
16 under Section 39.023;

17 (6) the percentage of students of limited English
18 proficiency exempted from the administration of an assessment
19 instrument under Sections 39.027(a)(1) and (2);

20 (7) the percentage of students in a special education
21 program under Subchapter A, Chapter 29, assessed through assessment
22 instruments developed or adopted under Section 39.023(b);

23 (8) the percentage of students who satisfy the college
24 readiness measure;

25 (9) the measure of progress toward dual language
26 proficiency under Section 39.034(b), for students of limited
27 English proficiency, as defined by Section 29.052;

1 (10) the percentage of students who are not
2 educationally disadvantaged;

3 (11) the percentage of students who enroll and begin
4 instruction at an institution of higher education in the school
5 year following high school graduation; and

6 (12) the percentage of students who successfully
7 complete the first year of instruction at an institution of higher
8 education without needing a developmental education course.

9 (d) Performance on the indicators described by Section
10 39.053(c) and Subsections (c)(3), (4), and (9) must be based on
11 longitudinal student data that is disaggregated by the bilingual
12 education or special language program, if any, in which students of
13 limited English proficiency, as defined by Section 29.052, are or
14 former students of limited English proficiency were enrolled. If a
15 student described by this subsection is not or was not enrolled in
16 specialized language instruction, the number and percentage of
17 those students shall be provided.

18 (e) Section 39.055 applies in evaluating indicators
19 described by Subsection (c).

20 Sec. 39.302. REPORT TO DISTRICT: COMPARISONS FOR ANNUAL
21 PERFORMANCE ASSESSMENT. (a) The agency shall report to each school
22 district the comparisons of student performance made under Section
23 39.034.

24 (b) To the extent practicable, the agency shall combine the
25 report of comparisons with the report of the student's performance
26 on assessment instruments under Section 39.023.

27 Sec. 39.303. REPORT TO PARENTS. (a) The school district a

1 student attends shall provide a record of the comparisons made
2 under Section 39.034 and provided to the district under Section
3 39.302 in a written notice to the student's parent or other person
4 standing in parental relationship.

5 (b) For a student who failed to perform satisfactorily as
6 determined under either performance standard under Section 39.0241
7 on an assessment instrument administered under Section 39.023(a),
8 (c), or (l), the school district shall include in the notice
9 specific information relating to access to online educational
10 resources at the appropriate assessment instrument content level,
11 including educational resources described by Section 32.252(b)(2)
12 and assessment instrument questions and answers released under
13 Section 39.023(e).

14 Sec. 39.304. TEACHER REPORT CARD. (a) Each school district
15 shall prepare a report of the comparisons made under Section 39.034
16 and provided to the district under Section 39.302 and provide the
17 report at the beginning of the school year to:

18 (1) each teacher for all students, including incoming
19 students, who were assessed on an assessment instrument under
20 Section 39.023; and

21 (2) all students under Subdivision (1) who were
22 provided instruction by that teacher in the subject for which the
23 assessment instrument was administered under Section 39.023.

24 (b) The report shall indicate whether the student performed
25 satisfactorily or, if the student did not perform satisfactorily,
26 whether the student met the standard for annual improvement under
27 Section 39.034.

1 Sec. 39.305 [~~39.052~~]. CAMPUS REPORT CARD. (a) Each school
2 year, the agency shall prepare and distribute to each school
3 district a report card for each campus. The campus report cards
4 must be based on the most current data available disaggregated by
5 student groups. Campus performance must be compared to previous
6 campus and district performance, current district performance, and
7 state established standards [~~, and comparable campus group~~
8 ~~performance~~].

9 (b) The report card shall include the following
10 information:

11 (1) where applicable, the student achievement
12 indicators described by Section 39.053(c) and the reporting
13 indicators described by Sections 39.301(c)(1) through (5)
14 [~~academic excellence indicators adopted under Sections~~
15 ~~39.051(b)(1) through (10)~~];

16 (2) average class size by grade level and subject;

17 (3) the administrative and instructional costs per
18 student, computed in a manner consistent with Section 44.0071; and

19 (4) the district's instructional expenditures ratio
20 and instructional employees ratio computed under Section 44.0071,
21 and the statewide average of those ratios, as determined by the
22 commissioner.

23 (c) The commissioner shall adopt rules requiring
24 dissemination of the information required under Subsection (b)(4)
25 and appropriate class size and student performance portions of
26 campus report cards annually to the parent, guardian, conservator,
27 or other person having lawful control of each student at the campus.

1 On written request, the school district shall provide a copy of a
2 campus report card to any other party.

3 Sec. 39.306 [~~39.053~~]. PERFORMANCE REPORT. (a) Each board
4 of trustees shall publish an annual report describing the
5 educational performance of the district and of each campus in the
6 district that includes uniform student performance and descriptive
7 information as determined under rules adopted by the commissioner.
8 The annual report must also include:

9 (1) campus performance objectives established under
10 Section 11.253 and the progress of each campus toward those
11 objectives, which shall be available to the public;

12 (2) information indicating the district's
13 accreditation status and identifying each district campus awarded a
14 distinction designation under Subchapter G or considered an
15 unacceptable campus under Subchapter E [~~the performance rating for~~
16 ~~the district as provided under Section 39.072(a) and the~~
17 ~~performance rating of each campus in the district as provided under~~
18 ~~Section 39.072(c)];~~

19 (3) the district's current special education
20 compliance status with the agency;

21 (4) a statement of the number, rate, and type of
22 violent or criminal incidents that occurred on each district
23 campus, to the extent permitted under the Family Educational Rights
24 and Privacy Act of 1974 (20 U.S.C. Section 1232g);

25 (5) information concerning school violence prevention
26 and violence intervention policies and procedures that the district
27 is using to protect students; [~~and~~]

1 (6) the findings that result from evaluations
2 conducted under the Safe and Drug-Free Schools and Communities Act
3 of 1994 (20 U.S.C. Section 7101 et seq.) [~~and its subsequent~~
4 ~~amendments~~]; and

5 (7) information received under Section 51.403(e) for
6 each high school campus in the district, presented in a form
7 determined by the commissioner.

8 (b) Supplemental information to be included in the reports
9 shall be determined by the board of trustees. Performance
10 information in the annual reports on the indicators described by
11 Sections 39.053 and 39.301 [~~established under Section 39.051~~] and
12 descriptive information required by this section shall be provided
13 by the agency.

14 (c) The board of trustees shall hold a hearing for public
15 discussion of the report. The board of trustees shall give notice
16 of the hearing to property owners in the district and parents of and
17 other persons standing in parental relation to [~~guardians,~~
18 ~~conservators, and other persons having lawful control of~~] a
19 district student. The notification must include notice to a
20 newspaper of general circulation in the district and notice to
21 electronic media serving the district. After the hearing the
22 report shall be widely disseminated within the district in a manner
23 to be determined under rules adopted by the commissioner.

