Amend **CSHB 1500** (senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering SECTIONS of the bill accordingly:

SECTION ____. Sections 39.053(b), Education Code, is amended to read as follows:

(b) Performance on the achievement indicators adopted under Subsections (c)(1)-(4) shall be compared to state-established standards. <u>To the extent feasible, the</u> [The] indicators <u>should</u> <u>allow for disaggregation</u> [must be based on information that is <u>disaggregated</u>] by race, ethnicity, and socioeconomic status.

SECTION _____. Sections 39.054(a), (a-1), and (a-3), Education Code, as effective September 1, 2017, are amended to read as follows:

(a) The commissioner shall adopt rules to evaluate school district and campus performance and assign each district and campus an overall performance rating of A, B, C, D, or F. In addition to the overall performance rating, the commissioner shall assign each district and campus a separate domain performance rating of A, B, C, D, or F for each <u>applicable</u> domain under Sections 39.053(c)(1)-(4). An overall or domain performance rating of A reflects exemplary performance. An overall or domain performance rating of B reflects recognized performance. An overall or domain performance rating of C reflects acceptable performance. An overall or domain performance rating of D reflects performance that needs improvement. An overall or domain performance rating of [or] F reflects unacceptable performance. A district may not receive an overall or domain performance rating of A if the district includes any campus with a corresponding overall or domain performance rating of [D or] F. A reference in law to an acceptable rating or acceptable performance includes an overall or domain performance rating of A, B, [or] C, or D or performance that is exemplary, recognized, or acceptable or needs improvement [performance].

(a-1) <u>In</u> [For purposes of] assigning [an overall] performance <u>ratings</u> [rating] under Subsection (a), the commissioner <u>may adjust the overall performance rating of a</u> <u>district or campus if the performance of the district or campus</u> under the indicators described by Section 39.053(c), based on

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information disaggregated by race, ethnicity, socioeconomic status, or other factors, does not meet standards established by the commissioner. The commissioner shall attribute:

[(1) 55 percent of the performance evaluation to the achievement indicators for the first, second, and third domains under Sections 39.053(c)(1)-(3);

[(2) for middle and junior high school and elementary campuses and districts that include only those campuses, 35 percent of the performance evaluation to the applicable achievement indicators for the fourth domain under Section 39.053(c)(4);

[(3) for high school campuses and districts that include those campuses:

[(A) 10 percent of the performance evaluation to the high school graduation rate achievement indicator described by Section 39.053(c)(4)(A)(ii); and

[(B) 25 percent to the remaining applicable achievement indicators for the fourth domain under Section 39.053(c)(4); and

[(4) 10 percent of the performance evaluation to the locally selected and evaluated achievement indicators provided for under the fifth domain under Section 39.053(c)(5)].

(a-3) Not later than August 15 of each year, the performance ratings of each district and campus shall be made publicly available as provided by rules adopted under this section. [If a district or campus received an overall or domain performance rating of D or F for the preceding school year, the commissioner shall notify the district of a subsequent such designation on or before June 15.]

(2) SECTION ____. Section 39.054(a-1)(1), Education Code, is amended to read as follows:

(1) an overall performance rating for a district or campus under Subsection (a), the commissioner shall:

(A) consider either the district's or campus's performance rating under the student achievement domain under Section 39.053(c)(1) or the school performance domain under Section 39.053(c)(2), whichever performance rating is higher, unless the district or campus received a performance rating of F in either domain, in which case the district or campus may not be assigned an overall performance rating higher than a B; and

(B) attribute not less than 20 percent of the performance rating to the school climate domain under Section 39.053(c)(3) if the district or campus has received a performance rating of C or higher for the other two domains; and

(3) Add the following appropriately numbered SECTIONS to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION ____. Section 12A.001(b), Education Code, is amended to read as follows:

(b) A school district is eligible for designation as a district of innovation only if the district's most recent <u>overall</u> performance rating under Section 39.054 <u>is exemplary, recognized,</u> <u>or acceptable as reflected by an overall</u> [reflects at least acceptable] performance <u>rating of A, B, or C</u>.

SECTION _____. Section 12A.001(b), Education Code, as amended by this Act, applies only to a school district designated as a district of innovation on or after the effective date of this Act.

SECTION _____. Subchapter E, Chapter 39, Education Code, is amended by adding Section 39.101 to read as follows:

Sec. 39.101. NEEDS IMPROVEMENT RATING. (a) Notwithstanding any other law, if a school district or campus is assigned an overall or domain performance rating of D:

(1) the commissioner shall order the district or campus to develop and implement a targeted improvement plan approved by the board of trustees of the district; and

(2) the interventions and sanctions provided by this subchapter based on failure to satisfy performance standards under Section 39.054(e) apply to the district or campus only as provided by this section.

(b) The interventions and sanctions provided by this subchapter based on failure to satisfy performance standards under Section 39.054(e) apply to a district or campus ordered to develop and implement a targeted improvement plan under Subsection (a) only if the district or campus is assigned an overall or domain performance rating of F, including the assignment of a performance rating of F in the manner provided by Subsection (c) or (d). (c) If a school district or campus is assigned an overall performance rating of D for two consecutive school years after the district or campus is ordered to develop and implement a targeted improvement plan under Subsection (a), the commissioner shall assign that district or campus an overall performance rating of F for the following school year unless, based on the performance of the district or campus in that following school year, the commissioner determines that the district or campus should be assigned a performance rating of C or higher.

(d) If a district or campus is assigned a domain performance rating of D for the same domain for two consecutive school years after the district or campus is ordered to develop and implement a targeted improvement plan under Subsection (a), the commissioner shall assign that district or campus a domain performance rating of F for that domain for the following school year unless, based on the performance of the district or campus in that following school year, the commissioner determines the district or campus should be assigned a performance rating of C or higher in that domain.

(e) The commissioner shall adopt rules as necessary to implement this section.