

AN ACT

relating to developmental coursework offered by public institutions of higher education under the Texas Success Initiative.

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

ARTICLE 1. TEXAS SUCCESS INITIATIVE

SECTION 1.01. Chapter 51, Education Code, is amended by adding Subchapter F-1, and a heading is added to that subchapter to read as follows:

SUBCHAPTER F-1. TEXAS SUCCESS INITIATIVE

SECTION 1.02. Sections 51.3062(a) and (a-1), Education Code, are transferred to Subchapter F-1, Chapter 51, Education Code, as added by this Act, redesignated as Section 51.331, Education Code, and amended to read as follows:

Sec. 51.331. DEFINITIONS. (a) The definitions provided by Section 61.003 apply to this subchapter [~~section~~].

(b) [(a-1)] In this subchapter [~~section~~]:

(1) "Basic academic skills education" means non-course competency-based developmental education programs and interventions designed for students whose performance falls significantly below college readiness standards.

(2) "Program evaluation" means a systematic method of collecting, analyzing, and using information to answer questions about developmental education courses, interventions, and

1 policies, particularly about their effectiveness and
2 cost-efficiency.

3 SECTION 1.03. Section 51.3062(r), Education Code, is
4 transferred to Subchapter F-1, Chapter 51, Education Code, as added
5 by this Act, redesignated as Section 51.332, Education Code, and
6 amended to read as follows:

7 Sec. 51.332. APPLICABILITY. [~~r~~] This subchapter
8 [~~section~~] does not apply to:

9 (1) a student who has graduated with an associate or
10 baccalaureate degree from an institution of higher education;

11 (2) a student who transfers to an institution of
12 higher education from a private or independent institution of
13 higher education or an accredited out-of-state institution of
14 higher education and who has satisfactorily completed
15 college-level coursework;

16 (3) a student who is enrolled in a certificate program
17 of one year or less at a public junior college, a public technical
18 institute, or a public state college;

19 (4) a student who is serving on active duty as a member
20 of:

21 (A) the armed forces of the United States; or

22 (B) the Texas National Guard;

23 (5) a student who is currently serving as and, for at
24 least the three-year period preceding enrollment, has served as a
25 member of a reserve component of the armed forces of the United
26 States; or

27 (6) a student who on or after August 1, 1990, was

1 honorably discharged, retired, or released from:

2 (A) active duty as a member of the armed forces of
3 the United States or the Texas National Guard; or

4 (B) service as a member of a reserve component of
5 the armed forces of the United States.

6 SECTION 1.04. Section 51.3062(b), Education Code, is
7 transferred to Subchapter F-1, Chapter 51, Education Code, as added
8 by this Act, redesignated as Section 51.333, Education Code, and
9 amended to read as follows:

10 Sec. 51.333. COLLEGE READINESS ASSESSMENT REQUIRED. (a)
11 [~~(b)~~] An institution of higher education shall, using an
12 assessment instrument designated by the board under Section 51.334,
13 assess the academic skills of each entering undergraduate student
14 to determine the student's readiness to enroll in freshman-level
15 academic coursework.

16 (b) An institution of higher education may not use the
17 assessment required under this section or the results of the
18 assessment as a condition of admission to the institution.

19 SECTION 1.05. Sections 51.3062(c), (f), and (f-1),
20 Education Code, are transferred to Subchapter F-1, Chapter 51,
21 Education Code, as added by this Act, redesignated as Section
22 51.334, Education Code, and amended to read as follows:

23 Sec. 51.334. ASSESSMENT INSTRUMENTS. (a) [~~(c)~~] The board
24 shall designate one or more instruments for use by institutions of
25 higher education in assessing students under this subchapter [~~this~~
26 ~~section~~].

27 (b) [~~(f)~~] Each assessment instrument designated by the

1 board for use under this subchapter [~~section~~] must be diagnostic in
2 nature and designed to assess a student's readiness to perform
3 freshman-level academic coursework. The board shall prescribe a
4 single standard or set of standards for each assessment instrument
5 to effectively measure student readiness as demonstrated by current
6 research.

7 (c) [~~(f-1)~~] For each assessment instrument designated by
8 the board for use under this subchapter [~~section~~], the board shall
9 prescribe a score below which a student is eligible for basic
10 academic skills education.

11 SECTION 1.06. Sections 51.3062(g) and (h), Education Code,
12 are transferred to Subchapter F-1, Chapter 51, Education Code, as
13 added by this Act, redesignated as Section 51.335, Education Code,
14 and reordered and amended to read as follows:

15 Sec. 51.335. COLLEGE READINESS ADVISING. (a) [~~(h)~~] If a
16 student fails to meet the assessment standards described by Section
17 51.334(b) [~~Subsection (f)~~], the institution of higher education
18 shall work with the student to develop a plan to assist the student
19 in becoming ready to perform freshman-level academic coursework.
20 The plan must be designed on an individual basis to provide the best
21 opportunity for each student to attain that readiness.