24 (d) The report must also include a comparison provided by
25 the agency of:

26 (1) the performance of each campus to its previous
27 performance and to state-established standards; and

1 (2) the performance of each district to its previous
2 performance and to state-established standards~~[, and~~

3 ~~[(3) the performance of each campus or district to~~
4 ~~comparable improvement]~~.

5 (e) The report may include the following information:

6 (1) student information, including total enrollment,
7 enrollment by ethnicity, socioeconomic status, and grade groupings
8 and retention rates;

9 (2) financial information, including revenues and
10 expenditures;

11 (3) staff information, including number and type of
12 staff by sex ~~[gender]~~, ethnicity, years of experience, and highest
13 degree held, teacher and administrator salaries, and teacher
14 turnover;

15 (4) program information, including student enrollment
16 by program, teachers by program, and instructional operating
17 expenditures by program; and

18 (5) the number of students placed in a disciplinary
19 alternative education program under Chapter 37.

20 (f) The commissioner ~~[State Board of Education]~~ by rule
21 shall authorize the combination of this report with other reports
22 and financial statements and shall restrict the number and length
23 of reports that school districts, school district employees, and
24 school campuses are required to prepare.

25 (g) The report must include a statement of the amount, if
26 any, of the school district's unencumbered surplus fund balance as
27 of the last day of the preceding fiscal year and the percentage of

1 the preceding year's budget that the surplus represents.

2 Sec. 39.307 [~~39.054~~]. USES OF PERFORMANCE REPORT. The
3 information required to be reported under Section 39.306 [~~39.053~~]
4 shall be:

5 (1) the subject of public hearings or meetings
6 required under Sections 11.252, 11.253, and 39.306 [~~39.053~~];

7 (2) a primary consideration in school district and
8 campus planning; and

9 (3) a primary consideration of:

10 (A) the State Board of Education in the
11 evaluation of the performance of the commissioner;

12 (B) the commissioner in the evaluation of the
13 performance of the directors of the regional education service
14 centers;

15 (C) the board of trustees of a school district in
16 the evaluation of the performance of the superintendent of the
17 district; and

18 (D) the superintendent in the evaluation of the
19 performance of the district's campus principals.

20 Sec. 39.308 [~~39.055~~]. ANNUAL AUDIT OF DROPOUT RECORDS;
21 REPORT. (a) The commissioner shall develop a process for auditing
22 school district dropout records electronically. The commissioner
23 shall also develop a system and standards for review of the audit or
24 use systems already available at the agency. The system must be
25 designed to identify districts that are at high risk of having
26 inaccurate dropout records and that, as a result, require on-site
27 monitoring of dropout records.

1 **(b)** If the electronic audit of a school district's dropout
2 records indicates that a district is not at high risk of having
3 inaccurate dropout records, the district may not be subject to
4 on-site monitoring under this subsection.

5 **(c)** If the risk-based system indicates that a school
6 district is at high risk of having inaccurate dropout records, the
7 district is entitled to an opportunity to respond to the
8 commissioner's determination before on-site monitoring may be
9 conducted. The district must respond not later than the 30th day
10 after the date the commissioner notifies the district of the
11 commissioner's determination. If the district's response does not
12 change the commissioner's determination that the district is at
13 high risk of having inaccurate dropout records or if the district
14 does not respond in a timely manner, the commissioner shall order
15 agency staff to conduct on-site monitoring of the district's
16 dropout records.

17 **(d)** [~~(e)~~] The commissioner shall notify the board of
18 trustees of a school district of any objection the commissioner has
19 to the district's dropout data, any violation of sound accounting
20 practices or of a law or rule revealed by the data, or any
21 recommendation by the commissioner concerning the data. If the data
22 reflect that a penal law has been violated, the commissioner shall
23 notify the county attorney, district attorney, or criminal district
24 attorney, as appropriate, and the attorney general.

25 **(e)** The commissioner is entitled to access to all district
26 records the commissioner considers necessary or appropriate for the
27 review, analysis, or approval of district dropout data.

1 SUBCHAPTER K [~~H~~]. REPORTS BY TEXAS EDUCATION AGENCY

2 Sec. 39.331 [~~39.181~~]. GENERAL REQUIREMENTS. (a) Each
3 report required by this subchapter must:

4 (1) unless otherwise specified, contain summary
5 information and analysis only, with an indication that the agency
6 will provide the data underlying the report on request;

7 (2) specify a person at the agency who may be contacted
8 for additional information regarding the report and provide the
9 person's telephone number; and

10 (3) identify other sources of related information,
11 indicating the level of detail and format of information that may be
12 obtained, including the availability of any information on the
13 Texas Education Network.

14 (b) Each component of a report required by this subchapter
15 must:

16 (1) identify the substantive goal underlying the
17 information required to be reported;

18 (2) analyze the progress made and longitudinal trends
19 in achieving the underlying substantive goal;

20 (3) offer recommendations for improved progress in
21 achieving the underlying substantive goal; and

22 (4) identify the relationship of the information
23 required to be reported to state education goals.

24 (c) Unless otherwise provided, each report required by this
25 subchapter is due not later than December 1 of each even-numbered
26 year.

27 (d) Subsections (a) and (b) apply to any report required by

1 statute that the agency or the State Board of Education must prepare
2 and deliver to the governor, lieutenant governor, speaker of the
3 house of representatives, or legislature.

4 (e) Unless otherwise provided by law, any report required by
5 statute that the agency or the State Board of Education must prepare
6 and deliver to the governor, lieutenant governor, speaker of the
7 house of representatives, or legislature may be combined, at the
8 discretion of the commissioner, with a report required by this
9 subchapter.

10 Sec. 39.332 [~~39.182~~]. COMPREHENSIVE ANNUAL REPORT. (a)
11 Not later than December 1 of each year, the agency shall prepare and
12 deliver to the governor, the lieutenant governor, the speaker of
13 the house of representatives, each member of the legislature, the
14 Legislative Budget Board, and the clerks of the standing committees
15 of the senate and house of representatives with primary
16 jurisdiction over the public school system a comprehensive report
17 covering the preceding school year and containing the information
18 described by Subsection (b).

19 (b) [~~+~~] (1) The report must contain an evaluation of the
20 achievements of the state educational program in relation to the
21 statutory goals for the public education system under Section
22 4.002. [~~+~~]

23 (2) The report must contain an evaluation of the
24 status of education in the state as reflected by:

25 (A) the student achievement [~~academic~~
26 ~~excellence~~] indicators described by [~~adopted under~~] Section 39.053
27 [~~39.051~~]; and

1 (B) the reporting indicators described by
2 Section 39.301.

