

By: Buckley

H.B. No. 1

A BILL TO BE ENTITLED

AN ACT

1
2 relating to primary and secondary education, including the
3 certification, compensation, and health coverage of certain public
4 school employees, the public school finance system, special
5 education in public schools, the establishment of an education
6 savings account program, measures to support the education of
7 public school students that include certain educational grant
8 programs, reading instruction, and early childhood education, the
9 provision of virtual education, and public school accountability.

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

11 ARTICLE 1. CHANGES RELATED TO PUBLIC SCHOOL EDUCATORS EFFECTIVE FOR
12 2024-2025 SCHOOL YEAR

13 SECTION 1.01. Section 19.009(d-2), Education Code, is
14 amended to read as follows:

15 (d-2) Beginning with the 2009-2010 school year, the
16 district shall increase the [~~monthly~~] salary of each classroom
17 teacher, full-time speech pathologist, full-time librarian,
18 full-time school counselor certified under Subchapter B, Chapter
19 21, and full-time school nurse employed by the district by the
20 greater of:

21 (1) \$80 per month; or

22 (2) the maximum uniform amount per month that, when
23 combined with any resulting increases in the amount of
24 contributions made by the district for social security coverage for

1 the specified employees or by the district on behalf of the
2 specified employees under Section 825.405, Government Code, may be
3 provided using an amount equal to the product of \$60 multiplied by
4 the number of students in weighted average daily attendance in the
5 district during the 2009-2010 school year.

6 SECTION 1.02. Subchapter A, Chapter 21, Education Code, is
7 amended by adding Section 21.010 to read as follows:

8 Sec. 21.010. TEACHER POSITION DATA COLLECTION. The agency
9 shall collect data from school districts and open-enrollment
10 charter schools for the recruitment and retention of classroom
11 teachers, including the classification, grade level, subject area,
12 duration, and other relevant information regarding vacant teaching
13 positions in a district or school. The data may be collected using
14 the Public Education Information Management System (PEIMS) or
15 another reporting mechanism specified by the agency.

16 SECTION 1.03. Subchapter B, Chapter 21, Education Code, is
17 amended by adding Section 21.0411 to read as follows:

18 Sec. 21.0411. WAIVER OR PAYMENT OF CERTAIN EXAMINATION AND
19 CERTIFICATION FEES. (a) Notwithstanding a rule adopted under
20 Section 21.041(c), the board shall, for a person applying for a
21 certification to teach established under this subchapter, waive:

22 (1) a certification examination fee imposed by the
23 board for the first administration of the examination to the
24 person; and

25 (2) a fee associated with the application for
26 certification by the person.

27 (b) The board shall pay to a vendor that administers a

1 certification examination required for certification to teach
2 under this subchapter a fee assessed by that vendor for the
3 examination of a person applying for a certification to teach
4 established under this subchapter for the first administration of
5 the examination to the person.

6 SECTION 1.04. Section 21.054, Education Code, is amended by
7 amending Subsections (a) and (i) and adding Subsection (i-1) to
8 read as follows:

9 (a) The board shall propose rules establishing a process for
10 identifying continuing education courses and programs that fulfill
11 educators' continuing education requirements, including
12 opportunities for educators to receive micro-credentials, as
13 provided by Subsection (i), in:

14 (1) fields of study related to the educator's
15 certification class; or

16 (2) digital teaching [~~as provided by Subsection (i)~~].

17 (i) The board shall propose rules establishing a program to
18 issue micro-credentials in fields of study related to an educator's
19 certification class or in digital teaching. The agency shall
20 approve continuing education providers to offer micro-credential
21 courses. A micro-credential received by an educator shall be
22 recorded on the agency's Educator Certification Online System
23 (ECOS) and included as part of the educator's public certification
24 records.

25 (i-1) In proposing rules under Subsection (i) for
26 micro-credentials related to digital teaching, the board shall
27 engage relevant stakeholders.

1 SECTION 1.05. Section 21.105, Education Code, is amended by
2 amending Subsection (c) and adding Subsection (g) to read as
3 follows:

4 (c) Subject to Subsections (e), ~~and~~ (f), and (g), on
5 written complaint by the employing district, the State Board for
6 Educator Certification may impose sanctions against a teacher
7 employed under a probationary contract who:

8 (1) resigns;

9 (2) fails without good cause to comply with Subsection
10 (a) or (b); and

11 (3) fails to perform the contract.

12 (g) The State Board for Educator Certification may not
13 impose a sanction under Subsection (c) against a teacher who
14 relinquishes a position under a probationary contract and leaves
15 the employment of the district after the 45th day before the first
16 day of instruction for the upcoming school year in violation of
17 Subsection (a) and without the consent of the board of trustees
18 under Subsection (b) if the teacher's failure to comply with
19 Subsection (a) was due to:

20 (1) a serious illness or health condition of the
21 teacher or a close family member of the teacher;

22 (2) the teacher's relocation because the teacher's
23 spouse or a partner who resides with the teacher changes employers;

24 (3) a significant change in the needs of the teacher's
25 family in a manner that requires the teacher to:

26 (A) relocate; or

27 (B) forgo employment during a period of required

1 employment under the teacher's contract; or

2 (4) the teacher's reasonable belief that the teacher
3 had written permission from the school district's administration to
4 resign.

5 SECTION 1.06. Section 21.160, Education Code, is amended by
6 amending Subsection (c) and adding Subsection (g) to read as
7 follows:

8 (c) Subject to Subsections (e), ~~and~~ (f), and (g), on
9 written complaint by the employing district, the State Board for
10 Educator Certification may impose sanctions against a teacher who
11 is employed under a continuing contract that obligates the district
12 to employ the person for the following school year and who:

13 (1) resigns;

14 (2) fails without good cause to comply with Subsection
15 (a) or (b); and

16 (3) fails to perform the contract.

17 (g) The State Board for Educator Certification may not
18 impose a sanction under Subsection (c) against a teacher who
19 relinquishes a position under a continuing contract and leaves the
20 employment of the district after the 45th day before the first day
21 of instruction of the upcoming school year in violation of
22 Subsection (a) and without the consent of the board of trustees
23 under Subsection (b) if the teacher's failure to comply with
24 Subsection (a) was due to:

25 (1) a serious illness or health condition of the
26 teacher or a close family member of the teacher;

27 (2) the teacher's relocation because the teacher's

1 spouse or a partner who resides with the teacher changes employers;

2 (3) a significant change in the needs of the teacher's
3 family in a manner that requires the teacher to:

4 (A) relocate; or

5 (B) forgo employment during a period of required
6 employment under the teacher's contract; or

7 (4) the teacher's reasonable belief that the teacher
8 had written permission from the school district's administration to
9 resign.

10 SECTION 1.07. Section 21.210, Education Code, is amended by
11 amending Subsection (c) and adding Subsection (g) to read as
12 follows:

13 (c) Subject to Subsections (e), ~~and~~ (f), and (g), on
14 written complaint by the employing district, the State Board for
15 Educator Certification may impose sanctions against a teacher who
16 is employed under a term contract that obligates the district to
17 employ the person for the following school year and who:

18 (1) resigns;

19 (2) fails without good cause to comply with Subsection
20 (a) or (b); and

21 (3) fails to perform the contract.

22 (g) The State Board for Educator Certification may not
23 impose a sanction under Subsection (c) against a teacher who
24 relinquishes a position under a term contract and leaves the
25 employment of the district after the 45th day before the first day
26 of instruction of the upcoming school year in violation of
27 Subsection (a) and without the consent of the board of trustees

1 under Subsection (b) if the teacher's failure to comply with
2 Subsection (a) was due to:

3 (1) a serious illness or health condition of the
4 teacher or a close family member of the teacher;

5 (2) the teacher's relocation because the teacher's
6 spouse or a partner who resides with the teacher changes employers;

7 (3) a significant change in the needs of the teacher's
8 family in a manner that requires the teacher to:

9 (A) relocate; or

10 (B) forgo employment during a period of required
11 employment under the teacher's contract; or

12 (4) the teacher's reasonable belief that the teacher
13 had written permission from the school district's administration to
14 resign.

15 SECTION 1.08. Section 21.257, Education Code, is amended by
16 amending Subsection (a) and adding Subsection (f) to read as
17 follows:

18 (a) Except as provided by Subsection (f), not ~~Not~~ later
19 than the 60th day after the date on which the commissioner receives
20 a teacher's written request for a hearing, the hearing examiner
21 shall complete the hearing and make a written recommendation that:

22 (1) includes proposed findings of fact and conclusions
23 of law; and

24 (2) may include a proposal for granting relief.

25 (f) The hearing examiner may dismiss a hearing before
26 completing the hearing or making a written recommendation if:

27 (1) the teacher requests the dismissal;

1 (2) the school district withdraws the proposed
2 decision that is the basis of the hearing; or

3 (3) the teacher and school district request the
4 dismissal after reaching a settlement regarding the proposed
5 decision that is the basis of the hearing.

6 SECTION 1.09. Sections 21.3521(a), (c), and (e), Education
7 Code, are amended to read as follows:

8 (a) Subject to Subsection (b), a school district or
9 open-enrollment charter school may designate a classroom teacher as
10 a master, exemplary, ~~or~~ recognized, or acknowledged teacher for a
11 five-year period based on the results from single year or multiyear
12 appraisals that comply with Section 21.351 or 21.352.

13 (c) Notwithstanding performance standards established
14 under Subsection (b), a classroom teacher that holds a National
15 Board Certification issued by the National Board for Professional
16 Teaching Standards may be designated as nationally board certified
17 ~~[recognized]~~.

18 (e) The agency shall develop and provide technical
19 assistance for school districts and open-enrollment charter
20 schools that request assistance in implementing a local optional
21 teacher designation system, including:

22 (1) providing assistance in prioritizing high needs
23 campuses;

24 (2) providing examples or models of local optional
25 teacher designation systems to reduce the time required for a
26 district or school to implement a teacher designation system;

27 (3) establishing partnerships between districts and

1 schools that request assistance and districts and schools that have
2 implemented a teacher designation system;

3 (4) applying the performance and validity standards
4 established by the commissioner under Subsection (b);

5 (5) providing centralized support for the analysis of
6 the results of assessment instruments administered to district
7 students; and

8 (6) facilitating effective communication on and
9 promotion of local optional teacher designation systems.

10 SECTION 1.10. Subchapter H, Chapter 21, Education Code, is
11 amended by adding Section 21.3522 to read as follows:

12 Sec. 21.3522. LOCAL OPTIONAL TEACHER DESIGNATION SYSTEM
13 GRANT PROGRAM. (a) From funds appropriated or otherwise
14 available for the purpose, the agency shall establish and
15 administer a grant program to provide money and technical
16 assistance to:

17 (1) expand implementation of local optional teacher
18 designation systems under Section 21.3521; and

19 (2) increase the number of classroom teachers eligible
20 for a designation under that section.

21 (b) A grant awarded under this section must:

22 (1) meet the needs of individual school districts; and

23 (2) enable regional leadership capacity.

24 (c) The commissioner may adopt rules to establish and
25 administer the grant program under this section.

26 SECTION 1.11. Section 21.402, Education Code, is amended by
27 amending Subsections (a) and (g) and adding Subsections (a-1),

1 (c-2), (i), (j), and (k) to read as follows:

2 (a) Except as provided by Subsection (c-2) [~~(e-1) or (f)~~], a
3 school district must pay each employee who is employed as a
4 classroom teacher, full-time librarian, full-time school counselor
5 certified under Subchapter B, or full-time school nurse not less
6 than the highest annual minimum [~~minimum monthly~~] salary described
7 by the following schedule applicable to [~~based on~~] the employee's
8 certification, if any, and years [~~level~~] of experience:

9 (1) for an employee with less than five years of
10 experience who:

11 (A) holds no certification \$35,000;

12 (B) holds a teacher intern, teacher trainee, or
13 probationary certificate issued under Subchapter B . . . \$37,000;

14 (C) holds the base certificate required under
15 Section 21.003(a) for employment in the employee's position other
16 than a certificate described by Paragraph (B) \$40,000;

17 (D) holds a designation under Section 21.3521 . .
18 \$43,000; or

19 (E) holds a residency educator certificate or has
20 successfully completed a residency partnership program under
21 Subchapter R \$43,000;

22 (2) for an employee with at least five years of
23 experience who holds:

24 (A) no certification \$45,000;

25 (B) a teacher intern, teacher trainee, or
26 probationary certificate issued under Subchapter B . . . \$47,000;

27 (C) the base certificate required under Section

21.003(a) for employment in the employee's position other than a certificate described by Paragraph (B) \$50,000; or
(D) a designation under Section 21.3521
\$53,000; or

(3) for an employee with at least 10 years of experience who holds:

(A) no certification \$55,000;

(B) a teacher intern, teacher trainee, or probationary certificate issued under Subchapter B . . . \$57,000;

(C) the base certificate required under Section 21.003(a) for employment in the employee's position \$60,000; or

(D) a designation under Section 21.3521 \$63,000 ~~[in addition to other factors, as determined by commissioner rule, determined by the following formula:~~

$$[MS - SF \times FS$$

~~[where:~~

~~["MS" is the minimum monthly salary,~~

~~["SF" is the applicable salary factor specified by Subsection (c), and~~

~~["FS" is the amount, as determined by the commissioner under Subsection (b), of the basic allotment as provided by Section 48.051(a) or (b) for a school district with a maintenance and operations tax rate at least equal to the state maximum compressed tax rate, as defined by Section 48.051(a)].~~

(a-1) For purposes of Subsection (a), a full-time school nurse is considered to hold the base certificate required under

1 Section 21.003(a) for employment as a school nurse, regardless of
2 the other certifications held by the nurse.

3 (c-2) A school district is not required to pay an employee
4 who is employed as a classroom teacher, full-time librarian,
5 full-time school counselor certified under Subchapter B, or
6 full-time school nurse the minimum salary required under Subsection
7 (a) for the school year following a school year during which the
8 district reviews the employee's performance and finds the
9 employee's performance unsatisfactory.

10 (g) The commissioner may adopt rules to govern the
11 application of this section, including rules that:

12 (1) require the payment of a minimum salary under this
13 section to a person employed in more than one capacity for which a
14 minimum salary is provided and whose combined employment in those
15 capacities constitutes full-time employment; and

16 (2) specify the credentials a person must hold to be
17 considered a [~~speech pathologist or~~] school nurse under this
18 section.

19 (i) A school district that increases employee compensation
20 in the 2024-2025 school year to comply with Subsection (a), as
21 amended by .B. ____, 88th Legislature, 3rd Called Session, 2023, is
22 providing compensation for services rendered independently of an
23 existing employment contract applicable to that year and is not in
24 violation of Section 53, Article III, Texas Constitution. A school
25 district that does not meet the requirements of Subsection (a) in
26 the 2024-2025 school year may satisfy the requirements of this
27 section by providing an employee a one-time bonus payment during

1 the 2025-2026 school year in an amount equal to the difference
2 between the compensation earned by the employee during the
3 2024-2025 school year and the compensation the employee should have
4 received during that school year if the district had complied with
5 Subsection (a).

6 (j) Notwithstanding the minimum salary schedule under
7 Subsection (a), a school district that increases the amount a
8 classroom teacher, full-time librarian, full-time school counselor
9 certified under Subchapter B, or full-time school nurse is
10 compensated during the 2024-2025 school year by at least \$8,000
11 more than the amount the employee was compensated during the
12 2023-2024 school year complies with the requirements of this
13 section for the 2024-2025 school year.

14 (k) Subsections (i) and (j) and this subsection expire
15 September 1, 2027.

16 SECTION 1.12. The heading to Section 21.403, Education
17 Code, is amended to read as follows:

18 Sec. 21.403. DETERMINATION OF YEARS OF EXPERIENCE
19 [PLACEMENT ON MINIMUM SALARY SCHEDULE].

20 SECTION 1.13. Sections 21.403(b) and (c), Education Code,
21 are amended to read as follows:

22 (b) For each year of work experience required for
23 certification in a career or technological field, up to a maximum of
24 two years, a certified career or technology education teacher is
25 entitled to ~~[salary step]~~ credit as if the work experience were
26 teaching experience.

27 (c) The commissioner shall adopt rules for determining the

1 experience for which a teacher, librarian, school counselor, or
2 nurse is to be given credit for purposes of the minimum salary
3 schedule under Section 21.402(a) [~~in placing the teacher,~~
4 ~~librarian, school counselor, or nurse on the minimum salary~~
5 ~~schedule~~]. A district shall credit the teacher, librarian, school
6 counselor, or nurse for each year of experience without regard to
7 whether the years are consecutive.

8 SECTION 1.14. Subchapter I, Chapter 21, Education Code, is
9 amended by adding Sections 21.416 and 21.417 to read as follows:

10 Sec. 21.416. EMPLOYED RETIREE TEACHER REIMBURSEMENT GRANT
11 PROGRAM. (a) From funds appropriated or otherwise available, the
12 commissioner shall establish and administer a grant program to
13 award funds to reimburse a school district, an open-enrollment
14 charter school, the Windham School District, the Texas School for
15 the Deaf, or the Texas School for the Blind and Visually Impaired
16 that hires a teacher, including an educator who provides services
17 related to special education, who retired before September 1, 2022,
18 for the increased contributions to the Teacher Retirement System of
19 Texas associated with hiring the retired teacher.

20 (b) In appropriating money for grants awarded under this
21 section, the legislature may provide for, modify, or limit amounts
22 appropriated for that purpose in the General Appropriations Act,
23 including by:

24 (1) providing, notwithstanding Subsection (a), a date
25 or date range other than September 1, 2022, before which a teacher
26 must have retired for a school district, an open-enrollment charter
27 school, the Windham School District, the Texas School for the Deaf,

1 or the Texas School for the Blind and Visually Impaired that hires
2 the teacher to be eligible; or

3 (2) limiting eligibility to a school district or
4 open-enrollment charter school that hires a retired teacher:

- 5 (A) who holds a certain certification;
6 (B) to teach a certain subject or grade;
7 (C) in a certain geographical area; or
8 (D) to provide instruction to certain students,
9 including to students with disabilities.

10 (c) The commissioner shall proportionally reduce the amount
11 of funds awarded to school districts, open-enrollment charter
12 schools, the Windham School District, the Texas School for the
13 Deaf, and the Texas School for the Blind and Visually Impaired under
14 this section if the number of grant applications by eligible
15 districts or schools exceeds the number of grants the commissioner
16 could award with the money appropriated or otherwise available for
17 the purpose.

18 (d) A school district, an open-enrollment charter school,
19 the Windham School District, the Texas School for the Deaf, or the
20 Texas School for the Blind and Visually Impaired may use funds
21 received under this section to make required payments under Section
22 [825.4092](#), Government Code.

23 Sec. 21.417. ELECTION BY TEACHER TO USE UNPAID LEAVE. The
24 board of trustees of a school district shall adopt a policy that
25 provides a classroom teacher employed by the district the option to
26 elect not to take the teacher's paid personal leave concurrently
27 with unpaid leave the teacher is entitled to take under the Family

1 and Medical Leave Act of 1993 (29 U.S.C. Section 2601 et seq.) for
2 an absence due to pregnancy or the birth or adoption of a child.

3 SECTION 1.15. Section 21.4552(d), Education Code, is
4 amended to read as follows:

5 (d) From funds appropriated for that purpose, a teacher who
6 attends a literacy achievement academy is entitled to receive a
7 stipend in the amount determined by the commissioner. A stipend
8 received under this subsection is not considered in determining
9 whether a school district is paying the teacher the minimum
10 [~~monthly~~] salary under Section 21.402.

11 SECTION 1.16. Section 21.4553(d), Education Code, is
12 amended to read as follows:

13 (d) From funds appropriated for that purpose, a teacher who
14 attends a mathematics achievement academy is entitled to receive a
15 stipend in the amount determined by the commissioner. A stipend
16 received under this subsection is not considered in determining
17 whether a district is paying the teacher the minimum [~~monthly~~]
18 salary under Section 21.402.

19 SECTION 1.17. Section 21.4555(f), Education Code, is
20 amended to read as follows:

21 (f) From funds available for that purpose, a teacher who
22 attends a civics training program may receive a stipend in an amount
23 determined by the commissioner. A stipend received under this
24 section is not included in determining whether a district is paying
25 the teacher the minimum [~~monthly~~] salary under Section 21.402.

26 SECTION 1.18. Subchapter J, Chapter 21, Education Code, is
27 amended by adding Sections 21.466 and 21.467 to read as follows:

1 Sec. 21.466. TEACHER QUALITY ASSISTANCE. (a) From funds
2 appropriated or otherwise available for the purpose, the agency
3 shall develop training for and provide technical assistance to
4 school districts and open-enrollment charter schools regarding:

5 (1) strategic compensation, staffing, and scheduling
6 efforts that improve professional growth, teacher leadership
7 opportunities, and staff retention;

8 (2) programs that encourage high school students or
9 other members of the community in the area served by the district to
10 become teachers, including available teacher apprenticeship
11 programs; and

12 (3) programs or strategies that school leaders may use
13 to establish clear and attainable behavior expectations while
14 proactively supporting students.

15 (b) From funds appropriated or otherwise available, the
16 agency shall provide grants to school districts and open-enrollment
17 charter schools to implement initiatives developed under this
18 section.

19 Sec. 21.467. TEACHER TIME STUDY. (a) From funds
20 appropriated or otherwise available for the purpose, the agency
21 shall develop and maintain a technical assistance program to
22 support school districts and open-enrollment charter schools in:

23 (1) studying how the district's or school's staff and
24 student schedules, required noninstructional duties for classroom
25 teachers, and professional development requirements for educators
26 are affecting the amount of time classroom teachers work each week;
27 and

1 (2) refining the schedules for students or staff as
2 necessary to ensure teachers have sufficient time during normal
3 work hours to fulfill all job duties, including addressing the
4 needs of students.

5 (b) The agency shall periodically make findings and
6 recommendations for best practices publicly available using
7 information from participating school districts and
8 open-enrollment charter schools.

9 SECTION 1.19. Chapter 21, Education Code, is amended by
10 adding Subchapter R to read as follows:

11 SUBCHAPTER R. TEXAS TEACHER RESIDENCY PARTNERSHIP PROGRAM

12 Sec. 21.901. DEFINITIONS. In this subchapter:

13 (1) "Board" means the State Board for Educator
14 Certification.

15 (2) "Cooperating teacher" means a classroom teacher
16 who:

17 (A) has at least three full school years of
18 teaching experience with a superior record of assisting students in
19 achieving improvement in student performance;

20 (B) is employed by a school district or
21 open-enrollment charter school participating in a partnership
22 program under this subchapter and paired with a partnership
23 resident at the district or school; and

24 (C) provides coaching to a partnership resident
25 in the teacher's classroom.

26 (3) "Partnership program" means a Texas Teacher
27 Residency Partnership Program established at a school district or

1 open-enrollment charter school in accordance with this subchapter.

2 (4) "Partnership resident" means a person enrolled in
3 a qualified educator preparation program participating in a
4 partnership program as a candidate for educator certification.

5 (5) "Qualified educator preparation program" means an
6 educator preparation program approved in accordance with rules
7 proposed under Section 21.903.

8 Sec. 21.902. ESTABLISHMENT OF PARTNERSHIP PROGRAM. (a)
9 The commissioner shall establish the Texas Teacher Residency
10 Partnership Program to enable qualified educator preparation
11 programs to form partnerships with school districts or
12 open-enrollment charter schools to provide residency positions to
13 partnership residents at the district or school.

14 (b) The partnership program must be designed to:

15 (1) allow partnership residents to receive
16 field-based experience working with cooperating teachers in
17 prekindergarten through grade 12 classrooms; and

18 (2) gradually increase the amount of time a
19 partnership resident spends engaging in instructional
20 responsibilities, including observation, co-teaching, and
21 lead-teaching responsibilities.

22 Sec. 21.903. QUALIFIED EDUCATOR PREPARATION PROGRAMS. The
23 board shall propose rules specifying the requirements for board
24 approval of an educator preparation program as a qualified educator
25 preparation program for purposes of this subchapter. The rules
26 must require an educator preparation program to:

27 (1) use research-based best practices for recruiting

1 and admitting candidates into the educator preparation program to
2 participate in the partnership program;

3 (2) integrate curriculum, classroom practice, and
4 formal observation and feedback;

5 (3) use multiple assessments to measure a partnership
6 resident's progress in the partnership program; and

7 (4) partner with a school district or open-enrollment
8 charter school.

9 Sec. 21.904. REQUIREMENTS FOR PARTICIPATING DISTRICTS AND
10 SCHOOLS. (a) A school district or open-enrollment charter school
11 participating in the partnership program shall:

12 (1) enter into a written agreement with a qualified
13 educator preparation program to:

14 (A) provide a partnership resident with at least
15 one school year of clinical teaching in a residency position at the
16 district or school in the subject area and grade level for which the
17 resident seeks certification; and

18 (B) pair the partnership resident with a
19 cooperating teacher;

20 (2) specify the amount of money the district receives
21 under Section 48.157 that the district will provide to the program;

22 (3) only use money received under Section 48.157 to:

23 (A) implement the partnership program;

24 (B) provide compensation to:

25 (i) partnership residents in residency
26 positions at the district or school; and

27 (ii) cooperating teachers who are paired

1 with partnership residents at the district or school; and

2 (C) provide an amount equal to at least 10
3 percent of the funding received by the district or school to the
4 qualified educator preparation program with which the district or
5 school partners;

6 (4) pay at least 50 percent of the compensation paid to
7 partnership residents using money other than money received under
8 Section 48.157; and

9 (5) provide any information required by the agency
10 regarding the district's or school's implementation of the program.

11 (b) A school district or open-enrollment charter school may
12 only pair a partnership resident with a cooperating teacher who
13 agrees to participate in that role in a partnership program at the
14 district or school partnership program.

15 (c) A partnership resident may not serve as a teacher of
16 record, as that term is defined by Section 21.051.

17 Sec. 21.905. RESIDENCY EDUCATOR CERTIFICATE. The board
18 shall propose rules specifying the requirements for the issuance of
19 a residency educator certificate to a candidate who has
20 successfully completed a qualified educator preparation program
21 under Section 21.903. The rules may not require the resident to
22 pass a pedagogy examination unless the examination tests
23 subject-specific content appropriate for the grade and subject area
24 for which the candidate seeks certification.

25 Sec. 21.906. AGENCY SUPPORT. The agency shall provide
26 technical assistance, planning, and support to school districts,
27 open-enrollment charter schools, and qualified educator

1 preparation programs, which must include:

2 (1) providing model forms and agreements a district,
3 school, or educator preparation program may use to comply with the
4 requirements of this subchapter; and

5 (2) support for district and school strategic staffing
6 and compensation models to incentivize participation in a
7 partnership program.

8 Sec. 21.907. AUTHORITY TO ACCEPT CERTAIN FUNDS. The
9 commissioner may solicit and accept gifts, grants, and donations
10 from public and private entities to use for the purposes of this
11 subchapter.

12 Sec. 21.908. RULES; NEGOTIATED RULEMAKING COMMITTEE. (a)
13 The board shall propose rules necessary to implement this
14 subchapter, including, subject to Subsection (b), rules under
15 Sections 21.903 and 21.905.

16 (b) In using negotiated rulemaking procedures under Chapter
17 2008, Government Code, for any proposed rule related to the
18 implementation of Section 21.903 or 21.905, the board must appoint
19 to the negotiated rulemaking committee persons representing
20 institutions of higher education, as defined by Section 61.003.

21 (c) The commissioner shall adopt rules as necessary to
22 implement this subchapter after considering the recommendations of
23 the negotiated rulemaking committee appointed under Subsection
24 (b).

25 SECTION 1.20. Section 29.153(b), Education Code, is amended
26 to read as follows:

27 (b) A child is eligible for enrollment in a prekindergarten

1 class under this section if the child is at least three years of age
2 and:

3 (1) is unable to speak and comprehend the English
4 language;

5 (2) is educationally disadvantaged;

6 (3) is homeless, regardless of the residence of the
7 child, of either parent of the child, or of the child's guardian or
8 other person having lawful control of the child;

9 (4) is the child of an active duty member of the armed
10 forces of the United States, including the state military forces or
11 a reserve component of the armed forces, who is ordered to active
12 duty by proper authority;

13 (5) is the child of a member of the armed forces of the
14 United States, including the state military forces or a reserve
15 component of the armed forces, who was injured or killed while
16 serving on active duty;

17 (6) is or ever has been in:

18 (A) the conservatorship of the Department of
19 Family and Protective Services following an adversary hearing held
20 as provided by Section [262.201](#), Family Code; or

21 (B) foster care in another state or territory, if
22 the child resides in this state; ~~[or]~~

23 (7) is the child of a person eligible for the Star of
24 Texas Award as:

25 (A) a peace officer under Section [3106.002](#),
26 Government Code;

27 (B) a firefighter under Section [3106.003](#),

1 Government Code; or

2 (C) an emergency medical first responder under
3 Section 3106.004, Government Code; or

4 (8) is the child of a person employed as a classroom
5 teacher at a public primary or secondary school in the school
6 district that offers a prekindergarten class under this section.