22 (b) [~~(g)~~] Each institution of higher education shall
23 establish a program to advise students regarding coursework and
24 other means by which students can develop the academic skills
25 required to successfully complete college-level work.

26 SECTION 1.07. Sections 51.3062(i), (i-2), and (t),
27 Education Code, are transferred to Subchapter F-1, Chapter 51,

1 Education Code, as added by this Act, redesignated as Section
2 51.336, Education Code, and amended to read as follows:

3 Sec. 51.336. DEVELOPMENTAL EDUCATION. (a) An ~~[(i) The]~~
4 institution of higher education may refer a student to
5 developmental coursework, including basic academic skills
6 education, as considered necessary by the institution to address a
7 student's deficiencies in the student's readiness to perform
8 freshman-level academic coursework, except that the institution
9 may not require enrollment in developmental coursework with respect
10 to a student previously determined under Section 51.338(d)
11 ~~[Subsection (g-1)]~~ or ~~[determined]~~ by any institution of higher
12 education to have met college-readiness standards.

13 (b) An institution of higher education that requires a
14 student to enroll in developmental coursework must offer a range of
15 developmental coursework, including online coursework, or
16 instructional support that includes the integration of technology
17 to efficiently address the particular developmental needs of the
18 student.

19 (c) Each institution of higher education shall develop and
20 implement for developmental coursework, other than adult basic
21 education or basic academic skills education, developmental
22 education using a corequisite model under which a student
23 concurrently enrolls in a developmental education course and a
24 freshman-level course in the same subject area for each subject
25 area for which the student is referred to developmental coursework.
26 Each institution shall ensure that at least 75 percent of the
27 institution's students enrolled in developmental coursework other

1 than adult basic education or basic academic skills education are
2 enrolled in developmental coursework described by this subsection.

3 (d) If a student fails to satisfactorily complete a
4 freshman-level course described by Subsection (c), the institution
5 of higher education shall:

6 (1) review the plan developed for the student under
7 Section 51.335(a) and, if necessary, work with the student to
8 revise the plan; and

9 (2) offer to the student a range of competency-based
10 education programs to assist the student in becoming ready to
11 perform freshman-level academic coursework in the applicable
12 subject area.

13 (e) [~~i-2~~] An institution of higher education must base
14 developmental coursework on research-based best practices that
15 include the following components:

16 (1) assessment;

17 (2) differentiated placement and instruction;

18 (3) faculty development;

19 (4) support services;

20 (5) program evaluation;

21 (6) integration of technology with an emphasis on
22 instructional support programs;

23 (7) non-course-based developmental education
24 interventions; and

25 (8) subject to the requirements of Subsection (c),

26 course pairing of developmental education courses with
27 credit-bearing courses.

1 (f) [~~(t)~~] To allow a student to complete any necessary
2 developmental coursework in the most efficient and cost-effective
3 manner, the board shall encourage institutions of higher education
4 to offer various types of developmental coursework that address
5 various levels of deficiency in readiness to perform college
6 coursework for which course credit may be earned, as determined on
7 the basis of assessments as described by Section 51.334 [~~Subsection~~
8 ~~(f)~~]. The types of developmental coursework may include:

- 9 (1) course-based programs;
- 10 (2) non-course-based programs, such as advising
11 programs;
- 12 (3) module format programs;
- 13 (4) competency-based education programs;
- 14 (5) basic academic skills education, if applicable to
15 the student; and

16 (6) subject to the requirements of Subsection
17 (c), programs under which the student is pairing or taking
18 concurrently a developmental education course and another course in
19 the same subject area for which course credit may be earned.

20 SECTION 1.08. Sections 51.3062(j) and (k), Education Code,
21 are transferred to Subchapter F-1, Chapter 51, Education Code, as
22 added by this Act, redesignated as Section 51.337, Education Code,
23 and amended to read as follows:

24 Sec. 51.337. REEVALUATION OF COLLEGE READINESS. (a)
25 [~~(j)~~] A student may retake an assessment instrument designated by
26 the board for use under this subchapter at any time to determine
27 readiness to perform freshman-level academic coursework.

1 (b) [~~(k)~~] An institution of higher education shall
2 determine when a student is ready to perform freshman-level
3 academic coursework. The institution must make its determination
4 using learning outcomes for developmental education courses
5 developed by the board based on established college and career
6 readiness standards and student performance on one or more
7 appropriate assessments.