3 (3) The report must contain a summary compilation of
4 overall student performance on academic skills assessment
5 instruments required by Section 39.023 with the number and
6 percentage of students exempted from the administration of those
7 instruments and the basis of the exemptions, aggregated by grade
8 level, subject area, campus, and district, with appropriate
9 interpretations and analysis, and disaggregated by race,
10 ethnicity, gender, and socioeconomic status. [✓]

11 (4) The report must contain a summary compilation of
12 overall performance of students placed in a disciplinary
13 alternative education program established under Section 37.008 on
14 academic skills assessment instruments required by Section 39.023
15 with the number of those students exempted from the administration
16 of those instruments and the basis of the exemptions, aggregated by
17 district, grade level, and subject area, with appropriate
18 interpretations and analysis, and disaggregated by race,
19 ethnicity, gender, and socioeconomic status. [✓]

20 (5) The report must contain a summary compilation of
21 overall performance of students at risk of dropping out of school,
22 as defined by Section 29.081(d), on academic skills assessment
23 instruments required by Section 39.023 with the number of those
24 students exempted from the administration of those instruments and
25 the basis of the exemptions, aggregated by district, grade level,
26 and subject area, with appropriate interpretations and analysis,
27 and disaggregated by race, ethnicity, gender, and socioeconomic

1 status.[+]

2 (6) The report must contain an evaluation of the
3 correlation between student grades and student performance on
4 academic skills assessment instruments required by Section
5 39.023.[+]

6 (7) The report must contain a statement of the dropout
7 rate of students in grade levels 7 through 12, expressed in the
8 aggregate and by grade level, and a statement of the completion
9 rates of students for grade levels 9 through 12.[+]

10 (8) The report must contain a statement of:

11 (A) the completion rate of students who enter
12 grade level 9 and graduate not more than four years later;

13 (B) the completion rate of students who enter
14 grade level 9 and graduate, including students who require more
15 than four years to graduate;

16 (C) the completion rate of students who enter
17 grade level 9 and not more than four years later receive a high
18 school equivalency certificate;

19 (D) the completion rate of students who enter
20 grade level 9 and receive a high school equivalency certificate,
21 including students who require more than four years to receive a
22 certificate; and

23 (E) the number and percentage of all students who
24 have not been accounted for under Paragraph (A), (B), (C), or
25 (D).[+]

26 (9) The report must contain a statement of the
27 projected cross-sectional and longitudinal dropout rates for grade

1 levels 9 through 12 for the next five years, assuming no state
2 action is taken to reduce the dropout rate. [+]

3 (10) The report must contain a description of a
4 systematic, measurable plan for reducing the projected
5 cross-sectional and longitudinal dropout rates to five percent or
6 less. ~~[for the 1997-1998 school year,]~~

7 (11) The report must contain a summary of the
8 information required by Section 29.083 regarding grade level
9 retention of students and information concerning:

10 (A) the number and percentage of students
11 retained; and

12 (B) the performance of retained students on
13 assessment instruments required under Section 39.023(a). [+]

14 (12) The report must contain information, aggregated
15 by district type and disaggregated by race, ethnicity, gender, and
16 socioeconomic status, on:

17 (A) the number of students placed in a
18 disciplinary alternative education program established under
19 Section 37.008;

20 (B) the average length of a student's placement
21 in a disciplinary alternative education program established under
22 Section 37.008;

23 (C) the academic performance of students on
24 assessment instruments required under Section 39.023(a) during the
25 year preceding and during the year following placement in a
26 disciplinary alternative education program; and

27 (D) the dropout rates of students who have been

1 placed in a disciplinary alternative education program established
2 under Section 37.008.[+]

3 (13) The report must contain a list of each school
4 district or campus that does not satisfy performance standards,
5 with an explanation of the actions taken by the commissioner to
6 improve student performance in the district or campus and an
7 evaluation of the results of those actions.[+]

8 (14) The report must contain an evaluation of the
9 status of the curriculum taught in public schools, with
10 recommendations for legislative changes necessary to improve or
11 modify the curriculum required by Section 28.002.[+]

12 (15) The report must contain a description of all
13 funds received by and each activity and expenditure of the
14 agency.[+]

15 (16) The report must contain a summary and analysis of
16 the instructional expenditures ratios and instructional employees
17 ratios of school districts computed under Section 44.0071.[+]

18 (17) The report must contain a summary of the effect of
19 deregulation, including exemptions and waivers granted under
20 Section 7.056 or 39.232. [~~39.112~~+]

21 (18) The report must contain a statement of the total
22 number and length of reports that school districts and school
23 district employees must submit to the agency, identifying which
24 reports are required by federal statute or rule, state statute, or
25 agency rule, and a summary of the agency's efforts to reduce overall
26 reporting requirements.[+]

27 (19) The report must contain a list of each school

1 district that is not in compliance with state special education
2 requirements, including:

3 (A) the period for which the district has not
4 been in compliance;

5 (B) the manner in which the agency considered the
6 district's failure to comply in determining the district's
7 accreditation status; and

8 (C) an explanation of the actions taken by the
9 commissioner to ensure compliance and an evaluation of the results
10 of those actions. [†]

11 (20) The report must contain a comparison of the
12 performance of open-enrollment charter schools and school
13 districts on the student achievement [~~academic excellence~~]
14 indicators described by Section 39.053(c), the reporting
15 indicators described by Section 39.301(c), [~~specified in Section~~
16 ~~39.051(b)~~] and the accountability measures adopted under Section
17 39.053(i) [~~39.051(g)~~], with a separately aggregated comparison of
18 the performance of open-enrollment charter schools predominantly
19 serving students at risk of dropping out of school, as described
20 [~~defined~~] by Section 29.081(d), with the performance of school
21 districts. [†]

22 (21) The report must contain a summary of the
23 information required by Section 38.0141 regarding student health
24 and physical activity from each school district. [†]

25 (22) The report must contain a summary compilation of
26 overall student performance under the assessment system developed
27 to evaluate the longitudinal academic progress as required by

1 Section 39.027(e), disaggregated by bilingual education or special
2 language program instructional model, if any. ~~[, and]~~

3 (23) The report must contain any additional
4 information considered important by the commissioner or the State
5 Board of Education.

6 (c) ~~[(b)]~~ In reporting the information required by
7 Subsection (b)(3) or (4) ~~[(a)(3) or (4)]~~, the agency may separately
8 aggregate the performance data of students enrolled in a special
9 education program under Subchapter A, Chapter 29.