7 SECTION 1.21. Section 30.102(b), Education Code, is amended
8 to read as follows:

9 (b) A classroom teacher, full-time librarian, full-time
10 school counselor certified under Subchapter B, Chapter 21, or
11 full-time school nurse employed by the department is entitled to
12 receive as a minimum salary the [~~monthly~~] salary specified by
13 Section 21.402. A classroom teacher, full-time librarian,
14 full-time school counselor, or full-time school nurse may be paid,
15 from funds appropriated to the department, a salary in excess of the
16 minimum specified by that section, but the salary may not exceed the
17 rate of pay for a similar position in the public schools of an
18 adjacent school district.

19 SECTION 1.22. Section 33.009(h), Education Code, is amended
20 to read as follows:

21 (h) From funds appropriated for that purpose, a school
22 counselor who attends the academy under this section is entitled to
23 receive a stipend in the amount determined by the coordinating
24 board. If funds are available after all eligible school counselors
25 have received a stipend under this subsection, the coordinating
26 board shall pay a stipend in the amount determined by the
27 coordinating board to a teacher who attends the academy under this

1 section. A stipend received under this subsection is not
2 considered in determining whether a district is paying the school
3 counselor or teacher the minimum [~~monthly~~] salary under Section
4 21.402.

5 SECTION 1.23. Sections 48.112(c) and (d), Education Code,
6 are amended to read as follows:

7 (c) For each classroom teacher with a teacher designation
8 under Section 21.3521 employed by a school district, the school
9 district is entitled to an allotment equal to the following
10 applicable base amount increased by the high needs and rural factor
11 as determined under Subsection (d):

12 (1) \$12,000, or an increased amount not to exceed
13 \$36,000 [~~\$32,000~~] as determined under Subsection (d), for each
14 master teacher;

15 (2) \$9,000 [~~\$6,000~~], or an increased amount not to
16 exceed \$25,000 [~~\$18,000~~] as determined under Subsection (d), for
17 each exemplary teacher; [~~and~~]

18 (3) \$5,000 [~~\$3,000~~], or an increased amount not to
19 exceed \$15,000 [~~\$9,000~~] as determined under Subsection (d), for
20 each recognized teacher; and

21 (4) \$3,000, or an increased amount not to exceed
22 \$9,000 as determined under Subsection (d), for each:

23 (A) acknowledged teacher; or

24 (B) teacher designated as nationally board
25 certified.

26 (d) The high needs and rural factor is determined by
27 multiplying the following applicable amounts by the average of the

1 point value assigned to each student at a district campus under
2 Subsection (e):

- 3 (1) \$6,000 [~~\$5,000~~] for each master teacher;
- 4 (2) \$4,000 [~~\$3,000~~] for each exemplary teacher; [~~and~~]
- 5 (3) \$2,500 [~~\$1,500~~] for each recognized teacher; and
- 6 (4) \$1,500 for each:
 - 7 (A) acknowledged teacher; or
 - 8 (B) teacher designated as nationally board
 - 9 certified.

10 SECTION 1.24. Subchapter D, Chapter 48, Education Code, is
11 amended by adding Section 48.157 to read as follows:

12 Sec. 48.157. RESIDENCY PARTNERSHIP ALLOTMENT. (a) In this
13 section, "partnership program" and "partnership resident" have the
14 meanings assigned by Section 21.901.

15 (b) For each partnership resident employed at a school
16 district in a residency position under Subchapter R, Chapter 21,
17 the district is entitled to an allotment equal to a base amount of
18 \$22,000 increased by the high needs and rural factor, as determined
19 under Subsection (c), to an amount not to exceed \$42,000.

20 (c) The high needs and rural factor is determined by
21 multiplying \$5,000 by the lesser of:

22 (1) the average of the point value assigned to each
23 student at a district campus under Sections 48.112(e) and (f); or

24 (2) 4.0.

25 (d) In addition to the funding under Subsection (b), a
26 district that qualifies for an allotment under this section is
27 entitled to an additional \$2,000 for each partnership resident

1 employed in a residency position at the district who is a candidate
2 for special education or bilingual education certification.

3 (e) The Texas School for the Deaf and the Texas School for
4 the Blind and Visually Impaired are entitled to an allotment under
5 this section. If the commissioner determines that assigning point
6 values under Subsection (c) to students enrolled in the Texas
7 School for the Deaf or the Texas School for the Blind and Visually
8 Impaired is impractical, the commissioner may use the average point
9 value assigned for those students' home districts for purposes of
10 calculating the high needs and rural factor.

11 SECTION 1.25. Subchapter F, Chapter 48, Education Code, is
12 amended by adding Section 48.280 to read as follows:

13 Sec. 48.280. SALARY TRANSITION ALLOTMENT. (a) A school
14 district is entitled to receive an annual salary transition
15 allotment equal to the number of employees on the minimum salary
16 schedule under Section 21.402 for the applicable school year
17 multiplied by the difference, if that amount is greater than zero,
18 between:

- 19 (1) the amount calculated under Subsection (b); and
20 (2) the amount calculated under Subsection (c).

21 (b) The agency shall calculate a school district's value for
22 Subsection (a)(1) by determining the difference between:

- 23 (1) the amount the district must pay in compensation
24 for the current school year for employees on the minimum salary
25 schedule under Section 21.402, as amended by H.B. ____, 88th
26 Legislature, 3rd Called Session, 2023, divided by the total number
27 of employees on the minimum salary schedule under that section for

1 that school year; and

2 (2) the amount paid in compensation for the 2023-2024
3 school year for employees on the minimum salary schedule under
4 Section 21.402 divided by the total number of employees on the
5 minimum salary schedule under that section for that school year.

6 (c) The agency shall calculate a school district's value for
7 Subsection (a)(2) by determining the difference between:

8 (1) the total maintenance and operations revenue for
9 the current school year divided by the total number of employees on
10 the minimum salary schedule under Section 21.402 for that school
11 year; and

12 (2) the total maintenance and operations revenue that
13 would have been available to the district for the current school
14 year using the basic allotment formula provided by Section 48.051
15 and the small and mid-sized allotment formulas provided by Section
16 48.101 as those sections existed on January 1, 2023, divided by the
17 total number of employees on the minimum salary schedule under
18 Section 21.402 for that school year.

19 (d) In calculating the values under this section for a
20 school district or open-enrollment charter school to which Section
21 21.402 does not apply, the agency shall include as employees on the
22 minimum salary schedule under that section employees of the
23 district or school who would have been on the minimum salary
24 schedule under that section if the district or school were a school
25 district to which that section applies.

26 (e) Before making a final determination of the amount of an
27 allotment to which a school district is entitled under this

1 section, the agency shall ensure each school district has an
2 opportunity to review and submit revised information to the agency
3 for purposes of calculating the values under Subsection (a).

4 (f) For purposes of this section, "compensation" includes
5 contributions made to the Teacher Retirement System of Texas under
6 Sections 825.4035 and 825.405, Government Code.

7 SECTION 1.26. The following provisions are repealed:

8 (1) Sections 21.402(b), (c), (c-1), (f), and (h),
9 Education Code;

10 (2) Sections 21.403(a) and (d), Education Code;

11 (3) Subchapter Q, Chapter 21, Education Code;

12 (4) Section 48.114(b), Education Code; and

13 (5) Section 825.4092(f), Government Code.

14 SECTION 1.27. Not later than September 1, 2026, the
15 commissioner of education, with the assistance of the executive
16 director of the Teacher Retirement System of Texas and the
17 comptroller of public accounts, shall make recommendations to the
18 legislature to improve and coordinate pension contribution
19 appropriations for public school employees.

20 SECTION 1.28. Section 21.257(f), Education Code, as added
21 by this article, applies only to a hearing before a hearing examiner
22 commenced on or after the effective date of this article.

23 SECTION 1.29. Immediately following the effective date of
24 this article, a school district or open-enrollment charter school
25 shall redesignate a teacher who holds a designation made under
26 Section 21.3521, Education Code, before the effective date of this
27 article, to reflect the teacher's designation under Section

1 21.3521, Education Code, as amended by this article. Funding
2 provided to a school district under Section 48.112, Education Code,
3 for a teacher who held a designation made under Section 21.3521,
4 Education Code, as that section existed immediately before the
5 effective date of this article, shall be increased to reflect the
6 teacher's redesignation under Section 21.3521, Education Code, as
7 amended by this article.

8 SECTION 1.30. Notwithstanding Section 21.903, Education
9 Code, as added by this article, until the State Board for Educator
10 Certification adopts rules specifying the requirements for
11 approval of an educator preparation program as a qualified educator
12 preparation program as required by that section, the commissioner
13 of education may approve a program as a qualified educator
14 preparation program for purposes of Subchapter R, Chapter 21,
15 Education Code, as added by this article, if the commissioner
16 determines that the program meets the requirements under Section
17 21.903, Education Code, as added by this article. An educator
18 preparation program's designation as a qualified educator
19 preparation program by the commissioner under this section remains
20 effective until the first anniversary of the earliest effective
21 date of a rule adopted by the State Board for Educator Certification
22 under Section 21.903, Education Code, as added by this article.

23 SECTION 1.31. This article takes effect September 1, 2024.

24 ARTICLE 2. CHANGES RELATED TO PUBLIC SCHOOL FINANCE EFFECTIVE FOR
25 2023-2024 SCHOOL YEAR

26 SECTION 2.01. Section 12.106, Education Code, is amended by
27 amending Subsection (d) and adding Subsections (d-1) and (d-2) to

1 read as follows:

2 (d) Subject to Subsection (e), in addition to other amounts
3 provided by this section, a charter holder is entitled to receive,
4 for the open-enrollment charter school, funding per student in
5 average daily attendance in an amount equal to the guaranteed level
6 of state and local funds per student per cent of tax effort under
7 Section 46.032(a) multiplied by the lesser of:

8 (1) the state average interest and sinking fund tax
9 rate imposed by school districts for the current year; or

10 (2) a rate that would result in a total amount to which
11 charter schools are entitled under this subsection for the current
12 year equal to \$300 [~~\$60~~] million or a greater amount provided by
13 appropriation.

14 (d-1) Notwithstanding Subsection (d)(2), the total amount
15 that may be used to provide allotments under Subsection (d) may not
16 exceed:

17 (1) for the 2023-2024 school year, \$108 million;

18 (2) for the 2024-2025 school year, \$156 million;

19 (3) for the 2025-2026 school year, \$204 million; and

20 (4) for the 2026-2027 school year, \$252 million.

21 (d-2) Subsection (d-1) and this subsection expire September
22 1, 2028.

23 SECTION 2.02. Subchapter 7, Chapter 29, Education Code, is
24 amended by adding Section 29.935 to read as follows:

25 Sec. 29.935. UNIVERSITY OF TEXAS MCDONALD OBSERVATORY
26 EDUCATION AND OUTREACH GRANT. (a) From money appropriated for the
27 Foundation School Program or otherwise made available for purposes

1 of this section, the commissioner shall transfer the amount of \$10
2 million to The University of Texas at Austin to enhance education
3 outreach and visitor experiences and engagement, particularly for
4 students and educators, at The University of Texas McDonald
5 Observatory at Mount Locke.

6 (b) Funds transferred under this section may only be used by
7 The University of Texas McDonald Observatory at Mount Locke to:

8 (1) install new exhibits and renovate existing
9 exhibits;

10 (2) modernize self-guided tours with the integration
11 of technology;

12 (3) renovate and upgrade the observatory's theater and
13 facilities;

14 (4) leverage technology to create first-class virtual
15 experiences; and

16 (5) design in-person and virtual engagements for all
17 ages with special consideration given to students and educators.

18 (c) The commissioner shall adopt rules as necessary to
19 implement this section.

20 (d) This section expires September 1, 2025.

21 SECTION 2.03. Section 30.003, Education Code, is amended by
22 amending Subsections (b) and (f-1) and adding Subsection (b-1) to
23 read as follows:

24 (b) If the student is admitted to the school for a full-time
25 program for the equivalent of two long semesters, the district's
26 share of the cost is an amount equal to the dollar amount of
27 maintenance and debt service taxes imposed by the district for that

1 year, subject to Subsection (b-1), divided by the district's
2 average daily attendance for the preceding year.

3 (b-1) For purposes of Subsection (b), the commissioner
4 shall reduce the dollar amount of maintenance and debt service
5 taxes imposed by the district for a year by the amount, if any, by
6 which the district is required to reduce the district's local
7 revenue level under Section 48.257 for that year.

8 (f-1) The commissioner shall determine the total amount
9 that the Texas School for the Blind and Visually Impaired and the
10 Texas School for the Deaf would have received from school districts
11 in accordance with this section if the following provisions had not
12 reduced the districts' share of the cost of providing education
13 services:

14 (1) H.B. No. 1, Acts of the 79th Legislature, 3rd
15 Called Session, 2006;

16 (2) Subsection (b-1) of this section;

17 (3) Section 45.0032;

18 (4) [~~3~~] Section 48.255; and

19 (5) [~~4~~] Section 48.2551.

20 SECTION 2.04. Subchapter B, Chapter 38, Education Code, is
21 amended by adding Section 38.0631 to read as follows:

22 Sec. 38.0631. TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER
23 TEXAS SCHOOL-BASED HEALTH CENTERS GRANT. (a) From money
24 appropriated for the Foundation School Program or otherwise made
25 available for purposes of this section and in addition to other
26 grants available under this subchapter, the commissioner shall
27 transfer the amount of \$20 million to the Texas Tech University

1 Health Sciences Center to enhance the provision of telehealth
2 services to public school students who receive services from
3 school-based health centers located in partner schools that
4 participate in the Texas Child Health Access through Telemedicine
5 program operated by the Texas Child Mental Health Care Consortium
6 established under Chapter 113, Health and Safety Code.

7 (b) Funds transferred under this section may only be used by
8 the Texas Tech University Health Sciences Center to:

9 (1) establish health care delivery infrastructure to
10 provide public school students the option of virtual health care
11 clinic visits during school hours;

12 (2) develop a network of health care providers to
13 facilitate direct access for public school students to health care
14 providers through telehealth platforms; and

15 (3) establish partnerships with school districts.

16 (c) The commissioner shall adopt rules as necessary to
17 implement this section.

18 (d) This section expires September 1, 2025.

19 SECTION 2.05. Sections 48.005(b), (e), and (f), Education
20 Code, are amended to read as follows:

21 (b) A school district that experiences a decline of more
22 than five [~~two~~] percent [~~or more~~] in average daily attendance shall
23 be funded on the basis of [~~+~~

24 [~~(1) the actual average daily attendance of the~~
25 ~~preceding school year, if the decline is the result of the closing~~
26 ~~or reduction in personnel of a military base, or~~

27 [~~(2) subject to Subsection (e),~~] an average daily

1 attendance of 95 [~~not to exceed 98~~] percent of the actual average
2 daily attendance of the preceding school year[, ~~if the decline is~~
3 ~~not the result of the closing or reduction in personnel of a~~
4 ~~military base~~].

5 (e) For each school year, the commissioner shall adjust the
6 average daily attendance of school districts that are entitled to
7 funding on the basis of an adjusted average daily attendance under
8 Subsection (b) [~~(b)(2)~~] so that:

9 (1) all districts are funded on the basis of the same
10 percentage of the preceding year's actual average daily attendance;
11 and

12 (2) the total cost to the state does not exceed \$50
13 million [~~the amount specifically appropriated for that year for~~
14 ~~purposes of Subsection (b)(2)~~].

15 (f) An open-enrollment charter school is not entitled to
16 funding based on an adjustment under Subsection (b) [~~(b)(2)~~].

17 SECTION 2.06. Sections 48.011(a-1), (d), and (e), Education
18 Code, are amended to read as follows:

19 (a-1) The commissioner may modify dates relating to the
20 adoption of a school district's maintenance and operations tax rate
21 and, if applicable, an election required for the district to adopt
22 that rate as necessary to implement the changes to the Foundation
23 School Program and requirements relating to school district tax
24 rates made by the 88th [~~H.B. 3, 86th~~] Legislature, 3rd Called
25 [~~Regular~~] Session, 2023 [~~2019~~].

26 (d) Beginning with the 2027-2028 [~~2021-2022~~] school year,
27 the commissioner may not make an adjustment under Subsection (a) or

1 (a-1).

2 (e) This section expires September 1, 2028 [~~2023~~].

3 SECTION 2.07. Section 48.051, Education Code, is amended by
4 amending Subsections (a), (c), and (d) and adding Subsections
5 (c-3), (c-4), (c-5), and (c-6) to read as follows:

6 (a) For each student in average daily attendance, not
7 including the time students spend each day in special education
8 programs in an instructional arrangement other than mainstream or
9 career and technology education programs, for which an additional
10 allotment is made under Subchapter C, a district is entitled to an
11 allotment equal to [~~the lesser of \$6,160 or~~] the amount that results
12 from the following formula:

13
$$A = \underline{B} [\del{\$6,160}] \times TR/MCR$$

14 where:

15 "A" is the allotment to which a district is entitled;

16 "B" is the base amount, which equals the greater of:

17 (1) \$6,190;

18 (2) an amount equal to the district's base amount under
19 this section for the preceding school year; or

20 (3) the amount appropriated under Subsection (b);

21 "TR" is the district's tier one maintenance and operations
22 tax rate, as provided by Section 45.0032; and

23 "MCR" is the district's maximum compressed tax rate, as
24 determined under Section 48.2551.

25 (c) During any school year for which the value of "A"
26 determined [~~maximum amount of the basic allotment provided~~] under
27 Subsection (a) or, if applicable, the sum of the value of "A" and

1 the allotment under Section 48.101 to which the district is
2 entitled, [~~or (b)~~] is greater than the value of "A" or, if
3 applicable, the sum of the value of "A" and the allotment under
4 Section 48.101 to which the district is entitled, [~~maximum amount~~
5 ~~provided~~] for the preceding school year, a school district must use
6 at least 50 [~~30~~] percent of the amount [~~, if the amount is greater~~
7 ~~than zero,~~] that equals the product of the average daily attendance
8 of the district multiplied by the amount of the difference between
9 the district's funding under this chapter per student in average
10 daily attendance, excluding the amounts described by Subsection
11 (c-6), for the current school year and the preceding school year to
12 increase the average total compensation per [~~provide compensation~~
13 ~~increases to~~] full-time district employee [~~employees~~] other than an an
14 administrator [~~administrators~~] as follows:

15 (1) 75 percent must be used to increase the average
16 total compensation per full-time district employee employed as
17 [~~paid to~~] classroom teachers, full-time librarians, full-time
18 school counselors certified under Subchapter B, Chapter 21, and
19 full-time school nurses [~~, prioritizing differentiated compensation~~
20 ~~for classroom teachers with more than five years of experience];~~
21 and

22 (2) 25 percent may be used as determined by the
23 district to increase the average total compensation per [~~paid to~~]
24 full-time district employee who is not described by Subdivision (1)
25 [~~employees~~].

26 (c-3) In calculating the average total compensation per
27 full-time district employee under Subsection (c), a school district

1 may not consider compensation paid to a district employee employed
2 in a position described by that subsection who is added by the
3 district for the current school year and that increases the ratio of
4 those employees to students enrolled in the district compared to
5 the preceding school year.

6 (c-4) If a school district increases employee compensation
7 in a school year to comply with Subsection (c), as amended by
8 .B. _____, 88th Legislature, 3rd Called Session, 2023, the district
9 is providing compensation for services rendered independently of an
10 existing employment contract applicable to that year and is not a
11 violation of Section 53, Article III, Texas Constitution.

12 (c-5) A school district that does not meet the requirements
13 of Subsection (c) during a school year may satisfy the requirements
14 of this section by providing a full-time district employee
15 described by that subsection a one-time bonus payment during the
16 following school year in an amount equal to the difference between
17 the compensation earned by the employee and the compensation the
18 employee should have received during the school year if the
19 district had complied with Subsection (c).

20 (c-6) For purposes of determining the amount of a school
21 district's funding under this chapter under Subsection (c), the
22 commissioner shall exclude:

23 (1) money received from the state instructional
24 materials and technology fund under Section 31.021;

25 (2) the special education full individual and initial
26 evaluation allotment under Section 48.1022;

27 (3) the college, career, and military readiness

1 outcomes bonuses under Section 48.110;
2 (4) the school safety allotment under Section 48.115;
3 and
4 (5) the allotments under Subchapter D, other than the
5 allotments under Sections 48.153 and 48.154.

6 (d) In this section, "compensation" includes:
7 (1) benefits such as insurance premiums; and
8 (2) contributions to the Teacher Retirement System of
9 Texas under Section 825.4035, Government Code.

10 SECTION 2.08. Subchapter C, Chapter 48, Education Code, is
11 amended by adding Section 48.1022 to read as follows:

12 Sec. 48.1022. SPECIAL EDUCATION FULL INDIVIDUAL AND INITIAL
13 EVALUATION. For each student for whom a school district conducts a
14 full individual and initial evaluation under Section 29.004 or 20
15 U.S.C. Section 1414(a)(1), the district is entitled to an allotment
16 of \$500 or a greater amount provided by appropriation.

17 SECTION 2.09. Section 48.106(a-1), Education Code, is
18 amended to read as follows:

19 (a-1) In addition to the amounts under Subsection (a), for
20 each student in average daily attendance, a district is entitled to
21 \$150 [~~\$50~~] for each of the following in which the student is
22 enrolled:

23 (1) a campus designated as a P-TECH school under
24 Section 29.556; or

25 (2) a campus that is a member of the New Tech Network
26 and that focuses on project-based learning and work-based
27 education.

1 SECTION 2.10. Section 48.108(a), Education Code, is amended
2 to read as follows:

3 (a) For each student in average daily attendance in
4 prekindergarten [~~kindergarten~~] through third grade, a school
5 district is entitled to an annual allotment equal to the basic
6 allotment multiplied by 0.1 if the student is:

7 (1) educationally disadvantaged; or

8 (2) an emergent bilingual student, as defined by
9 Section 29.052, and is in a bilingual education or special language
10 program under Subchapter B, Chapter 29.

11 SECTION 2.11. Section 48.110(d), Education Code, is amended
12 to read as follows:

13 (d) For each annual graduate in a cohort described by
14 Subsection (b) who demonstrates college, career, or military
15 readiness as described by Subsection (f) in excess of the minimum
16 number of students determined for the applicable district cohort
17 under Subsection (c), a school district is entitled to an annual
18 outcomes bonus of:

19 (1) if the annual graduate is educationally
20 disadvantaged, \$5,000;

21 (2) if the annual graduate is not educationally
22 disadvantaged, \$3,000; and

23 (3) if the annual graduate is enrolled in a special
24 education program under Subchapter A, Chapter 29, \$4,000 [~~\$2,000~~],
25 regardless of whether the annual graduate is educationally
26 disadvantaged.

27 SECTION 2.12. Section 48.111(a), Education Code, is amended

1 to read as follows:

2 (a) A [~~Except as provided by Subsection (c), a~~] school
3 district is entitled to an annual allotment equal to the basic
4 allotment multiplied by the applicable weight under Subsection
5 (a-1) for each enrolled student equal to the difference, if the
6 difference is greater than zero, that results from subtracting 250
7 from the difference between the number of students enrolled in the
8 district during the school year immediately preceding the current
9 school year and the number of students enrolled in the district
10 during the school year six years preceding the current school year.

11 SECTION 2.13. Section 48.115(a), Education Code, is amended
12 to read as follows:

13 (a) Except as provided by Subsection (a-1), a school
14 district is entitled to an annual allotment equal to the greater of
15 [~~sum of the following amounts or a greater amount provided by~~
16 ~~appropriation~~]:

17 (1) [~~\$10 for each student in average daily attendance,~~
18 ~~plus \$1 for each student in average daily attendance per every \$50~~
19 ~~by which~~] the [~~district's maximum~~] basic allotment multiplied by
20 0.005 for each student in average daily attendance [~~under Section~~
21 ~~48.051 exceeds \$6,160, prorated as necessary~~]; and

22 (2) the following amount, as applicable, [\$15,000] per
23 campus:

24 (A) \$30,000 for each campus with 500 or fewer
25 enrolled students;

26 (B) \$50,000 for each campus with 501 to 1,000
27 enrolled students;

- 1 (C) \$75,000 for each campus with 1,001 to 1,500
- 2 enrolled students;
- 3 (D) \$87,500 for each campus with 1,501 to 2,000
- 4 enrolled students; and
- 5 (E) \$100,000 for each campus with more than 2,000
- 6 enrolled students.

7 SECTION 2.14. Subchapter C, Chapter 48, Education Code, is
8 amended by adding Sections 48.116 and 48.119 to read as follows:

9 Sec. 48.116. FINE ARTS ALLOTMENT. (a) For each student in
10 average daily attendance enrolled in a fine arts education course
11 approved by the agency under Subsection (b) in grades 6 through 12,
12 a school district is entitled to an annual allotment equal to:

13 (1) if the student is not educationally disadvantaged,
14 the basic allotment, or, if applicable, the sum of the basic
15 allotment and the allotment under Section 48.101 to which the
16 district is entitled, multiplied by .008; or

17 (2) if the student is educationally disadvantaged, the
18 amount determined under Subdivision (1) multiplied by two.

19 (b) The agency shall approve fine arts education courses
20 that qualify for the allotment provided under this section. The
21 approved courses must include fine arts education courses that:

22 (1) are authorized by the State Board of Education,
23 including music, art, theater, and dance;

24 (2) provide students with the knowledge and skills
25 necessary for success in the fine arts; and

26 (3) require a student in full-time attendance to
27 receive not less than 225 minutes of fine arts instruction per week.

1 (c) The agency shall annually publish a list of fine arts
2 courses approved under Subsection (b).

3 Sec. 48.119. BOOK SAFETY ALLOTMENT. (a) For each student
4 in average daily attendance, a school district is entitled to an
5 annual allotment of \$3 or a greater amount provided by
6 appropriation.

7 (b) Funds allocated under this section may be used only to
8 ensure that school library books and related materials meet the
9 standards adopted under Section 33.021.

10 (c) The agency shall adopt a list of approved vendors at
11 which a school district may spend funds allocated under this
12 section for the purpose described by Subsection (b).

13 SECTION 2.15. Section 48.118(f), Education Code, is amended
14 to read as follows:

15 (f) The total amount of state funding for allotments and
16 outcomes bonuses under this section may not exceed \$5 million per
17 year unless money is specifically appropriated for the purpose of
18 this section and designated as money in excess of the \$5 million
19 permitted under this subsection. If the total amount of allotments
20 and outcomes bonuses to which school districts are entitled under
21 this section exceeds the amount permitted under this subsection,
22 the agency shall allocate state funding to districts under this
23 section in the following order:

24 (1) allotments under Subsection (a) for which school
25 districts participating in partnerships prioritized under Section
26 29.912(h) are eligible;

27 (2) allotments under Subsection (a) for which school

1 districts that entered into a memorandum of understanding or letter
2 of commitment regarding a multidistrict pathway partnership, as
3 defined by commissioner rule, before May 1, 2023, are eligible;

4 (3) allotments under Subsection (a) for which school
5 districts that have entered into a performance agreement under
6 Section 29.912 with a coordinating entity that is an institution of
7 higher education, as defined by Section 61.003, are eligible;

8 (4) allotments under Subsection (a) for which school
9 districts with the highest percentage of students who are
10 educationally disadvantaged, in descending order, are eligible;
11 and

12 (5) outcomes bonuses under Subsection (c) for which
13 school districts with the highest percentage of students who are
14 educationally disadvantaged, in descending order, are eligible.

15 SECTION 2.16. Section 48.151(g), Education Code, is amended
16 to read as follows:

17 (g) A school district or county that provides special
18 transportation services for eligible special education students is
19 entitled to a state allocation at a ~~[paid on a previous year's~~
20 ~~cost-per-mile basis. The]~~ rate of \$1.75 per mile or a greater
21 amount provided ~~[allowable shall be set]~~ by appropriation ~~[based on~~
22 ~~data gathered from the first year of each preceding biennium]~~.

23 Districts may use a portion of their support allocation to pay
24 transportation costs, if necessary. The commissioner may grant an
25 amount set by appropriation for private transportation to reimburse
26 parents or their agents for transporting eligible special education
27 students. The mileage allowed shall be computed along the shortest

1 public road from the student's home to school and back, morning and
2 afternoon. The need for this type of transportation shall be
3 determined on an individual basis and shall be approved only in
4 extreme hardship cases.

5 SECTION 2.17. Subchapter D, Chapter 48, Education Code, is
6 amended by adding Sections 48.160 and 48.161 to read as follows:

7 Sec. 48.160. ALLOTMENT FOR ADVANCED MATHEMATICS PATHWAYS
8 AND CERTAIN PROGRAMS OF STUDY. (a) A school district is eligible
9 to receive an allotment under this section if the district offers
10 through in-person instruction, remote instruction, or a hybrid of
11 in-person and remote instruction:

12 (1) an advanced mathematics pathway that begins with
13 Algebra I in grade eight and continues through progressively more
14 advanced mathematics courses in each grade from grade 9 through 12;

15 (2) a program of study in:

16 (A) computer programming and software
17 development; or

18 (B) cybersecurity; and

19 (3) a program of study in a specialized skilled trade,
20 such as:

21 (A) plumbing and pipefitting;

22 (B) electrical;

23 (C) welding;

24 (D) diesel and heavy equipment;

25 (E) aviation maintenance; or

26 (F) applied agricultural engineering.