8 SECTION 1.09. Sections 51.3062(p), (q), (q-1), (q-2), and
9 (s), Education Code, are transferred to Subchapter F-1, Chapter
10 51, Education Code, as added by this Act, redesignated as Section
11 51.338, Education Code, and reordered and amended to read as
12 follows:

13 Sec. 51.338. EXEMPTIONS. (a) [~~(s)~~] An institution of
14 higher education may exempt a non-degree-seeking or
15 non-certificate-seeking student from the requirements of this
16 subchapter [~~section~~].

17 (b) [~~(p)~~] A student who has achieved a score set by the
18 board on the SAT [~~Scholastic Assessment Test (SAT)~~] or ACT [~~the~~
19 ~~American College Test (ACT)~~] is exempt from the requirements of
20 this subchapter [~~section~~]. An exemption under this subsection is
21 effective for the five-year period following the date a student
22 takes the test and achieves the standard set by the board.

23 (c) [~~(q)~~] A student who has achieved scores set by the board
24 on the questions developed for end-of-course assessment
25 instruments under Section 39.0233(a) is exempt from the
26 requirements of this subchapter [~~section~~]. The exemption is
27 effective for the three-year period following the date a student

1 takes the last assessment instrument for purposes of this
2 subchapter [~~section~~] and achieves the standard set by the board.
3 This subsection does not apply during any period for which the board
4 designates the questions developed for end-of-course assessment
5 instruments under Section 39.0233(a) as the primary assessment
6 instrument under this subchapter [~~section~~], except that the
7 three-year period described by this subsection remains in effect
8 for students who qualify for an exemption under this subsection
9 before that period.

10 (d) [~~(g-1)~~] A student who has demonstrated the performance
11 standard for college readiness as provided by Section 28.008 on the
12 postsecondary readiness assessment instruments adopted under
13 Section 39.0238 for Algebra II and English III is exempt from the
14 requirements of this subchapter [~~section~~] with respect to those
15 content areas. The commissioner of higher education by rule shall
16 establish the period for which an exemption under this subsection
17 is valid.

18 (e) [~~(g-2)~~] A student who successfully completes a college
19 preparatory course under Section 28.014 is exempt from the
20 requirements of this subchapter [~~section~~] with respect to the
21 content area of the course, provided that the student satisfies the
22 requirements of Subsection (f) of this section. The exemption is
23 effective for the two-year period following the date the student
24 graduates from high school[, ~~and the student must enroll in the~~
25 ~~student's first college-level course in the exempted content area~~
26 ~~in the student's first year of enrollment in an institution of~~
27 ~~higher education. If the student earns less than a C in the~~

1 ~~student's first college-level course in the exempted content area,~~
2 ~~the institution shall advise the student of non-course-based~~
3 ~~options for becoming college ready, such as tutoring or accelerated~~
4 ~~learning].~~ The exemption applies only at the institution of higher
5 education that partners with the school district in which the
6 student is enrolled to provide the course, except that the
7 commissioner of higher education by rule may determine the manner
8 in which the exemption may be applied to institutions of higher
9 education other than the partnering institution.

10 (f) A student receiving an exemption under Subsection (e)
11 must enroll in a college-level course in the exempted content area
12 during the student's first year of enrollment at an institution of
13 higher education occurring after the student qualifies for the
14 exemption. If the student earns a grade below a "C" for the course,
15 the institution shall advise the student of non-course-based
16 options for attaining college readiness, such as tutoring or
17 accelerated learning.

18 (g) The board [~~Texas Higher Education Coordinating Board~~]
19 shall:

20 (1) collect and analyze data regarding the
21 effectiveness of college preparatory courses provided under
22 Section 28.014 in assisting students to become ready to perform
23 freshman-level academic coursework, as measured by the rate at
24 which students receiving an exemption under Subsection (e)
25 successfully complete the course described by Subsection (f); and

26 (2) in November of each even-numbered year, submit a
27 [~~students' successful completion of the first college-level course~~

1 ~~in the exempted content area. The board shall~~ report of the
 2 board's [its] findings to [~~all partnering institutions of higher~~
 3 ~~education and independent school districts of each college~~
 4 ~~preparatory course evaluated, as well as~~] the governor, the
 5 lieutenant governor, the speaker of the house of representatives,
 6 the standing legislative committees with primary jurisdiction over
 7 higher education, and each institution of higher education and
 8 school district that offers a college preparatory course under
 9 Section 28.014 [~~and the members of the House and Senate Committees~~
 10 ~~on Higher Education~~].

11 SECTION 1.10. Section 51.3062(i-4), Education Code, is
 12 transferred to Subchapter F-1, Chapter 51, Education Code, as added
 13 by this Act, redesignated as Section 51.339, Education Code, and
 14 amended to read as follows:

15 Sec. 51.339. PROFESSIONAL DEVELOPMENT FOR DEVELOPMENTAL
 16 EDUCATION. [~~(i-4)~~] The board, in consultation with institutions
 17 of higher education, shall develop and provide professional
 18 development programs, including instruction in differentiated
 19 instruction methods designed to address students' diverse learning
 20 needs, to faculty and staff who provide developmental coursework,
 21 including basic academic skills education, to students.