10 (d) ~~[(b-1)]~~ In reporting the information required by
11 Subsections (b)(3), (5), and (7) ~~[(a)(3), (5), and (7)]~~, the agency
12 shall separately aggregate the longitudinal performance data of all
13 students identified as students of limited English proficiency, as
14 defined by Section 29.052, or former students of limited English
15 proficiency, disaggregated by bilingual education or special
16 language program instructional model, if any, in which the students
17 are or were enrolled.

18 (e) ~~[(e)]~~ Each report must contain the most recent data
19 available.

20 Sec. 39.333 ~~[39.183]~~. REGIONAL AND DISTRICT LEVEL REPORT.
21 The agency shall prepare and deliver to the governor, the
22 lieutenant governor, the speaker of the house of representatives,
23 each member of the legislature, the Legislative Budget Board, and
24 the clerks of the standing committees of the senate and house of
25 representatives with primary jurisdiction over the public school
26 system a regional and district level report covering the preceding
27 two school years and containing:

1 (1) a summary of school district compliance with the
2 student/teacher ratios and class-size limitations prescribed by
3 Sections 25.111 and 25.112, including:

4 (A) the number of campuses and classes at each
5 campus granted an exception from Section 25.112; and

6 (B) for ~~[the performance rating under Subchapter~~
7 ~~D of]~~ each campus granted an exception from Section 25.112, a
8 statement of whether the campus has been awarded a distinction
9 designation under Subchapter G or has been identified as an
10 unacceptable campus under Subchapter E;

11 (2) a summary of the exemptions and waivers granted to
12 campuses and school districts under Section 7.056 or 39.232
13 ~~[39.112]~~ and a review of the effectiveness of each campus or
14 district following deregulation;

15 (3) an evaluation of the performance of the system of
16 regional education service centers based on the indicators adopted
17 under Section 8.101 and client satisfaction with services provided
18 under Subchapter B, Chapter 8;

19 (4) an evaluation of accelerated instruction programs
20 offered under Section 28.006, including an assessment of the
21 quality of such programs and the performance of students enrolled
22 in such programs; and

23 (5) the number of classes at each campus that are
24 currently being taught by individuals who are not certified in the
25 content areas of their respective classes.

26 Sec. 39.334 ~~[39.184]~~. TECHNOLOGY REPORT. The agency shall
27 prepare and deliver to the governor, the lieutenant governor, the

1 speaker of the house of representatives, each member of the
2 legislature, the Legislative Budget Board, and the clerks of the
3 standing committees of the senate and house of representatives with
4 primary jurisdiction over the public school system a technology
5 report covering the preceding two school years and containing
6 information on the status of the implementation of and revisions to
7 the long-range technology plan required by Section 32.001,
8 including the equity of the distribution and use of technology in
9 public schools.

10 Sec. 39.335 [~~39.185~~]. INTERIM REPORT. Not later than
11 December 1 of each odd-numbered year, the agency shall prepare and
12 deliver to the governor, the lieutenant governor, the speaker of
13 the house of representatives, each member of the legislature, the
14 Legislative Budget Board, and the clerks of the standing committees
15 of the senate and house of representatives with primary
16 jurisdiction over the public school system an interim report
17 containing, for the previous school year, the information required
18 by Section 39.333(2) [~~39.183(2)~~].

19 SUBCHAPTER L [~~J~~]. NOTICE OF PERFORMANCE

20 Sec. 39.361 [~~39.251~~]. NOTICE IN STUDENT GRADE REPORT. The
21 first written notice of a student's performance that a school
22 district gives during a school year as required by Section
23 28.022(a)(2) must include [~~the following information~~]:

24 (1) a statement of whether the campus at which the
25 student is enrolled has been awarded a distinction designation
26 under Subchapter G or has been identified as an unacceptable campus
27 under Subchapter E [~~the most recent performance rating of the~~

1 ~~campus at which the student is enrolled, as determined under~~
2 ~~Section 39.072]; and~~

3 (2) an explanation of the significance of the
4 information provided under Subdivision (1) [~~a definition and~~
5 ~~explanation of each performance rating described by Section~~
6 ~~39.072(a)]].~~

7 Sec. 39.362 [~~39.252~~]. NOTICE ON DISTRICT WEBSITE. Not
8 later than the 10th day after the first day of instruction of each
9 school year, a school district that maintains an Internet website
10 shall make the following information available to the public on the
11 website:

12 (1) the information contained in the most recent
13 campus report card for each campus in the district [~~, as determined~~]
14 under Section 39.305 [~~39.052~~];

15 (2) the information contained in the most recent
16 performance report for the district [~~, as determined~~] under Section
17 39.306 [~~39.053~~];

18 (3) the most recent accreditation status and
19 performance rating of the district [~~, as determined~~] under Sections
20 39.052 and 39.054 [~~Section 39.072~~]; and

21 (4) a definition and explanation of each accreditation
22 status under [~~performance rating described by~~] Section 39.051,
23 based on commissioner rule adopted under that section [~~39.072(a)]].~~

24 SUBCHAPTER M [~~H~~]. HIGH SCHOOL COMPLETION AND SUCCESS INITIATIVE

25 Sec. 39.401 [~~39.351~~]. DEFINITION. In this subchapter,
26 "council" means the High School Completion and Success Initiative
27 Council.

1 Sec. 39.402 [~~39.352~~]. HIGH SCHOOL COMPLETION AND SUCCESS
2 INITIATIVE COUNCIL. (a) The High School Completion and Success
3 Initiative Council is established to identify strategic priorities
4 for and make recommendations to improve the effectiveness,
5 coordination, and alignment of high school completion and college
6 and workforce readiness efforts.

7 (b) The council is composed of:

8 (1) the commissioner of education;

9 (2) the commissioner of higher education; and

10 (3) seven members appointed by the commissioner of
11 education.

12 (c) In making appointments required by Subsection (b)(3),
13 the commissioner of education shall appoint:

14 (1) three members from a list of nominations provided
15 by the governor;

16 (2) two members from a list of nominations provided by
17 the lieutenant governor; and

18 (3) two members from a list of nominations provided by
19 the speaker of the house of representatives.

20 (d) In making nominations under Subsection (c), the
21 governor, lieutenant governor, and speaker of the house of
22 representatives shall nominate persons who have distinguished
23 experience in:

24 (1) developing and implementing high school reform
25 strategies; and

26 (2) promoting college and workforce readiness.

27 Sec. 39.403 [~~39.353~~]. TERMS. Members of the council

1 appointed under Section 39.402(b)(3) [~~39.352(b)(3)~~] serve terms of
2 two years and may be reappointed for additional terms.