27 (b) Notwithstanding Subsection (a), a school district is

1 eligible for the allotment under this section for students in
2 average daily attendance in a high school in the district that does
3 not offer a program of study described by Subsection (a)(2) or (3)
4 if:

5 (1) high school students who reside in the attendance
6 zone of the high school may participate in the program of study by
7 enrolling in another high school:

8 (A) that:

9 (i) is in the same district or a neighboring
10 school district;

11 (ii) was assigned the same or a better
12 campus overall performance rating under Section 39.054 as the high
13 school in whose attendance zone the students reside; and

14 (iii) offers the program of study; and

15 (B) to and from which transportation is provided
16 for those students; or

17 (2) students in average daily attendance in the high
18 school:

19 (A) are offered instruction for the program of
20 study at another location, such as another high school in the same
21 district or a neighboring school district; and

22 (B) receive transportation to and from the
23 location described by Paragraph (A).

24 (c) An eligible school district is entitled to an annual
25 allotment of \$10 for each student in average daily attendance at a
26 high school in the district that offers a pathway or program of
27 study from each subdivision described by Subsection (a) if:

1 (1) each student in average daily attendance at the
2 high school takes a progressively more advanced mathematics course
3 each year of enrollment; and

4 (2) for each of those pathways or programs of study, at
5 least one student in average daily attendance at the high school
6 completes a course in the pathway or program of study.

7 (d) A school district that receives an allotment under
8 Subsection (c) and Section 48.101 is entitled to receive an
9 additional allotment in an amount equal to the product of 0.1 and
10 the allotment to which the district is entitled under Section
11 48.101 for each student for which the district receives an
12 allotment under Subsection (c). An open-enrollment charter school
13 is not eligible for an allotment under this subsection.

14 (e) The commissioner by rule may establish requirements to
15 ensure students in average daily attendance in a high school to
16 which Subsection (b) applies have meaningful access to the programs
17 of study described by Subsections (a)(2) and (3).

18 (f) The agency may reduce the amount of a school district's
19 allotment under this section if the agency determines that the
20 district has not complied with any provision of this section.

21 Sec. 48.161. COMMUNITIES IN SCHOOLS EXPANSION
22 ALLOTMENT. (a) A school district is eligible to receive an
23 annual allotment of \$50,000 for each campus in the district that
24 participates in the Communities In Schools program under Subchapter
25 E, Chapter 33.

26 (b) The commissioner by rule may establish requirements for
27 the use of an allotment under this section by a school district to

1 ensure that the allotment is used to establish or expand a
2 Communities In Schools program on a district campus.

3 (c) The amount appropriated for allotments under this
4 section may not exceed \$50 million in a school year. If the total
5 amount of allotments to which districts are entitled under this
6 section for a school year exceeds the amount appropriated under
7 this subsection, the commissioner shall proportionately reduce
8 each district's allotment under this section.

9 (d) The commissioner may reduce the amount of a school
10 district's allotment under this section if the commissioner
11 determines that the district has not complied with any provision of
12 this section.

13 SECTION 2.18. Section 48.202, Education Code, is amended by
14 amending Subsection (a-1) and adding Subsections (f-1) and (f-2) to
15 read as follows:

16 (a-1) For purposes of Subsection (a), the dollar amount
17 guaranteed level of state and local funds per weighted student per
18 cent of tax effort ("GL") for a school district is:

19 (1) the greater of the amount of district tax revenue
20 per weighted student per cent of tax effort available to a school
21 district at the 96th percentile of wealth per weighted student or
22 the amount that results from multiplying the maximum amount of the
23 basic allotment provided under Section 48.051 for the applicable
24 school year [~~6,160, or the greater amount provided under Section~~
25 ~~48.051(b), if applicable,~~] by 0.016, for the first eight cents by
26 which the district's maintenance and operations tax rate exceeds
27 the district's tier one tax rate; and

1 (2) subject to Subsection (f), the amount that results
2 from multiplying the maximum amount of the basic allotment provided
3 under Section 48.051 for the applicable school year [~~\$6,160, or the~~
4 ~~greater amount provided under Section 48.051(b), if applicable,~~] by
5 0.008, for the district's maintenance and operations tax effort
6 that exceeds the amount of tax effort described by Subdivision (1).

7 (f-1) Notwithstanding any other provision of this chapter,
8 Subsection (f) does not apply for the 2023-2024 school year.

9 (f-2) Subsection (f-1) and this subsection expire September
10 1, 2025.

11 SECTION 2.19. Section 48.277(b), Education Code, is amended
12 to read as follows:

13 (b) For purposes of calculating maintenance and operations
14 revenue under Subsection (a), the commissioner shall:

15 (1) for purposes of Subsections (a)(1) and (2), use
16 the following applicable school year:

17 (A) in a school year ending in an even-numbered
18 year, the 2019-2020 school year; and

19 (B) in a school year ending in an odd-numbered
20 year, the 2019-2020 or 2020-2021 school year, whichever is greater;

21 (2) include all state and local funding, except for
22 any funding resulting from:

23 (A) reimbursement for disaster remediation costs
24 under former Sections 41.0931 and 42.2524;

25 (B) an adjustment for rapid decline in taxable
26 value of property under former Section 42.2521;

27 (C) an adjustment for property value affected by

1 a state of disaster under former Section 42.2523; ~~and~~

2 (D) additional state aid under Section 48.307 or
3 48.308; and

4 (E) additional state aid for retention stipends
5 under Section 48.285;

6 (3) adjust the calculation to reflect a reduction in
7 tax effort by a school district; and

8 (4) if a school district or open-enrollment charter
9 school receives a waiver relating to eligibility requirements for
10 the national free or reduced-price lunch program under 42 U.S.C.
11 Section 1751 et seq., use the numbers of educationally
12 disadvantaged students on which the district's or school's
13 entitlement to compensatory education funds was based for the
14 school year before the school year in which the district or school
15 received the waiver, adjusted for estimated enrollment growth.

16 SECTION 2.20. Subchapter F, Chapter 48, Education Code, is
17 amended by adding Sections 48.284 and 48.285 to read as follows:

18 Sec. 48.284. PROPERTY VALUE STUDY HARDSHIP GRANTS. (a) For
19 the 2023-2024 and 2024-2025 school years, from money appropriated
20 for purposes of this section, the commissioner may administer a
21 grant program to provide grants to eligible school districts to
22 offset a reduction in the district's funding under the Foundation
23 School Program resulting from the use of the state value for the
24 district's taxable value of property as provided by Section
25 403.302(c), Government Code, for the 2022 and 2023 tax years.

26 (b) The amount of a grant awarded under this section is the
27 difference, if that difference is greater than zero, between:

1 (1) the funding the school district would have
2 received under Chapter 46, this chapter, and Chapter 49 for the
3 applicable school year if the local value for the district's
4 taxable value of property was used for the applicable tax year; and

5 (2) the funding to which the district is entitled
6 under Chapter 46, this chapter, and Chapter 49 for the applicable
7 school year.

8 (c) An open-enrollment charter school is not eligible to
9 receive a grant under this section.

10 (d) Funding provided to a school district under this section
11 is in addition to all other funding provided under Chapter 46, this
12 chapter, and Chapter 49.

13 (e) The commissioner may require a school district to
14 submit, or request from a state agency or a political subdivision of
15 this state, additional information as needed to make a
16 determination under this section.

17 (f) The total amount of grants awarded under this section
18 for a school year may not exceed \$60 million.

19 (g) In awarding grants under this section, the commissioner
20 shall prioritize school districts experiencing the greatest
21 percentage reduction in funding described by Subsection (a).

22 (h) The commissioner may not adjust the amount of a grant
23 awarded under this section based on data revisions received after
24 the grant has been awarded.

25 (i) A determination by the commissioner under this section
26 is final and may not be appealed.

27 (j) This section expires September 1, 2025.

1 Sec. 48.285. ADDITIONAL STATE AID FOR RETENTION STIPENDS.

2 (a) For the 2023-2024 school year, a school district, including a
3 school district that is otherwise ineligible for state aid under
4 this chapter, is entitled to state aid in an amount equal to the sum
5 of:

6 (1) the product of \$4,000 multiplied by the number of
7 full-time employees subject to the minimum salary schedule under
8 Section 21.402 employed by the district; and

9 (2) the product of \$2,000 multiplied by the number of
10 part-time classroom teachers, part-time librarians, part-time
11 school counselors certified under Subchapter B, Chapter 21, and
12 part-time school nurses employed by the district.

13 (b) A school district shall use state aid received under
14 Subsection (a) to provide a one-time stipend to each employee for
15 whom the district received state aid in the amount of the state aid
16 provided under that subsection for that employee.

17 (c) An open-enrollment charter school is entitled to state
18 aid under this section in the same manner as a school district and
19 is required to provide a one-time stipend to each employee in a
20 comparable role as a school district employee described by
21 Subsection (a) as if those employees were subject to the minimum
22 salary schedule under Section 21.402.

23 (d) A one-time stipend provided to an eligible employee
24 under this section satisfies the compensation increase required by
25 Section 48.051.

26 (e) A determination by the commissioner under this section
27 is final and may not be appealed.

1 (3) half [~~a quarter~~] of the instructional days of the
2 school year, if the student is enrolled for at least 25 percent but
3 less than 50 percent of the school year; or

4 (4) a quarter [~~one-tenth~~] of the instructional days of
5 the school year, if the student is enrolled for at least 10 percent
6 but less than 25 percent of the school year.

7 SECTION 3.02. Sections 48.0051(a), (b), and (d), Education
8 Code, are amended to read as follows:

9 (a) The [~~Subject to Subsection (a-1), the~~] commissioner
10 shall adjust the average daily attendance of a school district or
11 open-enrollment charter school under Section 48.005 in the manner
12 provided by Subsection (b) if the district or school:

13 (1) provides the minimum number of minutes of
14 operational and instructional time required under Section 25.081
15 and commissioner rules adopted under that section over at least 175
16 [~~180~~] days of instruction; and

17 (2) offers an additional 30 days of half-day
18 instruction for students enrolled in prekindergarten through fifth
19 grade.

20 (b) For a school district or open-enrollment charter school
21 described by Subsection (a), the commissioner shall increase the
22 average daily attendance of the district or school under Section
23 48.005 by the amount that results from the quotient of the sum of
24 attendance by students described by Subsection (a)(2) for each of
25 the 30 additional instructional days of half-day instruction that
26 are provided divided by 175 [~~180~~].

27 (d) This section does not prohibit a school district from

1 providing the minimum number of minutes of operational and
2 instructional time required under Section 25.081 and commissioner
3 rules adopted under that section over fewer than 175 [~~180~~] days of
4 instruction.

5 SECTION 3.03. Section 48.051(a), Education Code, is amended
6 to read as follows:

7 (a) For each student in average daily attendance, not
8 including the time students spend each day in special education
9 programs in a setting [~~an instructional arrangement~~] other than a
10 general education setting [~~mainstream~~] or career and technology
11 education programs, for which an additional allotment is made under
12 Subchapter C, a district is entitled to an allotment equal to [~~the~~
13 ~~lesser of \$6,160 or~~] the amount that results from the following
14 formula:

$$15 \quad A = \underline{B} \text{ [}\underline{\$6,160}\text{]} \times \text{TR/MCR}$$

16 where:

17 "A" is the allotment to which a district is entitled;

18 "B" is the base amount, which equals the greater of:

19 (1) \$6,500;

20 (2) an amount equal to the district's base amount under
21 this section for the preceding school year; or

22 (3) the amount appropriated under Subsection (b);

23 "TR" is the district's tier one maintenance and operations
24 tax rate, as provided by Section 45.0032; and

25 "MCR" is the district's maximum compressed tax rate, as
26 determined under Section 48.2551.

27 SECTION 3.04. Effective September 1, 2026, Section 48.051,

1 Education Code, is amended by adding Subsection (a-1) to read as
2 follows:

3 (a-1) Notwithstanding Subsection (a), for the second year
4 of each state fiscal biennium, the commissioner shall adjust the
5 value of "B" under that subsection for the preceding state fiscal
6 year by a factor equal to the average annual percentage increase, if
7 any, in the Texas Consumer Price Index for the preceding 10 years.

8 SECTION 3.05. Section 48.101, Education Code, is amended to
9 read as follows:

10 Sec. 48.101. SMALL AND MID-SIZED DISTRICT ALLOTMENT. (a)
11 Small and mid-sized districts are entitled to an annual allotment
12 in accordance with this section. In this section:

13 (1) "AA" is the district's annual allotment per
14 student in average daily attendance;

15 (2) "ADA" is the number of students in average daily
16 attendance for which the district is entitled to an allotment under
17 Section 48.051, other than students in average daily attendance who
18 do not reside in the district and are enrolled in a full-time
19 virtual program; and

20 (3) "BA" is the basic allotment determined under
21 Section 48.051.

22 (b) A school district that has fewer than 1,600 students in
23 average daily attendance is entitled to an annual allotment for
24 each student in average daily attendance based on the following
25 formula:

26
$$AA = ((1,600 - ADA) \times \underline{.00044} [\del{.0004}]) \times BA$$

27 (c) A school district that offers a kindergarten through

1 grade 12 program and has less than 5,000 students in average daily
2 attendance is entitled to an annual allotment for each student in
3 average daily attendance based on the formula, of the following
4 formulas, that results in the greatest annual allotment:

5 (1) the formula in Subsection (b), if the district is
6 eligible for that formula; or

7 (2) $AA = ((5,000 - ADA) \times \underline{.000034} [\underline{-.000025}]) \times BA$.

8 (d) Instead of the allotment under Subsection (b) or (c)(1),
9 a school district that has fewer than 300 students in average daily
10 attendance and is the only school district located in and operating
11 in a county is entitled to an annual allotment for each student in
12 average daily attendance based on the following formula:

13 $AA = ((1,600 - ADA) \times \underline{.00054} [\underline{-.00047}]) \times BA$

14 SECTION 3.06. Section 48.102, Education Code, is amended to
15 read as follows:

16 Sec. 48.102. SPECIAL EDUCATION. (a) For each enrolled
17 student [~~in average daily attendance~~] in a special education
18 program under Subchapter A, Chapter 29, [~~in a mainstream~~
19 ~~instructional arrangement,~~] a school district is entitled to an
20 annual allotment equal to the basic allotment, or, if applicable,
21 the sum of the basic allotment and the allotment under Section
22 48.101 to which the district is entitled, multiplied by a weight in
23 an amount set by the legislature in the General Appropriations Act
24 for the highest tier of intensity of service for which the student
25 qualifies [1.15]. [~~For each full-time equivalent student in~~
26 ~~average daily attendance in a special education program under~~
27 ~~Subchapter A, Chapter 29, in an instructional arrangement other~~

1 ~~than a mainstream instructional arrangement, a district is entitled~~
2 ~~to an annual allotment equal to the basic allotment, or, if~~
3 ~~applicable, the sum of the basic allotment and the allotment under~~
4 ~~Section 48.101 to which the district is entitled, multiplied by a~~
5 ~~weight determined according to instructional arrangement as~~
6 ~~follows:~~

- 7 ~~[Homebound _____ 5.0~~
- 8 ~~[Hospital class _____ 3.0~~
- 9 ~~[Speech therapy _____ 5.0~~
- 10 ~~[Resource room _____ 3.0~~
- 11 ~~[Self-contained, mild and moderate,~~
- 12 ~~regular campus _____ 3.0~~
- 13 ~~[Self-contained, severe, regular campus _____ 3.0~~
- 14 ~~[Off home campus _____ 2.7~~
- 15 ~~[Nonpublic day school _____ 1.7~~
- 16 ~~[Vocational adjustment class _____ 2.3]~~

17 (a-1) Notwithstanding Subsection (a), for the 2024-2025 and
18 2025-2026 school years, the amount of an allotment under this
19 section shall be determined in accordance with Section 48.1023.
20 This subsection expires September 1, 2026.

21 (b) The commissioner by rule shall define seven tiers of
22 intensity of service for use in determining funding under this
23 section. The commissioner must include one tier specifically
24 addressing students receiving special education services in
25 residential placement ~~[A special instructional arrangement for~~
26 ~~students with disabilities residing in care and treatment~~
27 ~~facilities, other than state schools, whose parents or guardians do~~

1 ~~not reside in the district providing education services shall be~~
2 ~~established by commissioner rule. The funding weight for this~~
3 ~~arrangement shall be 4.0 for those students who receive their~~
4 ~~education service on a local school district campus. A special~~
5 ~~instructional arrangement for students with disabilities residing~~
6 ~~in state schools shall be established by commissioner rule with a~~
7 ~~funding weight of 2.8].~~

8 (c) ~~[For funding purposes, the number of contact hours~~
9 ~~credited per day for each student in the off home campus~~
10 ~~instructional arrangement may not exceed the contact hours credited~~
11 ~~per day for the multidistrict class instructional arrangement in~~
12 ~~the 1992-1993 school year.~~

13 ~~[(d) For funding purposes the contact hours credited per day~~
14 ~~for each student in the resource room; self-contained, mild and~~
15 ~~moderate; and self-contained, severe, instructional arrangements~~
16 ~~may not exceed the average of the statewide total contact hours~~
17 ~~credited per day for those three instructional arrangements in the~~
18 ~~1992-1993 school year.~~

19 ~~[(e) The commissioner by rule shall prescribe the~~
20 ~~qualifications an instructional arrangement must meet in order to~~
21 ~~be funded as a particular instructional arrangement under this~~
22 ~~section. In prescribing the qualifications that a mainstream~~
23 ~~instructional arrangement must meet, the commissioner shall~~
24 ~~establish requirements that students with disabilities and their~~
25 ~~teachers receive the direct, indirect, and support services that~~
26 ~~are necessary to enrich the regular classroom and enable student~~
27 ~~success.~~

1 ~~[(f) In this section, "full-time equivalent student" means~~
2 ~~30 hours of contact a week between a special education student and~~
3 ~~special education program personnel.~~

4 ~~[(g)]~~ The commissioner shall adopt rules and procedures
5 governing contracts for residential and day program placement of
6 ~~[special education]~~ students receiving special education services.

7 ~~(d) [The legislature shall provide by appropriation for the~~
8 ~~state's share of the costs of those placements.~~

9 ~~[(h)]~~ At least 55 percent of the funds allocated under this
10 section must be used in the special education program under
11 Subchapter A, Chapter 29.

12 (e) ~~[(i)]~~ The agency shall ensure ~~[encourage]~~ the placement
13 of students in special education programs, including students in
14 residential placement ~~[instructional arrangements]~~, in the least
15 restrictive environment appropriate for their educational needs.

16 (f) ~~[(j)]~~ A school district that provides an extended year
17 program required by federal law for special education students who
18 may regress is entitled to receive funds in an amount equal to 75
19 percent, or a lesser percentage determined by the commissioner, of
20 the basic allotment, or, if applicable, the sum of the basic
21 allotment and the allotment under Section 48.101 to which the
22 district is entitled for each ~~[full-time equivalent]~~ student in
23 average enrollment ~~[daily attendance]~~, multiplied by the amount
24 designated for the highest tier of intensity of service for which
25 the student qualifies ~~[student's instructional arrangement]~~ under
26 this section, for each day the program is provided divided by the
27 number of days in the minimum school year. The total amount of

1 state funding for extended year services under this section may not
2 exceed \$10 million per year. A school district may use funds
3 received under this section only in providing an extended year
4 program.

5 (g) [~~(k)~~] From the total amount of funds appropriated for
6 special education under this section, the commissioner shall
7 withhold an amount specified in the General Appropriations Act, and
8 distribute that amount to school districts for programs under
9 Section 29.014. The program established under that section is
10 required only in school districts in which the program is financed
11 by funds distributed under this subsection and any other funds
12 available for the program. After deducting the amount withheld
13 under this subsection from the total amount appropriated for
14 special education, the commissioner shall reduce each district's
15 allotment proportionately and shall allocate funds to each district
16 accordingly.

17 (h) Not later than December 1 of each even-numbered year,
18 the commissioner shall submit to the Legislative Budget Board, for
19 purposes of the allotment under this section, proposed weights for
20 the tiers of intensity of service for the next state fiscal
21 biennium.

22 SECTION 3.07. Subchapter C, Chapter 48, Education Code, is
23 amended by adding Sections 48.1021 and 48.1023 to read as follows:

24 Sec. 48.1021. SPECIAL EDUCATION SERVICE GROUP ALLOTMENT.

25 (a) For each six-week period in which a student in a special
26 education program under Subchapter A, Chapter 29, receives eligible
27 special education services, a school district is entitled to an

1 allotment in an amount set by the legislature in the General
2 Appropriations Act for the service group for which the student is
3 eligible.

4 (a-1) Notwithstanding Subsection (a), for the 2024-2025 and
5 2025-2026 school years, the amount of an allotment under this
6 section shall be determined in accordance with Section 48.1023.
7 This subsection expires September 1, 2026.

8 (b) The commissioner by rule shall establish four service
9 groups for use in determining funding under this section. In
10 establishing the groups, the commissioner must consider the level
11 of services, equipment, and technology required to meet the needs
12 of students receiving special education services.

13 (c) A school district is entitled to receive an allotment
14 under this section for each service group for which a student is
15 eligible.

16 (d) A school district is entitled to the full amount of an
17 allotment under this section for a student receiving eligible
18 special education services during any part of a six-week period.

19 (e) At least 55 percent of the funds allocated under this
20 section must be used for a special education program under
21 Subchapter A, Chapter 29.

22 (f) Not later than December 1 of each even-numbered year,
23 the commissioner shall submit to the Legislative Budget Board, for
24 purposes of the allotment under this section, proposed amounts of
25 funding for the service groups for the next state fiscal biennium.

26 Sec. 48.1023. SPECIAL EDUCATION TRANSITION FUNDING. (a)
27 For the 2024-2025 and 2025-2026 school years, the commissioner may

1 adjust weights or amounts provided under Section 48.102 or 48.1021
2 as necessary to ensure compliance with requirements regarding
3 maintenance of state financial support under 20 U.S.C. Section
4 1412(a)(18) and maintenance of local financial support under
5 applicable federal law.

6 (b) For the 2024-2025 and 2025-2026 school years, the
7 commissioner shall determine the formulas through which school
8 districts receive funding under Sections 48.102 and 48.1021. In
9 determining the formulas, the commissioner may combine the methods
10 of funding under those sections with the method of funding provided
11 by Section 48.102, as it existed on September 1, 2023.

12 (c) For the 2026-2027 school year, the commissioner may
13 adjust the weights or amounts set by the legislature in the General
14 Appropriations Act for purposes of Section 48.102 or 48.1021.
15 Before making an adjustment under this subsection, the commissioner
16 shall notify and must receive approval from the Legislative Budget
17 Board.

18 (d) Notwithstanding any other provision of this section,
19 the sum of funding provided under Sections 48.102 and 48.1021 for
20 the 2024-2025 or for the 2025-2026 school year as adjusted under
21 this section may not exceed the sum of:

22 (1) funding that would have been provided under
23 Section 48.102, as it existed on September 1, 2023; and

24 (2) the amount set by the legislature in the General
25 Appropriations Act.

26 (e) Each school district and open-enrollment charter school
27 shall report to the agency information necessary to implement this

1 section.

2 (f) The agency shall provide technical assistance to school
3 districts and open-enrollment charter schools to ensure a
4 successful transition in funding formulas for special education.

5 (g) This section expires September 1, 2028.

6 SECTION 3.08. Section 48.103(c), Education Code, is amended
7 to read as follows:

8 (c) A school district may receive funding for a student
9 under each provision of this section, ~~[and]~~ Section 48.102, and
10 Section 48.1021 for which [if] the student qualifies ~~[satisfies the~~
11 ~~requirements of both sections]~~.

12 SECTION 3.09. Sections 48.104(a), (d), and (e), Education
13 Code, are amended to read as follows:

14 (a) For each student who does not have a disability and
15 resides in a residential placement facility in a district in which
16 the student's parent or legal guardian does not reside, a district
17 is entitled to an annual allotment equal to the basic allotment
18 multiplied by 0.2 or, if the student is educationally
19 disadvantaged, 0.28 ~~[0.275]~~. For each full-time equivalent student
20 who is in a remedial and support program under Section 29.081
21 because the student is pregnant, a district is entitled to an annual
22 allotment equal to the basic allotment multiplied by 2.41.

23 (d) The weights assigned to the five tiers of the index
24 established under Subsection (c) are, from least to most severe
25 economic disadvantage, 0.23 ~~[0.225]~~, 0.2425 ~~[0.2375]~~, 0.255
26 ~~[0.25]~~, 0.2675 ~~[0.2625]~~, and 0.28 ~~[0.275]~~.

27 (e) If insufficient data is available for any school year to

1 evaluate the level of economic disadvantage in a census block
2 group, a school district is entitled to an annual allotment equal to
3 the basic allotment multiplied by 0.23 [~~0.225~~] for each student who
4 is educationally disadvantaged and resides in that census block
5 group.

6 SECTION 3.10. Section [48.108](#), Education Code, is amended by
7 adding Subsections (a-1), (a-2), (a-3), and (a-4) to read as
8 follows:

9 (a-1) In addition to the allotment under Subsection (a) and
10 subject to Subsection (a-2), a school district is entitled to an
11 annual allotment equal to the basic allotment multiplied by 0.2 for
12 each student in average daily attendance enrolled in a
13 prekindergarten class provided through a contract with a
14 community-based child-care provider under Section [29.153](#).

15 (a-2) The total number of students in average daily
16 attendance statewide for whom an allotment may be provided under
17 Subsection (a-1) for a school year may not exceed 10,000 students in
18 average daily attendance. If the number of students in average
19 daily attendance for whom a school district is entitled to an
20 allotment under this section exceeds the maximum number provided by
21 this subsection, the commissioner shall allocate the allotments to
22 school districts under this section in accordance with commissioner
23 rule.

24 (a-3) Notwithstanding Subsection (a-2), the maximum number
25 of students in average daily attendance statewide for whom an
26 allotment may be provided under Subsection (a-1) for a school year
27 is:

- (1) for the 2024-2025 school year, 2,000 students;
- (2) for the 2025-2026 school year, 4,500 students; and
- (3) for the 2026-2027 school year, 7,000 students.

(a-4) Subsection (a-3) and this subsection expire September 1, 2027.

SECTION 3.11. Section 48.114, Education Code, is amended by amending Subsection (a) and adding Subsection (d) to read as follows:

(a) A school district [~~that has implemented a mentoring program for classroom teachers who have less than two years of teaching experience under Section 21.458~~] is entitled to an allotment [~~as determined under Subsection (b)~~] to fund a [the] mentoring program and to provide stipends for mentor teachers if:

(1) the district has implemented a mentoring program for classroom teachers under Section 21.458; and

(2) the mentor teachers assigned under that program complete a training program that is required or developed by the agency for mentor teachers.

(d) A school district is entitled to an allotment of \$2,000 for each classroom teacher with less than two years of experience who participates in a mentoring program described by Subsection (a). A district may receive an allotment under this section for no more than 40 teachers during a school year unless an appropriation is made for the purposes of providing a greater number of allotments per district.

SECTION 3.12. Section 48.115(a), Education Code, is amended to read as follows:

1 (a) Except as provided by Subsection (a-1), a school
2 district is entitled to an annual allotment equal to the greater of
3 ~~[sum of the following amounts or a greater amount provided by~~
4 ~~appropriation]~~:

5 (1) ~~[\$10 for each student in average daily attendance,~~
6 ~~plus \$1 for each student in average daily attendance per every \$50~~
7 ~~by which] the [district's maximum] basic allotment multiplied by~~
8 0.01 for each student in average daily attendance ~~[under Section~~
9 ~~48.051 exceeds \$6,160, prorated as necessary]; and~~

10 (2) the following amount, as applicable, [\$15,000] per
11 campus:

12 (A) \$50,000 for each campus with 500 or fewer
13 enrolled students;

14 (B) \$100,000 for each campus with 501 to 1,000
15 enrolled students;

16 (C) \$150,000 for each campus with 1,001 to 1,500
17 enrolled students;

18 (D) \$175,000 for each campus with 1,501 to 2,000
19 enrolled students; and

20 (E) \$200,000 for each campus with more than 2,000
21 enrolled students.

22 SECTION '1. Subchapter C, Chapter 48, Education Code, is
23 amended by adding Section 48.120 to read as follows:

24 Sec. 48.120. MILITARY TRANSITION AID. (a) A school
25 district is entitled to an annual allotment equal to the basic
26 allotment multiplied by 0.08 for each eligible student in average
27 daily attendance.

1 (b) A student is eligible for purposes of Subsection (a) if
2 the student:

3 (1) is a military-connected student, as defined by
4 Section 25.006; and

5 (2) is in the student's first year of enrollment in the
6 school district.

7 (c) Funds allocated under this section may be used only to
8 maintain a transition program that assists military families with
9 relocation, enrollment, registration, records transfer, academic
10 planning, counseling, and other support services available at a
11 Purple Star Campus, as described by Section 33.909.