22 SECTION 1.11. Sections 51.3062(l) and (m), Education Code,
 23 are transferred to Subchapter F-1, Chapter 51, Education Code, as
 24 added by this Act, redesignated as Section 51.340, Education Code,
 25 and amended to read as follows:

26 Sec. 51.340. FUNDING. (a) [~~(1)~~] The legislature shall
 27 appropriate money for approved non-degree-credit developmental

1 courses, including basic academic skills education, except that
2 legislative appropriations may not be used for developmental
3 coursework taken by a student in excess of:

4 (1) for a general academic teaching institution:

5 (A) 9 semester credit hours; or

6 (B) 18 semester credit hours, if the
7 developmental coursework is English for speakers of other languages
8 ~~[for a general academic teaching institution]~~; and

9 (2) for a public junior college, public technical
10 institute, or public state college:

11 (A) 18 semester credit hours; or

12 (B) 27 semester credit hours, if the
13 developmental coursework is English for speakers of other languages
14 ~~[for a public junior college, public technical institute, or public~~
15 ~~state college]~~.

16 (b) ~~[(m)]~~ The board may develop formulas to supplement the
17 funding of developmental academic programs by institutions of
18 higher education, including formulas for supplementing the funding
19 of non-course-based programs. The board may develop a performance
20 funding formula by which institutions of higher education may
21 receive additional funding for each student who completes the
22 success initiative ~~[Success Initiative]~~ established under this
23 subchapter ~~[section]~~ and then successfully completes college
24 coursework. The legislature may appropriate the money required to
25 provide the additional funding under those formulas.

26 SECTION 1.12. Section 51.3062(n), Education Code, is
27 transferred to Subchapter F-1, Chapter 51, Education Code, as added

1 by this Act, redesignated as Section 51.341, Education Code, and
2 amended to read as follows:

3 Sec. 51.341. REPORT TO BOARD. [~~(n)~~] Each institution of
4 higher education, other than a medical and dental unit, shall
5 report annually to the board on the success of its students and the
6 effectiveness of its success initiative [~~Success Initiative~~].

7 SECTION 1.13. Section 51.3062(u), Education Code, is
8 transferred to Subchapter F-1, Chapter 51, Education Code, as added
9 by this Act, redesignated as Section 51.342, Education Code, and
10 amended to read as follows:

11 Sec. 51.342. REPORT TO SCHOOL DISTRICTS. [~~(u)~~] An
12 institution of higher education that administers an assessment
13 instrument to students under this subchapter [~~this section~~] shall
14 report to each school district from which assessed students
15 graduated high school all available information regarding student
16 scores and performance on the assessment instrument and student
17 demographics. [~~The board shall adopt rules as necessary to
18 implement this subsection, including rules for implementing this
19 subsection in a manner that complies with federal law regarding
20 confidentiality of student medical or educational information,
21 including the Health Insurance Portability and Accountability Act
22 of 1996 (42 U.S.C. Section 1320d et seq.) and the Family Educational
23 Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g), and any
24 state law relating to the privacy of student information.~~]

25 SECTION 1.14. Section 51.3062(o), Education Code, is
26 transferred to Subchapter F-1, Chapter 51, Education Code, as added
27 by this Act, redesignated as Section 51.343, Education Code, and

1 amended to read as follows:

2 Sec. 51.343. EVALUATION OF SUCCESS INITIATIVE. [~~(e)~~] The
3 board shall evaluate the effectiveness of the success initiative
4 [~~Success Initiative~~] on a statewide basis and with respect to each
5 institution of higher education.

6 SECTION 1.15. Sections 51.3062(i-1), (i-3), and (t-1),
7 Education Code, are transferred to Subchapter F-1, Chapter 51,
8 Education Code, as added by this Act, redesignated as Section
9 51.344, Education Code, and reordered and amended to read as
10 follows:

11 Sec. 51.344. RULES. (a) [~~(t-1)~~] The board may adopt rules
12 as necessary to implement this subchapter [~~section~~].

13 (b) [~~(i-1)~~] The board's rules [~~commissioner of higher~~
14 ~~education~~] may [~~by rule~~] require an institution of higher education
15 to adopt uniform standards for the placement of a student under this
16 subchapter [~~section~~].

17 (c) The board shall adopt rules to ensure that this
18 subchapter is administered in a manner that complies with federal
19 law regarding confidentiality of student medical or educational
20 information, including the Health Insurance Portability and
21 Accountability Act of 1996 (42 U.S.C. Section 1320d et seq.), the
22 Family Educational Rights and Privacy Act of 1974 (20 U.S.C.
23 Section 1232g), and any state law relating to the privacy of student
24 information.