3 Sec. 39.404 [~~39.354~~]. PRESIDING OFFICER. The commissioner
4 of education serves as the presiding officer of the council.

5 Sec. 39.405 [~~39.355~~]. COMPENSATION AND REIMBURSEMENT. A
6 member of the council is not entitled to compensation for service on
7 the council but is entitled to reimbursement for actual and
8 necessary expenses incurred in performing council duties.

9 Sec. 39.406 [~~39.356~~]. COUNCIL STAFF AND FUNDING. (a)
10 Except as otherwise provided, staff members of the agency, with the
11 assistance of the Texas Higher Education Coordinating Board, shall
12 provide administrative support for the council.

13 (b) Funding for the administrative and operational expenses
14 of the council shall be provided by appropriation to the agency for
15 that purpose and by gifts, grants, and donations solicited and
16 accepted by the agency for that purpose.

17 Sec. 39.407 [~~39.357~~]. STRATEGIC PLAN. (a) The council
18 shall adopt a strategic plan under this subchapter to:

19 (1) specify strategies to identify, support, and
20 expand programs to improve high school completion rates and college
21 and workforce readiness;

22 (2) establish specific goals with which to measure the
23 success of the strategies identified under Subdivision (1) in
24 improving high school completion rates and college and workforce
25 readiness;

26 (3) identify strategies for alignment and
27 coordination of federal and other funding sources that may be

1 pursued for high school reform, dropout prevention, and preparation
2 of students for postsecondary coursework or employment; and

3 (4) identify key objectives for appropriate research
4 and program evaluation conducted as provided by this subchapter.

5 (b) The commissioner of education and the commissioner of
6 higher education shall adopt rules as necessary to administer the
7 strategic plan adopted by the council under this section.

8 (c) The commissioner of education or the commissioner of
9 higher education may not, in a manner inconsistent with the
10 strategic plan, spend money, award a grant, or enter into a contract
11 in connection with a program relating to high school success and
12 completion.

13 Sec. 39.408 [~~39.358~~]. ELIGIBILITY CRITERIA FOR CERTAIN
14 GRANT PROGRAMS. A school district or campus is eligible to
15 participate in programs under Sections 21.4541, 29.095, 29.096,
16 29.097, and 29.098 if the district or campus exhibited during each
17 of the three preceding school years characteristics that strongly
18 correlate with high dropout rates.

19 Sec. 39.409 [~~39.359~~]. PRIVATE FOUNDATION PARTNERSHIPS.
20 (a) The commissioner of education or the commissioner of higher
21 education, as appropriate, and the council may coordinate with
22 private foundations that have made a substantial investment in the
23 improvement of high schools in this state to maximize the impact of
24 public and private investments.

25 (b) A private foundation is not required to obtain the
26 approval of the appropriate commissioner or the council under
27 Subsection (a) before allocating resources to a school in this

1 state.

2 Sec. 39.410 [~~39.360~~]. GRANT PROGRAM EVALUATION. (a) The
3 commissioner of education shall annually set aside not more than
4 five percent of the funds appropriated for high school completion
5 and success to contract for the evaluation of programs supported by
6 grants approved under this subchapter. In awarding a contract
7 under this subsection, the commissioner shall consider centers for
8 education research established under Section 1.005.

9 (b) A person who receives a grant approved under this
10 subchapter must consent to an evaluation under this section as a
11 condition of receiving the grant.

12 (c) The commissioner shall ensure that an evaluation
13 conducted under this section includes an assessment of whether
14 student achievement has improved. Results of the evaluation shall
15 be provided through the online clearinghouse of information
16 relating to the best practices of campuses and school districts
17 established under Section 7.009.

18 Sec. 39.411 [~~39.361~~]. COUNCIL RECOMMENDATIONS. (a) Based
19 on the strategic plan adopted under this subchapter [~~section~~], the
20 council shall make recommendations to the commissioner of education
21 or the commissioner of higher education, as applicable, for the use
22 of federal and state funds appropriated or received for high school
23 reform, college readiness, and dropout prevention, including
24 grants awarded under Sections 21.4511, 21.4541, 29.095-29.098,
25 29.917, 29.919, and 39.235 [~~39.115~~].

26 (b) The council shall include recommendations under this
27 section for:

- 1 (1) key elements of program design;
- 2 (2) criteria for awarding grants and evaluating
- 3 programs;
- 4 (3) program funding priorities; and
- 5 (4) program evaluation as provided by this subchapter.

6 (c) The commissioner of education or the commissioner of
7 higher education, as applicable, shall consider the council's
8 recommendations and based on those recommendations may award grants
9 to school districts, open-enrollment charter schools, institutions
10 of higher education, regional education service centers, and
11 nonprofit organizations to meet the goals of the council's
12 strategic plan.

13 (d) The commissioner of education or the commissioner of
14 higher education, as applicable:

15 (1) is not required under this section to allocate
16 funds to a program or initiative recommended by the council; and

17 (2) may not initiate a program funded under this
18 section that does not conform to the recommended use of funds as
19 provided under Subsections (a) and (b).

20 Sec. 39.412 [~~39.362~~]. FUNDING PROVIDED TO SCHOOL
21 DISTRICTS. From funds appropriated, the commissioner of education
22 may provide funding to school districts to permit a school district
23 to obtain technical assistance in preparing a grant proposal for a
24 grant program administered under this subchapter.

25 Sec. 39.413 [~~39.363~~]. FUNDING FOR CERTAIN PROGRAMS. (a)
26 From funds appropriated, the Texas Higher Education Coordinating
27 Board shall allocate \$8.75 million each year to establish

1 mathematics, science, and technology teacher preparation academies
2 under Section 21.462 and implement and administer the program under
3 Section 29.098.

4 (b) The Texas Higher Education Coordinating Board shall
5 establish mathematics, science, and technology teacher preparation
6 academies under Section 21.462 and implement and administer the
7 program under Section 29.098 in a manner consistent with the goals
8 of this subchapter and the goals in "Closing the Gaps," the state's
9 master plan for higher education.

10 Sec. 39.414 [~~39.364~~]. PRIVATE FUNDING. The commissioner of
11 education or the commissioner of higher education, as appropriate,
12 may accept gifts, grants, or donations to fund a grant administered
13 under this subchapter.

14 Sec. 39.415 [~~39.365~~]. REPORTS. (a) Not later than
15 December 1 of each even-numbered year, the agency shall prepare and
16 deliver a report to the legislature that recommends any statutory
17 changes the council considers appropriate to promote high school
18 completion and college and workforce readiness.