12 SECTION 3.14. Section 48.257, Education Code, is amended by
13 amending Subsection (a) and adding Subsection (b-1) to read as
14 follows:

15 (a) Subject to Subsection (b) and except as provided by
16 Subsection (b-1), if a school district's tier one local share under
17 Section 48.256 exceeds the district's entitlement under Section
18 48.266(a)(1) less the district's distribution from the state
19 available school fund, the district must reduce the district's tier
20 one revenue level in accordance with Chapter 49 to a level not to
21 exceed the district's entitlement under Section 48.266(a)(1) less
22 the district's distribution from the state available school fund.

23 (b-1) This subsection applies only to a school district to
24 which Subsection (a) applies, that received an allotment under
25 Section 48.277 for the 2023-2024 school year, and that adopts a
26 maintenance and operations tax rate for the current school year
27 equal to or greater than the sum of the district's maximum

1 compressed tax rate, as determined under Section 48.2551, and four
2 cents. Notwithstanding Subsection (a), if, after reducing the tier
3 one revenue level of a school district to which this subsection
4 applies as required under Subsection (a), the maintenance and
5 operations revenue per student in average daily attendance of the
6 district for a school year would be less than the maintenance and
7 operations revenue per student in average daily attendance
8 available to the district for the 2023-2024 school year, excluding
9 any funding provided to the district under Sections 48.279 and
10 48.281, the agency shall adjust the amount of the reduction
11 required in the district's tier one revenue level under Subsection
12 (a) up to the amount of local funds necessary to provide the
13 district with the amount of maintenance and operations revenue per
14 student in average daily attendance available to the district for
15 the 2023-2024 school year.

16 SECTION 3.15. Subchapter F, Chapter 48, Education Code, is
17 amended by adding Section 48.286 to read as follows:

18 Sec. 48.286. REGIONAL DISASTER INSURANCE VARIATION
19 ALLOTMENT. (a) A school district is entitled to an annual
20 allotment for each student in average daily attendance equal to the
21 basic allotment, or, if applicable, the sum of the basic allotment
22 and the allotment under Section 48.101 to which the district is
23 entitled, multiplied by the product, if the product is greater than
24 zero, of the district's variation factor as determined under
25 Subsection (b) and .012.

26 (b) The commissioner shall determine a school district's
27 variation factor by:

1 (1) assigning each school district to the county in
2 which the district's central administrative office is located;

3 (2) determining the percentage spent on expenses
4 related to property and casualty insurance by calculating the
5 average of the quotient of property and casualty insurance expenses
6 incurred by all districts assigned to a county under Subdivision
7 (1) divided by total expenditures made by those districts for each
8 of the three most recent school years; and

9 (3) subtracting one percentage point from the
10 percentage determined under Subdivision (2).

11 (c) The commissioner shall use the variation factor
12 determined under Subsection (b) for the 2023-2024 school year for a
13 school district for purposes of determining a school district's
14 allotment under Subsection (a) for any subsequent school year.

15 SECTION 3.16. Subchapter G, Chapter 48, Education Code, is
16 amended by adding Sections 48.304 and 48.306 to read as follows:

17 Sec. 48.304. DAY PLACEMENT PROGRAM FUNDING. (a) For each
18 qualifying day placement program that a regional education service
19 center makes available in partnership with a school district,
20 open-enrollment charter school, or shared services arrangement,
21 the center is entitled to an allotment of:

22 (1) \$250,000 for the first year of the program's
23 operation; and

24 (2) \$150,000 for each year of the program's operation
25 after the first year.

26 (b) A day placement program qualifies for purposes of
27 Subsection (a) if:

1 (1) the program complies with commissioner rules
2 adopted under Section 48.102(c);

3 (2) the program offers services to students who are
4 enrolled at any school district or open-enrollment charter school
5 in the county in which the program is offered, unless the
6 commissioner by rule waives or modifies the requirement under this
7 subdivision for the program to serve all students in a county; and

8 (3) the agency has designated the program for service
9 in the county in which the program is offered and determined that,
10 at the time of designation, the program increases the availability
11 of day placement services in the county.

12 Sec. 48.306. PARENT-DIRECTED SERVICES FOR STUDENTS
13 RECEIVING SPECIAL EDUCATION SERVICES GRANT. (a) A student to whom
14 the agency awards a grant under Subchapter A-1, Chapter 29, is
15 entitled to receive an amount of \$1,500 or a greater amount provided
16 by appropriation.

17 (b) The legislature shall include in the appropriations for
18 the Foundation School Program state aid sufficient for the agency
19 to award grants under Subchapter A-1, Chapter 29, in the amount
20 provided by this section.

21 (c) A student may receive one grant under Subchapter A-1,
22 Chapter 29, unless the legislature appropriates money for an
23 additional grant in the General Appropriations Act.

24 (d) A determination of the commissioner under this section
25 is final and may not be appealed.

26 SECTION 3.17. Effective January 1, 2024, Section 26.08(n),
27 Tax Code, is amended to read as follows:

1 (n) For purposes of this section, the voter-approval tax
2 rate of a school district is the sum of the following:

3 (1) the rate per \$100 of taxable value that is equal to
4 the district's maximum compressed tax rate, as determined under
5 Section 48.2551, Education Code, for the current year;

6 (2) the greater of:

7 (A) the district's enrichment tax rate for the
8 preceding tax year, less any amount by which the district is
9 required to reduce the district's enrichment tax rate under Section
10 48.202(f), Education Code, in the current tax year; or

11 (B) the rate of \$0.06 [~~\$0.05~~] per \$100 of taxable
12 value; and

13 (3) the district's current debt rate.

14 SECTION 3.18. Except as otherwise provided by this article,
15 this article takes effect September 1, 2024.

16 ARTICLE 4. CHANGES RELATED TO SPECIAL EDUCATION EFFECTIVE FOR
17 2024-2025 SCHOOL YEAR

18 SECTION 4.01. Section 29.001, Education Code, is amended to
19 read as follows:

20 Sec. 29.001. IMPLEMENTATION OF SPECIAL EDUCATION
21 LAW [STATEWIDE PLAN]. (a) As the state education agency
22 responsible for carrying out the purposes of Part B, Individuals
23 with Disabilities Education Act (IDEA) (20 U.S.C. Section 1411 et
24 seq.), the [The] agency shall develop, and revise [modify] as
25 necessary, a comprehensive system to ensure statewide and local
26 compliance [design, consistent] with federal and state law related
27 to special education[, for the delivery of services to children

1 ~~with disabilities in this state that includes rules for the~~
2 ~~administration and funding of the special education program so that~~
3 ~~a free appropriate public education is available to all of those~~
4 ~~children between the ages of three and 21].~~

5 **(b)** The comprehensive system [~~statewide design~~] shall
6 include the provision of services primarily through school
7 districts and shared services arrangements, supplemented by
8 regional education service centers.

9 **(c)** The comprehensive system [~~agency~~] shall focus on
10 maximizing student outcomes and include [~~also develop and implement~~
11 ~~a statewide plan with programmatic content that includes procedures~~
12 ~~designed to~~]:

13 (1) rulemaking, technical assistance, guidance
14 documents, monitoring protocols, and other resources as necessary
15 to implement and ensure compliance with federal and state law
16 related to special education [~~ensure state compliance with~~
17 ~~requirements for supplemental federal funding for all~~
18 ~~state-administered programs involving the delivery of~~
19 ~~instructional or related services to students with disabilities~~];

20 (2) the facilitation of [~~facilitate~~] interagency
21 coordination when other state agencies are involved in the delivery
22 of instructional or related services to students with disabilities;

23 (3) the pursuit of [~~periodically assess statewide~~
24 ~~personnel needs in all areas of specialization related to special~~
25 ~~education and pursue~~] strategies to meet statewide special
26 education and related services personnel [~~those~~] needs [~~through a~~
27 ~~consortium of representatives from regional education service~~

1 ~~centers, local education agencies, and institutions of higher~~
2 ~~education and through other available alternatives];~~

3 (4) ensuring [~~ensure~~] that regional education service
4 centers throughout the state maintain a regional support function,
5 which may include direct service delivery and a component designed
6 to facilitate the placement of students with disabilities who
7 cannot be appropriately served in their resident districts;

8 (5) [~~allow the agency to~~] effectively monitoring
9 [~~monitor~~] and periodically conducting [~~conduct~~] site visits of all
10 school districts to ensure that rules adopted under this subchapter
11 [~~section~~] are applied in a consistent and uniform manner, to ensure
12 that districts are complying with those rules, and to ensure that
13 annual statistical reports filed by the districts and not otherwise
14 available through the Public Education Information Management
15 System under Sections 48.008 and 48.009 are accurate and complete;
16 and

17 (6) the provision of training and technical assistance
18 to ensure that:

19 (A) appropriately trained personnel are involved
20 in the diagnostic and evaluative procedures operating in all
21 districts and that those personnel routinely serve on district
22 admissions, review, and dismissal committees;

23 (B) [~~(7) ensure that~~] an individualized
24 education program for each student with a disability is properly
25 developed, implemented, and maintained in the least restrictive
26 environment that is appropriate to meet the student's educational
27 needs;

1 (C) [~~(8)~~ ensure that,] when appropriate, each
2 student with a disability is provided an opportunity to participate
3 in career and technology and physical education classes [~~, in~~
4 ~~addition to participating in regular or special classes~~];

5 (D) [~~(9)~~ ensure that] each student with a
6 disability is provided necessary related services;

7 (E) [~~(10)~~ ensure that] an individual assigned
8 to act as a surrogate parent for a child with a disability, as
9 provided by 20 U.S.C. Section 1415(b), is required to:

10 (i) [~~(A)~~] complete a training program that
11 complies with minimum standards established by agency rule;

12 (ii) [~~(B)~~] visit the child and the child's
13 school;

14 (iii) [~~(C)~~] consult with persons involved
15 in the child's education, including teachers, caseworkers,
16 court-appointed volunteers, guardians ad litem, attorneys ad
17 litem, foster parents, and caretakers;

18 (iv) [~~(D)~~] review the child's educational
19 records;

20 (v) [~~(E)~~] attend meetings of the child's
21 admission, review, and dismissal committee;

22 (vi) [~~(F)~~] exercise independent judgment
23 in pursuing the child's interests; and

24 (vii) [~~(G)~~] exercise the child's due
25 process rights under applicable state and federal law; and

26 (F) [~~(11)~~ ensure that] each district develops a
27 process to be used by a teacher who instructs a student with a

1 disability in a regular classroom setting:

2 (i) [~~(A)~~] to request a review of the
3 student's individualized education program;

4 (ii) [~~(B)~~] to provide input in the
5 development of the student's individualized education program;

6 (iii) [~~(C)~~] that provides for a timely
7 district response to the teacher's request; and

8 (iv) [~~(D)~~] that provides for notification
9 to the student's parent or legal guardian of that response.

10 SECTION 4.02. Subchapter A, Chapter 29, Education Code, is
11 amended by adding Section 29.0012 to read as follows:

12 Sec. 29.0012. ANNUAL MEETING ON SPECIAL EDUCATION. (a) At
13 least once each year, the board of trustees of a school district or
14 the governing body of an open-enrollment charter school shall
15 include during a public meeting a discussion of the performance of
16 students receiving special education services at the district or
17 school.

18 (b) The agency by rule shall adopt a set of performance
19 indicators for measuring and evaluating the quality of learning and
20 achievement for students receiving special education services at
21 the school district or open-enrollment charter school to be
22 considered at a meeting held under this section. The indicators
23 must include performance on the college, career, or military
24 readiness outcomes described by Section 48.110.

25 SECTION 4.03. Section 29.003, Education Code, is amended to
26 read as follows:

27 Sec. 29.003. ELIGIBILITY CRITERIA. (a) The agency shall

1 develop specific eligibility criteria based on the general
 2 classifications established by this section and in accordance with
 3 federal law [~~with reference to contemporary diagnostic or~~
 4 ~~evaluative terminologies and techniques~~]. Eligible students with
 5 disabilities shall enjoy the right to a free appropriate public
 6 education, which may include instruction in the regular classroom,
 7 instruction through special teaching, or instruction through
 8 contracts approved under this subchapter. Instruction shall be
 9 supplemented by the provision of related services when appropriate.

10 (b) A student is eligible to participate in a school
 11 district's special education program [~~if the student~~]:

12 (1) from birth through [~~is not more than~~] 21 years of
 13 age if the student [~~and~~] has a visual [~~or auditory~~] impairment or is
 14 deaf or hard of hearing and that disability prevents the student
 15 from being adequately or safely educated in public school without
 16 the provision of special education services; [~~or~~]

17 (2) from three years of age through five years of age
 18 if the student is experiencing developmental delays as described by
 19 20 U.S.C. Section 1401(3)(B) and defined by commissioner rule; or

20 (3) from 3 years of age through [~~is at least three but~~
 21 ~~not more than~~] 21 years of age if the student [~~and~~] has one or more
 22 of the [~~following~~] disabilities described by 20 U.S.C. Section
 23 1401(3)(A) and that disability prevents the student from being
 24 adequately or safely educated in public school without the
 25 provision of special education services[+]

26 [~~(A) physical disability,~~

27 [~~(B) intellectual or developmental disability,~~

1 ~~[(C) emotional disturbance,~~
2 ~~[(D) learning disability,~~
3 ~~[(E) autism,~~
4 ~~[(F) speech disability; or~~
5 ~~[(G) traumatic brain injury].~~

6 SECTION 4.04. Subchapter A, Chapter 29, Education Code, is
7 amended by adding Section 29.0056 to read as follows:

8 Sec. 29.0056. INFORMATION REGARDING STATE SUPPORTED LIVING
9 CENTERS. (a) In this section, "state supported living center" has
10 the meaning assigned by Section 531.002, Health and Safety Code.

11 (b) The Health and Human Services Commission, in
12 collaboration with the agency and stakeholders who represent the
13 full continuum of educational residential placement options, shall
14 develop and provide to the agency materials regarding educational
15 residential placement options for children who may qualify for
16 placement in a state supported living center. The agency shall make
17 the materials developed under this subsection available to school
18 districts.

19 (c) At a meeting of a child's admission, review, and
20 dismissal committee at which residential placement is discussed,
21 the school district shall provide to the child's parent the
22 materials developed under Subsection (b).

23 SECTION 4.05. Section 29.008, Education Code, is amended by
24 amending Subsections (a) and (b) and adding Subsection (a-1) to
25 read as follows:

26 (a) The commissioner shall establish a list of approved
27 public or private facilities, institutions, or agencies inside or

1 outside of this state that a [A] school district, shared services
2 arrangement unit, or regional education service center may contract
3 with [~~a public or private facility, institution, or agency inside~~
4 ~~or outside of this state~~] for the provision of services to students
5 with disabilities in a residential placement. The commissioner may
6 approve either the whole or a part of a facility or program.

7 (a-1) Each contract described by this section [~~for~~
8 ~~residential placement~~] must be approved by the commissioner. The
9 commissioner may approve a [~~residential placement~~] contract under
10 this section only after at least a programmatic evaluation of
11 personnel qualifications, costs, adequacy of physical plant and
12 equipment, and curriculum content. [~~The commissioner may approve~~
13 ~~either the whole or a part of a facility or program.~~]

14 (b) Except as provided by Subsection (c), costs of an
15 approved contract for residential placement may be paid from a
16 combination of federal, state, and local funds. The local share of
17 the total contract cost for each student is that portion of the
18 local tax effort that exceeds the district's local fund assignment
19 under Section 48.256, divided by the average daily attendance in
20 the district. If the contract involves a private facility, the
21 state share of the total contract cost is that amount remaining
22 after subtracting the local share. If the contract involves a
23 public facility, the state share is that amount remaining after
24 subtracting the local share from the portion of the contract that
25 involves the costs of instructional and related services. For
26 purposes of this subsection, "local tax effort" means the total
27 amount of money generated by taxes imposed for debt service and

1 maintenance and operation less any amounts paid into a tax
2 increment fund under Chapter 311, Tax Code. This subsection
3 expires September 1, 2027.

4 SECTION 4.06. The heading to Section 29.009, Education
5 Code, is amended to read as follows:

6 Sec. 29.009. PUBLIC NOTICE CONCERNING EARLY CHILDHOOD
7 SPECIAL EDUCATION [~~PRESCHOOL~~] PROGRAMS [~~FOR STUDENTS WITH~~
8 ~~DISABILITIES~~].

9 SECTION 4.07. Section 29.010, Education Code, is amended to
10 read as follows:

11 Sec. 29.010. GENERAL SUPERVISION AND COMPLIANCE. (a) The
12 agency shall develop [~~adopt~~] and implement a comprehensive system
13 for monitoring school district compliance with federal and state
14 laws relating to special education. The monitoring system must
15 include a comprehensive cyclical process and a targeted risk-based
16 process [~~provide for ongoing analysis of district special education~~
17 ~~data and of complaints filed with the agency concerning special~~
18 ~~education services and for inspections of school districts at~~
19 ~~district facilities~~]. The agency shall establish criteria and
20 instruments for use in determining district compliance under this
21 section [~~use the information obtained through analysis of district~~
22 ~~data and from the complaints management system to determine the~~
23 ~~appropriate schedule for and extent of the inspection~~].

24 (b) As part of the monitoring process [~~To complete the~~
25 ~~inspection~~], the agency must obtain information from parents and
26 teachers of students in special education programs in the district.

27 (c) The agency shall develop and implement a system of

1 interventions and sanctions for school districts the agency
2 identifies as being in noncompliance with [~~whose most recent~~
3 ~~monitoring visit shows a failure to comply with major requirements~~
4 ~~of~~] the Individuals with Disabilities Education Act (20 U.S.C.
5 Section 1400 et seq.), federal regulations, state statutes, or
6 agency requirements necessary to carry out federal law or
7 regulations or state law relating to special education.

8 (d) The agency shall establish a graduated process of
9 sanctions to apply to [~~For~~] districts that remain in noncompliance
10 for more than one year[~~, the first stage of sanctions shall begin~~
11 ~~with annual or more frequent monitoring visits~~]. The [~~Subsequent~~]
12 sanctions shall [~~may~~] range in severity and may include [~~up to~~] the
13 withholding of funds. If funds are withheld, the agency may use the
14 funds to provide, through alternative arrangements, services to
15 students and staff members in the district from which the funds are
16 withheld.

17 (e) The agency's complaint management division shall
18 develop a system for expedited investigation and resolution of
19 complaints concerning a district's failure to provide special
20 education or related services to a student eligible to participate
21 in the district's special education program.

22 [~~(f) This section does not create an obligation for or~~
23 ~~impose a requirement on a school district or open-enrollment~~
24 ~~charter school that is not also created or imposed under another~~
25 ~~state law or a federal law.~~]

26 SECTION 4.08. Section 29.018, Education Code, is amended by
27 adding Subsection (g) to read as follows:

1 (g) This section expires September 1, 2026.

2 SECTION 4.09. Subchapter A, Chapter 29, Education Code, is
3 amended by adding Sections 29.026, 29.027, and 29.029 to read as
4 follows:

5 Sec. 29.026. GRANT PROGRAM PROVIDING SERVICES TO STUDENTS
6 WITH AUTISM. (a) The commissioner shall establish a program to
7 award grants to school districts and open-enrollment charter
8 schools that provide innovative services to students with autism.

9 (b) A school district, including a school district acting
10 through a district charter issued under Subchapter C, Chapter 12,
11 and an open-enrollment charter school, including a charter school
12 that primarily serves students with disabilities, as provided under
13 Section 12.1014, may apply for a grant under this section.

14 (c) A program is eligible for a grant under this section if
15 the program:

16 (1) incorporates:

17 (A) evidence-based and research-based design;

18 (B) the use of empirical data on student
19 achievement and improvement;

20 (C) parental support and collaboration;

21 (D) the use of technology;

22 (E) meaningful inclusion; and

23 (F) the ability to replicate the program for
24 students statewide; and

25 (2) gives priority for enrollment to students with
26 autism.

27 (d) A school district or open-enrollment charter school may

1 not:

2 (1) charge a fee for the program, other than those
3 authorized by law for students in public schools;

4 (2) require a parent to enroll a child in the program;

5 (3) allow an admission, review, and dismissal
6 committee to place a student in the program without the written
7 consent of the student's parent or guardian; or

8 (4) continue the placement of a student in the program
9 after the student's parent or guardian revokes consent, in writing,
10 to the student's placement in the program.

11 (e) A program under this section may:

12 (1) alter the length of the school day or school year
13 or the number of minutes of instruction received by students;

14 (2) coordinate services with private or
15 community-based providers;

16 (3) allow the enrollment of students without
17 disabilities or with other disabilities, if approved by the
18 commissioner; and

19 (4) adopt staff qualifications and staff to student
20 ratios that differ from the applicable requirements of this title.

21 (f) The commissioner shall create an external panel of
22 stakeholders, including parents of students with disabilities, to
23 provide assistance in the selection of applications for the award
24 of grants under this section.

25 (g) In selecting programs to receive a grant under this
26 section, the commissioner shall prioritize programs that are
27 collaborations between multiple school districts, multiple charter

1 schools, or school districts and charter schools. The selected
2 programs must reflect the diversity of this state.

3 (h) A program selected to receive a grant under this section
4 is to be funded for two years.

5 (i) A grant awarded to a school district or open-enrollment
6 charter school under this section is in addition to the Foundation
7 School Program funds that the district or charter school is
8 otherwise entitled to receive. A grant awarded under this section
9 may not come out of Foundation School Program funds.

10 (j) The commissioner shall use funds appropriated or
11 otherwise available to fund grants under this section.

12 (k) The commissioner and any program selected under this
13 section may accept gifts, grants, and donations from any public or
14 private source, person, or group to implement and administer the
15 program. The commissioner and any program selected under this
16 section may not require any financial contribution from parents to
17 implement and administer the program.

18 (l) A regional education service center may administer
19 grants awarded under this section.

20 Sec. 29.027. GRANT PROGRAM PROVIDING TRAINING IN DYSLEXIA
21 FOR TEACHERS AND STAFF. (a) The commissioner shall establish a
22 program to award grants to school districts and open-enrollment
23 charter schools to increase local capacity to appropriately serve
24 students with dyslexia.

25 (b) A school district, including a school district acting
26 through a district charter issued under Subchapter C, Chapter 12,
27 or an open-enrollment charter school, including a charter school

1 that primarily serves students with disabilities, as provided under
2 Section 12.1014, is eligible to apply for a grant under this section
3 if the district or school submits to the commissioner a proposal on
4 the use of grant funds that:

5 (1) incorporates evidence-based and research-based
6 design; and

7 (2) increases local capacity to appropriately serve
8 students with dyslexia by providing:

9 (A) high-quality training to classroom teachers
10 and administrators in meeting the needs of students with dyslexia;
11 or

12 (B) training to intervention staff resulting in
13 appropriate credentialing related to dyslexia.

14 (c) The commissioner shall create an external panel of
15 stakeholders, including parents of students with disabilities, to
16 provide assistance in the selection of applications for the award
17 of grants under this section.

18 (d) A grant under this section is to be awarded for two
19 years.

20 (e) A grant awarded to a school district or open-enrollment
21 charter school under this section is in addition to the Foundation
22 School Program funds that the district or charter school is
23 otherwise entitled to receive. A grant awarded under this section
24 may not come out of Foundation School Program funds.

25 (f) The commissioner shall use funds appropriated or
26 otherwise available to fund grants under this section.

27 (g) The commissioner and any grant recipient selected under

1 this section may accept gifts, grants, and donations from any
2 public or private source, person, or group to implement and
3 administer the grant. The commissioner and any grant recipient
4 selected under this section may not require any financial
5 contribution from parents to implement and administer the grant.

6 (h) A regional education service center may administer
7 grants awarded under this section.

8 Sec. 29.029. SUPPORTS FOR RECRUITING SPECIAL EDUCATION
9 STAFF. (a) From funds appropriated or otherwise available for the
10 purpose, the agency shall provide grants to school districts and
11 open-enrollment charter schools to increase the number of qualified
12 and appropriately credentialed special education staff, including
13 special education teachers, special education paraprofessionals,
14 evaluation personnel, ancillary instruction personnel, and related
15 service personnel.

16 (b) A school district or open-enrollment charter school
17 that receives a grant under this section shall require each person
18 the district or school uses the grant money to assist in becoming
19 licensed, certified, or otherwise credentialed as described by
20 Subsection (a) to work at the district or school for a period
21 established by commissioner rule.

22 (c) The commissioner shall adopt rules establishing the
23 period of required employment described by Subsection (b) and any
24 other rules necessary to implement this section.

25 SECTION 4.10. The heading to Subchapter A-1, Chapter 29,
26 Education Code, is amended to read as follows:

1 SUBCHAPTER A-1. PARENT-DIRECTED [~~SUPPLEMENTAL SPECIAL EDUCATION~~]
2 SERVICES FOR STUDENTS RECEIVING SPECIAL EDUCATION SERVICES
3 [~~PROGRAM~~]

4 SECTION 4.11. Sections 29.041(2) and (3), Education Code,
5 are amended to read as follows:

6 (2) "Supplemental [~~special education~~] instructional
7 materials" includes textbooks, computer hardware or software,
8 other technological devices, and other materials suitable for
9 addressing an educational need of a student receiving special
10 education services under Subchapter A.

11 (3) "Supplemental [~~special education~~] services" means
12 an additive service that provides an educational benefit to a
13 student receiving special education services under Subchapter A,
14 including:

15 (A) occupational therapy, physical therapy, and
16 speech therapy; and

17 (B) private tutoring and other supplemental
18 private instruction or programs.

19 SECTION 4.12. Section 29.042(a), Education Code, is amended
20 to read as follows:

21 (a) The agency by rule shall establish and administer a
22 parent-directed [~~supplemental special education services and~~
23 ~~instructional materials~~] program for students receiving special
24 education services through which a parent may direct supplemental
25 services and supplemental instructional materials for the parent's
26 student [~~students~~] who meets [~~meet~~] the eligibility requirements
27 for participation in the program. Subject to Subsection (c), the

1 agency shall provide each student approved as provided by this
2 subchapter a grant in the amount provided under Section 48.306 [~~of~~
3 ~~not more than \$1,500~~] to purchase supplemental [~~special education~~]
4 services and supplemental [~~special education~~] instructional
5 materials. A student may receive one grant under this subchapter
6 unless the legislature appropriates money for an additional grant
7 in the General Appropriations Act.

8 SECTION 4.13. Section 29.045, Education Code, is amended to
9 read as follows:

10 Sec. 29.045. APPROVAL OF APPLICATION; ASSIGNMENT OF
11 ACCOUNT. The [~~Subject to available funding the~~] agency shall
12 approve each student who meets the program eligibility criteria
13 established under Section 29.044 and assign to the student an
14 account maintained under Section 29.042(b). The account may only
15 be used by the student's parent to purchase supplemental [~~special~~
16 ~~education~~] services or supplemental [~~special education~~]
17 instructional materials for the student, subject to Sections 29.046
18 and 29.047.

19 SECTION 4.14. Sections 29.046(a) and (b), Education Code,
20 are amended to read as follows:

21 (a) Money in an account assigned to a student under Section
22 29.045 may be used only for supplemental [~~special education~~]
23 services and supplemental [~~special education~~] instructional
24 materials.

25 (b) Supplemental [~~special education~~] services must be
26 provided by an agency-approved provider.

27 SECTION 4.15. Sections 29.047(a), (c), (d), and (e),

1 Education Code, are amended to read as follows:

2 (a) The agency shall establish criteria necessary for
3 agency approval for each category of provider of a professional
4 service that is a supplemental [~~special education~~] service, as
5 identified by the agency.

6 (c) The agency shall provide a procedure for providers of
7 supplemental [~~special education~~] services to apply to the agency to
8 become an agency-approved provider.

9 (d) The agency may establish criteria for agency approval of
10 vendors for each category of supplemental [~~special education~~]
11 instructional materials identified by the agency.

12 (e) If the agency establishes criteria for agency approval
13 for a vendor of a category of supplemental [~~special education~~]
14 instructional materials, the agency shall provide a procedure for
15 vendors of that category to apply to the agency to become an
16 agency-approved vendor.

17 SECTION 4.16. Subchapter A-1, Chapter 29, Education Code,
18 is amended by adding Section 29.0475 to read as follows:

19 Sec. 29.0475. PROGRAM PARTICIPANT, PROVIDER, AND VENDOR
20 AUTONOMY. (a) A provider of supplemental services or vendor of
21 supplemental instructional materials that receives money
22 distributed under the program is not a recipient of federal
23 financial assistance on the basis of receiving that money.

24 (b) A rule adopted or action taken related to the program by
25 an individual, governmental entity, court of law, or program
26 administrator may not:

27 (1) consider the actions of a provider of supplemental

1 services, vendor of supplemental instructional materials, or
2 program participant to be the actions of an agent of state
3 government;

4 (2) limit:

5 (A) a provider of supplemental services' ability
6 to determine the methods used to educate the provider's students or
7 to exercise the provider's religious or institutional values; or

8 (B) a program participant's ability to determine
9 the participant's educational content or to exercise the
10 participant's religious values;

11 (3) obligate a provider of supplemental services or
12 program participant to act contrary to the provider's or
13 participant's religious or institutional values, as applicable;

14 (4) impose any regulation on a provider of
15 supplemental services, vendor of supplemental instructional
16 materials, or program participant beyond those regulations
17 necessary to enforce the requirements of the program; or

18 (5) require as a condition of receiving money
19 distributed under the program:

20 (A) a provider of supplemental services to modify
21 the provider's creed, practices, admissions policies, curriculum,
22 performance standards, employment policies, or assessments; or

23 (B) a program participant to modify the
24 participant's creed, practices, curriculum, performance standards,
25 or assessments.

26 (c) In a proceeding challenging a rule adopted by a state
27 agency or officer under this subchapter, the agency or officer has

1 the burden of proof to establish by clear and convincing evidence
2 that the rule:

3 (1) is necessary to implement or enforce the program
4 as provided by this subchapter;

5 (2) does not violate this section;

6 (3) does not impose an undue burden on a program
7 participant or a provider of supplemental services or vendor of
8 supplemental instructional materials that participates or applies
9 to participate in the program; and

10 (4) is the least restrictive means of accomplishing
11 the purpose of the program while recognizing the independence of a
12 provider of supplemental services to meet the educational needs of
13 students in accordance with the provider's religious or
14 institutional values.

15 SECTION 4.17. Section 29.048, Education Code, is amended to
16 read as follows:

17 Sec. 29.048. ADMISSION, REVIEW, AND DISMISSAL COMMITTEE
18 DUTIES. (a) A student's admission, review, and dismissal
19 committee shall develop a student's individualized education
20 program under Section 29.005, in compliance with the Individuals
21 with Disabilities Education Act (20 U.S.C. Section 1400 et seq.),
22 without consideration of any supplemental [~~special education~~]
23 services or supplemental instructional materials that may be
24 provided under the program under this subchapter.

25 (b) Unless the district first verifies that an account has
26 been assigned to the student under Section 29.045, the [The]
27 admission, review, and dismissal committee of a student approved

1 for participation in the program shall provide to the student's
2 parent at an admission, review, and dismissal committee meeting for
3 the student:

4 (1) information regarding the types of supplemental
5 ~~[special education]~~ services or supplemental instructional
6 materials available under the program and provided by
7 agency-approved providers for which an account maintained under
8 Section 29.042(b) for the student may be used; and

9 (2) instructions regarding accessing an account
10 described by Subdivision (1).

11 SECTION 4.18. Subchapter A-1, Chapter 29, Education Code,
12 is amended by adding Section 29.0485 to read as follows:

13 Sec. 29.0485. DETERMINATION OF COMMISSIONER FINAL.
14 Notwithstanding Section 7.057, a determination of the commissioner
15 under this subchapter is final and may not be appealed.

16 SECTION 4.19. Section 29.049, Education Code, is amended to
17 read as follows:

18 Sec. 29.049. RULES. The commissioner shall adopt rules as
19 necessary to administer the supplemental ~~[special education]~~
20 services and supplemental instructional materials program under
21 this subchapter.

22 SECTION 4.20. Section 29.315, Education Code, is amended to
23 read as follows:

24 Sec. 29.315. TEXAS SCHOOL FOR THE DEAF MEMORANDUM OF
25 UNDERSTANDING. The Texas Education Agency and the Texas School for
26 the Deaf shall develop ~~[, agree to, and by commissioner rule adopt no~~
27 ~~later than September 1, 1998,]~~ a memorandum of understanding to

1 establish:

2 (1) the method for developing and reevaluating a set
3 of indicators of the quality of learning at the Texas School for the
4 Deaf;

5 (2) the process for the agency to conduct and report on
6 an annual evaluation of the school's performance on the indicators;

7 (3) the requirements for the school's board to
8 publish, discuss, and disseminate an annual report describing the
9 educational performance of the school;

10 (4) the process for the agency to assign an
11 accreditation status to the school, to reevaluate the status on an
12 annual basis, and, if necessary, to conduct monitoring reviews; and

13 (5) the type of information the school shall be
14 required to provide through the Public Education Information
15 Management System (PEIMS).

16 SECTION 4.21. Section 30.001(b), Education Code, is amended
17 to read as follows:

18 (b) The commissioner, with the approval of the State Board
19 of Education, shall develop and implement a plan for the
20 coordination of services to children with disabilities in each
21 region served by a regional education service center. The plan
22 must include procedures for:

23 (1) identifying existing public or private
24 educational and related services for children with disabilities in
25 each region;

26 (2) identifying and referring children with
27 disabilities who cannot be appropriately served by the school

1 district in which they reside to other appropriate programs;

2 (3) assisting school districts to individually or
3 cooperatively develop programs to identify and provide appropriate
4 services for children with disabilities;

5 (4) expanding and coordinating services provided by
6 regional education service centers for children with disabilities;
7 and

8 (5) providing for special education supports
9 [~~services~~], including special seats, books, instructional media,
10 and other supplemental supplies and services required for proper
11 instruction.

12 SECTION 4.22. Section 30.002(g), Education Code, is amended
13 to read as follows:

14 (g) To facilitate implementation of this section, the
15 commissioner shall develop a system to distribute from the
16 foundation school fund to school districts or regional education
17 service centers a special supplemental allowance for each student
18 with a visual impairment and for each student with a serious visual
19 disability and another medically diagnosed disability of a
20 significantly limiting nature who is receiving special education
21 services through any approved program. The supplemental allowance
22 may be spent only for special education services uniquely required
23 by the nature of the student's disabilities and may not be used in
24 lieu of educational funds otherwise available under this code or
25 through state or local appropriations.

26 SECTION 4.23. Section 30.005, Education Code, is amended to
27 read as follows:

1 Sec. 30.005. TEXAS SCHOOL FOR THE BLIND AND VISUALLY
2 IMPAIRED MEMORANDUM OF UNDERSTANDING. The Texas Education Agency
3 and the Texas School for the Blind and Visually Impaired shall
4 develop~~[, agree to, and by commissioner rule adopt]~~ a memorandum of
5 understanding to establish:

6 (1) the method for developing and reevaluating a set
7 of indicators of the quality of learning at the Texas School for the
8 Blind and Visually Impaired;

9 (2) the process for the agency to conduct and report on
10 an annual evaluation of the school's performance on the indicators;

11 (3) the requirements for the school's board to
12 publish, discuss, and disseminate an annual report describing the
13 educational performance of the school;

14 (4) the process for the agency to:

15 (A) assign an accreditation status to the school;

16 (B) reevaluate the status on an annual basis; and

17 (C) if necessary, conduct monitoring reviews;

18 and

19 (5) the type of information the school shall be
20 required to provide through the Public Education Information
21 Management System (PEIMS).

22 SECTION 4.24. Section [37.146\(a\)](#), Education Code, as
23 effective until January 1, 2025, is amended to read as follows:

24 (a) A complaint alleging the commission of a school offense
25 must, in addition to the requirements imposed by Article [45.019](#),
26 Code of Criminal Procedure:

27 (1) be sworn to by a person who has personal knowledge

1 of the underlying facts giving rise to probable cause to believe
2 that an offense has been committed; and

3 (2) be accompanied by a statement from a school
4 employee stating:

5 (A) whether the child is eligible for or receives
6 special education services under Subchapter A, Chapter 29; and

7 (B) the graduated sanctions, if required under
8 Section 37.144, that were imposed on the child before the complaint
9 was filed.

10 SECTION 4.25. Section 37.146(a), Education Code, as
11 effective January 1, 2025, is amended to read as follows:

12 (a) A complaint alleging the commission of a school offense
13 must, in addition to the requirements imposed by Article 45A.101,
14 Code of Criminal Procedure:

15 (1) be sworn to by a person who has personal knowledge
16 of the underlying facts giving rise to probable cause to believe
17 that an offense has been committed; and

18 (2) be accompanied by a statement from a school
19 employee stating:

20 (A) whether the child is eligible for or receives
21 special education services under Subchapter A, Chapter 29; and

22 (B) the graduated sanctions, if required under
23 Section 37.144, that were imposed on the child before the complaint
24 was filed.

25 SECTION 4.26. Section 48.265(a), Education Code, is amended
26 to read as follows:

27 (a) If [~~Notwithstanding any other provision of law, if~~] the

1 commissioner determines that the amount appropriated for the
2 purposes of the Foundation School Program exceeds the amount to
3 which school districts are entitled under this chapter, the
4 commissioner may provide [~~by rule shall establish a grant program~~
5 ~~through which excess funds are awarded as~~] grants using the excess
6 money for the purchase of video equipment, or for the reimbursement
7 of costs for previously purchased video equipment, used for
8 monitoring special education classrooms or other special education
9 settings required under Section 29.022.

10 SECTION 4.27. Section 29.002, Education Code, is repealed.

11 SECTION 4.28. This article takes effect immediately if this
12 Act receives a vote of two-thirds of all the members elected to each
13 house, as provided by Section 39, Article III, Texas Constitution.
14 If this Act does not receive the vote necessary for immediate
15 effect, this article takes effect on the 91st day after the last day
16 of the legislative session.

17 ARTICLE 5. EDUCATION SAVINGS ACCOUNT PROGRAM

18 SECTION 5.01. Chapter 29, Education Code, is amended by
19 adding Subchapter J to read as follows:

20 SUBCHAPTER J. EDUCATION SAVINGS ACCOUNT PROGRAM

21 Sec. 29.351. DEFINITIONS. In this subchapter:

22 (1) "Account" means an education savings account
23 established under the program.

24 (2) "Certified educational assistance organization"
25 means an organization certified under Section 29.354 to support the
26 administration of the program.

27 (3) "Child with a disability" means a child who is

1 eligible to participate in a school district's special education
2 program under Section 29.003.

3 (4) "Higher education provider" means an institution
4 of higher education or a private or independent institution of
5 higher education, as those terms are defined by Section 61.003.

6 (5) "Parent" means a resident of this state who is a
7 natural or adoptive parent, managing or possessory conservator,
8 legal guardian, custodian, or other person with legal authority to
9 act on behalf of a child.

10 (6) "Participating child" means a child enrolled in
11 the program.

12 (7) "Participating parent" means a parent of a
13 participating child who submitted an application under Section
14 29.356 on behalf of the child.

15 (8) "Program" means the program established under this
16 subchapter.

17 (9) "Program participant" means a participating child
18 or a participating parent.

19 Sec. 29.352. ESTABLISHMENT OF PROGRAM. The comptroller
20 shall establish a program to provide funding for approved
21 education-related expenses of participating children.

22 Sec. 29.353. PROGRAM FUND. (a) The program fund is an
23 account in the general revenue fund to be administered by the
24 comptroller.

25 (b) The fund is composed of:

26 (1) money appropriated to the fund;

27 (2) gifts, grants, and donations received under

1 Section 29.370; and

2 (3) any other money available for purposes of the
3 program.

4 (c) Money in the fund may be appropriated only for the uses
5 specified by this subchapter.

6 (d) The governor and the Legislative Budget Board may not
7 transfer or repurpose money under a proposal under Chapter 317,
8 Government Code, to provide funding to administer the program.

9 Sec. 29.3535. PROMOTION OF PROGRAM. Notwithstanding
10 Chapter 2113, Government Code, the comptroller or the comptroller's
11 designee may enter into contracts or agreements and engage in
12 marketing, advertising, and other activities to promote, market,
13 and advertise the development and use of the program. The
14 comptroller may use money from the program fund to pay for
15 activities authorized under this section.

16 Sec. 29.354. SELECTION OF CERTIFIED EDUCATIONAL ASSISTANCE
17 ORGANIZATIONS. (a) An organization may apply to the comptroller
18 for certification as a certified educational assistance
19 organization during an application period established by the
20 comptroller.

21 (b) To be eligible for certification, an organization must:

22 (1) have the ability to perform one or more of the
23 duties and functions required of a certified educational assistance
24 organization under this subchapter;

25 (2) be in good standing with the state; and

26 (3) be able to assist the comptroller in administering
27 the program in whole or in part, such as the ability to:

1 (A) accept, process, and track applications for
2 the program;

3 (B) assist prospective applicants, applicants,
4 and program participants with finding preapproved education
5 service providers and vendors of educational products;

6 (C) accept and process payments for approved
7 education-related expenses; and

8 (D) verify that program funding is used only for
9 approved education-related expenses.

10 (c) The comptroller may certify one or more educational
11 assistance organizations to support the administration of the
12 program, including by:

13 (1) administering in whole or in part:

14 (A) the application process under Section
15 29.356; and

16 (B) the program expenditures process under
17 Section 29.360; and

18 (2) assisting prospective applicants, applicants, and
19 program participants with understanding approved education-related
20 expenses and finding preapproved education service providers and
21 vendors of educational products.

22 (d) A certified educational assistance organization is not
23 considered to be a provider of professional or consulting services
24 under Chapter 2254, Government Code.

25 Sec. 29.355. ELIGIBLE CHILD. (a) A child is eligible to
26 participate in the program and may, subject to available funding
27 and the requirements of this subchapter, initially enroll in the

1 program for the following school year if the child is eligible to
2 attend a public school under Section 25.001 and:

3 (1) either:

4 (A) was enrolled in a public school in this state
5 for at least 90 percent of the school year preceding the school year
6 for which the child applies to enroll in the program;

7 (B) is enrolling in kindergarten or first grade
8 for the first time; or

9 (C) attended a private school on a full-time
10 basis or was home-schooled for the preceding school year; or

11 (2) is a sibling of a child who is eligible to
12 participate in the program and:

13 (A) applies to enroll in the program for the same
14 school year in which the sibling applies to enroll in the program;
15 or

16 (B) is participating in the program.

17 (b) A child who establishes eligibility under this section
18 may, subject to available funding and the requirements of this
19 subchapter, participate in the program until the earliest of the
20 following dates:

21 (1) the date on which the child graduates from high
22 school;

23 (2) the date on which the child is no longer eligible
24 to attend a public school under Section 25.001;

25 (3) the date on which the child enrolls in a public
26 school, including an open-enrollment charter school, in a manner in
27 which the child will be counted toward the school's average daily

1 attendance for purposes of the allocation of funding under the
2 foundation school program;

3 (4) for a child who performed satisfactorily on an
4 assessment instrument administered under Subchapter B, Chapter 39,
5 in the school year preceding the child's enrollment in the program,
6 the date of the first day of the school year following the school
7 year in which the child fails to perform satisfactorily for the
8 second consecutive year in the same subject area on an assessment
9 instrument required under Section 29.371; or

10 (5) the date on which the child is declared ineligible
11 for the program by the comptroller under this subchapter.

12 (c) Notwithstanding Subsection (a) or (b), a child is not
13 eligible to participate in the program during the period in which
14 the child's parent or legal guardian is a state representative or
15 state senator.

16 Sec. 29.3551. PROGRAM ENROLLMENT. (a) For the 2024-2025
17 school year, the total amount of children participating in the
18 program may not exceed 25,000.

19 (b) For the 2025-2026 and 2026-2027 school years, the total
20 amount of children participating in the program may not exceed the
21 sum of:

22 (1) the number of children who participated in the
23 program during the preceding school year; and

24 (2) 25,000.

25 (c) This section expires September 1, 2027.

26 Sec. 29.356. APPLICATION TO PROGRAM. (a) A parent of an
27 eligible child may apply to a certified educational assistance

1 organization designated by the comptroller to enroll the child in
2 the program for the following school year. The comptroller shall
3 establish deadlines by which an applicant must complete and submit
4 an application form to participate in the program.

5 (b) On receipt of more acceptable applications during an
6 application period for admission under this section than available
7 positions in the program due to insufficient funding, a certified
8 educational assistance organization shall, at the direction of the
9 comptroller, prioritize applicants:

10 (1) in the following order:

11 (A) children to whom Paragraph (B) does not
12 apply; and

13 (B) children who previously ceased participation
14 in the program due to enrollment in a public school; and

15 (2) within each of the groups described by Subdivision
16 (1), as follows, as applicable:

17 (A) children with a disability who are members of
18 a household with a total annual income that is at or below 400
19 percent of the federal poverty guidelines;

20 (B) children who are members of a household with
21 a total annual income that is at or below 185 percent of the federal
22 poverty guidelines;

23 (C) children who are members of a household with
24 a total annual income that is above 185 percent of the federal
25 poverty guidelines and below 400 percent of the federal poverty
26 guidelines; and

27 (D) children who are members of a household with

1 a total annual income that is at or above 400 percent of the federal
2 poverty guidelines.

3 (b-1) For purposes of Subsection (b), a certified
4 educational assistance organization shall prioritize a
5 participating child's sibling who is initially eligible to
6 participate in the program under Section 29.355(a)(2) in the same
7 manner as the participating child.

8 (b-2) The agency shall provide to the comptroller the
9 information necessary to make the determinations required under
10 Subsection (b).

11 (c) The comptroller shall create an application form for the
12 program and ensure the application form is made readily available
13 through various sources, including a certified educational
14 assistance organization's Internet website. The application form
15 must state the application deadlines established by the comptroller
16 under Subsection (a). Each certified educational assistance
17 organization designated under Subsection (a) shall ensure that the
18 application form, including any required supporting document, is
19 capable of being submitted to the organization electronically.

20 (d) The comptroller shall create and maintain a waiting list
21 based on the priority categories described by Subsection (b) for
22 applicants if, during an application period, there are more
23 acceptable applications for admission than there are available
24 positions.

25 (e) Each certified educational assistance organization
26 designated under Subsection (a) shall post on the organization's
27 Internet website program information for prospective applicants,

1 including:

2 (1) a description of the program;

3 (2) expenses allowed under the program under Section
4 29.359;

5 (3) a link to a list of preapproved education service
6 providers and vendors of educational products under Section 29.358;

7 (4) a description of the application process;

8 (5) a description of the applicant selection process;

9 (6) a description of the program expenditures process
10 under Section 29.360; and

11 (7) a description of the responsibilities of program
12 participants.

13 (f) A certified educational assistance organization shall
14 produce and provide to each participating parent a
15 comptroller-approved program participant handbook that includes:

16 (1) information regarding expenses allowed under the
17 program under Section 29.359;

18 (2) if the handbook is provided electronically, a link
19 to a list of preapproved education service providers and vendors of
20 educational products under Section 29.358;

21 (3) a description of the program expenditures process
22 under Section 29.360; and

23 (4) a description of the responsibilities of program
24 participants.

25 (g) Each certified educational assistance organization
26 designated under Subsection (a) shall on enrollment and annually
27 provide to each participating parent the information described by

1 Subsections (e) and (f). The organization may provide the
2 information electronically.

3 (h) The comptroller or a certified educational assistance
4 organization designated under Subsection (a):

5 (1) may require a participating parent to submit
6 annual notice regarding the parent's intent for the child to
7 continue participating in the program for the next school year; and

8 (2) may not require a program participant in good
9 standing to annually resubmit an application for continued
10 participation in the program.

11 Sec. 29.357. PARTICIPATION IN PROGRAM. To receive funding
12 under the program, a participating parent must agree to:

13 (1) spend money received through the program only for
14 expenses allowed under Section 29.359;

15 (2) ensure the administration of assessment
16 instruments to the participating child in accordance with Section
17 29.371 and share or authorize administrators of assessment
18 instruments to share with the child's certified educational
19 assistance organization the results of those assessment
20 instruments;

21 (3) refrain from selling an item purchased with
22 program money while the child is participating in the program; and

23 (4) notify the applicable certified educational
24 assistance organization not later than 30 days after the date on
25 which the child:

26 (A) enrolls in a public school, including an
27 open-enrollment charter school in a manner in which the child will

1 be counted toward the school's average daily attendance for
2 purposes of the allocation of funding under the foundation school
3 program;

4 (B) graduates from high school; or

5 (C) is no longer eligible to enroll in a public
6 school under Section 25.001.

7 Sec. 29.358. PREAPPROVED PROVIDERS AND VENDORS. (a) The
8 comptroller shall by rule establish a process for the preapproval
9 of education service providers and vendors of educational products
10 for participation in the program. The comptroller shall allow for
11 the submission of applications on a rolling basis.

12 (b) The comptroller shall approve an education service
13 provider or vendor of educational products for participation in the
14 program if the provider or vendor:

15 (1) has previously been approved by the agency to
16 provide supplemental special education services under Subchapter
17 A-1 and remains in good standing with the agency;

18 (2) for a private school, demonstrates accreditation
19 by an organization recognized by:

20 (A) the Texas Private School Accreditation
21 Commission; or

22 (B) the agency;

23 (3) for a public school, demonstrates:

24 (A) accreditation by the agency; and

25 (B) the ability to provide services or products
26 to participating children in a manner in which the children are not
27 counted toward the school's average daily attendance;

1 (4) for a private tutor, therapist, or teaching
2 service, demonstrates that:

3 (A) the tutor or therapist or each employee of
4 the teaching service who intends to provide educational services to
5 a participating child:

6 (i) is an educator employed by or a retired
7 educator formerly employed by a school accredited by the agency, an
8 organization recognized by the agency, or an organization
9 recognized by the Texas Private School Accreditation Commission;

10 (ii) holds a relevant license or
11 accreditation issued by a state, regional, or national
12 certification or accreditation organization; or

13 (iii) is employed in or retired from a
14 teaching or tutoring capacity at a higher education provider;

15 (B) the tutor or therapist or each employee of
16 the teaching service who intends to provide educational services to
17 a participating child provided to the comptroller a national
18 criminal history record information review completed by the tutor,
19 therapist, or employee, as applicable, within a period established
20 by comptroller rule; and

21 (C) the tutor or therapist or each employee of
22 the teaching service who intends to provide educational services to
23 a participating child is not:

24 (i) required to be discharged or refused to
25 be hired by a school district under Section [22.085](#); or

26 (ii) included in the registry under Section
27 [22.092](#); or

1 (5) for a higher education provider, demonstrates
2 nationally recognized postsecondary accreditation.

3 (c) The comptroller shall review the national criminal
4 history record information or documentation for each private tutor,
5 therapist, or teaching service employee who submits information or
6 documentation under this section. The tutor, therapist, or service
7 must provide the comptroller with any information requested by the
8 comptroller to enable the comptroller to complete the review.

9 (d) An education service provider or vendor of educational
10 products shall provide information requested by the comptroller to
11 verify the provider's or vendor's eligibility for preapproval under
12 Subsection (b). The comptroller may not approve a provider or
13 vendor if the comptroller cannot verify the provider's or vendor's
14 eligibility for preapproval.

15 (e) An education service provider or vendor of educational
16 products must agree to:

17 (1) abide by the disbursement schedule under Section
18 29.360(c) and all other requirements of this subchapter;

19 (2) accept money from the program only for
20 education-related expenses approved under Section 29.359;

21 (3) notify the comptroller not later than the 30th day
22 after the date that the provider or vendor no longer meets the
23 requirements of this section; and

24 (4) return any money received in violation of this
25 subchapter or other relevant law to the comptroller for deposit
26 into the program fund.

27 (f) An education service provider or vendor of educational

1 products that receives approval under this section may participate
2 in the program until the earliest of the date on which the provider
3 or vendor:

4 (1) no longer meets the requirements under this
5 section; or

6 (2) violates this subchapter or other relevant law.

7 (g) This section may not be construed to allow a learning
8 pod, as defined by Section 27.001, or a home school to qualify as an
9 approved education service provider or vendor of educational
10 products.

11 Sec. 29.359. APPROVED EDUCATION-RELATED EXPENSES. (a)
12 Subject to Subsection (b), money received under the program may be
13 used only for the following education-related expenses incurred by
14 a participating child at a preapproved education service provider
15 or vendor of educational products:

16 (1) tuition and fees for:

17 (A) a private school;

18 (B) a higher education provider;

19 (C) an online educational course or program; or

20 (D) a program that provides training for an
21 industry-based credential;

22 (2) the purchase of textbooks or other instructional
23 materials or uniforms required by a private school, higher
24 education provider, or course in which the child is enrolled,
25 including purchases made through a third-party vendor of
26 educational products;

27 (3) fees for classes or other educational services

1 provided by a public school, including an open-enrollment charter
2 school, if the classes or services do not qualify the child to be
3 included in the school's average daily attendance;

4 (4) costs related to academic assessments;

5 (5) fees for services provided by a private tutor or
6 teaching service;

7 (6) fees for transportation provided by a
8 fee-for-service transportation provider for the child to travel to
9 and from a preapproved education service provider or vendor of
10 educational products;

11 (7) fees for educational therapies or services
12 provided by a practitioner or provider, only for fees that are not
13 covered by any federal, state, or local government benefits such as
14 Medicaid or the Children's Health Insurance Program (CHIP) or by
15 any private insurance that the child is enrolled in at the time of
16 receiving the therapies or services;

17 (8) costs of computer hardware and software and other
18 technological devices prescribed by a physician to facilitate a
19 child's education, not to exceed in any year 10 percent of the total
20 amount paid to the participating child's account that year;

21 (9) costs of breakfast or lunch provided to a child
22 during the school day by a private school; and

23 (10) before- and after-school academic child care.

24 (b) Money received under the program may not be used to pay
25 any person who is related to the program participant within the
26 third degree by consanguinity or affinity, as determined under
27 Chapter 573, Government Code.

1 (c) A finding that a program participant used money
2 distributed under the program to pay for an expense not allowed
3 under Subsection (a) does not affect the validity of any payment
4 made by the participant for an approved education-related expense
5 that is allowed under that subsection.

6 Sec. 29.360. PROGRAM EXPENDITURES. (a) The comptroller
7 shall disburse from the program fund to each certified educational
8 assistance organization the amount specified under Section
9 29.361(a) for each participating child for which the organization
10 is responsible.

11 (b) To initiate payment to an education service provider or
12 vendor of educational products for an education-related expense
13 approved under Section 29.359, the participating parent must submit
14 a request in a form prescribed by comptroller rule to the applicable
15 certified educational assistance organization.

16 (c) Subject to Subsection (d) and Sections 29.362(g) and
17 29.364, on receiving a request under Subsection (b), a certified
18 educational assistance organization shall verify that the request
19 is for an expense approved under Section 29.359 and, not later than
20 the 15th business day after the date the organization verifies the
21 request, send payment to the education service provider or vendor
22 of educational products.

23 (d) A disbursement under this section may not exceed the
24 applicable participating child's account balance.

25 (e) A certified educational assistance organization shall
26 provide the participating parent for which the organization is
27 responsible with electronic access to:

1 (1) view the current balance of the participating
2 child's account;

3 (2) initiate the payment process under Subsection (b);
4 and

5 (3) view a summary of the past activity on the
6 participating child's account, including payments from the account
7 to education service providers and vendors of educational products.

8 Sec. 29.361. AMOUNT OF PAYMENT; FINANCING. (a) Regardless
9 of the deadline by which the participating parent applies for
10 enrollment in the program under Section 29.356(a) and except as
11 provided by Subsections (a-1) and (a-3), a participating parent
12 shall receive each school year that the parent's child participates
13 in the program payments from the state to be held in trust for the
14 benefit of the child from funds available under Section 29.353 to
15 the child's account equal to 75 percent of the estimated statewide
16 average amount of funding per student in average daily attendance
17 for the applicable school year, as determined by the commissioner
18 not later than January 15 preceding the applicable school year. For
19 purposes of determining the estimated statewide average amount of
20 funding per student under this subsection, the commissioner shall
21 include state and local funding under Chapters 46, 48, and 49 and
22 the amount the state is required to contribute under Section
23 825.404, Government Code.

24 (a-1) If a child enrolls in the program after the beginning
25 of a school year, the comptroller shall prorate the amount the
26 participating parent of the child receives under Subsection (a)
27 based on the date the child enrolls in the program.

1 (a-2) A participating parent must submit all requests for
2 payment from the account of the parent's child for expenses
3 incurred during a fiscal year to the comptroller not less than 90
4 days after the end of that fiscal year.

5 (a-3) Notwithstanding Subsection (a), a participating child
6 who is a home-schooled student, as defined by Section 29.916(a)(1),
7 may not receive payments to the child's account under Subsection
8 (a) in an amount that exceeds \$1,000 for a school year.

9 (b) Any money remaining in a participating child's account
10 at the end of a fiscal year that is not obligated for expenses
11 incurred during that fiscal year shall be returned to the
12 comptroller for deposit to the program fund. The comptroller shall
13 provide to a participating parent adequate notice of the return of
14 money in the account under this subsection.

15 (c) A participating parent may make payments for the
16 expenses of educational programs, services, and products not
17 covered by money in the account of the parent's child.

18 (d) A payment under Subsection (a) may not be financed using
19 federal money or money from the available school fund or
20 instructional materials fund.

21 (e) Payments received under this subchapter do not
22 constitute taxable income to a participating parent, unless
23 otherwise provided by federal or another state's law.

24 (f) On dates consistent with satisfying the application
25 deadlines established under Section 29.356(a), the agency shall
26 calculate and report to the comptroller the amount specified under
27 Subsection (a) for each participating child.

1 Sec. 29.3615. ENROLLMENT IN PUBLIC SCHOOL. Notwithstanding
2 any other provision of this subchapter or other law, if a child
3 ceases participation in the program due to the child's enrollment
4 in a public school, including an open-enrollment charter school:

5 (1) the public school is entitled to receive an amount
6 equal to the amount in the child's account returned to the
7 comptroller under Section 29.362(f); and

8 (2) the child may not be considered in evaluating the
9 performance of a public school under the public school
10 accountability system as prescribed by Chapters 39 and 39A for the
11 first school year after the child ceases participation in the
12 program.

13 Sec. 29.362. ADMINISTRATION OF ACCOUNTS. (a) On receipt of
14 money distributed by the comptroller for purposes of making
15 payments to accounts, a certified educational assistance
16 organization shall hold the money in trust for the benefit of
17 participating children and make quarterly payments to the account
18 of each participating child for which the organization is
19 responsible in equal amounts on or before the first day of July,
20 October, January, and April.

21 (b) Each year, the comptroller may deduct from the total
22 amount of money appropriated for purposes of this subchapter an
23 amount, not to exceed three percent of that total amount, to cover
24 the comptroller's cost of administering the program.

25 (c) Each quarter, each certified educational assistance
26 organization shall submit to the comptroller a breakdown of the
27 organization's actual costs of administering the program for the

1 previous quarter and the comptroller shall disburse from money
2 appropriated for the program to each certified educational
3 assistance organization the amount necessary to cover the
4 organization's actual costs of administering the program for that
5 quarter. The total amount disbursed to all certified educational
6 assistance organizations under this subsection for a state fiscal
7 year may not exceed five percent of the amount appropriated for the
8 purposes of the program for that fiscal year.

9 (d) On or before the first day of October and February or
10 another date determined by comptroller rule, each certified
11 educational assistance organization shall:

12 (1) verify with the agency that each participating
13 child for which the organization is responsible is not enrolled in a
14 public school, including an open-enrollment charter school, in a
15 manner in which the child is counted toward the school's average
16 daily attendance for purposes of the allocation of state funding
17 under the foundation school program; and

18 (2) notify the comptroller if the organization
19 determines that a participating child for which the organization is
20 responsible is enrolled in a public school, including an
21 open-enrollment charter school, in a manner in which the child is
22 counted toward the school's average daily attendance for purposes
23 of the allocation of state funding under the foundation school
24 program.

25 (e) The comptroller by rule shall establish a process by
26 which a participating parent may authorize the comptroller or the
27 certified educational assistance organization to make a payment

1 directly from the account of the parent's child to a preapproved
2 education service provider or vendor of educational products for an
3 expense allowed under Section 29.359.

4 (f) On the date on which a child who participated in the
5 program is no longer eligible to participate in the program under
6 Section 29.355 and payments for any education-related expenses
7 allowed under Section 29.359 from the child's account have been
8 completed, the child's account shall be closed and any remaining
9 money returned to the comptroller for deposit in the program fund.

10 (g) Each quarter, any interest or other earnings
11 attributable to money held by a certified educational assistance
12 organization for purposes of the program shall be remitted to the
13 comptroller for deposit in the program fund.

14 Sec. 29.363. AUDITING. (a) The comptroller shall contract
15 with a private entity to audit accounts and program participant
16 eligibility data not less than once per year to ensure compliance
17 with applicable law and program requirements. The audit must
18 include a review of:

19 (1) each certified educational assistance
20 organization's internal controls over program transactions; and

21 (2) compliance by:

22 (A) certified educational assistance
23 organizations with Section 29.354 and other program requirements;

24 (B) program participants with Section 29.357 and
25 other program requirements; and

26 (C) education service providers and vendors of
27 educational products with Section 29.358 and other program

1 requirements.

2 (b) In conducting an audit, the private entity may require a
3 certified educational assistance organization, program
4 participant, or education service provider or vendor of educational
5 products to provide information and documentation regarding any
6 transaction occurring under the program.

7 (c) The private entity shall report to the comptroller any
8 violation of this subchapter or other relevant law and any
9 transactions the entity determines to be unusual or suspicious
10 found by the entity during an audit conducted under this section.
11 The comptroller shall report the violation or transaction to:

12 (1) the applicable certified educational assistance
13 organization;

14 (2) the education service provider or vendor of
15 educational products, as applicable; and

16 (3) the participating parent of each participating
17 child who is affected by the violation or transaction.

18 Sec. 29.364. SUSPENSION OF ACCOUNT. (a) The comptroller
19 shall suspend the account of a program participant who fails to
20 remain in good standing by complying with applicable law or a
21 requirement of the program.

22 (b) On suspension of an account under Subsection (a), the
23 comptroller shall notify the participating parent in writing that
24 the account of the parent's child has been suspended and that no
25 additional payments may be made from the account. The notification
26 must specify the grounds for the suspension and state that the
27 participating parent has 30 days to respond and take any corrective

1 action required by the comptroller.

2 (c) On the expiration of the 30-day period under Subsection
3 (b), the comptroller shall:

4 (1) order closure of the suspended account;

5 (2) order temporary reinstatement of the account,
6 conditioned on the performance of a specified action by the program
7 participant; or

8 (3) order full reinstatement of the account.

9 (d) The comptroller may recover money distributed under the
10 program that was used for expenses not allowed under Section
11 29.359, for a child who was not eligible to participate in the
12 program at the time of the expenditure, or from an education service
13 provider or vendor of educational products that was not approved at
14 the time of the expenditure. The money may be recovered from the
15 program participant or the education service provider or vendor of
16 educational products that received the money if the participating
17 child's account is suspended or closed under this section. Failure
18 to reimburse the state on demand by the comptroller constitutes a
19 debt to the state for purposes of Section 403.055, Government Code.
20 The comptroller shall deposit money recovered under this subsection
21 into the program fund.

22 Sec. 29.365. TUITION AND FEES; REFUND PROHIBITED. (a) An
23 education service provider or vendor of educational products may
24 not charge a participating child an amount greater than the
25 standard amount charged for that service or product by the provider
26 or vendor.

27 (b) An education service provider or vendor of educational

1 products receiving money distributed under the program may not in
2 any manner rebate, refund, or credit to or share with a program
3 participant, or any person on behalf of a participant, any program
4 money paid or owed by the participant to the provider or vendor.

5 Sec. 29.366. REFERRAL TO DISTRICT ATTORNEY. If the
6 comptroller obtains evidence of fraudulent use of an account or
7 money distributed under the program or any other violation of law by
8 a certified educational assistance organization, program
9 participant, or education service provider or vendor of educational
10 products, the comptroller shall notify the appropriate local county
11 or district attorney with jurisdiction over, as applicable:

12 (1) the principal place of business of the
13 organization or provider or vendor; or

14 (2) the residence of the program participant.

15 Sec. 29.367. SPECIAL EDUCATION NOTICE. (a) Each certified
16 educational assistance organization designated under Section
17 29.356(a) shall post on the organization's Internet website and
18 provide to each parent who submits an application for the program a
19 notice that:

20 (1) states that a private school is not subject to
21 federal and state laws regarding the provision of educational
22 services to a child with a disability in the same manner as a public
23 school; and

24 (2) provides information regarding rights to which a
25 child with a disability is entitled under federal and state law if
26 the child attends a public school, including:

27 (A) rights provided under the Individuals with

1 Disabilities Education Act (20 U.S.C. Section 1400 et seq.); and

2 (B) rights provided under Subchapter A.

3 (b) A private school in which a participating child with a
4 disability enrolls shall provide to the participating parent a copy
5 of the notice required under Subsection (a).

6 Sec. 29.368. CHARACTER OF DISTRIBUTION. An education
7 service provider or vendor of educational products that receives
8 money distributed under the program is not a recipient of federal
9 financial assistance and may not be considered to be an agent of
10 state government on the basis of receiving that money.

11 Sec. 29.369. STUDENT RECORDS AND INFORMATION. (a) On
12 request by the parent of a child participating or seeking to
13 participate in the program, the school district or open-enrollment
14 charter school that the child would otherwise attend shall provide
15 a copy of the child's school records possessed by the district or
16 school, if any, to the child's parent or, if applicable, the private
17 school the child attends.

18 (b) As necessary to verify a child's eligibility for the
19 program, the agency, a school district, or an open-enrollment
20 charter school shall provide to the applicable certified
21 educational assistance organization any information available to
22 the agency, district, or school requested by the organization
23 regarding a child who participates or seeks to participate in the
24 program, including information regarding:

25 (1) the child's public school enrollment status; and

26 (2) whether the child:

27 (A) is a child with a disability; or

1 (B) can be counted toward a public school's
2 average daily attendance for purposes of the allocation of funding
3 under the foundation school program.

4 (c) A certified educational assistance organization may not
5 retain information provided under Subsection (b) beyond the period
6 necessary to determine a child's eligibility to participate in the
7 program.

8 (d) A certified educational assistance organization or an
9 education service provider or vendor of educational products that
10 obtains information regarding a participating child:

11 (1) shall comply with state and federal law regarding
12 the confidentiality of student educational information; and

13 (2) may not sell or otherwise distribute information
14 regarding a child participating in the program.

15 Sec. 29.370. GIFTS, GRANTS, AND DONATIONS. The comptroller
16 and a certified educational assistance organization may solicit and
17 accept gifts, grants, and donations from any public or private
18 source for any expenses related to the administration of the
19 program, including establishing the program and contracting for the
20 report required under Section 29.372.

21 Sec. 29.371. ADMINISTRATION OF STATE ASSESSMENT
22 INSTRUMENTS. (a) The agency shall ensure that each child
23 participating in the program is annually administered each
24 assessment instrument required to be administered to a public
25 school student at the child's grade and course level under Section
26 39.023(a) or (c), subject to any applicable exemptions or
27 accommodations provided under Subchapter B, Chapter 39.

1 (b) For purposes of the annual report required under Section
2 29.372, the agency shall provide to the comptroller the results of
3 the assessment instruments administered under this section, in
4 aggregate and disaggregated by race, ethnicity, socioeconomic
5 status, and status as a child with a disability. A child's results
6 on an assessment instrument administered under this section are
7 confidential, are not subject to disclosure under Chapter 552,
8 Government Code, and may only be shared as necessary to develop the
9 annual report required under Section 29.372 of this subchapter. In
10 providing the results of the assessment instruments, the agency
11 shall ensure compliance with state and federal law regarding the
12 confidentiality of student educational information, including the
13 Family Educational Rights and Privacy Act of 1974 (20 U.S.C.
14 Section 1232g).

15 (c) The agency shall require a regional education service
16 center to administer assessment instruments under this section.

17 (d) A school district may administer assessment instruments
18 under this section.

19 (e) If authorized by the agency, a private school may, but
20 is not required to, administer assessment instruments under this
21 section in accordance with agency rule.

22 Sec. 29.372. ANNUAL REPORT. (a) The comptroller shall
23 require that the certified educational assistance organizations
24 collaborate to compile program data and produce an annual
25 longitudinal report regarding:

26 (1) the number of program applications received,
27 accepted, and wait-listed, disaggregated by age;

- 1 (2) program participant satisfaction;
2 (3) the results of assessment instruments provided in
3 accordance with Section 29.371;
4 (4) the effect of the program on public and private
5 school capacity and availability;
6 (5) the amount of cost savings accruing to the state as
7 a result of the program;
8 (6) in a report submitted in an even-numbered year
9 only, an estimate of the total amount of funding required for the
10 program for the next state fiscal biennium;
11 (7) the amount of gifts, grants, and donations
12 received under Section 29.370; and
13 (8) based on surveys of former program participants or
14 other sources available to the organizations, the number and
15 percentage of participating children who, within one year after
16 graduating from high school, are:
17 (A) college ready, as indicated by earning a
18 minimum of 12 non-remedial semester credit hours or the equivalent
19 or an associate degree from a postsecondary educational
20 institution;
21 (B) career ready, as indicated by:
22 (i) earning a credential of value included
23 in a library of credentials established under Section 2308A.007,
24 Government Code; or
25 (ii) employment at or above the median wage
26 in the child's region; or
27 (C) military ready, as indicated by achieving a

1 passing score set by the applicable military branch on the Armed
2 Services Vocational Aptitude Battery and enlisting in the armed
3 forces of the United States or the Texas National Guard.

4 (b) In producing the report, the certified educational
5 assistance organizations shall:

6 (1) use appropriate analytical and behavioral science
7 methodologies to ensure public confidence in the report; and

8 (2) comply with the requirements regarding the
9 confidentiality of student educational information under the
10 Family Educational Rights and Privacy Act of 1974 (20 U.S.C.
11 Section 1232g).

12 (c) The report must cover a period of not less than five
13 years and include, subject to Subsection (b)(2), the data analyzed
14 and methodology used.

15 (d) The comptroller and the applicable certified
16 educational assistance organizations shall post the report on the
17 comptroller's and organization's respective Internet websites.

18 Sec. 29.373. RULES; PROCEDURES. The comptroller shall
19 adopt rules and procedures as necessary to implement, administer,
20 and enforce this subchapter.

21 Sec. 29.374. APPEAL; FINALITY OF DECISIONS. (a) A program
22 participant may appeal to the comptroller an administrative
23 decision made by a certified educational assistance organization
24 under this subchapter, including a decision regarding eligibility,
25 allowable expenses, or the participant's removal from the program.

26 (b) This subchapter may not be construed to confer a
27 property right on a certified educational assistance organization,

1 education service provider, vendor of educational products, or
2 program participant.

3 (c) A decision of the comptroller made under this subchapter
4 is final and not subject to appeal.

5 Sec. 29.375. TERM OF AUTHORIZATION. (a) The program is
6 subject to appropriations from the legislature and continues in
7 existence until September 1, 2027, unless reauthorized by the
8 legislature.

9 (b) Notwithstanding Subsection (a), a program participant
10 who is participating in the program on or before September 1, 2027,
11 shall continue to receive payments from the state under Section
12 29.361 until the date on which the child who participated in the
13 program would no longer be eligible to participate in the program
14 under Section 29.355(b).

15 (c) This subchapter expires September 1, 2027.

16 SECTION 5.02. Section 22.092(d), Education Code, is amended
17 to read as follows:

18 (d) The agency shall provide equivalent access to the
19 registry maintained under this section to:

20 (1) private schools;

21 (2) public schools; ~~and~~

22 (3) nonprofit teacher organizations approved by the
23 commissioner for the purpose of participating in the tutoring
24 program established under Section 33.913; and

25 (4) the comptroller for the purpose of preapproving
26 education service providers and vendors of educational products
27 under Section 29.358 for participation in the program established

1 under Subchapter J, Chapter 29.

2 SECTION 5.03. Section 411.109, Government Code, is amended
3 by adding Subsection (b-1) and amending Subsection (c) to read as
4 follows:

5 (b-1) The comptroller is entitled to obtain criminal
6 history record information as provided by Subsection (c) about a
7 person who is a private tutor, a therapist, or an employee of a
8 teaching service or school who intends to provide educational
9 services to a child participating in the program established under
10 Subchapter J, Chapter 29, Education Code, and is seeking approval
11 to receive money distributed under that program.

12 (c) Subject to Section 411.087 and consistent with the
13 public policy of this state, the comptroller is entitled to:

14 (1) obtain through the Federal Bureau of Investigation
15 criminal history record information maintained or indexed by that
16 bureau that pertains to a person described by Subsection (a), ~~(a)~~
17 (b), or (b-1); and

18 (2) obtain from the department or any other criminal
19 justice agency in this state criminal history record information
20 maintained by the department or that criminal justice agency that
21 relates to a person described by Subsection (a), ~~(a)~~ (b), or (b-1).

22 SECTION 5.04. Subchapter J, Chapter 29, Education Code, as
23 added by this article, applies beginning with the 2024-2025 school
24 year.

25 SECTION 5.05. Not later than May 15, 2024, the comptroller
26 of public accounts shall adopt rules as provided by Section 29.373,
27 Education Code, as added by this article.

1 SECTION 5.06. (a) The constitutionality and other validity
2 under the state or federal constitution of all or any part of
3 Subchapter J, Chapter 29, Education Code, as added by this article,
4 may be determined in an action for declaratory judgment under
5 Chapter 37, Civil Practice and Remedies Code, in a district court in
6 Travis County.

7 (b) An order, however characterized, of a trial court
8 granting or denying a temporary or otherwise interlocutory
9 injunction or a permanent injunction on the grounds of the
10 constitutionality or unconstitutionality, or other validity or
11 invalidity, under the state or federal constitution of all or any
12 part of Subchapter J, Chapter 29, Education Code, as added by this
13 article, may be reviewed only by direct appeal to the Texas Supreme
14 Court filed not later than the 15th day after the date on which the
15 order was entered. The Texas Supreme Court shall give precedence to
16 appeals under this section over other matters.

17 (c) The direct appeal is an accelerated appeal.

18 (d) This section exercises the authority granted by Section
19 3-b, Article V, Texas Constitution.

20 (e) The filing of a direct appeal under this section will
21 automatically stay any temporary or otherwise interlocutory
22 injunction or permanent injunction granted in accordance with this
23 section pending final determination by the Texas Supreme Court,
24 unless the supreme court makes specific findings that the applicant
25 seeking such injunctive relief has pleaded and proved that:

26 (1) the applicant has a probable right to the relief it
27 seeks on final hearing;

1 (2) the applicant will suffer a probable injury that
2 is imminent and irreparable, and that the applicant has no other
3 adequate legal remedy; and

4 (3) maintaining the injunction is in the public
5 interest.

6 (f) An appeal under this section, including an
7 interlocutory, accelerated, or direct appeal, is governed, as
8 applicable, by the Texas Rules of Appellate Procedure, including
9 Rules 25.1(d)(6), 28.1, 32.1(g), 37.3(a)(1), 38.6(a) and (b),
10 40.1(b), and 49.4.

11 (g) This section does not authorize an award of attorney's
12 fees against this state, and Section 37.009, Civil Practice and
13 Remedies Code, does not apply to an action filed under this section.

14 SECTION 5.07. It is the intent of the legislature that every
15 provision, section, subsection, sentence, clause, phrase, or word
16 in this article, and every application of the provisions in this
17 article to each person or entity, is severable from each other. If
18 any application of any provision in this article to any person,
19 group of persons, or circumstances is found by a court to be invalid
20 for any reason, the remaining applications of that provision to all
21 other persons and circumstances shall be severed and may not be
22 affected.

23 SECTION 5.08. This article takes effect immediately if this
24 Act receives a vote of two-thirds of all the members elected to each
25 house, as provided by Section 39, Article III, Texas Constitution.
26 If this Act does not receive the vote necessary for immediate
27 effect, this article takes effect on the 91st day after the last day

1 of the legislative session.

2 ARTICLE 6. CHANGES RELATED TO PUBLIC SCHOOLS GENERALLY

3 SECTION 6.01. Subchapter 7, Chapter 25, Education Code, is
4 amended by adding Section 25.906 to read as follows:

5 Sec. 25.906. PROTECTIONS FOR CERTAIN MILITARY DEPENDENTS.

6 (a) In this section:

7 (1) "Compact" means the Interstate Compact on
8 Educational Opportunity for Military Children executed under
9 Section 162.002.

10 (2) "Uniformed services" means:

11 (A) the United States Army, Navy, Air Force,
12 Space Force, Marine Corps, or Coast Guard;

13 (B) the Commissioned Officer Corps of the
14 National Oceanic and Atmospheric Administration; or

15 (C) the Commissioned Corps of the United States
16 Public Health Service.

17 (b) The provisions of Articles IV, V, VI, and VII of the
18 compact apply to the following children as if those children were
19 children described by Article III of the compact:

20 (1) a child of a veteran of the uniformed services who
21 was discharged or released through retirement, for a period of four
22 years after the date of the veteran's retirement, if the veteran
23 returns to the veteran's home of record on military orders; and

24 (2) a child of a member of the uniformed services who
25 dies on active duty or as a result of injuries sustained on active
26 duty, for a period of four years after the member's death.

27 (c) Each school district and open-enrollment charter school

1 that maintains an Internet website shall post on the district's or
2 school's Internet website an easily accessible link to information
3 regarding the compact and the additional protections provided by
4 this section.

5 SECTION 6.02. Section 26.002, Education Code, is amended to
6 read as follows:

7 Sec. 26.002. DEFINITIONS [~~DEFINITION~~]. In this chapter:

8 (1) "Benchmark assessment" includes a benchmark
9 assessment instrument as defined by Section 39.0263(a) and a
10 district-required assessment designed to evaluate students against
11 a set of national or state comparison points.

12 (2) "Parent" [~~,"parent"~~] includes a person standing
13 in parental relation. The term does not include a person as to whom
14 the parent-child relationship has been terminated or a person not
15 entitled to possession of or access to a child under a court order.
16 Except as provided by federal law, all rights of a parent under
17 Title 2 of this code and all educational rights under Section
18 151.001(a)(10), Family Code, shall be exercised by a student who is
19 18 years of age or older or whose disabilities of minority have been
20 removed for general purposes under Chapter 31, Family Code, unless
21 the student has been determined to be incompetent or the student's
22 rights have been otherwise restricted by a court order.

23 (3) "Test" includes a benchmark assessment.

24 SECTION 6.03. Chapter 26, Education Code, is amended by
25 adding Section 26.0062 to read as follows:

26 Sec. 26.0062. NOTICE REGARDING BENCHMARK ASSESSMENT
27 RESULTS. A school district shall report in writing to each

1 student's parent the results of a benchmark assessment administered
2 to the student not later than the 30th calendar day after the date
3 on which the results of the assessment are available. The results
4 may be made available to the parent through a parent portal.

5 SECTION 6.04. Section 28.006, Education Code, is amended by
6 amending Subsections (a), (b), (c), (c-1), (c-2), (c-3), and (j)
7 and adding Subsections (a-1), (b-2), (b-3), (b-4), (d-1), (g-3),
8 (g-4), (g-5), (g-6), (n), and (o) to read as follows:

9 (a) The commissioner shall adopt procedures [~~develop~~
10 ~~recommendations~~] for school districts and open-enrollment charter
11 schools for:

12 (1) administering reading instruments to:
13 (A) ensure the results of the reading instruments
14 are valid, reliable, and equated;

15 (B) diagnose student reading development and
16 comprehension; and

17 (C) identify students at risk for dyslexia or
18 other reading difficulties;

19 (2) training educators in administering the reading
20 instruments; and

21 (3) applying the results of the reading instruments to
22 the instructional program and intervention practices.

23 (a-1) A school district or open-enrollment charter school
24 may not administer a reading instrument to a student more than three
25 times during a school year.

26 (b) The commissioner shall adopt a comprehensive list of
27 reading instruments that a school district or open-enrollment

1 charter school shall select from for [~~may~~] use in diagnosing [~~to~~
2 ~~diagnose student~~] reading development and comprehension for
3 students who are enrolled in kindergarten through third grade. A
4 reading instrument included on the commissioner's list must include
5 the foundational literacy components of phonemic and phonological
6 awareness, phonics, vocabulary, fluency, and comprehension. For
7 use in diagnosing the reading development and comprehension of
8 kindergarten students, the commissioner shall adopt [~~a~~]
9 multidimensional assessment tools [~~tool~~] that include [~~includes a~~]
10 reading instruments that test [~~instrument and tests~~] at least three
11 developmental skills, including the foundational literacy
12 components. A multidimensional assessment tool administered as
13 provided by this subsection is considered to be a reading
14 instrument for purposes of this section. A school district or
15 open-enrollment charter school [~~district-level committee~~
16 ~~established under Subchapter F, Chapter 11,~~] may use other [~~adopt a~~
17 ~~list of~~] reading instruments, subject to Subsection (b-4), [~~for use~~
18 ~~in the district in a grade level other than kindergarten~~] in
19 addition to the reading instruments included on the commissioner's
20 list. Each reading instrument included on the list adopted by the
21 commissioner or administered by a school district or
22 open-enrollment charter school [~~or a district-level committee~~]
23 must:

24 (1) be based on scientific research concerning reading
25 skills development and reading comprehension;

26 (2) [~~. A list of reading instruments adopted under~~
27 ~~this subsection must~~] provide for diagnosing the reading

1 development and comprehension of students participating in a
2 program under Subchapter B, Chapter 29;

3 (3) provide progress monitoring capabilities;

4 (4) provide a diagnostic tool to assist teachers in
5 developing research-based targeted instruction;

6 (5) allow screening of students three times each
7 school year;

8 (6) assess only foundational literacy components not
9 already mastered by the student; and

10 (7) assess whether a student needs reading instruction
11 intervention.

12 (b-2) The commissioner shall include on the commissioner's
13 list any reading instrument that is:

14 (1) based on scientific research concerning reading
15 skills development and reading comprehension; and

16 (2) submitted for inclusion on the list under
17 Subsection (b-4).

18 (b-3) The commissioner shall update the list of reading
19 instruments at least once every four years, including
20 multidimensional assessment tools authorized under this section.

21 (b-4) A school district or open-enrollment charter school
22 that uses one or more reading instruments not included on the
23 commissioner's list in accordance with Subsection (b) must submit
24 the instrument to the commissioner to verify the instrument
25 satisfies the requirements of this section. The commissioner shall
26 place on the commissioner's list a reading instrument that
27 satisfies the requirements of this section.

1 (c) Each school district and open-enrollment charter school
2 shall administer, at the first and second grade levels, a reading
3 instrument that is based on scientific research concerning reading
4 skills development and reading comprehension included on the list
5 adopted by the commissioner [~~or by the district-level~~
6 ~~committee~~]. The district or school shall administer the reading
7 instrument in accordance with the commissioner's recommendations
8 under Subsection (a)(1).

9 (c-1) Each school district and open-enrollment charter
10 school shall administer at the beginning of the seventh grade a
11 reading instrument included on the list adopted by the commissioner
12 to each student whose performance on the assessment instrument in
13 reading administered under Section 39.023(a) to the student in
14 grade six did not demonstrate reading proficiency, as determined by
15 the commissioner. The district or school shall administer the
16 reading instrument in accordance with the commissioner's policies
17 adopted [~~recommendations~~] under Subsection (a)(1).

18 (c-2) Each school district and open-enrollment charter
19 school shall administer at the kindergarten level a reading
20 instrument included on the list adopted by the commissioner [~~under~~
21 ~~Subsection (b) or approved by the commissioner under Subsection~~
22 ~~(b-1)~~]. The district or school shall administer the reading
23 instrument in accordance with the commissioner's policies adopted
24 [~~recommendations~~] under Subsection (a)(1).

25 (c-3) The commissioner by rule shall determine the
26 performance on a [~~the~~] reading instrument adopted under Subsection
27 (b) that indicates kindergarten readiness.

1 (d-1) The commissioner shall prominently display on the
2 agency's Internet website information regarding the commissioner's
3 list of reading instruments maintained under this section and the
4 process for applying for inclusion on the list, as provided by
5 agency rule adopted under Subsection (n).

6 (g-3) A school district or open-enrollment charter school
7 shall provide reading intervention to each student in kindergarten
8 through grade three who is determined to need reading intervention
9 using an assessment administered in accordance with Subsection (b).

10 The school district shall continue to offer a student reading
11 intervention until the student achieves satisfactory performance
12 on a reading instrument. A reading intervention program offered
13 under this subsection must:

14 (1) include targeted instruction to improve the
15 student's reading skills in the relevant areas identified through
16 the assessment instrument;

17 (2) monitor the progress of the student's reading
18 skills throughout the school year;

19 (3) be implemented during regular school hours and in
20 addition to core instruction;

21 (4) use high-quality instructional materials,
22 curricula, and curricular tools that are research based and
23 effective for early childhood literacy intervention; and

24 (5) be provided by a teacher who has attended a
25 literacy achievement academy provided under Section [21.4552](#).

26 (g-4) In providing reading intervention under Subsection
27 (g-3), a school district or open-enrollment charter school may not

1 remove a student, except under circumstances for which a student
2 enrolled in the same grade level who is not receiving reading
3 intervention would be removed, from:

4 (1) instruction in the foundation curriculum and
5 enrichment curriculum adopted under Section 28.002 for the grade
6 level in which the student is enrolled; or

7 (2) recess or other physical activity that is
8 available to other students enrolled in the same grade level.

9 (g-5) In addition to the report required under Subsection
10 (d)(2), a school district or open-enrollment charter school shall
11 notify the parent or guardian of each student in kindergarten
12 through grade three who is determined to need reading intervention.

13 The notification must:

14 (1) be distributed not later than the 30th day after
15 the date the result of the reading instrument indicating that the
16 student needs intervention is available;

17 (2) describe the current reading services the district
18 or school provides to the student;

19 (3) describe the reading interventions that will be
20 provided to the student to ensure the student will meet or exceed
21 grade-level reading standards; and

22 (4) include high-quality resources for the parent or
23 guardian of the student to use at home to help the student succeed
24 at reading.

25 (g-6) From funds appropriated for teacher literacy
26 achievement academies developed under Section 21.4552, the
27 commissioner may, in collaboration with regional education service

1 centers, provide assistance to school districts and
2 open-enrollment charter schools in complying with the requirements
3 of Section 28.0062. The commissioner shall prioritize providing
4 assistance under this subsection in school districts with the
5 highest rate of students performing below satisfactory levels on
6 reading instruments administered under Subsection (b).

7 ~~(j) [No more than 15 percent of the funds certified by the~~
8 ~~commissioner under Subsection (i) may be spent on indirect costs.]~~

9 The commissioner shall evaluate the programs that fail to meet the
10 standard of performance under Section 39.301(c)(5) and may
11 implement interventions or sanctions under Chapter 39A. ~~[The~~
12 ~~commissioner may audit the expenditures of funds appropriated for~~
13 ~~purposes of this section. The use of the funds appropriated for~~
14 ~~purposes of this section shall be verified as part of the district~~
15 ~~audit under Section 44.008.]~~

16 (n) The agency by rule shall provide a process under which a
17 school district or open-enrollment charter school may submit an
18 application for inclusion of a reading instrument on the
19 commissioner's list of reading instruments maintained under this
20 section.

21 (o) The agency may not use data collected from a reading
22 instrument administered under this section in evaluating the
23 performance of a school district or campus under Section 39.054.

24 SECTION 6.05. Subchapter A, Chapter 28, Education Code, is
25 amended by adding Section 28.0063 to read as follows:

26 Sec. 28.0063. SUPPLEMENTAL READING INSTRUCTION FOR CERTAIN
27 STUDENTS. (a) A school district or open-enrollment charter school

1 shall make available supplemental instruction described by Section
2 28.0211(a-4) to address a student's reading deficiency if the
3 student's results on both of the reading assessments administered
4 under Section 28.006 in two consecutive school years indicate the
5 student needs reading intervention.

6 (b) A parent or guardian of a student described by
7 Subsection (a) may select a tutor from a list of high-quality tutors
8 approved by the agency or by the school district or open-enrollment
9 charter school the student attends to provide the supplemental
10 instruction required under Subsection (a). The district or school
11 shall contract directly with the tutor selected, who may be a
12 classroom teacher employed at the district or school. A classroom
13 teacher selected as a student's tutor is entitled to supplemental
14 pay from the district or school. The district or school may not
15 provide money under this subsection directly to a parent or
16 guardian of a student.

17 (c) A school district or open-enrollment charter school
18 shall submit to the agency the district's or school's list of
19 high-quality tutors and publish the list on the district's or
20 school's Internet website.

21 (d) A school district or open-enrollment charter school
22 that provides a tutor to a student under this section shall continue
23 to provide the student any other reading support required of the
24 district or school by federal or state law.

25 SECTION 6.06. Section 28.009, Education Code, is amended by
26 amending Subsection (a) and adding Subsection (a-6) to read as
27 follows:

1 (a) Each school district shall implement a program under
2 which students may earn the equivalent of at least 12 semester
3 credit hours of college credit in high school. On request, a public
4 institution of higher education in this state shall assist a school
5 district in developing and implementing the program. The college
6 credit may be earned through:

7 (1) international baccalaureate, advanced placement,
8 or dual credit courses, including courses provided through OnRamps;

9 (2) articulated postsecondary courses provided for
10 local credit or articulated postsecondary advanced technical
11 credit courses provided for state credit; or

12 (3) any combination of the courses described by
13 Subdivisions (1) and (2).

14 (a-6) Each school district shall report through the Public
15 Education Information Management System (PEIMS) the number of
16 district students who, during that school year, were enrolled in an
17 OnRamps course and provide the name of the OnRamps courses in which
18 the students were enrolled. The commissioner shall establish a
19 unique identifier in PEIMS for each OnRamps course offered.

20 SECTION 6.07. Subchapter E, Chapter 29, Education Code, is
21 amended by adding Section 29.1537 to read as follows:

22 Sec. 29.1537. PREKINDERGARTEN COMMUNITY-BASED CHILD-CARE
23 PARTNERSHIP GRANT PROGRAM. (a) The commissioner shall establish
24 and administer a grant program to support school districts and
25 open-enrollment charter schools in increasing partnerships with
26 community-based child-care providers to provide prekindergarten
27 classes under Section 29.153.

1 (b) A school district or open-enrollment charter school may
2 apply for a grant under the grant program in partnership with a
3 community-based child-care provider described by Section
4 29.153(g).

5 (c) A school district or open-enrollment charter school
6 shall use money received under the grant program to fund the
7 enrollment of eligible children in prekindergarten classes
8 provided under Section 29.153 through a partnership between the
9 district or school and a community-based child-care provider
10 described by Section 29.153(g). A child is eligible for enrollment
11 in a prekindergarten class described by this subsection using money
12 received under the grant program if the child:

13 (1) is at least three years of age; and

14 (2) receives subsidized child-care services provided
15 through the child-care services program administered by the Texas
16 Workforce Commission.

17 (d) The commissioner may provide grants under the grant
18 program for the enrollment in each school year of not more than
19 3,500 children in a prekindergarten class described by Subsection
20 (c).

21 (e) The agency shall annually report to the legislature
22 regarding the number of children described by Subsection (c)
23 enrolled in a prekindergarten class.

24 SECTION 6.08. Section 29.1543, Education Code, is amended
25 to read as follows:

26 Sec. 29.1543. EARLY EDUCATION REPORTS. The agency shall
27 produce and make available to the public on the agency's Internet

1 website annual district and campus-level reports containing
2 information from the previous school year on early education in
3 school districts and open-enrollment charter schools. A report
4 under this section must contain:

5 (1) the information required by Section 29.1532(c) to
6 be reported through the Public Education Information Management
7 System (PEIMS);

8 (2) a description of any ~~[the]~~ diagnostic reading
9 instruments administered as provided by Section 28.006 ~~[in~~
10 ~~accordance with Section 28.006(c) or (c-2)]~~;

11 (3) the number of students who were administered a
12 diagnostic reading instrument administered as provided by Section
13 28.006 ~~[in accordance with Section 28.006(c) or (c-2)]~~;

14 (4) the number of students whose scores from a
15 diagnostic reading instrument administered as provided by Section
16 28.006 ~~[in accordance with Section 28.006(c) or (c-2)]~~ indicate
17 reading proficiency;

18 (5) the number of kindergarten students who were
19 enrolled in a prekindergarten program in the previous school year
20 in the same district or school as the district or school in which
21 the student attends kindergarten;

22 (6) the number and percentage of students who perform
23 satisfactorily on the third grade reading or mathematics assessment
24 instrument administered under Section 39.023, disaggregated by
25 whether the student was eligible for free prekindergarten under
26 Section 29.153;

27 (7) the number of students described by Subdivision

1 (6) who attended kindergarten in the district, disaggregated by:

2 (A) whether the student met the kindergarten
3 readiness standard on a ~~[the]~~ reading instrument adopted under
4 Section 28.006;

5 (B) whether the student attended prekindergarten
6 in the district; and

7 (C) the type of prekindergarten the student
8 attended, if applicable; and

9 (8) the information described by Subdivisions (6) and
10 (7) disaggregated by whether the student is educationally
11 disadvantaged.

12 SECTION 6.09. Subchapter 7, Chapter 29, Education Code, is
13 amended by adding Section 29.9016 to read as follows:

14 Sec. 29.9016. CAREER AND MILITARY TECHNICAL GRANT PILOT
15 PROGRAM. (a) The agency shall establish a pilot program to award
16 grants to school districts to implement or maintain a program under
17 which the district:

18 (1) establishes a junior reserve officer training
19 corps program under 10 U.S.C. Section 2031 for students in high
20 school;

21 (2) annually administers the Armed Services
22 Vocational Aptitude Battery test to each student in grades 9
23 through 12; and

24 (3) provides career counseling at least once each year
25 to each student administered the test under Subdivision (2) based
26 on the results of the test.

27 (b) The amount of a grant awarded under the pilot program is

1 \$50,000.

2 (c) The total amount of grants awarded under the pilot
3 program for a school year may not exceed \$2 million.

4 (d) Not later than December 1, 2026, the agency shall submit
5 to the legislature a report on the results of the pilot program.
6 The report must include the agency's recommendation on whether the
7 pilot program should be continued, expanded, or terminated.

8 (e) The commissioner may adopt rules necessary to implement
9 the pilot program.

10 (f) This section expires September 1, 2027.

11 SECTION 6.10. Chapter 791, Government Code, is amended by
12 adding Subchapter D to read as follows:

13 SUBCHAPTER D. INTERLOCAL CONTRACTING BETWEEN LOCAL EDUCATION

14 AGENCIES TO PROCURE HEALTH INSURANCE COVERAGE

15 Sec. 791.051. DEFINITIONS. In this subchapter:

16 (1) "Cooperative" means a cooperative established
17 under this subchapter by an interlocal contract for group health
18 coverage.

19 (2) "Local education agency" means:

20 (A) a school district; or

21 (B) an open-enrollment charter school as defined
22 by Section 5.001, Education Code.

23 (3) "Participating local education agency" means,
24 with respect to a cooperative, a local education agency that
25 participates in the cooperative.

26 Sec. 791.052. COMPLIANCE WITH SUBCHAPTER REQUIRED. A local
27 education agency shall comply with this subchapter when procuring

1 and administering employee group health coverage with another local
2 education agency.

3 Sec. 791.053. INTERLOCAL CONTRACT FOR GROUP HEALTH
4 INSURANCE COVERAGE. (a) The governing body of a local education
5 agency may by resolution enter into an interlocal contract and
6 cooperate with one or more other local education agencies to
7 establish a cooperative for the purposes of procuring group health
8 insurance coverage under this subchapter.

9 (b) The governing body of a local education agency may renew
10 an interlocal contract entered into under Subsection (a).

11 (c) This subchapter does not affect the ability of local
12 education agencies to provide group health coverage through a risk
13 pool established in accordance with Chapter 172, Local Government
14 Code.

15 Sec. 791.054. COOPERATIVE. (a) A cooperative is a legal
16 entity that may procure employee group health insurance coverage
17 for each participating local education agency.

18 (b) Participating local education agencies may contract for
19 the supervision and administration of the cooperative in accordance
20 with Section 791.013.

21 (c) Except as provided by this subsection, a cooperative is
22 governed by a board of directors composed of the chief executive
23 officers of each participating local education agency or the
24 officers' designees. If the cooperative is composed of more than
25 seven local education agencies, the cooperative shall appoint at
26 least seven directors to serve on the cooperative's board of
27 directors.

1 Sec. 791.055. PROCUREMENT. (a) A cooperative must procure
2 a contract for employee group health coverage under this subchapter
3 through a request for proposals to potential vendors advertised in
4 a manner consistent with Section 44.031(g), Education Code, in at
5 least one county in which a participating local education agency's
6 central office is located.

7 (b) The board of directors of a cooperative shall select the
8 vendor that provides the best value to participating local
9 education agencies considering the factors described by Section
10 44.031(b), Education Code.

11 (c) A cooperative that enters into a contract in accordance
12 with this section satisfies a competitive bidding requirement
13 applicable to the procurement of group health coverage under other
14 law.

15 Sec. 791.056. OFFER OF COVERAGE; PREMIUM LIABILITY. (a) A
16 cooperative shall offer one or more group health insurance plans
17 procured under Section 791.055 to employees of participating local
18 education agencies and dependents of those employees.

19 (b) The board of directors of a cooperative may determine a
20 participating local education agency's payment of all or part of
21 the premiums for employees or dependents for a plan offered under
22 Subsection (a).

23 (c) A participating local education agency's payment:
24 (1) is subject to the requirements described by
25 Section 1581.052, Insurance Code; and

26 (2) shall include the contributions by the state
27 described by Subchapter F, Chapter 1579, Insurance Code.

1 SECTION 6.11. Section 28.006(b-1), Education Code, is
2 repealed.

3 SECTION 6.12. This article applies beginning with the
4 2024-2025 school year.

5 SECTION 6.13. This article takes effect on the 91st day
6 after the last day of the legislative session.

7 ARTICLE 7. VIRTUAL EDUCATION

8 SECTION 7.01. Section 1.001(b), Education Code, is amended
9 to read as follows:

10 (b) Except as provided by Chapter 18, Chapter 19, Subchapter
11 A of Chapter 29, or Subchapter E of Chapter 30, [~~or Chapter 30A,~~]
12 this code does not apply to students, facilities, or programs under
13 the jurisdiction of the Department of Aging and Disability
14 Services, the Department of State Health Services, the Health and
15 Human Services Commission, the Texas Juvenile Justice Department,
16 the Texas Department of Criminal Justice, a Job Corps program
17 operated by or under contract with the United States Department of
18 Labor, or any juvenile probation agency.

19 SECTION 7.02. Section 7.0561(f), Education Code, is amended
20 to read as follows:

21 (f) In consultation with interested school districts,
22 open-enrollment charter schools, and other appropriate interested
23 persons, the commissioner shall adopt rules applicable to the
24 consortium, according to the following principles for a next
25 generation of higher performing public schools:

26 (1) engagement of students in digital learning,
27 including engagement through the use of electronic textbooks and

1 instructional materials adopted under Subchapters B and B-1,
2 Chapter 31, and virtual or hybrid courses offered by school
3 districts and open-enrollment charter schools under Chapter 30B
4 [~~through the state virtual school network under Subchapter 30A~~];

5 (2) emphasis on learning standards that focus on
6 high-priority standards identified in coordination with districts
7 and charter schools participating in the consortium;

8 (3) use of multiple assessments of learning capable of
9 being used to inform students, parents, districts, and charter
10 schools on an ongoing basis concerning the extent to which learning
11 is occurring and the actions consortium participants are taking to
12 improve learning; and

13 (4) reliance on local control that enables communities
14 and parents to be involved in the important decisions regarding the
15 education of their children.

16 SECTION 7.03. Section 25.007(b), Education Code, is amended
17 to read as follows:

18 (b) In recognition of the challenges faced by students who
19 are homeless or in substitute care, the agency shall assist the
20 transition of students who are homeless or in substitute care from
21 one school to another by:

22 (1) ensuring that school records for a student who is
23 homeless or in substitute care are transferred to the student's new
24 school not later than the 10th working day after the date the
25 student begins enrollment at the school;

26 (2) developing systems to ease transition of a student
27 who is homeless or in substitute care during the first two weeks of

1 enrollment at a new school;

2 (3) developing procedures for awarding credit,
3 including partial credit if appropriate, for course work, including
4 electives, completed by a student who is homeless or in substitute
5 care while enrolled at another school;

6 (4) developing procedures to ensure that a new school
7 relies on decisions made by the previous school regarding placement
8 in courses or educational programs of a student who is homeless or
9 in substitute care and places the student in comparable courses or
10 educational programs at the new school, if those courses or
11 programs are available;

12 (5) promoting practices that facilitate access by a
13 student who is homeless or in substitute care to extracurricular
14 programs, summer programs, credit transfer services, virtual or
15 hybrid [~~electronic~~] courses provided under Chapter 30B [~~30A~~], and
16 after-school tutoring programs at nominal or no cost;

17 (6) establishing procedures to lessen the adverse
18 impact of the movement of a student who is homeless or in substitute
19 care to a new school;

20 (7) entering into a memorandum of understanding with
21 the Department of Family and Protective Services regarding the
22 exchange of information as appropriate to facilitate the transition
23 of students in substitute care from one school to another;

24 (8) encouraging school districts and open-enrollment
25 charter schools to provide services for a student who is homeless or
26 in substitute care in transition when applying for admission to
27 postsecondary study and when seeking sources of funding for

1 postsecondary study;

2 (9) requiring school districts, campuses, and
3 open-enrollment charter schools to accept a referral for special
4 education services made for a student who is homeless or in
5 substitute care by a school previously attended by the student, and
6 to provide comparable services to the student during the referral
7 process or until the new school develops an individualized
8 education program for the student;

9 (10) requiring school districts, campuses, and
10 open-enrollment charter schools to provide notice to the child's
11 educational decision-maker and caseworker regarding events that
12 may significantly impact the education of a child, including:

13 (A) requests or referrals for an evaluation under
14 Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794), or
15 special education under Section [29.003](#);

16 (B) admission, review, and dismissal committee
17 meetings;

18 (C) manifestation determination reviews required
19 by Section [37.004\(b\)](#);

20 (D) any disciplinary actions under Chapter [37](#) for
21 which parental notice is required;

22 (E) citations issued for Class C misdemeanor
23 offenses on school property or at school-sponsored activities;

24 (F) reports of restraint and seclusion required
25 by Section [37.0021](#);

26 (G) use of corporal punishment as provided by
27 Section [37.0011](#); and

1 (H) appointment of a surrogate parent for the
2 child under Section 29.0151;

3 (11) developing procedures for allowing a student who
4 is homeless or in substitute care who was previously enrolled in a
5 course required for graduation the opportunity, to the extent
6 practicable, to complete the course, at no cost to the student,
7 before the beginning of the next school year;

8 (12) ensuring that a student who is homeless or in
9 substitute care who is not likely to receive a high school diploma
10 before the fifth school year following the student's enrollment in
11 grade nine, as determined by the district, has the student's course
12 credit accrual and personal graduation plan reviewed;

13 (13) ensuring that a student in substitute care who is
14 in grade 11 or 12 be provided information regarding tuition and fee
15 exemptions under Section 54.366 for dual-credit or other courses
16 provided by a public institution of higher education for which a
17 high school student may earn joint high school and college credit;

18 (14) designating at least one agency employee to act
19 as a liaison officer regarding educational issues related to
20 students in the conservatorship of the Department of Family and
21 Protective Services; and

22 (15) providing other assistance as identified by the
23 agency.

24 SECTION 7.04. The heading to Section 26.0031, Education
25 Code, is amended to read as follows:

26 Sec. 26.0031. RIGHTS CONCERNING [~~STATE~~] VIRTUAL AND HYBRID
27 COURSES [~~SCHOOL NETWORK~~].

1 SECTION 7.05. Section 26.0031, Education Code, is amended
2 by amending Subsections (a), (b), (c), (c-1), (d), and (e) and
3 adding Subsection (b-1) to read as follows:

4 (a) At the time and in the manner that a school district or
5 open-enrollment charter school informs students and parents about
6 courses that are offered in the district's or school's traditional
7 classroom setting, the district or school shall notify parents and
8 students of the option to enroll in a virtual or hybrid [~~an~~
9 ~~electronic~~] course offered by the district or school in which the
10 student is enrolled or by another district or school [~~through the~~
11 ~~state virtual school network~~] under Chapter 30B [~~30A~~].

12 (b) Except as provided by Subsection (c), a school district
13 or open-enrollment charter school in which a student is enrolled as
14 a full-time student may not deny the request of a parent of a
15 student to enroll the student in a virtual or hybrid [~~an electronic~~]
16 course offered by the district or school in which the student is
17 enrolled or by another district or school [~~through the state~~
18 ~~virtual school network~~] under Chapter 30B [~~30A~~].

19 (b-1) A school district or open-enrollment charter school
20 may not actively discourage a student, including by threat or
21 intimidation, from enrolling in a virtual or hybrid course.

22 (c) A school district or open-enrollment charter school may
23 deny a request to enroll a student in a virtual or hybrid [~~an~~
24 ~~electronic~~] course if:

25 (1) a student attempts to enroll in a course load that
26 is inconsistent with the student's high school graduation plan or
27 requirements for college admission or earning an industry

1 certification;

2 (2) the student requests permission to enroll in a
3 virtual or hybrid [~~an electronic~~] course at a time that is not
4 consistent with the enrollment period established by the school
5 district or open-enrollment charter school providing the course; or

6 (3) the district or school determines that the cost of
7 the course is too high [~~offers a substantially similar course~~].

8 (c-1) A school district or open-enrollment charter school
9 may decline to pay the cost for a student of more than three
10 yearlong virtual [~~electronic~~] courses, or the equivalent, during
11 any school year. This subsection does not:

12 (1) limit the ability of the student to enroll in
13 additional virtual [~~electronic~~] courses at the student's cost; or

14 (2) apply to a student enrolled in a full-time virtual
15 [~~online~~] program [~~that was operating on January 1, 2013~~].

16 (d) Notwithstanding Subsection (c)(2), a school district or
17 open-enrollment charter school that provides a virtual or hybrid
18 [~~an electronic~~] course [~~through the state virtual school network~~]
19 under Chapter 30B [~~30A~~] shall make all reasonable efforts to
20 accommodate the enrollment of a student in the course under special
21 circumstances.

22 (e) A school district or open-enrollment charter school
23 that denies a request to enroll a student in a virtual or hybrid
24 course under Subsection (c) must provide a written explanation of
25 the denial to the student and the student's parent. The written
26 explanation must provide notice of the student's ability to appeal
27 the decision and an explanation of the appeal process, including

1 the process of pursuing a final appeal heard by the board of
2 trustees of the district or the governing board of the school. A
3 determination made by the board of trustees of the school district
4 or the governing board of the open-enrollment charter school [A
5 ~~parent may appeal to the commissioner a school district's or~~
6 ~~open-enrollment charter school's decision to deny a request to~~
7 ~~enroll a student in an electronic course offered through the state~~
8 ~~virtual school network. The commissioner's decision] under this
9 subsection is final and may not be appealed.~~

10 SECTION 7.06. Subtitle F, Title 2, Education Code, is
11 amended by adding Chapter 30B to read as follows:

12 CHAPTER 30B. VIRTUAL AND HYBRID CAMPUSES, PROGRAMS, AND COURSES

13 SUBCHAPTER A. GENERAL PROVISIONS

14 Sec. 30B.001. DEFINITIONS. In this chapter:

15 (1) "Full-time hybrid campus" means a school district
16 or open-enrollment charter school campus at which at least 50
17 percent of the enrolled students are enrolled in a full-time hybrid
18 program authorized under Subchapter C.

19 (2) "Full-time hybrid program" means a full-time
20 educational program offered by a school district or open-enrollment
21 charter school campus in which:

22 (A) a student is in attendance in person for less
23 than 90 percent of the minutes of instruction provided; and

24 (B) the instruction and content may be delivered
25 synchronously or asynchronously over the Internet, in person, or
26 through other means.

27 (3) "Full-time virtual campus" means a school district

1 or open-enrollment charter school campus at which at least 50
2 percent of the enrolled students are enrolled in a full-time
3 virtual program authorized under Subchapter C.

4 (4) "Full-time virtual program" means a full-time
5 educational program offered by a school district or open-enrollment
6 charter school campus in which:

7 (A) a student is in attendance in person
8 minimally or not at all; and

9 (B) the instruction and content are delivered
10 synchronously or asynchronously primarily over the Internet.

11 (5) "Hybrid course" means a course in which:

12 (A) a student is in attendance in person for less
13 than 90 percent of the minutes of instruction provided; and

14 (B) the instruction and content may be delivered
15 synchronously or asynchronously over the Internet, in person, or
16 through other means.

17 (6) "Parent" means a student's parent or a person
18 standing in parental relation to a student.

19 (7) "Virtual course" means a course in which
20 instruction and content are delivered synchronously or
21 asynchronously primarily over the Internet.

22 (8) "Whole program virtual instruction provider"
23 means a private or third-party service that provides oversight and
24 management of the virtual instruction services or otherwise
25 provides a preponderance of those services for a full-time virtual
26 or full-time hybrid campus or program.

27 Sec. 30B.002. RULES. (a) The commissioner shall adopt

1 rules as necessary to administer this chapter.

2 (b) To the extent practicable, the commissioner shall
3 consult school districts, open-enrollment charter schools, and
4 parents in adopting rules under this section.

5 (c) The agency may form an advisory committee to comply with
6 the provisions of this section. Chapter 2110, Government Code,
7 does not apply to an advisory committee formed under this section.

8 Sec. 30B.003. GRANTS AND FEDERAL FUNDS. (a) For purposes
9 of this chapter, the commissioner may seek and accept a grant from a
10 public or private person.

11 (b) For purposes of this chapter, the commissioner may
12 accept federal funds and shall use those funds in compliance with
13 applicable federal law, regulations, and guidelines.

14 Sec. 30B.004. PROVISION OF COMPUTER EQUIPMENT OR INTERNET
15 SERVICE. This chapter does not:

16 (1) require a school district, an open-enrollment
17 charter school, a virtual course provider, or the state to provide a
18 student with home computer equipment or Internet access for a
19 virtual course provided by a school district or open-enrollment
20 charter school; or

21 (2) prohibit a school district or open-enrollment
22 charter school from providing a student with home computer
23 equipment or Internet access for a virtual course provided by the
24 district or school.

25 Sec. 30B.005. EXTRACURRICULAR ACTIVITY. A student enrolled
26 in a virtual or hybrid course, program, or campus offered under this
27 chapter may participate in an extracurricular activity sponsored or

1 sanctioned by the school district or open-enrollment charter school
2 in which the student is enrolled or by the University
3 Interscholastic League in the same manner as other district or
4 school students.

5 Sec. 30B.006. HYBRID AND VIRTUAL INSTRUCTION PERMITTED.

6 (a) A school district or open-enrollment charter school may
7 deliver instruction through hybrid courses, virtual courses,
8 full-time hybrid programs, and full-time virtual programs in the
9 manner provided by this chapter.

10 (b) The following entities may deliver instruction through
11 hybrid or virtual courses under this chapter in the same manner
12 provided for a school district or open-enrollment charter school:

13 (1) a consortium of school districts or
14 open-enrollment charter schools;

15 (2) an institution of higher education, as that term
16 is defined by Section [61.003](#); or

17 (3) a regional education service center.

18 (c) A school district or open-enrollment charter school
19 that delivers instruction through a hybrid or virtual course shall
20 develop written information describing each hybrid or virtual
21 course available for enrollment and complying with any other
22 requirement of Section [26.0031](#).

23 (d) A school district or open-enrollment charter school
24 shall make information under this section available to students and
25 parents at the time students ordinarily select courses and may
26 provide that information to students and parents at other times as
27 determined by the district or school.

1 Sec. 30B.007. FOUNDATION SCHOOL FUNDING. A student
2 enrolled in a hybrid course, virtual course, full-time hybrid
3 program, or full-time virtual program offered under this chapter by
4 a school district or open-enrollment charter school is counted
5 toward the district's or school's average daily attendance in the
6 same manner as district or school students not enrolled in a hybrid
7 course, virtual course, full-time hybrid program, or full-time
8 virtual program.

9 SUBCHAPTER B. HYBRID AND VIRTUAL COURSES

10 Sec. 30B.051. HYBRID OR VIRTUAL COURSE QUALITY
11 REQUIREMENTS. (a) A school district or open-enrollment charter
12 school that offers a hybrid or virtual course under this chapter
13 must certify to the commissioner that the course:

14 (1) includes the appropriate essential knowledge and
15 skills adopted under Subchapter A, Chapter 28;

16 (2) provides instruction at the appropriate level of
17 rigor for the grade level at which the course is offered and will
18 prepare a student enrolled in the course for the student's next
19 grade level or a subsequent course in a similar subject matter; and

20 (3) except as provided by Subsection (b), meets
21 standards for hybrid or virtual courses adopted by the
22 commissioner.

23 (b) If the commissioner has not adopted applicable
24 standards for hybrid or virtual courses, a school district or
25 open-enrollment charter school that offers a hybrid or virtual
26 course must instead certify to the commissioner that the course
27 meets the National Standards for Quality Online Courses published

1 by the Virtual Learning Leadership Alliance, Quality Matters, and
2 the Digital Learning Collaborative, or a successor publication.

3 Sec. 30B.052. RIGHTS OF STUDENTS REGARDING HYBRID AND
4 VIRTUAL COURSES. (a) Except as provided by Section 30B.104(b), a
5 school district or open-enrollment charter school may not require a
6 student to enroll in a hybrid or virtual course.

7 (b) A hybrid or virtual course offered under this chapter to
8 a student receiving special education services or other
9 accommodations must meet the needs of the participating student in
10 a manner consistent with Subchapter A, Chapter 29, and with federal
11 law, including the Individuals with Disabilities Education Act (20
12 U.S.C. Section 1400 et seq.) and Section 504, Rehabilitation Act of
13 1973 (29 U.S.C. Section 794), as applicable.

14 Sec. 30B.053. RIGHTS OF TEACHERS REGARDING HYBRID AND
15 VIRTUAL COURSES. (a) Except as provided by Subsection (a-1), a
16 school district or open-enrollment charter school may not require a
17 classroom teacher to provide both virtual instruction and in-person
18 instruction for a course offered under this chapter during the same
19 class period. The commissioner may waive the requirements of this
20 subsection for courses included in the enrichment curriculum under
21 Section 28.002.

22 (a-1) Subsection (a) does not apply to a requirement that a
23 classroom teacher simulcast the teacher's in-person instruction
24 provided that the teacher is not required to interact with students
25 observing the instruction virtually.

26 (b) A classroom teacher may not provide instruction for a
27 hybrid or virtual course offered under this chapter unless:

1 (1) the teacher has received appropriate professional
2 development in hybrid or virtual instruction, as determined by the
3 school district or open-enrollment charter school at which the
4 teacher is employed; or

5 (2) the district or school has determined that the
6 teacher has sufficient previous experience to not require the
7 professional development described by Subdivision (1).

8 (c) A school district or open-enrollment charter school may
9 not directly or indirectly coerce any classroom teacher hired to
10 provide in-person instruction to agree to an assignment to teach a
11 hybrid or virtual course.

12 Sec. 30B.054. ASSESSMENTS. Except as authorized by
13 commissioner rule, an assessment instrument administered under
14 Section 39.023 or 39.025 to a student enrolled in a hybrid or
15 virtual course offered under this chapter shall be administered to
16 the student in the same manner in which the assessment instrument is
17 administered to a student enrolled in an in-person course at the
18 student's school district or open-enrollment charter school.

19 Sec. 30B.055. TUITION AND FEES. A school district or
20 open-enrollment charter school may charge tuition and fees for a
21 hybrid or virtual course provided to a student who:

22 (1) is not eligible to enroll in a public school in
23 this state; or

24 (2) is not enrolled in the school district or
25 open-enrollment charter school.

26 Sec. 30B.056. ATTENDANCE FOR CLASS CREDIT OR GRADE.
27 Notwithstanding Section 25.092, a school district or

1 open-enrollment charter school shall establish the participation
2 necessary to earn credit or a grade for a hybrid or virtual course
3 offered by the district or school.

4 Sec. 30B.057. AGENCY PUBLICATION OF AVAILABLE VIRTUAL
5 COURSES. (a) The agency shall publish a list of virtual courses
6 offered by school districts and open-enrollment charter schools in
7 this state that includes:

8 (1) whether the course is available to a student who is
9 not otherwise enrolled in the offering district or school;

10 (2) the cost of the course; and

11 (3) information regarding any third-party provider
12 involved in the delivery of the course.

13 (b) A school district or open-enrollment charter school
14 shall provide to the agency information required to publish the
15 list under Subsection (a).

16 SUBCHAPTER C. FULL-TIME HYBRID AND FULL-TIME VIRTUAL CAMPUSES

17 Sec. 30B.101. FULL-TIME HYBRID OR FULL-TIME VIRTUAL CAMPUS
18 AUTHORIZATION. (a) A school district or open-enrollment charter
19 school may operate a full-time hybrid campus or a full-time virtual
20 campus if authorized by the commissioner in accordance with this
21 section.

22 (b) The commissioner shall adopt rules establishing the
23 requirements for and process by which a school district or
24 open-enrollment charter school may apply for authorization to
25 operate a full-time hybrid campus or a full-time virtual campus.
26 The rules adopted by the commissioner may require certain written
27 application materials and interviews and shall require a school

1 district or open-enrollment charter school to:

2 (1) engage in a year of planning before offering a
3 course under this chapter to verify the course is designed in
4 accordance with high-quality criteria;

5 (2) develop an academic plan that incorporates:

6 (A) curriculum and instructional practices
7 aligned with the appropriate essential knowledge and skills
8 provided under Subchapter A, Chapter 28;

9 (B) monitoring of the progress of student
10 performance and interventions;

11 (C) a method for meeting the needs of and
12 complying with federal and state requirements for special
13 populations and at-risk students; and

14 (D) compliance with the requirements of this
15 chapter;

16 (3) develop an operations plan that addresses:

17 (A) staffing models;

18 (B) the designation of selected school leaders;

19 (C) professional development for staff;

20 (D) student and family engagement;

21 (E) school calendars and schedules;

22 (F) student enrollment eligibility;

23 (G) cybersecurity and student data privacy
24 measures; and

25 (H) any educational services to be provided by a
26 private or third party; and

27 (4) demonstrate the capacity to execute the district's

1 or school's plan successfully.

2 (c) A full-time hybrid campus or full-time virtual campus
3 authorized under this section must include:

4 (1) at least one grade level in which an assessment
5 instrument is required to be administered under Section 39.023(a)
6 or (c), including each subject or course for which an assessment
7 instrument is required in that grade level;

8 (2) sufficient grade levels, as determined by the
9 commissioner, to allow for the annual evaluation of the performance
10 of students who complete the courses offered; or

11 (3) for a campus that does not include grade levels
12 described by Subdivision (1) or (2), another performance evaluation
13 measure approved by the commissioner during the authorization
14 process.

15 (d) A campus approved under this subchapter may only apply
16 for and receive authorization to operate as a full-time hybrid
17 campus or a full-time virtual campus. A campus may not change its
18 operation designation during the authorization process or after the
19 campus is authorized.

20 (e) The commissioner may only authorize a school district or
21 open-enrollment charter school to operate a full-time hybrid campus
22 or a full-time virtual campus if the commissioner determines that
23 the authorization of the campus is likely to result in improved
24 student learning opportunities. If a district or school will use a
25 private or third party in operating the campus, the commissioner
26 shall consider the historical performance of the private or third
27 party, if known, in making a determination under this section.

1 (f) A determination made by the commissioner under this
2 section is final and not subject to appeal.

3 Sec. 30B.102. REVOCATION. (a) Unless revoked as provided
4 by this section, the commissioner's authorization of a full-time
5 hybrid campus or full-time virtual campus under Section 30B.101
6 continues indefinitely.

7 (b) The commissioner shall revoke the authorization of a
8 full-time hybrid campus or full-time virtual campus if the campus
9 has been assigned, for the three preceding school years:

10 (1) a needs improvement or unacceptable performance
11 rating under Subchapter C, Chapter 39;

12 (2) a rating of performance that needs improvement or
13 unacceptable, as determined by the commissioner, on a performance
14 evaluation approved by the commissioner under Section
15 30B.101(c)(3); or

16 (3) any combination of the ratings described by
17 Subdivision (1) or (2).

18 (c) The commissioner may, based on a special investigation
19 conducted under Section 39.003:

20 (1) revoke an authorization of a full-time hybrid
21 campus or full-time virtual campus; or

22 (2) require any intervention authorized under that
23 section.

24 (d) If a private or third party is determined to be
25 ineligible under Section 30B.152, the commissioner shall revoke an
26 authorization of a full-time hybrid campus or full-time virtual
27 campus for which the private or third party acts as a whole program

1 virtual instruction provider, unless the commissioner approves a
2 request by the school district or open-enrollment charter school
3 that operates the campus to use an alternative private or third
4 party.

5 (e) An appeal by a school district or open-enrollment
6 charter school of a revocation of an authorization under this
7 chapter that results in the closure of a campus must be made under
8 Section 39A.301.

9 Sec. 30B.103. STUDENT ELIGIBILITY. (a) A student eligible
10 to enroll in a public school of this state is eligible to enroll at a
11 full-time hybrid campus.

12 (b) A student is eligible to enroll in a full-time virtual
13 campus if the student:

14 (1) attended a public school in this state for a
15 minimum of six weeks in the current school year or in the preceding
16 school year;

17 (2) is, in the school year in which the student first
18 seeks to enroll in the full-time virtual campus, enrolled in the
19 first grade or a lower grade level;

20 (3) was not required to attend public school in this
21 state due to nonresidency during the preceding school year;

22 (4) is a dependent of a member of the United States
23 military who has been deployed; or

24 (5) has been placed in substitute care in this state.

25 Sec. 30B.104. STUDENT RIGHTS REGARDING FULL-TIME HYBRID AND
26 FULL-TIME VIRTUAL CAMPUSES. (a) A student enrolled in a school
27 district may not be compelled to enroll in a full-time hybrid or

1 full-time virtual campus. A school district must offer the option
2 for a student's parent to select in-person instruction for the
3 student.

4 (b) Notwithstanding Subsection (a) or Section 30B.052, an
5 open-enrollment charter school may require a student to attend a
6 full-time hybrid or full-time virtual campus.

7 Sec. 30B.105. CAMPUS DESIGNATIONS. The commissioner shall
8 determine and assign a unique campus designation number to each
9 full-time hybrid campus or full-time virtual campus authorized
10 under this subchapter.

11 Sec. 30B.106. FUNDING. (a) For purposes of calculating the
12 average daily attendance of students attending a full-time hybrid
13 campus or full-time virtual campus, the commissioner shall use the
14 number of full-time equivalent students enrolled in the full-time
15 hybrid or full-time virtual campus multiplied by the average
16 attendance rate of the school district or open-enrollment charter
17 school that offers the full-time hybrid or full-time virtual campus
18 not including any student enrolled full-time in a full-time hybrid
19 or full-time virtual campus. In the event that a reliable
20 attendance rate cannot be determined under this section, the
21 commissioner shall use the statewide average attendance rate.

22 (b) The commissioner shall provide proportionate funding to
23 the applicable school district or open-enrollment charter school
24 for a student that alternates attendance between a traditional,
25 in-person campus setting and the full-time hybrid or full-time
26 virtual campus of any single district or school in the same school
27 year.

1 SUBCHAPTER D. PRIVATE AND THIRD-PARTY PROVIDERS

2 Sec. 30B.151. NOTICE AND USE OF PRIVATE OR THIRD PARTY. (a)

3 A school district or open-enrollment charter school shall provide
4 notice to the commissioner of the use of or change in affiliation of
5 a private or third party acting as a whole program virtual
6 instruction provider for a full-time hybrid or full-time virtual
7 campus or program.

8 (b) Except as provided by Section 30B.152, a school district
9 or open-enrollment charter school may not use a private or third
10 party to act as a whole program virtual instruction provider if the
11 party has been determined to be ineligible under that section.

12 Sec. 30B.152. PRIVATE OR THIRD-PARTY ACCOUNTABILITY. (a)

13 The commissioner shall, to the extent feasible, evaluate the
14 performance of a private or third party acting as a whole program
15 virtual instruction provider for a school district or
16 open-enrollment charter school.

17 (b) The commissioner shall establish a standard to
18 determine if a private or third party is ineligible to act as a
19 whole program virtual instruction provider. A private or third
20 party determined to be ineligible under this section remains
21 ineligible until after the fifth anniversary of that determination.

22 (c) A school district or open-enrollment charter school may
23 use a private or third party determined to be ineligible under
24 Subsection (b) as a whole program virtual instruction provider if:

25 (1) the district or school requests approval from the
26 commissioner; and

27 (2) the commissioner determines that the reasons the

1 private or third party was declared ineligible under Subsection (b)
2 will not affect the operation of the party as a whole program
3 virtual instruction provider at the district or school.

4 SUBCHAPTER E. STATE SUPPORT

5 Sec. 30B.201. EDUCATOR PROFESSIONAL DEVELOPMENT. From
6 funds appropriated or otherwise available, the agency shall develop
7 professional development courses and materials aligned with
8 research-based practices for educators in providing high-quality
9 virtual education.

10 Sec. 30B.202. DEVELOPMENT GRANTS FOR VIRTUAL EDUCATION.
11 From funds appropriated or otherwise available, the agency shall
12 provide grants and technical assistance to school districts and
13 open-enrollment charter schools to aid in the establishment of
14 high-quality full-time hybrid or full-time virtual campuses.

15 SECTION 7.07. Section 33.009(d), Education Code, is amended
16 to read as follows:

17 (d) An academy developed under this section must provide
18 counselors and other postsecondary advisors with knowledge and
19 skills to provide counseling to students regarding postsecondary
20 success and productive career planning and must include information
21 relating to:

22 (1) each endorsement described by Section
23 28.025(c-1), including:

24 (A) the course requirements for each
25 endorsement; and

26 (B) the postsecondary educational and career
27 opportunities associated with each endorsement;

1 (2) available methods for a student to earn credit for
2 a course not offered at the school in which the student is enrolled,
3 including enrollment in a virtual [~~an electronic~~] course provided
4 [~~through the state virtual school network~~] under Chapter 30B [~~30A~~];

5 (3) general academic performance requirements for
6 admission to an institution of higher education, including the
7 requirements for automatic admission to a general academic teaching
8 institution under Section 51.803;

9 (4) regional workforce needs, including information
10 about the required education and the average wage or salary for
11 careers that meet those workforce needs; and

12 (5) effective strategies for engaging students and
13 parents in planning for postsecondary education and potential
14 careers, including participation in mentorships and business
15 partnerships.

16 SECTION 7.08. Subchapter A, Chapter 37, Education Code, is
17 amended by adding Section 37.0071 to read as follows:

18 Sec. 37.0071. VIRTUAL EDUCATION AS ALTERNATIVE TO
19 EXPULSION. (a) Except as provided by Subsection (b), before a
20 school district or open-enrollment charter school may expel a
21 student, the district or school shall consider the appropriateness
22 and feasibility of, as an alternative to expulsion, enrolling the
23 student in a full-time hybrid program, full-time virtual program,
24 full-time hybrid campus, or full-time virtual campus, as those
25 terms are defined in Section 30B.001.

26 (b) Subsection (a) does not apply to a student expelled
27 under Section 37.0081 or 37.007(a), (d), or (e).

1 SECTION 7.09. Section 48.005, Education Code, is amended by
2 adding Subsection (e-1) to read as follows:

3 (e-1) In a school year in which the occurrence of an
4 emergency or crisis, as defined by commissioner rule, causes a
5 statewide decrease in average daily attendance of school districts
6 entitled to funding under this chapter or, for an emergency or
7 crisis occurring only within a specific region of this state,
8 causes a regional decrease in the average daily attendance of
9 school districts located in the affected region, the commissioner
10 shall modify or waive requirements applicable to the affected
11 districts under this section and adopt appropriate safeguards as
12 necessary to ensure the continued support and maintenance of an
13 efficient system of public free schools and the continued delivery
14 of high-quality instruction under that system.

15 SECTION 7.10. Section 48.053(b), Education Code, is amended
16 to read as follows:

17 (b) A school district to which this section applies is
18 entitled to funding under this chapter as if the district were a
19 full-time hybrid campus or full-time virtual campus for purposes of
20 Section 30B.106 with ~~had~~ no tier one local share for purposes of
21 Section 48.256 for each student enrolled in the district:

22 (1) who resides in this state; or

23 (2) who:

24 (A) is a dependent of a member of the United
25 States military;

26 (B) was previously enrolled in school in this
27 state; and

1 (C) does not reside in this state due to a
2 military deployment or transfer.

3 SECTION 7.11. Section 48.104(f), Education Code, is amended
4 to read as follows:

5 (f) A student receiving a full-time virtual education
6 provided through a full-time virtual campus under Chapter 30B shall
7 ~~[through the state virtual school network may]~~ be included in
8 determining the number of students who are educationally
9 disadvantaged and reside in an economically disadvantaged census
10 block group under Subsection (b) or (e), as applicable~~[, if the~~
11 ~~school district submits to the commissioner a plan detailing the~~
12 ~~enhanced services that will be provided to the student and the~~
13 ~~commissioner approves the plan].~~

14 SECTION 7.12. Section 48.111, Education Code, is amended by
15 amending Subsection (b) and adding Subsection (b-1) to read as
16 follows:

17 (b) For purposes of Subsection (a), in determining the
18 number of students enrolled in a school district, the commissioner
19 shall exclude students enrolled in the district who receive
20 full-time instruction provided through a full-time virtual campus
21 under Chapter 30B ~~[through the state virtual school network under~~
22 ~~Chapter 30A].~~

23 (b-1) For purposes of Subsection (a), in determining the
24 number of students enrolled in a school district, the commissioner
25 shall exclude students enrolled in the district who receive
26 full-time instruction through the state virtual school network
27 under Chapter 30A as that chapter existed on September 1, 2023.

1 This subsection expires September 1, 2029.

2 SECTION 7.13. The following provisions of the Education
3 Code are repealed:

4 (1) Section 26.0031(f); and

5 (2) Chapter 30A.

6 SECTION 7.14. (a) Notwithstanding the repeal by this
7 article of Chapter 30A, Education Code, a school district or
8 open-enrollment charter school providing an electronic course or a
9 full-time program through the state virtual school network in
10 accordance with Chapter 30A, Education Code, as that law existed
11 immediately before the effective date of this article, may, except
12 as provided by Subsection (b) of this section, continue to provide
13 that course or full-time program as if that chapter were still in
14 effect until the end of the 2025-2026 school year.

15 (b) The funding provided to a school district or
16 open-enrollment charter school for a student enrolled in an
17 electronic course or full-time program offered through the state
18 virtual school network in accordance with Chapter 30A, Education
19 Code, as that law existed immediately before the effective date of
20 this article, shall be determined, as applicable, under Section
21 30B.007 or 30B.106, Education Code, as added by this article.

22 SECTION 7.15. The commissioner of education shall adopt
23 rules providing an expedited authorization process for a school
24 district or open-enrollment charter school that applies to operate
25 a full-time hybrid campus or a full-time virtual campus under
26 Chapter 30B, Education Code, as added by this article, if the
27 district or school, as of the effective date of this article:

1 (1) operates an electronic course or full-time program
2 through the state virtual school network in accordance with Chapter
3 30A, Education Code, as that law existed immediately before the
4 effective date of this article; or

5 (2) operates a virtual education program, regardless
6 of whether the district or school received funding for students
7 enrolled in the program during the 2022-2023 or 2023-2024 school
8 year.

9 SECTION 7.16. This article takes effect immediately if this
10 Act receives a vote of two-thirds of all the members elected to each
11 house, as provided by Section 39, Article III, Texas Constitution.
12 If this Act does not receive the vote necessary for immediate
13 effect, this article takes effect on the 91st day after the last day
14 of the legislative session.

15 ARTICLE 8. CHANGES RELATED TO ACCOUNTABILITY

16 SECTION 8.01. Subchapter A, Chapter 39, Education Code, is
17 amended by adding Section 39.008 to read as follows:

18 Sec. 39.008. EXPIRATION OF CHAPTER. This chapter expires
19 August 31, 2026.

20 SECTION 8.02. Subchapter C, Chapter 39, Education Code, is
21 amended by adding Section 39.0521 to read as follows:

22 Sec. 39.0521. TEMPORARY PROVISION: ASSIGNMENT OF
23 PERFORMANCE RATINGS AND SCORING OF ASSESSMENT INSTRUMENTS. (a)
24 Notwithstanding any other law, for the 2023-2024, 2024-2025, and
25 2025-2026 school years, the commissioner shall use the indicators,
26 standards, procedures, criteria, and calculations prescribed by
27 the 2022 Accountability Manual, adopted under 19 T.A.C. Section

1 97.1001, as that rule existed on September 1, 2023, to:

2 (1) evaluate school district and campus performance
3 and assign each district and campus a performance rating; and

4 (2) score assessment instruments administered under
5 Subchapter B.

6 (b) The agency shall receive a direct appropriation from the
7 legislature for any additional costs for scoring the assessment
8 instruments administered under Subchapter B in the manner described
9 by Subsection (a)(2).

10 (c) This section expires August 31, 2026.

11 SECTION 8.03. Section 39.053, Education Code, is amended by
12 amending Subsection (c) and adding Subsections (c-4), (c-5), and
13 (c-6) to read as follows:

14 (c) School districts and campuses must be evaluated based on
15 three domains of indicators of achievement adopted under this
16 section that include:

17 (1) in the student achievement domain, indicators of
18 student achievement that must include:

19 (A) for evaluating the performance of districts
20 and campuses generally:

21 (i) an indicator that accounts for the
22 results of assessment instruments required under Sections
23 39.023(a), (c), and (l), as applicable for the district and campus,
24 including the results of assessment instruments required for
25 graduation retaken by a student, aggregated across grade levels by
26 subject area, including:

27 (a) for the performance standard

1 determined by the commissioner under Section 39.0241(a), the
2 percentage of students who performed satisfactorily on the
3 assessment instruments, aggregated across grade levels by subject
4 area; and

5 (b) for the college readiness
6 performance standard as determined under Section 39.0241, the
7 percentage of students who performed satisfactorily on the
8 assessment instruments, aggregated across grade levels by subject
9 area; and

10 (ii) an indicator that accounts for the
11 results of assessment instruments required under Section
12 39.023(b), as applicable for the district and campus, including the
13 percentage of students who performed satisfactorily on the
14 assessment instruments, as determined by the performance standard
15 adopted by the agency, aggregated across grade levels by subject
16 area; and

17 (B) for evaluating the performance of high school
18 campuses and districts that include high school campuses,
19 indicators that account for:

20 (i) students who satisfy the Texas Success
21 Initiative (TSI) college readiness benchmarks prescribed by the
22 Texas Higher Education Coordinating Board under Section 51.334 on
23 an assessment instrument in reading or mathematics designated by
24 the coordinating board under that section;

25 (ii) students who satisfy relevant
26 performance standards on advanced placement tests or similar
27 assessments;

- 1 (iii) students who earn dual course credits
2 in the dual credit courses;
- 3 (iv) students who demonstrate military
4 readiness by:
- 5 (a) enlisting [~~enlist~~] in the armed
6 forces of the United States or the Texas National Guard;
- 7 (b) achieving a passing score set by
8 the applicable military branch on the Armed Services Vocational
9 Aptitude Battery test; or
- 10 (c) successfully completing a Junior
11 Reserve Officer Training Corps program;
- 12 (v) students who earn industry
13 certifications;
- 14 (vi) students admitted into postsecondary
15 industry certification programs that require as a prerequisite for
16 entrance successful performance at the secondary level;
- 17 (vii) students whose successful completion
18 of a course or courses under Section 28.014 indicates the student's
19 preparation to enroll and succeed, without remediation, in an
20 entry-level general education course for a baccalaureate degree or
21 associate degree;
- 22 (viii) students who successfully met
23 standards on a composite of indicators that through research
24 indicates the student's preparation to enroll and succeed, without
25 remediation, in an entry-level general education course for a
26 baccalaureate degree or associate degree;
- 27 (ix) high school graduation rates, computed

1 in accordance with standards and definitions adopted in compliance
2 with the Every Student Succeeds Act (20 U.S.C. Section 6301 et seq.)
3 subject to the exclusions provided by Subsections (g), (g-1),
4 (g-2), (g-3), and (g-4);

5 (x) students who successfully completed an
6 OnRamps dual enrollment course;

7 (xi) students who successfully completed a
8 practicum or internship approved by the State Board of Education;

9 (xii) students who are awarded an associate
10 degree; and

11 (xiii) students who successfully completed
12 a program of study in career and technical education;

13 (2) in the school progress domain, indicators for
14 effectiveness in promoting student learning, which must include:

15 (A) for assessment instruments, including
16 assessment instruments under Subdivisions (1)(A)(i) and (ii), the
17 percentage of students who met the standard for improvement, as
18 determined by the commissioner; and

19 (B) for evaluating relative performance, the
20 performance of districts and campuses compared to similar districts
21 or campuses; and

22 (3) in the closing the gaps domain, the use of
23 disaggregated data to demonstrate the differentials among students
24 from different racial and ethnic groups, socioeconomic
25 backgrounds, and other factors, including:

26 (A) students formerly receiving special
27 education services;

1 (B) students continuously enrolled; and

2 (C) students who are mobile.

3 (c-4) The agency shall study the college, career, and
4 military readiness indicators adopted under Subsection (c) to
5 determine the correlation of each indicator with post-secondary
6 success, including the correlation of industry certifications with
7 wages and available jobs. The assignment of value for an indicator
8 must be based on the strength of the indicator's correlation with
9 successful outcomes.

10 (c-5) The agency shall maintain a list of industry
11 certifications that are eligible for purposes of Subsection
12 (c)(1)(B)(v). The certifications must:

13 (1) be aligned to a program of study that, according to
14 labor market data, prepares students for high-wage, high-skill,
15 in-demand occupations;

16 (2) allow students to demonstrate mastery of the
17 skills required for occupations within an approved program of
18 study; and

19 (3) be obtained through an assessment of the knowledge
20 and skills provided by or determined by an independent, third-party
21 certifying entity using predetermined standards for knowledge,
22 skills, and competencies.

23 (c-6) The agency shall determine the eligibility of
24 industry certifications under Subsection (c-5) using the most
25 current labor market information. A certification the agency
26 determines is no longer eligible for purposes of Subsection
27 (c)(1)(B)(v) shall be removed from the list maintained under

1 Subsection (c-5) not later than four years after the date the agency
2 makes the determination. During the four years following an
3 agency's determination under this subsection that an industry
4 certification is no longer eligible for purposes of Subsection
5 (c)(1)(B)(v), a school district may receive the benefit of
6 achievement indicators based on that industry certification for
7 purposes of Subsection (c) only for a cohort of students who earn
8 the industry certification and graduate within the four-year
9 period.

10 SECTION 8.04. Section 39.0541, Education Code, is amended
11 to read as follows:

12 Sec. 39.0541. ADOPTION OF INDICATORS AND STANDARDS. The
13 commissioner may adopt indicators and standards under this
14 subchapter at any time [~~during a school year~~] before issuing the
15 evaluation of a school district or campus for a school year.

16 SECTION 8.05. Section 39.0542(a), Education Code, is
17 amended to read as follows:

18 (a) The [~~Each school year, the~~] commissioner shall provide
19 each school district a document in a simple, accessible format that
20 explains the accountability performance measures, methods, and
21 procedures that will be applied [~~for that school year~~] in assigning
22 each school district and campus a performance rating under Section
23 39.054.

24 SECTION 8.06. Subchapter H, Chapter 39, Education Code, is
25 amended by adding Section 39.231 to read as follows:

26 Sec. 39.231. LOCAL ACCOUNTABILITY GRANT PROGRAM. (a) With
27 funds appropriated or otherwise available for the purpose, the

1 agency shall establish a grant program with capacity to assist at
2 least one school district per education service center region in
3 developing local accountability systems that comply with the
4 requirements of Section 39.0544.

5 (b) The commissioner shall adopt rules to implement this
6 section.

7 SECTION 8.07. Chapter 39, Education Code, is amended by
8 adding Subchapter N to read as follows:

9 SUBCHAPTER N. TEXAS COMMISSION ON ASSESSMENT AND ACCOUNTABILITY

10 Sec. 39.451. DEFINITION. In this subchapter, "commission"
11 means the Texas Commission on Assessment and Accountability.

12 Sec. 39.452. TEXAS COMMISSION ON ASSESSMENT AND
13 ACCOUNTABILITY. (a) The commission is established to develop and
14 make recommendations for:

15 (1) improvements to the current public school
16 assessment and accountability systems; and

17 (2) the adoption of a new assessment and
18 accountability system as provided by the Every Student Succeeds Act
19 (20 U.S.C. Section 6301 et seq.).

20 (b) The commission is composed of 15 members, consisting of:

21 (1) four members appointed by the governor;

22 (2) five members appointed by the lieutenant governor;

23 (3) five members appointed by the speaker of the house
24 of representatives; and

25 (4) a member of the State Board of Education, as
26 designated by the chair of that board.

27 (c) The members appointed by the governor must have an

1 interest in public education and include at least:

2 (1) one person who is a current or retired classroom
3 teacher with at least 10 years of teaching experience;

4 (2) one person who is a member of the business
5 community; and

6 (3) one person who is a member of the civic community.

7 (d) The appointments made by the lieutenant governor and the
8 speaker of the house of representatives must each consist of:

9 (1) three members of the applicable legislative
10 chamber;

11 (2) an administrator in the public school system or an
12 elected member of the board of trustees of a school district; and

13 (3) a member of the public who works in public
14 education with experience in the assessment and accountability
15 system.

16 (e) In making appointments under Subsections (b)(1), (2),
17 and (3), the governor, lieutenant governor, and speaker of the
18 house of representatives shall coordinate to ensure that the
19 membership of the commission reflects, to the extent possible, the
20 ethnic and geographic diversity of this state.

21 Sec. 39.453. PRESIDING OFFICER. The governor shall
22 designate the presiding officer of the commission.

23 Sec. 39.454. COMPENSATION AND REIMBURSEMENT. A member of
24 the commission is not entitled to compensation for service on the
25 commission but is entitled to reimbursement for actual and
26 necessary expenses incurred in performing commission duties.

27 Sec. 39.455. ADMINISTRATIVE SUPPORT AND FUNDING. (a) One

1 full-time employee of the agency shall provide administrative
2 support for the commission. Funding for the full-time employee
3 shall be provided by legislative appropriation not to exceed
4 \$100,000 made to the agency for that purpose.

5 (b) Funding for the administrative and operational expenses
6 of the commission shall be provided by legislative appropriation
7 not to exceed \$100,000 made to the agency for that purpose.

8 Sec. 39.456. RECOMMENDATIONS. (a) The commission shall
9 develop recommendations under this subchapter to address issues
10 related to the public school statewide assessment and
11 accountability system, including:

12 (1) the purpose of the assessment and accountability
13 system and the relationship between state and local accountability
14 in that system;

15 (2) the appropriate number of assessments per grade
16 level that comply with federal requirements;

17 (3) changes in policy regarding the assessment and
18 accountability system necessary to meet the needs of the state;

19 (4) grading systems and the impact that those systems
20 will have on the assessment and accountability system, including
21 the use of artificial intelligence in grading systems;

22 (5) the development and use of additional
23 research-based indicators for the assessment and accountability
24 system; and

25 (6) the adoption of an assessment and accountability
26 system that meets the needs of the 21st-century student.

27 (b) The commission may establish one or more working groups

1 composed of not more than five members of the commission to study,
2 discuss, and address specific policy issues and recommendations to
3 refer to the commission for consideration.

4 Sec. 39.457. REPORT. Not later than December 31, 2024, the
5 commission shall prepare and deliver a report to the governor and
6 the legislature that recommends statutory changes to improve the
7 public school assessment and accountability system, including any
8 adjustments to funding necessary to account for student
9 demographics.

10 Sec. 39.458. PUBLIC MEETINGS AND PUBLIC INFORMATION. (a)
11 The commission may hold public meetings as needed to fulfill its
12 duties under this subchapter.

13 (b) The commission is subject to Chapters 551 and 552,
14 Government Code.

15 Sec. 39.459. COMMISSION ABOLISHED; EXPIRATION OF
16 SUBCHAPTER. The commission is abolished and this subchapter
17 expires January 7, 2025.

18 SECTION 8.08. (a) Notwithstanding any other law, the
19 commissioner of education may not assign A through F ratings,
20 domain-scaled scores, or overall scaled scores to an independent
21 school district or district campus under Chapter 39, Education
22 Code, for the 2022-2023 school year.

23 (b) Notwithstanding Subchapter B, Chapter 2001, Government
24 Code, the commissioner of education may, using abbreviated notice
25 as determined practicable by the commissioner and without a public
26 hearing, but with input from the legislature, adopt rules for
27 determining the accountability of public schools for the 2022-2023

1 school year.

2 SECTION 8.09. This article takes effect on the 91st day
3 after the last day of the legislative session.