25 (d) [~~(i-3)~~] The board shall adopt rules for the
26 implementation of Section 51.336(e) [~~Subsection (i-2)~~].

27 SECTION 1.16. The heading to Section 51.3062, Education

1 Code, is repealed.

2 SECTION 1.17. Each public institution of higher education
3 shall ensure that the institution's developmental coursework
4 complies with the requirements of Section 51.336(c), Education
5 Code, as added by this Act, according to the following schedule:

6 (1) for the 2018-2019 academic year, at least 25
7 percent of the institution's students enrolled in developmental
8 coursework other than adult basic education or basic academic
9 skills education must be enrolled in developmental coursework that
10 complies with those requirements;

11 (2) for the 2019-2020 academic year, at least 50
12 percent of the institution's students enrolled in developmental
13 coursework other than adult basic education or basic academic
14 skills education must be enrolled in developmental coursework that
15 complies with those requirements; and

16 (3) for the 2020-2021 academic year and each
17 subsequent academic year, at least 75 percent of the institution's
18 students enrolled in developmental coursework other than adult
19 basic education or basic academic skills education must be enrolled
20 in developmental coursework that complies with those requirements.

21 SECTION 1.18. Section 51.340(a), Education Code, as
22 transferred, redesignated, and amended from Section 51.3062(1),
23 Education Code, by this Act, applies beginning with the 2018-2019
24 academic year.

25 ARTICLE 2. CONFORMING AMENDMENTS

26 SECTION 2.01. Section 28.014(a), Education Code, is amended
27 to read as follows:

1 (a) Each school district shall partner with at least one
2 institution of higher education to develop and provide courses in
3 college preparatory mathematics and English language arts. The
4 courses must be designed:

5 (1) for students at the 12th grade level whose
6 performance on:

7 (A) an end-of-course assessment instrument
8 required under Section 39.023(c) does not meet college readiness
9 standards; or

10 (B) coursework, a college entrance examination,
11 or an assessment instrument designated under Section 51.334
12 [~~51.3062(e)~~] indicates that the student is not ready to perform
13 entry-level college coursework; and

14 (2) to prepare students for success in entry-level
15 college courses.

16 SECTION 2.02. Section 29.904(d), Education Code, is amended
17 to read as follows:

18 (d) A plan developed under this section:

19 (1) must establish clear, achievable goals for
20 increasing the percentage of the school district's graduating
21 seniors, particularly the graduating seniors attending a high
22 school described by Subsection (a), who enroll in an institution of
23 higher education for the academic year following graduation;

24 (2) must establish an accurate method of measuring
25 progress toward the goals established under Subdivision (1) that
26 may include the percentage of district high school students and the
27 percentage of students attending a district high school described

1 by Subsection (a) who:

2 (A) are enrolled in a course for which a student
3 may earn college credit, such as an advanced placement or
4 international baccalaureate course or a course offered through
5 concurrent enrollment in high school and at an institution of
6 higher education;

7 (B) are enrolled in courses that meet the
8 curriculum requirements for the distinguished level of achievement
9 under the foundation high school program as determined under
10 Section 28.025;

11 (C) have submitted a free application for federal
12 student aid (FAFSA);

13 (D) are exempt under Section 51.338 [~~51.3062(p)~~
14 ~~or (q)~~] from administration of an assessment instrument under
15 Subchapter F-1, Chapter 51, [Section 51.3062] or have performed
16 successfully on an assessment instrument under that subchapter
17 [~~Section 51.3062~~];

18 (E) graduate from high school;

19 (F) graduate from an institution of higher
20 education; and

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

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

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

26 SECTION 2.03. Section 39.0233(a), Education Code, is
27 amended to read as follows:

1 (a) The agency, in coordination with the Texas Higher
2 Education Coordinating Board, shall adopt a series of questions to
3 be included in an end-of-course assessment instrument administered
4 under Section 39.023(c) to be used for purposes of Subchapter F-1,
5 Chapter 51 [~~Section 51.3062~~]. The questions adopted under this
6 subsection must be developed in a manner consistent with any
7 college readiness standards adopted under Section [~~Sections~~]
8 39.233 and Subchapter F-1, Chapter 51 [~~51.3062~~].

9 SECTION 2.04. Section 39.025(a-1), Education Code, is
10 amended to read as follows:

11 (a-1) A student enrolled in a college preparatory
12 mathematics or English language arts course under Section 28.014
13 who satisfies the Texas Success Initiative (TSI) college readiness
14 benchmarks prescribed by the Texas Higher Education Coordinating
15 Board under Section 51.334 [~~51.3062(f)~~] on an assessment instrument
16 designated by the coordinating board [~~Texas Higher Education~~
17 ~~Coordinating Board~~] under that section [~~Section 51.3062(c)~~]
18 administered at the end of the college preparatory mathematics or
19 English language arts course satisfies the requirements concerning
20 and is exempt from the administration of the Algebra I or the
21 English I and English II end-of-course assessment instruments, as
22 applicable, as prescribed by Section 39.023(c), even if the student
23 did not perform satisfactorily on a previous administration of the
24 applicable end-of-course assessment instrument. A student who
25 fails to perform satisfactorily on the assessment instrument
26 designated by the coordinating board [~~Texas Higher Education~~
27 ~~Coordinating Board~~] under Section 51.334 [~~51.3062(c)~~] administered

1 as provided by this subsection may retake that assessment
2 instrument for purposes of this subsection or may take the
3 appropriate end-of-course assessment instrument.

4 SECTION 2.05. Sections 39.053(c) and (c-2), Education Code,
5 are amended to read as follows:

6 (c) School districts and campuses must be evaluated based on
7 five domains of indicators of achievement adopted under this
8 section that include:

9 (1) in the first domain, the results of:

10 (A) assessment instruments required under
11 Sections 39.023(a), (c), and (l), including the results of
12 assessment instruments required for graduation retaken by a
13 student, aggregated across grade levels by subject area, including:

14 (i) for the performance standard determined
15 by the commissioner under Section 39.0241(a), the percentage of
16 students who performed satisfactorily on the assessment
17 instruments, aggregated across grade levels by subject area; and

18 (ii) for the college readiness performance
19 standard as determined under Section 39.0241, the percentage of
20 students who performed satisfactorily on the assessment
21 instruments, aggregated across grade levels by subject area; and

22 (B) assessment instruments required under
23 Section 39.023(b), aggregated across grade levels by subject area,
24 including the percentage of students who performed satisfactorily
25 on the assessment instruments, as determined by the performance
26 standard adopted by the agency, aggregated across grade levels by
27 subject area;

1 (2) in the second domain:

2 (A) for assessment instruments under Subdivision
3 (1)(A):

4 (i) for the performance standard determined
5 by the commissioner under Section 39.0241(a), the percentage of
6 students who met the standard for annual improvement on the
7 assessment instruments, as determined by the commissioner by rule
8 or by the method for measuring annual improvement under Section
9 39.034, aggregated across grade levels by subject area; and

10 (ii) for the college readiness performance
11 standard as determined under Section 39.0241, the percentage of
12 students who met the standard for annual improvement on the
13 assessment instruments, as determined by the commissioner by rule
14 or by the method for measuring annual improvement under Section
15 39.034, aggregated across grade levels by subject area; and

16 (B) for assessment instruments under Subdivision
17 (1)(B), the percentage of students who met the standard for annual
18 improvement on the assessment instruments, as determined by the
19 commissioner by rule or by the method for measuring annual
20 improvement under Section 39.034, aggregated across grade levels by
21 subject area;

22 (3) in the third domain, the student academic
23 achievement differentials among students from different racial and
24 ethnic groups and socioeconomic backgrounds;

25 (4) in the fourth domain:

26 (A) for evaluating the performance of high school
27 campuses and districts that include high school campuses:

1 (i) dropout rates, including dropout rates
2 and district completion rates for grade levels 9 through 12,
3 computed in accordance with standards and definitions adopted by
4 the National Center for Education Statistics of the United States
5 Department of Education;

6 (ii) high school graduation rates, computed
7 in accordance with standards and definitions adopted in compliance
8 with the No Child Left Behind Act of 2001 (20 U.S.C. Section 6301 et
9 seq.);

10 (iii) the percentage of students who
11 successfully completed the curriculum requirements for the
12 distinguished level of achievement under the foundation high school
13 program;

14 (iv) the percentage of students who
15 successfully completed the curriculum requirements for an
16 endorsement under Section 28.025(c-1);

17 (v) the percentage of students who
18 completed a coherent sequence of career and technical courses;

19 (vi) the percentage of students who satisfy
20 the Texas Success Initiative (TSI) college readiness benchmarks
21 prescribed by the Texas Higher Education Coordinating Board under
22 Section 51.334 [~~51.3062(f)~~] on an assessment instrument in reading,
23 writing, or mathematics designated by the coordinating board [~~Texas~~
24 ~~Higher Education Coordinating Board~~] under that section [~~Section~~
25 ~~51.3062(c)~~];

26 (vii) the percentage of students who earn
27 at least 12 hours of postsecondary credit required for the

1 foundation high school program under Section 28.025 or to earn an
2 endorsement under Section 28.025(c-1);

3 (viii) the percentage of students who have
4 completed an advanced placement course;

5 (ix) the percentage of students who enlist
6 in the armed forces of the United States; and

7 (x) the percentage of students who earn an
8 industry certification;

9 (B) for evaluating the performance of middle and
10 junior high school and elementary school campuses and districts
11 that include those campuses:

12 (i) student attendance; and

13 (ii) for middle and junior high school
14 campuses:

15 (a) dropout rates, computed in the
16 manner described by Paragraph (A)(i); and

17 (b) the percentage of students in
18 grades seven and eight who receive instruction in preparing for
19 high school, college, and a career that includes information
20 regarding the creation of a high school personal graduation plan
21 under Section 28.02121, the distinguished level of achievement
22 described by Section 28.025(b-15), each endorsement described by
23 Section 28.025(c-1), college readiness standards, and potential
24 career choices and the education needed to enter those careers; and

25 (C) any additional indicators of student
26 achievement not associated with performance on standardized
27 assessment instruments determined appropriate for consideration by

1 the commissioner in consultation with educators, parents, business
2 and industry representatives, and employers; and

3 (5) in the fifth domain, three programs or specific
4 categories of performance related to community and student
5 engagement locally selected and evaluated as provided by Section
6 39.0546.

7 (c-2) The commissioner by rule shall determine a method by
8 which a student's performance may be included in determining the
9 performance rating of a school district or campus under Section
10 39.054 if, before the student graduates, the student:

11 (1) satisfies the Texas Success Initiative (TSI)
12 college readiness benchmarks prescribed by the Texas Higher
13 Education Coordinating Board under Section 51.334 [~~51.3062(f)~~] on
14 an assessment instrument designated by the coordinating board
15 [~~Texas Higher Education Coordinating Board~~] under that section
16 [~~Section 51.3062(c)~~]; or

17 (2) performs satisfactorily on an assessment
18 instrument under Section 39.023(c), notwithstanding Subsection (d)
19 of this section.

20 SECTION 2.06. Section 51.406(c), Education Code, is amended
21 to read as follows:

22 (c) A rule or policy of a state agency, including the Texas
23 Higher Education Coordinating Board, in effect on June 1, 2011,
24 that requires reporting by a university system or an institution of
25 higher education has no effect on or after September 1, 2013, unless
26 the rule or policy is affirmatively and formally readopted before
27 that date by formal administrative rule published in the Texas

1 Register and adopted in compliance with Chapter 2001, Government
2 Code. This subsection does not apply to:

3 (1) a rule or policy for which the authorizing statute
4 is listed in Subsection (b);

5 (2) a rule or policy for which the authorizing statute
6 is repealed on or before September 1, 2013, by legislation enacted
7 by the legislature that becomes law; or

8 (3) a report required under any of the following
9 provisions:

10 (A) Article 59.06(g)(1), Code of Criminal
11 Procedure;

12 (B) Section 51.005;

13 (C) Section 51.0051;

14 (D) Subchapter F-1 of this chapter [~~Section~~
15 ~~51.3062~~];

16 (E) Section 51.402;

17 (F) Section 56.039;

18 (G) [~~Section 61.051(k)~~];

19 [~~(H)~~] Section 61.059;

20 (H) [~~(I)~~] Section 62.095(b);

21 (I) [~~(J)~~] Section 62.098;

22 (J) [~~(K)~~] Section 411.187(b), Government Code;

23 (K) [~~(L)~~] Subchapter C, Chapter 606, Government
24 Code;

25 (L) [~~(M)~~] Subchapter E, Chapter 815, Government
26 Code; or

27 (M) [~~(N)~~] Chapter 1551, Insurance Code.

1 SECTION 2.07. Section 54.2001(b), Education Code, is
2 amended to read as follows:

3 (b) In determining whether a person has completed a number
4 of semester credit hours that is considered to be excessive for
5 purposes of Subsection (a)(2), semester credit hours completed
6 include transfer credit hours that count toward the person's
7 undergraduate degree or certificate program course requirements
8 but exclude:

9 (1) hours earned exclusively by examination;

10 (2) hours earned for a course for which the person
11 received credit toward the person's high school academic
12 requirements; and

13 (3) hours earned for developmental coursework that an
14 institution of higher education required the person to take under
15 Subchapter F-1, Chapter 51, [Section 51.3062] or under the ~~[former]~~
16 provisions of former Section 51.306 or former Section 51.3062.

17 SECTION 2.08. Section 56.3041(a), Education Code, is
18 amended to read as follows:

19 (a) To be eligible initially for a TEXAS grant, a person
20 graduating from high school on or after May 1, 2013, and enrolling
21 in an eligible institution must:

22 (1) be a resident of this state as determined by
23 coordinating board rules;

24 (2) meet the academic requirements prescribed by
25 Paragraph (A), (B), (C), or (D) as follows:

26 (A) be a graduate of a public or accredited
27 private high school in this state who completed the foundation high

1 school program established under Section 28.025 or its equivalent
2 and have accomplished any two or more of the following:

3 (i) successful completion of the course
4 requirements of the international baccalaureate diploma program or
5 earning of the equivalent of at least 12 semester credit hours of
6 college credit in high school through courses described in Sections
7 28.009(a)(1), (2), and (3);

8 (ii) satisfaction of the Texas Success
9 Initiative (TSI) college readiness benchmarks prescribed by the
10 coordinating board under Section 51.334 [~~51.3062(f)~~] on any
11 assessment instrument designated by the coordinating board under
12 that section [~~Section 51.3062(e)~~] or qualification for an exemption
13 as described by Section 51.338(b), (c), or (d) [~~51.3062(p), (q), or~~
14 ~~(q-1)~~];

15 (iii) graduation in the top one-third of
16 the person's high school graduating class or graduation from high
17 school with a grade point average of at least 3.0 on a four-point
18 scale or the equivalent; or

19 (iv) completion for high school credit of
20 at least one advanced mathematics course following the successful
21 completion of an Algebra II course or at least one advanced career
22 and technical or technology applications course;

23 (B) have received an associate degree from a
24 public or private institution of higher education;

25 (C) be an undergraduate student who has:

26 (i) previously attended another
27 institution of higher education;

1 (ii) received an initial Texas Educational
2 Opportunity Grant under Subchapter P for the 2014 fall semester or a
3 subsequent academic term;

4 (iii) completed at least 24 semester credit
5 hours at any institution or institutions of higher education; and

6 (iv) earned an overall grade point average
7 of at least 2.5 on a four-point scale or the equivalent on all
8 course work previously attempted; or

9 (D) if sufficient money is available, meet the
10 eligibility criteria described by Section 56.304(a)(2)(A);

11 (3) meet financial need requirements established by
12 the coordinating board;

13 (4) be enrolled in an undergraduate degree or
14 certificate program at an eligible institution;

15 (5) except as provided under rules adopted under
16 Section 56.304(h), be enrolled as:

17 (A) an entering undergraduate student for at
18 least three-fourths of a full course load, as determined by the
19 coordinating board, not later than the 16th month after the
20 calendar month in which the person graduated from high school;

21 (B) an entering undergraduate student who
22 entered military service not later than the first anniversary of
23 the date the person graduated from high school and who enrolled for
24 at least three-fourths of a full course load, as determined by the
25 coordinating board, at the eligible institution not later than 12
26 months after being honorably discharged from military service;

27 (C) a continuing undergraduate student for at

1 least three-fourths of a full course load, as determined by the
2 coordinating board, not later than the 12th month after the
3 calendar month in which the person received an associate degree
4 from a public or private institution of higher education; or

5 (D) an undergraduate student described by
6 Subdivision (2)(C) who has never previously received a TEXAS grant;

7 (6) have applied for any available financial aid or
8 assistance; and

9 (7) comply with any additional nonacademic
10 requirements adopted by the coordinating board under this
11 subchapter.

12 SECTION 2.09. Section [61.07611\(a\)](#), Education Code, is
13 amended to read as follows:

14 (a) To serve students who require developmental education
15 in an effective and cost-effective manner, the board shall develop
16 a statewide plan for developmental education to be provided under
17 Subchapter F-1, Chapter [51](#), [~~Section [51.3062](#)]~~ that:

18 (1) assigns primary responsibility for developmental
19 education to public junior colleges, public state colleges, and
20 public technical institutes; and

21 (2) provides for using technology, to the greatest
22 extent practicable consistent with best practices, to provide
23 developmental education to students.

24 SECTION 2.10. Section [315.004](#), Labor Code, is amended to
25 read as follows:

26 Sec. 315.004. ADULT EDUCATION ASSESSMENT. The commission
27 shall, in consultation with the Texas Higher Education Coordinating

1 Board and the Texas Education Agency, review the standardized
2 assessment mechanism required under Section 315.002(a)(7) and
3 recommend any changes necessary to align the assessment with the
4 assessments designated under Section 51.334 [~~51.3062~~], Education
5 Code, to allow for the proper placement of a student in an adult
6 basic education course or to provide the student with the proper
7 developmental or English as a second language coursework, as
8 appropriate.

9 ARTICLE 3. EFFECTIVE DATE

10 SECTION 3.01. This Act takes effect immediately if it
11 receives a vote of two-thirds of all the members elected to each
12 house, as provided by Section 39, Article III, Texas Constitution.
13 If this Act does not receive the vote necessary for immediate
14 effect, this Act takes effect September 1, 2017.

President of the Senate

Speaker of the House

I certify that H.B. No. 2223 was passed by the House on May 6, 2017, by the following vote: Yeas 144, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2223 was passed by the Senate on May 19, 2017, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor