1-2   (In the Senate - Filed March 3, 2017; March 14, 2017, read
1-3 first time and referred to Committee on Education; May 1, 2017,
1-4 reported adversely, with favorable Committee Substitute by the
1-5 following vote: Yeas 10, Nays 0; May 1, 2017, sent to printer.)

1-6   COMMITTEE VOTE

1-7		Yea	Nay	Absent	PNV
1-8	Taylor of Galveston	X			
1-9	Lucio	X			
1-10	Bettencourt			X	
1-11	Campbell	X			
1-12	Hall	X			
1-13	Huffines	X			
1-14	Hughes	X			
1-15	Seliger	X			
1-16	Taylor of Collin	X			
1-17	Uresti	X			
1-18	West	X			

1-19 COMMITTEE SUBSTITUTE FOR S.B. No. 1318   By: Taylor of Collin

1-20   A BILL TO BE ENTITLED
1-21   AN ACT

1-22 relating to designation of mathematics innovation zones by the
1-23 commissioner of education and to the establishment of pay for
1-24 success programs to provide necessary funding.
1-25   BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
1-26   SECTION 1. Subchapter A, Chapter 28, Education Code, is
1-27 amended by adding Section 28.020 to read as follows:
1-28   Sec. 28.020. MATHEMATICS INNOVATION ZONES. (a) The
1-29 commissioner may:
1-30   (1) on application of a school district or
1-31 open-enrollment charter school, designate a campus of the district
1-32 or school as a mathematics innovation zone; and
1-33   (2) from funds appropriated or donated for purposes of
1-34 this section, award a grant to support implementation of innovative
1-35 mathematics instruction at the campus in accordance with this
1-36 section.
1-37   (a-1) The total amount of grants awarded under this section
1-38 during the state fiscal biennium ending August 31, 2019, may not
1-39 exceed $12.5 million. This subsection expires December 1, 2019.
1-40   (b) A campus designated as a mathematics innovation zone
1-41 must:
1-42   (1) implement with fidelity an innovative mathematics
1-43 instructional program approved by the commissioner for purposes of
1-44 this section that addresses the essential knowledge and skills of
1-45 the mathematics curriculum required by Section 28.002;
1-46   (2) comply with objectives, metrics, and other
1-47 mathematics innovation zone requirements imposed by the
1-48 commissioner through rules adopted under Subsection (g); and
1-49   (3) provide all data relating to the mathematics
1-50 innovation zone requested by the agency.
1-51   (c) A campus designated as a mathematics innovation zone is
1-52 not subject to interventions under the state accountability system
1-53 described by Section 39.107(a) or (e) for the first two years of the
1-54 designation, provided that the campus implements the instructional
1-55 program with fidelity and complies with each mathematics innovation
1-56 zone requirement to the satisfaction of the commissioner. The
1-57 period that a campus is exempt from interventions as provided by
1-58 this subsection is not:
1-59   (1) included in calculating consecutive school years
1-60 under Section 39.107(a) or (e); or

2-1   (2) considered a break in consecutive school years of
2-2 unacceptable ratings for purposes of determining the need for
2-3 intervention under Section 39.107(a) or (e).
2-4   (d) The commissioner may revoke designation of a campus as a
2-5 mathematics innovation zone and suspend associated grant funding if
2-6 the commissioner determines that the campus has failed to implement
2-7 the instructional program with fidelity or comply with any
2-8 requirement imposed under this section.
2-9   (e) A school district or open-enrollment charter school may
2-10 use a pay for success program approved by the commissioner under
2-11 Section 44.904 to pay costs associated with designation of a campus
2-12 as a mathematics innovation zone.
2-13   (f) The commissioner may accept gifts, grants, or donations
2-14 from any public or private source for purposes of this section.
2-15   (g) The commissioner may adopt rules as necessary to
2-16 administer this section.
2-17   (h) A decision or determination by the commissioner under
2-18 this section is final and may not be appealed.
2-19   SECTION 2. Subchapter Z, Chapter 44, Education Code, is
2-20 amended by adding Section 44.904 to read as follows:
2-21   Sec. 44.904. PAY FOR SUCCESS PROGRAMS.   (a) In this
2-22 section, "pay for success program" means a program involving
2-23 private financing under which payments are dependent on achievement
2-24 of measurable outcomes.
2-25   (b) The commissioner may:
2-26   (1) structure and approve pay for success programs for
2-27 use by a school district or open-enrollment charter school;
2-28   (2) evaluate and approve the following participants in
2-29 a pay for success program:
2-30   (A) a private investor;
2-31   (B) an education service provider; and
2-32   (C) a third-party evaluator; and
2-33   (3) require an approved participant to comply with the
2-34 objectives, metrics, and other pay for success program requirements
2-35 prescribed by the commissioner.
2-36   (c) In evaluating a potential participant under Subsection
2-37 (b)(2), the commissioner may:
2-38   (1) verify the availability and liquidity of the
2-39 investment funds of a private investor;
2-40   (2) evaluate the credentials and effectiveness of an
2-41 education service provider; and
2-42   (3) evaluate the credentials and independence of a
2-43 third-party evaluator.
2-44   (d) Notwithstanding any other law, a school district or
2-45 open-enrollment charter school that uses a pay for success program
2-46 approved by the commissioner is not subject to state procurement
2-47 requirements that would otherwise apply to the activity funded
2-48 through the program.
2-49   (e) The commissioner, the agency, and agency employees are
2-50 immune from liability for actions associated with the structuring,
2-51 approval, or implementation of a pay for success program.
2-52   (f) The commissioner may adopt rules as necessary to
2-53 implement this section.
2-54   SECTION 3. This Act takes effect September 1, 2017.

2-55   * * * * *