19 (b) Not later than March 1 and September 1 of each year, the
20 commissioner of education shall prepare and deliver a progress
21 report to the presiding officers of the standing committees of each
22 house of the legislature with primary jurisdiction over public
23 education, the Legislative Budget Board, and the Governor's Office
24 of Policy and Planning on:

25 (1) the implementation of Sections 7.031, 21.4511,
26 21.4541, 21.462, 28.008(d-1), 28.0212(d), 29.095-29.098, 29.911,
27 29.917-29.919, and 39.235 [~~39.115~~] and this subchapter;

1 (2) the programs supported by grants approved under
2 this subchapter; and

3 (3) the alignment of grants and programs to the
4 strategic plan adopted under Section 39.407 [~~39.357~~].

5 Sec. 39.416 [~~39.366~~]. RULES. The commissioner of education
6 and the commissioner of higher education shall adopt rules as
7 necessary to administer this subchapter and any programs under the
8 authority of the commissioner of education or the commissioner of
9 higher education and the council under this subchapter.

10 SECTION 60. Section 42.002(b), Education Code, is amended
11 to read as follows:

12 (b) The Foundation School Program consists of:

13 (1) two tiers that in combination provide for:

14 (A) sufficient financing for all school
15 districts to provide a basic program of education that is rated
16 [~~academically~~] acceptable or higher under Section 39.054 [~~39.072~~]
17 and meets other applicable legal standards; and

18 (B) substantially equal access to funds to
19 provide an enriched program; and

20 (2) a facilities component as provided by Chapter 46.

21 SECTION 61. Section 51.3062, Education Code, is amended by
22 adding Subsections (i-1) and (q-1) to read as follows:

23 (i-1) The commissioner of higher education may by rule
24 require an institution of higher education to adopt uniform
25 standards for the placement of a student under this section.

26 (q-1) A student who has completed a recommended or advanced
27 high school program as determined under Section 28.025 and

1 demonstrated the performance standard for college readiness as
2 provided by Section 39.024 on the Algebra II and English III
3 end-of-course assessment instruments is exempt from the
4 requirements of this section with respect to those content areas.
5 The commissioner of higher education by rule shall establish the
6 period for which an exemption under this subsection is valid.

7 SECTION 62. Section 51.807, Education Code, as amended by
8 Chapters 941 (H.B. 3826) and 1369 (H.B. 3851), Acts of the 80th
9 Legislature, Regular Session, 2007, is reenacted to read as
10 follows:

11 Sec. 51.807. RULEMAKING. (a) The Texas Higher Education
12 Coordinating Board may adopt rules relating to the operation of
13 admissions programs under this subchapter, including rules
14 relating to the identification of eligible students.

15 (b) The Texas Higher Education Coordinating Board, after
16 consulting with the Texas Education Agency, by rule shall establish
17 standards for determining for purposes of this subchapter:

18 (1) whether a private high school is accredited by a
19 generally recognized accrediting organization; and

20 (2) whether a person completed a high school
21 curriculum that is equivalent in content and rigor to the
22 curriculum requirements established under Section 28.025 for the
23 recommended or advanced high school program.

24 SECTION 63. Chapter 61, Education Code, is amended by
25 adding Subchapter T-1 to read as follows:

26 SUBCHAPTER T-1. CAREER AND TECHNICAL EDUCATION

27 Sec. 61.861. DEVELOPMENT OF MATHEMATICS AND SCIENCE COURSES

1 FOR HIGH-DEMAND OCCUPATIONS. (a) The commissioner of higher
2 education and the commissioner of education, in consultation with
3 the comptroller and the Texas Workforce Commission, may award a
4 grant in an amount not to exceed \$1 million to an institution of
5 higher education to develop advanced mathematics and science
6 courses to prepare high school students for employment in a
7 high-demand occupation. The commissioner of higher education, the
8 commissioner of education, the comptroller, and the Texas Workforce
9 Commission shall jointly determine what is considered a high-demand
10 occupation for purposes of this subchapter.

11 (b) An institution of higher education shall work in
12 partnership with at least one independent school district and a
13 business entity in developing a course for purposes of this
14 section.

15 (c) A course developed for purposes of this section must:

16 (1) provide content that enables a student to develop
17 the relevant and critical skills needed to be prepared for
18 employment or additional training in a high-demand occupation;

19 (2) incorporate college and career readiness skills as
20 part of the curriculum;

21 (3) be offered for dual credit; and

22 (4) satisfy a mathematics or science requirement under
23 the recommended or advanced high school program as determined under
24 Section 28.025.

25 (d) An institution of higher education shall periodically
26 review and revise the curriculum for a course developed for
27 purposes of this section to accommodate changes in industry

1 standards for the high-demand occupation.

2 Sec. 61.862. GRANT APPLICATION CRITERIA. The commissioner
3 of higher education and the commissioner of education, in
4 consultation with the comptroller and the Texas Workforce
5 Commission, shall establish application criteria for a grant under
6 this subchapter and in making an award shall give priority to
7 courses that:

8 (1) will prepare students for high-demand, high-wage,
9 and high-skill occupations and further postsecondary study;

10 (2) may be transferred as college credit to multiple
11 institutions of higher education; and

12 (3) are developed as part of a sequence of courses that
13 includes statewide availability of the instructional materials and
14 training for the courses at a nominal cost to public educational
15 institutions in this state.

16 Sec. 61.863. USE OF FUNDS. An institution of higher
17 education may use funds awarded under this section to develop, in
18 connection with a course described by Section 61.861:

19 (1) curriculum;

20 (2) assessments;

21 (3) instructional materials, including
22 technology-based supplemental materials; or

23 (4) professional development programs for secondary
24 grade-level teachers teaching a course described by Section 61.861.

25 Sec. 61.864. REVIEW OF COURSES. Courses for which a grant
26 is awarded under this subchapter shall be reviewed by the
27 commissioner of higher education and the commissioner of education,

1 in consultation with the comptroller and the Texas Workforce
2 Commission, once every four years to determine whether the course:

3 (1) is being used by public educational institutions
4 in this state;

5 (2) prepares high school students with the skills
6 necessary for employment in the high-demand occupation and further
7 postsecondary study; and

8 (3) satisfies a mathematics or science requirement for
9 the recommended or advanced high school program as determined under
10 Section 28.025.

11 Sec. 61.865. MATCHING CONTRIBUTION REQUIRED. An
12 institution of higher education awarded a grant under this
13 subchapter must obtain from one or more business entities in the
14 industry for which students taking courses developed under Section
15 61.861 are training, in a total amount equal to the amount of the
16 state grant:

17 (1) gifts, grants, or donations of funds; or

18 (2) contributions of property that may be used in
19 providing the courses.

20 Sec. 61.866. LIMITATION ON TOTAL AMOUNT OF GRANTS. In any
21 state fiscal biennium, the total amount of grants awarded under
22 this subchapter may not exceed \$10 million.

23 Sec. 61.867. FUNDING OF GRANTS. The commissioner of higher
24 education shall administer this section using available
25 appropriations and gifts, grants, and donations made for the
26 purposes of this subchapter.

27 SECTION 64. Subtitle G, Title 3, Education Code, is amended

1 by adding Chapter 134 to read as follows:

2 CHAPTER 134. JOBS AND EDUCATION FOR TEXANS (JET) GRANT PROGRAM

3 Sec. 134.001. DEFINITIONS. In this chapter:

4 (1) "Nonprofit organization" means an organization
5 exempt from federal income taxation under Section 501(a), Internal
6 Revenue Code of 1986, as an organization described by Section
7 501(c)(3) of that code.

8 (2) "Public junior college" and "public technical
9 institute" have the meanings assigned by Section 61.003.

10 Sec. 134.002. JOBS AND EDUCATION FOR TEXANS (JET) FUND. (a)
11 The comptroller shall establish and administer the Jobs and
12 Education for Texans (JET) fund as a dedicated account in the
13 general revenue fund.

14 (b) The following amounts shall be deposited in the fund:

15 (1) any amounts appropriated by the legislature for
16 the fund for purposes of this chapter;

17 (2) interest earned on the investment of money in the
18 fund; and

19 (3) gifts, grants, and other donations received for
20 the fund.

21 Sec. 134.003. ADVISORY BOARD. (a) An advisory board of
22 education and workforce stakeholders is created to assist the
23 comptroller in administering this chapter.

24 (b) The advisory board is composed of seven members who
25 serve two-year terms and are appointed as follows:

26 (1) one member appointed by the governor;

27 (2) one member appointed by the lieutenant governor;

1 (3) one member appointed by the speaker of the house of
2 representatives;

3 (4) one member appointed by the Texas Higher Education
4 Coordinating Board;

5 (5) one member appointed by the Texas Workforce
6 Commission;

7 (6) one member of the public appointed by the
8 comptroller; and

9 (7) the comptroller, who serves as the presiding
10 officer.

11 (c) The advisory board shall meet at least once each quarter
12 to review received applications and recommend awarding grants under
13 this chapter.

14 Sec. 134.004. JOBS AND EDUCATION FOR TEXANS (JET) GRANT
15 PROGRAM. The comptroller shall establish and administer the Jobs
16 and Education for Texans (JET) Grant Program to provide grants to
17 public junior colleges, public technical institutes, and eligible
18 nonprofit organizations that apply to the advisory board in the
19 manner prescribed by the advisory board. The comptroller shall
20 award the grants on the advice and recommendations of the advisory
21 board. Grants may be awarded under this chapter from the Jobs and
22 Education for Texans (JET) fund for the following purposes:

23 (1) to develop, support, or expand programs of
24 nonprofit organizations that meet the requirements of Section
25 134.005 and that prepare low-income students for careers in
26 high-demand occupations;

27 (2) to defray the start-up costs associated with the

1 development of new career and technical education programs at
2 public junior colleges and public technical institutes that meet
3 the requirements of Section 134.006; and

4 (3) to provide scholarships for students in career and
5 technical education programs who meet the requirements of Section
6 134.007.

7 Sec. 134.005. GRANTS TO NONPROFIT ORGANIZATIONS FOR
8 INNOVATIVE AND SUCCESSFUL PROGRAMS. (a) The comptroller may award
9 a grant to a nonprofit organization eligible under Subsection (b)
10 for the development, support, or expansion of programs to prepare
11 low-income students for careers in high-demand occupations.

12 (b) To be eligible to receive a grant under this section, a
13 nonprofit organization must:

14 (1) provide a program to offer assistance to
15 low-income students in preparing for, applying to, and enrolling in
16 a public junior college or public technical institute;

17 (2) be governed by a board or other governing
18 structure that includes recognized leaders of broad-based
19 community organizations and members of the local business
20 community;

21 (3) demonstrate to the satisfaction of the advisory
22 board that the organization's program has achieved or will achieve
23 the following measures of success among program participants, to
24 the extent applicable to the type of program the organization
25 provides:

26 (A) above average completion of developmental
27 education among participating public junior college or public

1 technical institute students;

2 (B) above average persistence rates among
3 participating public junior college or public technical institute
4 students;

5 (C) above average certificate or degree
6 completion rates by participating students within a three-year
7 period compared to demographically comparable public junior
8 college and public technical institute students; and

9 (D) employment of participating students at an
10 average full-time starting wage that is equal to or greater than
11 the prevailing wage for the occupation entered; and

12 (4) provide matching funds in accordance with rules
13 adopted under Section 134.008.

14 (c) The matching funds required under Subsection (b)(4) may
15 be obtained from any source available to the nonprofit
16 organization, including in-kind contributions, community or
17 foundation grants, individual contributions, and local
18 governmental agency operating funds.

19 (d) Grants awarded under this section must be awarded in a
20 manner that takes a balanced geographical distribution into
21 consideration.

22 Sec. 134.006. GRANTS TO EDUCATIONAL INSTITUTIONS FOR CAREER
23 AND TECHNICAL EDUCATION PROGRAMS. (a) The comptroller may award a
24 grant for the development of new career and technical education
25 courses or programs at public junior colleges and public technical
26 institutes.

27 (b) A grant received under this section may be used only:

1 (1) to support courses or programs that prepare
2 students for career employment in occupations that are identified
3 by local businesses as being in high demand, including courses
4 offered for dual credit;

5 (2) to finance initial costs of career and technical
6 education course or program development, including the costs of
7 constructing or renovating facilities, purchasing equipment, and
8 other expenses associated with the development of a new course; and

9 (3) to finance a career and technical education course
10 or program that leads to a license, certificate, or postsecondary
11 degree.

12 (c) In awarding a grant under this section, the comptroller
13 shall primarily consider the potential economic returns to the
14 state from the development of the career and technical education
15 course or program. The comptroller may also consider whether the
16 course or program:

17 (1) is part of a new, emerging industry or high-demand
18 occupation;

19 (2) offers new or expanded dual credit career and
20 technical educational opportunities in public high schools; or

21 (3) is provided in cooperation with other public
22 junior colleges or public technical institutes across existing
23 service areas.

24 (d) To be eligible to receive a grant under this section, a
25 public junior college or public technical institute must provide
26 matching funds in accordance with rules adopted under Section
27 134.008. The matching funds may be obtained from any source

1 available to the junior college or technical institute, including
2 in-kind contributions, industry consortia, community or foundation
3 grants, individual contributions, and local governmental agency
4 operating funds.

5 Sec. 134.007. SCHOLARSHIPS. (a) The comptroller may award
6 a scholarship to a public junior college or public technical
7 institute student.

8 (b) To be eligible to receive a scholarship under this
9 section, a student must:

- 10 (1) demonstrate financial need; and
11 (2) be enrolled in a training program for a
12 high-demand occupation, as determined by the comptroller on the
13 recommendation of the advisory board.

14 Sec. 134.008. RULES. The comptroller shall adopt rules as
15 necessary for the administration of this chapter.

16 SECTION 65. Section 302.006(c), Labor Code, is amended to
17 read as follows:

18 (c) To be eligible to receive a scholarship awarded under
19 this section, a person must:

20 (1) be employed in a child-care facility, as defined
21 by Section 42.002, Human Resources Code;

22 (2) intend to obtain a credential, certificate, or
23 degree specified in Subsection (b);

24 (3) agree to work for at least 18 additional months in
25 a child-care facility, as defined by Section 42.002, Human
26 Resources Code, that accepts federal Child Care Development Fund
27 subsidies and that, at the time the person begins to fulfill the

1 work requirement imposed by this subdivision, is located:

2 (A) within the attendance zone of a public school
3 campus considered low-performing under Subchapter E, Chapter 39
4 [~~Section 39.132~~], Education Code; or

5 (B) in an economically disadvantaged community,
6 as determined by the commission; and

7 (4) satisfy any other requirements adopted by the
8 commission.

9 SECTION 66. The following sections of the Education Code
10 are repealed:

11 (1) Sections 39.034(e), (f), and (g); and

12 (2) Section 44.011.

13 SECTION 67. (a) Section 21.054(b), Education Code, is
14 repealed.

15 (b) This repeal applies beginning with the 2009-2010 school
16 year.

17 SECTION 68. (a) Not later than December 1, 2010, the Texas
18 Education Agency shall prepare and deliver to the governor, the
19 lieutenant governor, the speaker of the house of representatives,
20 each member of the legislature, the clerks of the standing
21 committees of the senate and the house of representatives with
22 primary jurisdiction over public education, and the Legislative
23 Budget Board a transition plan containing the information described
24 by Subsections (b) and (c) of this section.

25 (b) The transition plan referred to in Subsection (a) of
26 this section must contain a detailed description of the process the
27 commissioner of education will use to develop and implement this

1 Act, including:

2 (1) the timeline;

3 (2) the means by which public school educators who are
4 representative of this state and other stakeholders, including
5 parents of public primary and secondary school students, and
6 business and community leaders, will be included in the process to
7 develop and implement this Act, in accordance with Section
8 7.055(b)(11), Education Code;

9 (3) the resources required to implement this Act,
10 including resources that may be required by districts and campuses;

11 (4) the scope and sequence of tasks that must be
12 accomplished to implement this Act; and

13 (5) the use of the standard rulemaking process to
14 adopt any procedures necessary to implement this Act.

15 (c) Except as provided by this subsection, the transition
16 plan referred to in Subsection (a) of this section must provide for
17 the implementation during the 2011-2012 school year of changes made
18 by this Act to the accreditation and academic accountability
19 system. The assignment of accreditation statuses and any other
20 academic accountability designations under this Act must be
21 implemented beginning with the 2012-2013 school year.

22 (d) In conjunction with the transition plan prepared and
23 delivered under this section, the commissioner of education shall
24 provide for an equivalence of a performance rating, accreditation
25 status, distinction designation, or performance indicator, as
26 applicable, for each statutory performance rating or performance
27 indicator that is superseded by this Act.

1 SECTION 69. To the extent of any conflict, the reenactment
2 by this Act of Section 51.807, Education Code, prevails over
3 another Act of the 81st Legislature, Regular Session, 2009,
4 relating to nonsubstantive additions to and corrections in enacted
5 codes.

6 SECTION 70. Section 11.203(d), Education Code, as amended
7 by this Act, applies only to a principal employed at a school that
8 is rated academically unacceptable during the 2008-2009 school
9 year.

10 SECTION 71. (a) Except as provided by this section, this
11 Act applies beginning with the 2009-2010 school year.

12 (a-1) Section 28.002(c-1), Education Code, as added by this
13 Act, applies beginning with the 2010-2011 school year.

14 (b) Sections 39.023(e), Education Code, as amended by this
15 Act, and 39.053(g), Education Code, as added by this Act, apply
16 immediately.

17 (c) Except as provided by Subsection (b) of this section,
18 Subchapter C, Chapter 39, Education Code, as amended by this Act,
19 applies beginning with the 2011-2012 school year.

20 (d) Except as provided by Subsection (e) of this section,
21 Subchapter E, Chapter 39, Education Code, as amended by this Act,
22 applies as provided by the transition plan adopted by the
23 commissioner of education under Section 39.116, Education Code, as
24 added by this Act.

25 (e) Notwithstanding any other provision of this Act, the
26 commissioner of education may immediately apply any exceptions to
27 interventions and sanctions under Subchapter E, Chapter 39,

1 Education Code, as amended by this Act, to interventions and
2 sanctions under Subchapter G, Chapter 39, Education Code, as that
3 law existed prior to amendment by this Act.

4 SECTION 72. This Act takes effect immediately if it
5 receives a vote of two-thirds of all the members elected to each
6 house, as provided by Section 39, Article III, Texas Constitution.
7 If this Act does not receive the vote necessary for immediate
8 effect, this Act takes effect September 1, 2009.

President of the Senate

Speaker of the House

I certify that H.B. No. 3 was passed by the House on April 29, 2009, by the following vote: Yeas 146, Nays 0, 1 present, not voting; that the House refused to concur in Senate amendments to H.B. No. 3 on May 18, 2009, and requested the appointment of a conference committee to consider the differences between the two houses; that the House adopted the conference committee report on H.B. No. 3 on May 31, 2009, by the following vote: Yeas 143, Nays 0, 2 present, not voting; and that the House adopted H.C.R. No. 283 authorizing certain corrections in H.B. No. 3 on June 1, 2009, by the following vote: Yeas 146, Nays 0, 1 present, not voting.

Chief Clerk of the House

H.B. No. 3

I certify that H.B. No. 3 was passed by the Senate, with amendments, on May 13, 2009, by the following vote: Yeas 31, Nays 0; at the request of the House, the Senate appointed a conference committee to consider the differences between the two houses; that the Senate adopted the conference committee report on H.B. No. 3 on May 31, 2009, by the following vote: Yeas 31, Nays 0; and that the Senate adopted H.C.R. No. 283 authorizing certain corrections in H.B. No. 3 on June 1, 2009, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor