

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. Subchapter H, Chapter 21, Education Code, is  
7 amended by adding Section 21.3522 to read as follows:

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

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

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

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

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

19           (2) enable regional leadership capacity.

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

22           SECTION 1.10. Section 21.402, Education Code, is amended by  
23 amending Subsections (a) and (g) and adding Subsections (a-1),  
24 (c-2), (i), (j), and (k) to read as follows:

25           (a) Except as provided by Subsection (c-2) [~~(e-1)~~ or ~~(f)~~], a  
26 school district must pay each employee who is employed as a  
27 classroom teacher, full-time librarian, full-time school counselor



1 certified under Subchapter B, or full-time school nurse not less  
2 than the highest annual minimum [~~minimum monthly~~] salary described  
3 by the following schedule applicable to [~~based on~~] the employee's  
4 certification, if any, and years [~~level~~] of experience:

5 (1) for an employee with less than five years of  
6 experience who:

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

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

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

13 (D) holds a designation under Section 21.3521 . .  
14 \$43,000; or

15 (E) holds a residency educator certificate or has  
16 successfully completed a residency partnership program under  
17 Subchapter R . . . . . \$43,000;

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

20 (A) no certification . . . . . \$45,000;

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

23 (C) the base certificate required under Section  
24 21.003(a) for employment in the employee's position other than a  
25 certificate described by Paragraph (B) . . . . . \$50,000; or

26 (D) a designation under Section 21.3521 . . . . .  
27 \$53,000; or

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

3                   (A) no certification . . . . . \$55,000;

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

6                   (C) the base certificate required under Section  
7 21.003(a) for employment in the employee's  
8 position . . . . . \$60,000; or

9                   (D) a designation under Section 21.3521 . . . . .  
10 \$63,000 [~~in addition to other factors, as determined by~~  
11 commissioner rule, determined by the following formula:

12                                   ~~[MS = SF x FS~~

13 [~~where:~~

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

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

17           ~~["FS" is the amount, as determined by the commissioner under~~  
18 ~~Subsection (b), of the basic allotment as provided by Section~~  
19 ~~48.051(a) or (b) for a school district with a maintenance and~~  
20 ~~operations tax rate at least equal to the state maximum compressed~~  
21 ~~tax rate, as defined by Section 48.051(a)].~~

22           (a-1) For purposes of Subsection (a), a full-time school  
23 nurse is considered to hold the base certificate required under  
24 Section 21.003(a) for employment as a school nurse, regardless of  
25 the other certifications held by the nurse.

26           (c-2) A school district is not required to pay an employee  
27 who is employed as a classroom teacher, full-time librarian,

1 full-time school counselor certified under Subchapter B, or  
2 full-time school nurse the minimum salary required under Subsection  
3 (a) for the school year following a school year during which the  
4 district reviews the employee's performance and finds the  
5 employee's performance unsatisfactory.

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

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

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

15 (i) A school district that increases employee compensation  
16 in the 2024-2025 school year to comply with Subsection (a), as  
17 amended by .B. \_\_\_\_, 88th Legislature, 4th Called Session, 2023, is  
18 providing compensation for services rendered independently of an  
19 existing employment contract applicable to that year and is not in  
20 violation of Section 53, Article III, Texas Constitution. A school  
21 district that does not meet the requirements of Subsection (a) in  
22 the 2024-2025 school year may satisfy the requirements of this  
23 section by providing an employee a one-time bonus payment during  
24 the 2025-2026 school year in an amount equal to the difference  
25 between the compensation earned by the employee during the  
26 2024-2025 school year and the compensation the employee should have  
27 received during that school year if the district had complied with

1 Subsection (a).

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

10 (k) Subsections (i) and (j) and this subsection expire  
11 September 1, 2027.

12 SECTION 1.11. The heading to Section 21.403, Education  
13 Code, is amended to read as follows:

14 Sec. 21.403. DETERMINATION OF YEARS OF EXPERIENCE  
15 [PLACEMENT ON MINIMUM SALARY SCHEDULE].

16 SECTION 1.12. Sections 21.403(b) and (c), Education Code,  
17 are amended to read as follows:

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

23 (c) The commissioner shall adopt rules for determining the  
24 experience for which a teacher, librarian, school counselor, or  
25 nurse is to be given credit for purposes of the minimum salary  
26 schedule under Section 21.402(a) [in placing the teacher,  
27 librarian, school counselor, or nurse on the minimum salary

1 ~~schedule~~]. A district shall credit the teacher, librarian, school  
2 counselor, or nurse for each year of experience without regard to  
3 whether the years are consecutive.

4 SECTION 1.13. Subchapter I, Chapter 21, Education Code, is  
5 amended by adding Sections 21.416 and 21.417 to read as follows:

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

16 (b) In appropriating money for grants awarded under this  
17 section, the legislature may provide for, modify, or limit amounts  
18 appropriated for that purpose in the General Appropriations Act,  
19 including by:

20 (1) providing, notwithstanding Subsection (a), a date  
21 or date range other than September 1, 2022, before which a teacher  
22 must have retired for a school district, an open-enrollment charter  
23 school, the Windham School District, the Texas School for the Deaf,  
24 or the Texas School for the Blind and Visually Impaired that hires  
25 the teacher to be eligible; or

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

- 1           (A) who holds a certain certification;
- 2           (B) to teach a certain subject or grade;
- 3           (C) in a certain geographical area; or
- 4           (D) to provide instruction to certain students,
- 5 including to students with disabilities.

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

14           (d) A school district, an open-enrollment charter school,  
15 the Windham School District, the Texas School for the Deaf, or the  
16 Texas School for the Blind and Visually Impaired may use funds  
17 received under this section to make required payments under Section  
18 825.4092, Government Code.

19           Sec. 21.417. ELECTION BY TEACHER TO USE UNPAID LEAVE. The  
20 board of trustees of a school district shall adopt a policy that  
21 provides a classroom teacher employed by the district the option to  
22 elect not to take the teacher's paid personal leave concurrently  
23 with unpaid leave the teacher is entitled to take under the Family  
24 and Medical Leave Act of 1993 (29 U.S.C. Section 2601 et seq.) for  
25 an absence due to pregnancy or the birth or adoption of a child.

26           SECTION 1.14. Section [21.4552](#)(d), Education Code, is  
27 amended to read as follows:

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

7 SECTION 1.15. Section 21.4553(d), Education Code, is  
8 amended to read as follows:

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

15 SECTION 1.16. Section 21.4555(f), Education Code, is  
16 amended to read as follows:

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

22 SECTION 1.17. Subchapter J, Chapter 21, Education Code, is  
23 amended by adding Sections 21.466 and 21.467 to read as follows:

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

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

4           (2) programs that encourage high school students or  
5 other members of the community in the area served by the district to  
6 become teachers, including available teacher apprenticeship  
7 programs; and

8           (3) programs or strategies that school leaders may use  
9 to establish clear and attainable behavior expectations while  
10 proactively supporting students.

11           (b) From funds appropriated or otherwise available, the  
12 agency shall provide grants to school districts and open-enrollment  
13 charter schools to implement initiatives developed under this  
14 section.

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

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

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



1       (b) The agency shall periodically make findings and  
2 recommendations for best practices publicly available using  
3 information from participating school districts and  
4 open-enrollment charter schools.

5       SECTION 1.18. Chapter 21, Education Code, is amended by  
6 adding Subchapter R to read as follows:

7       SUBCHAPTER R. TEXAS TEACHER RESIDENCY PARTNERSHIP PROGRAM

8       Sec. 21.901. DEFINITIONS. In this subchapter:

9           (1) "Board" means the State Board for Educator  
10 Certification.

11           (2) "Cooperating teacher" means a classroom teacher  
12 who:

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

16                   (B) is employed by a school district or  
17 open-enrollment charter school participating in a partnership  
18 program under this subchapter and paired with a partnership  
19 resident at the district or school; and

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

22           (3) "Partnership program" means a Texas Teacher  
23 Residency Partnership Program established at a school district or  
24 open-enrollment charter school in accordance with this subchapter.

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

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

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

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

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

14           (2) gradually increase the amount of time a  
15 partnership resident spends engaging in instructional  
16 responsibilities, including observation, co-teaching, and  
17 lead-teaching responsibilities.

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

23           (1) use research-based best practices for recruiting  
24 and admitting candidates into the educator preparation program to  
25 participate in the partnership program;

26           (2) integrate curriculum, classroom practice, and  
27 formal observation and feedback;

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

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

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

8           (1) enter into a written agreement with a qualified  
9 educator preparation program to:

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

14           (B) pair the partnership resident with a  
15 cooperating teacher;

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

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

19           (A) implement the partnership program;

20           (B) provide compensation to:

21           (i) partnership residents in residency  
22 positions at the district or school; and

23           (ii) cooperating teachers who are paired  
24 with partnership residents at the district or school; and

25           (C) provide an amount equal to at least 10  
26 percent of the funding received by the district or school to the  
27 qualified educator preparation program with which the district or

1 school partners;

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

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

7 (b) A school district or open-enrollment charter school may  
8 only pair a partnership resident with a cooperating teacher who  
9 agrees to participate in that role in a partnership program at the  
10 district or school partnership program.

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

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

21 Sec. 21.906. AGENCY SUPPORT. The agency shall provide  
22 technical assistance, planning, and support to school districts,  
23 open-enrollment charter schools, and qualified educator  
24 preparation programs, which must include:

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

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

4           Sec. 21.907. AUTHORITY TO ACCEPT CERTAIN FUNDS. The  
5 commissioner may solicit and accept gifts, grants, and donations  
6 from public and private entities to use for the purposes of this  
7 subchapter.

8           Sec. 21.908. RULES; NEGOTIATED RULEMAKING COMMITTEE. (a)  
9 The board shall propose rules necessary to implement this  
10 subchapter, including, subject to Subsection (b), rules under  
11 Sections 21.903 and 21.905.

12           (b) In using negotiated rulemaking procedures under Chapter  
13 2008, Government Code, for any proposed rule related to the  
14 implementation of Section 21.903 or 21.905, the board must appoint  
15 to the negotiated rulemaking committee persons representing  
16 institutions of higher education, as defined by Section 61.003.

17           (c) The commissioner shall adopt rules as necessary to  
18 implement this subchapter after considering the recommendations of  
19 the negotiated rulemaking committee appointed under Subsection  
20 (b).

21           SECTION 1.19. Section 29.153(b), Education Code, is amended  
22 to read as follows:

23           (b) A child is eligible for enrollment in a prekindergarten  
24 class under this section if the child is at least three years of age  
25 and:

26           (1) is unable to speak and comprehend the English  
27 language;

- 1           (2) is educationally disadvantaged;
- 2           (3) is homeless, regardless of the residence of the  
3 child, of either parent of the child, or of the child's guardian or  
4 other person having lawful control of the child;
- 5           (4) is the child of an active duty member of the armed  
6 forces of the United States, including the state military forces or  
7 a reserve component of the armed forces, who is ordered to active  
8 duty by proper authority;
- 9           (5) is the child of a member of the armed forces of the  
10 United States, including the state military forces or a reserve  
11 component of the armed forces, who was injured or killed while  
12 serving on active duty;
- 13           (6) is or ever has been in:
- 14                 (A) the conservatorship of the Department of  
15 Family and Protective Services following an adversary hearing held  
16 as provided by Section 262.201, Family Code; or
- 17                 (B) foster care in another state or territory, if  
18 the child resides in this state; ~~or~~
- 19           (7) is the child of a person eligible for the Star of  
20 Texas Award as:
- 21                 (A) a peace officer under Section 3106.002,  
22 Government Code;
- 23                 (B) a firefighter under Section 3106.003,  
24 Government Code; or
- 25                 (C) an emergency medical first responder under  
26 Section 3106.004, Government Code; or
- 27           (8) is the child of a person employed as a classroom

1 teacher at a public primary or secondary school in the school  
2 district that offers a prekindergarten class under this section.

3 SECTION 1.20. Section 30.102(b), Education Code, is amended  
4 to read as follows:

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

15 SECTION 1.21. Section 33.009(h), Education Code, is amended  
16 to read as follows:

17 (h) From funds appropriated for that purpose, a school  
18 counselor who attends the academy under this section is entitled to  
19 receive a stipend in the amount determined by the coordinating  
20 board. If funds are available after all eligible school counselors  
21 have received a stipend under this subsection, the coordinating  
22 board shall pay a stipend in the amount determined by the  
23 coordinating board to a teacher who attends the academy under this  
24 section. A stipend received under this subsection is not  
25 considered in determining whether a district is paying the school  
26 counselor or teacher the minimum [~~monthly~~] salary under Section  
27 21.402.

1 SECTION 1.22. Subchapter D, Chapter 48, Education Code, is  
2 amended by adding Section 48.157 to read as follows:

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

6 (b) For each partnership resident employed at a school  
7 district in a residency position under Subchapter R, Chapter 21,  
8 the district is entitled to an allotment equal to a base amount of  
9 \$22,000 increased by the high needs and rural factor, as determined  
10 under Subsection (c), to an amount not to exceed \$42,000.

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

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

15 (2) 4.0.

16 (d) In addition to the funding under Subsection (b), a  
17 district that qualifies for an allotment under this section is  
18 entitled to an additional \$2,000 for each partnership resident  
19 employed in a residency position at the district who is a candidate  
20 for special education or bilingual education certification.

21 (e) The Texas School for the Deaf and the Texas School for  
22 the Blind and Visually Impaired are entitled to an allotment under  
23 this section. If the commissioner determines that assigning point  
24 values under Subsection (c) to students enrolled in the Texas  
25 School for the Deaf or the Texas School for the Blind and Visually  
26 Impaired is impractical, the commissioner may use the average point  
27 value assigned for those students' home districts for purposes of



1 calculating the high needs and rural factor.

2 SECTION 1.23. Subchapter F, Chapter 48, Education Code, is  
3 amended by adding Section 48.280 to read as follows:

4 Sec. 48.280. SALARY TRANSITION ALLOTMENT. (a) A school  
5 district is entitled to receive an annual salary transition  
6 allotment equal to the number of employees on the minimum salary  
7 schedule under Section 21.402 for the applicable school year  
8 multiplied by the difference, if that amount is greater than zero,  
9 between:

- 10 (1) the amount calculated under Subsection (b); and  
11 (2) the amount calculated under Subsection (c).

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

14 (1) the amount the district must pay in compensation  
15 for the current school year for employees on the minimum salary  
16 schedule under Section 21.402, as amended by H.B. \_\_\_\_, 88th  
17 Legislature, 4th Called Session, 2023, divided by the total number  
18 of employees on the minimum salary schedule under that section for  
19 that school year; and

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

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

26 (1) the total maintenance and operations revenue for  
27 the current school year divided by the total number of employees on

1 the minimum salary schedule under Section 21.402 for that school  
2 year; and

3 (2) the total maintenance and operations revenue that  
4 would have been available to the district for the current school  
5 year using the basic allotment formula provided by Section 48.051  
6 and the small and mid-sized allotment formulas provided by Section  
7 48.101 as those sections existed on January 1, 2023, divided by the  
8 total number of employees on the minimum salary schedule under  
9 Section 21.402 for that school year.

10 (d) In calculating the values under this section for a  
11 school district or open-enrollment charter school to which Section  
12 21.402 does not apply, the agency shall include as employees on the  
13 minimum salary schedule under that section employees of the  
14 district or school who would have been on the minimum salary  
15 schedule under that section if the district or school were a school  
16 district to which that section applies.

17 (e) Before making a final determination of the amount of an  
18 allotment to which a school district is entitled under this  
19 section, the agency shall ensure each school district has an  
20 opportunity to review and submit revised information to the agency  
21 for purposes of calculating the values under Subsection (a).

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

25 SECTION 1.24. The following provisions are repealed:

26 (1) Sections 21.402(b), (c), (c-1), (f), and (h),  
27 Education Code;

- 1           (2) Sections 21.403(a) and (d), Education Code;
- 2           (3) Subchapter Q, Chapter 21, Education Code; and
- 3           (4) Section 825.4092(f), Government Code.

4           SECTION 1.25. Not later than September 1, 2026, the  
5 commissioner of education, with the assistance of the executive  
6 director of the Teacher Retirement System of Texas and the  
7 comptroller of public accounts, shall make recommendations to the  
8 legislature to improve and coordinate pension contribution  
9 appropriations for public school employees.

10          SECTION 1.26. Section 21.257(f), Education Code, as added  
11 by this article, applies only to a hearing before a hearing examiner  
12 commenced on or after the effective date of this article.

13          SECTION 1.27. Notwithstanding Section 21.903, Education  
14 Code, as added by this article, until the State Board for Educator  
15 Certification adopts rules specifying the requirements for  
16 approval of an educator preparation program as a qualified educator  
17 preparation program as required by that section, the commissioner  
18 of education may approve a program as a qualified educator  
19 preparation program for purposes of Subchapter R, Chapter 21,  
20 Education Code, as added by this article, if the commissioner  
21 determines that the program meets the requirements under Section  
22 21.903, Education Code, as added by this article. An educator  
23 preparation program's designation as a qualified educator  
24 preparation program by the commissioner under this section remains  
25 effective until the first anniversary of the earliest effective  
26 date of a rule adopted by the State Board for Educator Certification  
27 under Section 21.903, Education Code, as added by this article.

1 SECTION 1.28. This article takes effect September 1, 2024.

2 ARTICLE 2. CHANGES RELATED TO PUBLIC SCHOOL FINANCE EFFECTIVE FOR  
3 2023-2024 SCHOOL YEAR

4 SECTION 2.01. Section 30.003, Education Code, is amended by  
5 amending Subsections (b) and (f-1) and adding Subsection (b-1) to  
6 read as follows:

7 (b) If the student is admitted to the school for a full-time  
8 program for the equivalent of two long semesters, the district's  
9 share of the cost is an amount equal to the dollar amount of  
10 maintenance and debt service taxes imposed by the district for that  
11 year, subject to Subsection (b-1), divided by the district's  
12 average daily attendance for the preceding year.

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

18 (f-1) The commissioner shall determine the total amount  
19 that the Texas School for the Blind and Visually Impaired and the  
20 Texas School for the Deaf would have received from school districts  
21 in accordance with this section if the following provisions had not  
22 reduced the districts' share of the cost of providing education  
23 services:

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

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

27 (3) Section 45.0032;

1           (4) [~~(3)~~] Section 48.255; and

2           (5) [~~(4)~~] Section 48.2551.

3           SECTION 2.02. Section 48.110(d), Education Code, is amended  
4 to read as follows:

5           (d) For each annual graduate in a cohort described by  
6 Subsection (b) who demonstrates college, career, or military  
7 readiness as described by Subsection (f) in excess of the minimum  
8 number of students determined for the applicable district cohort  
9 under Subsection (c), a school district is entitled to an annual  
10 outcomes bonus of:

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

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

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

19           SECTION 2.03. Subchapter C, Chapter 48, Education Code, is  
20 amended by adding Section 48.116 to read as follows:

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

25           (1) if the student is not educationally disadvantaged,  
26 the basic allotment, or, if applicable, the sum of the basic  
27 allotment and the allotment under Section 48.101 to which the

1 district is entitled, multiplied by 0.008; or

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

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

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

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

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

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

15 SECTION 2.04. Section 48.277(b), Education Code, is amended  
16 to read as follows:

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

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

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

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

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

27 (A) reimbursement for disaster remediation costs

1 under former Sections 41.0931 and 42.2524;

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

4 (C) an adjustment for property value affected by  
5 a state of disaster under former Section 42.2523; ~~and~~

6 (D) additional state aid under Section 48.307 or  
7 48.308; and

8 (E) additional state aid for retention stipends  
9 under Section 48.285;

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

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

20 SECTION 2.05. Subchapter F, Chapter 48, Education Code, is  
21 amended by adding Sections 48.284 and 48.285 to read as follows:

22 Sec. 48.284. PROPERTY VALUE STUDY HARDSHIP GRANTS. (a) For  
23 the 2023-2024 and 2024-2025 school years, from money appropriated  
24 for purposes of this section, the commissioner may administer a  
25 grant program to provide grants to eligible school districts to  
26 offset a reduction in the district's funding under the Foundation  
27 School Program resulting from the use of the state value for the

1 district's taxable value of property as provided by Section  
2 403.302(c), Government Code, for the 2022 and 2023 tax years.

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

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

9 (2) the funding to which the district is entitled  
10 under Chapter 46, this chapter, and Chapter 49 for the applicable  
11 school year.

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

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

17 (e) The commissioner may require a school district to  
18 submit, or request from a state agency or a political subdivision of  
19 this state, additional information as needed to make a  
20 determination under this section.

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

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

26 (h) The commissioner may not adjust the amount of a grant  
27 awarded under this section based on data revisions received after



1 the grant has been awarded.

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

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

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

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

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

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

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

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

27 (d) A determination by the commissioner under this section

1 is final and may not be appealed.

2 (e) A school district or an open-enrollment charter school  
3 is not entitled to funding under this section beginning with the  
4 2024-2025 school year.

5 (f) This section expires September 1, 2025.

6 SECTION 2.06. This article takes effect immediately if this  
7 Act receives a vote of two-thirds of all the members elected to each  
8 house, as provided by Section 39, Article III, Texas Constitution.  
9 If this Act does not receive the vote necessary for immediate  
10 effect, the entirety of this article takes effect on the 91st day  
11 after the last day of the legislative session.

12 ARTICLE 3. CHANGES RELATED TO PUBLIC SCHOOL FINANCE EFFECTIVE FOR  
13 2024-2025 SCHOOL YEAR

14 SECTION 3.01. Section 29.054, Education Code, is amended by  
15 adding Subsection (e) to read as follows:

16 (e) Notwithstanding Section 29.066(c), the agency may  
17 require, for purposes of implementing Section 48.105, a school  
18 district granted an exception under this section to:

19 (1) include in the district's Public Education  
20 Information Management System (PEIMS) report additional  
21 information the agency specifies related to the alternative  
22 language education methods the district uses; and

23 (2) classify the alternative language education  
24 methods the district uses under the Public Education Information  
25 Management System (PEIMS) report as the agency specifies.

26 SECTION 3.02. Section 48.051(a), Education Code, is amended  
27 to read as follows:

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

9 
$$A = \underline{B} [\underline{\$6,160}] \times TR/MCR$$

10 where:

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

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

13 (1) \$6,700;

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

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

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

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

21 SECTION 3.03. Section 48.101, Education Code, is amended to  
22 read as follows:

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

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

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

6           (3) "BA" is the basic allotment determined under  
7 Section 48.051.

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

$$12 \quad \text{AA} = ((1,600 - \text{ADA}) \times \underline{.00044} [\text{-}0004]) \times \text{BA}$$

13           (c) A school district that offers a kindergarten through  
14 grade 12 program and has less than 5,000 students in average daily  
15 attendance is entitled to an annual allotment for each student in  
16 average daily attendance based on the formula, of the following  
17 formulas, that results in the greatest annual allotment:

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

$$20 \quad \text{AA} = ((5,000 - \text{ADA}) \times \underline{.000034} [\text{-}000025]) \times \text{BA}.$$

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

$$26 \quad \text{AA} = ((1,600 - \text{ADA}) \times \underline{.00054} [\text{-}00047]) \times \text{BA}$$

27           SECTION 3.04. Subchapter C, Chapter 48, Education Code, is

1 amended by adding Section 48.1022 to read as follows:

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

7 SECTION 3.05. Section 48.103(d), Education Code, is amended  
8 to read as follows:

9 (d) A school district may use [~~an amount not to exceed 20~~  
10 ~~percent of~~] the allotment provided for a qualifying student under  
11 this section to contract with a private provider to provide  
12 supplemental academic services to the student that are recommended  
13 under the student's program or plan described by Subsection (b). A  
14 student may not be excused from school to receive supplemental  
15 academic services provided under this subsection.

16 SECTION 3.06. Sections 48.104(a), (d), and (e), Education  
17 Code, are amended to read as follows:

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

27 (d) The weights assigned to the five tiers of the index

1 established under Subsection (c) are, from least to most severe  
2 economic disadvantage, 0.23 [~~0.225~~], 0.2425 [~~0.2375~~], 0.255  
3 [~~0.25~~], 0.2675 [~~0.2625~~], and 0.28 [~~0.275~~].

4 (e) If insufficient data is available for any school year to  
5 evaluate the level of economic disadvantage in a census block  
6 group, a school district is entitled to an annual allotment equal to  
7 the basic allotment multiplied by 0.23 [~~0.225~~] for each student who  
8 is educationally disadvantaged and resides in that census block  
9 group.

10 SECTION 3.07. Section 48.105, Education Code, is amended by  
11 adding Subsections (a-1) and (a-2) and amending Subsection (b) to  
12 read as follows:

13 (a-1) The agency shall review school districts offering  
14 alternative language methods the agency approves under Section  
15 29.054(d) and approve districts to receive the allotment under  
16 Subsection (a-2) for that biennium in a manner that provides not  
17 more than \$10 million total under the allotment to school districts  
18 in each biennium. In approving school districts to receive the  
19 allotment under this subsection, the agency shall, to the extent  
20 possible, approve eligible school districts from a cross section of  
21 this state.

22 (a-2) For each student in average daily attendance in an  
23 alternative language method the agency approves under Section  
24 29.054(d), and offered by a school district approved to receive the  
25 allotment under Subsection (a-1), the district is entitled to an  
26 annual allotment equal to the basic allotment multiplied by:

27 (1) 0.15 for an emergent bilingual student, as defined

1 by Section 29.052, if the student is in an alternative language  
2 method using a dual language immersion/one-way or two-way program  
3 model; and

4 (2) 0.05 for a student not described by Subdivision  
5 (1), if the student is in an alternative language method using a  
6 dual language immersion/one-way or two-way program model.

7 (b) At least 55 percent of the funds allocated under this  
8 section must be used in providing bilingual education or special  
9 language programs under Subchapter B, Chapter 29. A district's  
10 bilingual education or special language allocation may be used only  
11 for program and student evaluation, instructional materials and  
12 equipment, staff development, supplemental staff expenses, teacher  
13 salaries [~~salary supplements for teachers~~], incremental costs  
14 associated with providing smaller class sizes, and other supplies  
15 required for quality instruction.

16 SECTION 3.08. Section 48.108, Education Code, is amended by  
17 adding Subsections (a-1), (a-2), (a-3), and (a-4) to read as  
18 follows:

19 (a-1) In addition to the allotment under Subsection (a) and  
20 subject to Subsection (a-2), a school district is entitled to an  
21 annual allotment equal to the basic allotment multiplied by 0.2 for  
22 each student in average daily attendance enrolled in a  
23 prekindergarten class provided through a contract with a  
24 community-based child-care provider under Section 29.153.

25 (a-2) The total number of students in average daily  
26 attendance statewide for whom an allotment may be provided under  
27 Subsection (a-1) for a school year may not exceed 10,000 students in

1 average daily attendance. If the number of students in average  
2 daily attendance for whom a school district is entitled to an  
3 allotment under this section exceeds the maximum number provided by  
4 this subsection, the commissioner shall allocate the allotments to  
5 school districts under this section in accordance with commissioner  
6 rule.

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

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

14 (a-4) Subsection (a-3) and this subsection expire September  
15 1, 2027.

16 SECTION 3.09. Subchapter C, Chapter 48, Education Code, is  
17 amended by adding Section 48.120 to read as follows:

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

22 (b) A student is eligible for purposes of Subsection (a) if  
23 the student:

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

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



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

6        SECTION 3.10. Section 48.257, Education Code, is amended by  
7 amending Subsection (a) and adding Subsection (b-1) to read as  
8 follows:

9        (a) Subject to Subsection (b) and except as provided by  
10 Subsection (b-1), if a school district's tier one local share under  
11 Section 48.256 exceeds the district's entitlement under Section  
12 48.266(a)(1) less the district's distribution from the state  
13 available school fund, the district must reduce the district's tier  
14 one revenue level in accordance with Chapter 49 to a level not to  
15 exceed the district's entitlement under Section 48.266(a)(1) less  
16 the district's distribution from the state available school fund.

17        (b-1) This subsection applies only to a school district to  
18 which Subsection (a) applies, that received an allotment under  
19 Section 48.277 for the 2023-2024 school year, and that adopts a  
20 maintenance and operations tax rate for the current school year  
21 equal to or greater than the sum of the district's maximum  
22 compressed tax rate, as determined under Section 48.2551, and four  
23 cents. Notwithstanding Subsection (a), if, after reducing the tier  
24 one revenue level of a school district to which this subsection  
25 applies as required under Subsection (a), the maintenance and  
26 operations revenue per student in average daily attendance of the  
27 district for a school year would be less than the maintenance and

1 operations revenue per student in average daily attendance  
2 available to the district for the 2023-2024 school year, excluding  
3 any funding provided to the district under Sections 48.279 and  
4 48.281, the agency shall adjust the amount of the reduction  
5 required in the district's tier one revenue level under Subsection  
6 (a) up to the amount of local funds necessary to provide the  
7 district with the amount of maintenance and operations revenue per  
8 student in average daily attendance available to the district for  
9 the 2023-2024 school year.

10 SECTION 3.11. Subchapter F, Chapter 48, Education Code, is  
11 amended by adding Section 48.286 to read as follows:

12 Sec. 48.286. REGIONAL DISASTER INSURANCE VARIATION  
13 ALLOTMENT. (a) A school district is entitled to an annual  
14 allotment for each student in average daily attendance equal to the  
15 basic allotment, or, if applicable, the sum of the basic allotment  
16 and the allotment under Section 48.101 to which the district is  
17 entitled, multiplied by the product, if the product is greater than  
18 zero, of the district's variation factor as determined under  
19 Subsection (b) and 0.012.

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

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

24 (2) determining the percentage spent on expenses  
25 related to property and casualty insurance by calculating the  
26 average of the quotient of property and casualty insurance expenses  
27 incurred by all districts assigned to a county under Subdivision

1 (1) divided by total expenditures made by those districts for each  
2 of the three most recent school years; and

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

5 (c) The commissioner shall use the variation factor  
6 determined under Subsection (b) for the 2024-2025 school year for a  
7 school district for purposes of determining a school district's  
8 allotment under Subsection (a) for any subsequent school year.

9 SECTION 3.12. Sections 48.111(c), (c-1), and (c-2),  
10 Education Code, are repealed.

11 SECTION 3.13. This article takes effect September 1, 2024.

12 ARTICLE 4. CHANGES RELATED TO PUBLIC SCHOOL FINANCE EFFECTIVE FOR  
13 2025-2026 SCHOOL YEAR

14 SECTION 4.01. Section 12.106, Education Code, is amended by  
15 amending Subsection (d) and adding Subsections (d-1) and (d-2) to  
16 read as follows:

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

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

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

1 appropriation.

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

5 (1) for the 2025-2026 school year, \$108 million;

6 (2) for the 2026-2027 school year, \$156 million;

7 (3) for the 2027-2028 school year, \$204 million; and

8 (4) for the 2028-2029 school year, \$252 million.

9 (d-2) Subsection (d-1) and this subsection expire September  
10 1, 2030.

11 SECTION 4.02. Sections 21.3521(a), (c), and (e), Education  
12 Code, are amended to read as follows:

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

18 (c) Notwithstanding performance standards established  
19 under Subsection (b), a classroom teacher that holds a National  
20 Board Certification issued by the National Board for Professional  
21 Teaching Standards may be designated as nationally board certified  
22 ~~[recognized]~~.

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

27 (1) providing assistance in prioritizing high needs

1 campuses;

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

5 (3) establishing partnerships between districts and  
6 schools that request assistance and districts and schools that have  
7 implemented a teacher designation system;

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

10 (5) providing centralized support for the analysis of  
11 the results of assessment instruments administered to district  
12 students; and

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

15 SECTION 4.03. Section 29.042(a), Education Code, is amended  
16 to read as follows:

17 (a) The agency by rule shall establish and administer a  
18 parent-directed [~~supplemental special education services and~~  
19 ~~instructional materials~~] program for students receiving special  
20 education services through which a parent may direct supplemental  
21 services and supplemental instructional materials for the parent's  
22 student [~~students~~] who meets [~~meet~~] the eligibility requirements  
23 for participation in the program. Subject to Subsection (c), the  
24 agency shall provide each student approved as provided by this  
25 subchapter a grant in the amount provided under Section 48.306 [~~of~~  
26 ~~not more than \$1,500~~] to purchase supplemental [~~special education~~]  
27 services and supplemental [~~special education~~] instructional

1 materials. A student may receive one grant under this subchapter  
2 unless the legislature appropriates money for an additional grant  
3 in the General Appropriations Act.

4 SECTION 4.04. Sections 48.005(b), (e), and (f), Education  
5 Code, are amended to read as follows:

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

9 [~~(1) the actual average daily attendance of the~~  
10 ~~preceding school year, if the decline is the result of the closing~~  
11 ~~or reduction in personnel of a military base; or~~

12 [~~(2) subject to Subsection (e),~~] an average daily  
13 attendance of 95 [~~not to exceed 98~~] percent of the actual average  
14 daily attendance of the preceding school year[, ~~if the decline is~~  
15 ~~not the result of the closing or reduction in personnel of a~~  
16 ~~military base~~].

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

21 (1) all districts are funded on the basis of the same  
22 percentage of the preceding year's actual average daily attendance;  
23 and

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

27 (f) An open-enrollment charter school is not entitled to

1 funding based on an adjustment under Subsection (b) [~~(b)(2)~~].

2 SECTION 4.05. Sections 48.0051(a), (b), and (d), Education  
3 Code, are amended to read as follows:

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

8 (1) provides the minimum number of minutes of  
9 operational and instructional time required under Section 25.081  
10 and commissioner rules adopted under that section over at least 175  
11 [~~180~~] days of instruction; and

12 (2) offers an additional 30 days of half-day  
13 instruction for students enrolled in prekindergarten through fifth  
14 grade.

15 (b) For a school district or open-enrollment charter school  
16 described by Subsection (a), the commissioner shall increase the  
17 average daily attendance of the district or school under Section  
18 48.005 by the amount that results from the quotient of the sum of  
19 attendance by students described by Subsection (a)(2) for each of  
20 the 30 additional instructional days of half-day instruction that  
21 are provided divided by 175 [~~180~~].

22 (d) This section does not prohibit a school district from  
23 providing the minimum number of minutes of operational and  
24 instructional time required under Section 25.081 and commissioner  
25 rules adopted under that section over fewer than 175 [~~180~~] days of  
26 instruction.

27 SECTION 4.06. 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 4.07. Section 48.102, Education Code, is amended to  
9 read as follows:

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



- 1           ~~[Homebound] 5.0~~
- 2           ~~[Hospital class] 3.0~~
- 3           ~~[Speech therapy] 5.0~~
- 4           ~~[Resource room] 3.0~~
- 5           ~~[Self-contained, mild and moderate,~~
- 6           ~~regular campus] 3.0~~
- 7           ~~[Self-contained, severe, regular campus] 3.0~~
- 8           ~~[Off home campus] 2.7~~
- 9           ~~[Nonpublic day school] 1.7~~
- 10           ~~[Vocational adjustment class] 2.3]~~

11           (a-1) Notwithstanding Subsection (a), for the 2025-2026 and  
12 2026-2027 school years, the amount of an allotment under this  
13 section shall be determined in accordance with Section 48.1023.  
14 This subsection expires September 1, 2027.

15           (b) The commissioner by rule shall define seven tiers of  
16 intensity of service for use in determining funding under this  
17 section. The commissioner must include one tier specifically  
18 addressing students receiving special education services in  
19 residential placement ~~[A special instructional arrangement for~~  
20 ~~students with disabilities residing in care and treatment~~  
21 ~~facilities, other than state schools, whose parents or guardians do~~  
22 ~~not reside in the district providing education services shall be~~  
23 ~~established by commissioner rule. The funding weight for this~~  
24 ~~arrangement shall be 4.0 for those students who receive their~~  
25 ~~education service on a local school district campus. A special~~  
26 ~~instructional arrangement for students with disabilities residing~~  
27 ~~in state schools shall be established by commissioner rule with a~~

1 ~~funding weight of 2.8].~~

2       (c) ~~[For funding purposes, the number of contact hours~~  
3 ~~credited per day for each student in the off home campus~~  
4 ~~instructional arrangement may not exceed the contact hours credited~~  
5 ~~per day for the multidistrict class instructional arrangement in~~  
6 ~~the 1992-1993 school year.~~

7       ~~[(d) For funding purposes the contact hours credited per day~~  
8 ~~for each student in the resource room; self-contained, mild and~~  
9 ~~moderate; and self-contained, severe, instructional arrangements~~  
10 ~~may not exceed the average of the statewide total contact hours~~  
11 ~~credited per day for those three instructional arrangements in the~~  
12 ~~1992-1993 school year.~~

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

22       ~~[(f) In this section, "full-time equivalent student" means~~  
23 ~~30 hours of contact a week between a special education student and~~  
24 ~~special education program personnel.~~

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

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

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

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

10       (f) ~~[(j)]~~ A school district that provides an extended year  
11 program required by federal law for special education students who  
12 may regress is entitled to receive funds in an amount equal to 75  
13 percent, or a lesser percentage determined by the commissioner, of  
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 for each ~~[full-time equivalent]~~ student in  
17 average enrollment ~~[daily attendance]~~, multiplied by the amount  
18 designated for the highest tier of intensity of service for which  
19 the student qualifies ~~[student's instructional arrangement]~~ under  
20 this section, for each day the program is provided divided by the  
21 number of days in the minimum school year. The total amount of  
22 state funding for extended year services under this section may not  
23 exceed \$10 million per year. A school district may use funds  
24 received under this section only in providing an extended year  
25 program.

26       (g) ~~[(k)]~~ From the total amount of funds appropriated for  
27 special education under this section, the commissioner shall

1 withhold an amount specified in the General Appropriations Act, and  
2 distribute that amount to school districts for programs under  
3 Section 29.014. The program established under that section is  
4 required only in school districts in which the program is financed  
5 by funds distributed under this subsection and any other funds  
6 available for the program. After deducting the amount withheld  
7 under this subsection from the total amount appropriated for  
8 special education, the commissioner shall reduce each district's  
9 allotment proportionately and shall allocate funds to each district  
10 accordingly.

11 (h) Not later than December 1 of each even-numbered year,  
12 the commissioner shall submit to the Legislative Budget Board, for  
13 purposes of the allotment under this section, proposed weights for  
14 the tiers of intensity of service for the next state fiscal  
15 biennium.

16 SECTION 4.08. Subchapter C, Chapter 48, Education Code, is  
17 amended by adding Sections 48.1021 and 48.1023 to read as follows:

18 Sec. 48.1021. SPECIAL EDUCATION SERVICE GROUP ALLOTMENT.

19 (a) For each six-week period in which a student in a special  
20 education program under Subchapter A, Chapter 29, receives eligible  
21 special education services, a school district is entitled to an  
22 allotment in an amount set by the legislature in the General  
23 Appropriations Act for the service group for which the student is  
24 eligible.

25 (a-1) Notwithstanding Subsection (a), for the 2025-2026 and  
26 2026-2027 school years, the amount of an allotment under this  
27 section shall be determined in accordance with Section 48.1023.

1 This subsection expires September 1, 2027.

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

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

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

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

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

20 Sec. 48.1023. SPECIAL EDUCATION TRANSITION FUNDING. (a)  
21 For the 2025-2026 and 2026-2027 school years, the commissioner may  
22 adjust weights or amounts provided under Section 48.102 or 48.1021  
23 as necessary to ensure compliance with requirements regarding  
24 maintenance of state financial support under 20 U.S.C. Section  
25 1412(a)(18) and maintenance of local financial support under  
26 applicable federal law.

27 (b) For the 2025-2026 and 2026-2027 school years, the

1 commissioner shall determine the formulas through which school  
2 districts receive funding under Sections 48.102 and 48.1021. In  
3 determining the formulas, the commissioner may combine the methods  
4 of funding under those sections with the method of funding provided  
5 by Section 48.102, as it existed on September 1, 2024.

6 (c) For the 2027-2028 school year, the commissioner may  
7 adjust the weights or amounts set by the legislature in the General  
8 Appropriations Act for purposes of Section 48.102 or 48.1021.  
9 Before making an adjustment under this subsection, the commissioner  
10 shall notify and must receive approval from the Legislative Budget  
11 Board.

12 (d) Notwithstanding any other provision of this section,  
13 the sum of funding provided under Sections 48.102 and 48.1021 for  
14 the 2025-2026 or for the 2026-2027 school year as adjusted under  
15 this section may not exceed the sum of:

16 (1) funding that would have been provided under  
17 Section 48.102, as it existed on September 1, 2024; and

18 (2) the amount set by the legislature in the General  
19 Appropriations Act.

20 (e) Each school district and open-enrollment charter school  
21 shall report to the agency information necessary to implement this  
22 section.

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

26 (g) This section expires September 1, 2029.

27 SECTION 4.09. Section 48.103(c), Education Code, is amended

1 to read as follows:

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

6 SECTION 4.10. Section 48.106(a-1), Education Code, is  
7 amended to read as follows:

8 (a-1) In addition to the amounts under Subsection (a), for  
9 each student in average daily attendance, a district is entitled to  
10 \$150 ~~[\$50]~~ for each of the following in which the student is  
11 enrolled:

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

14 (2) a campus that is a member of the New Tech Network  
15 and that focuses on project-based learning and work-based  
16 education.

17 SECTION 4.11. Section 48.108(a), Education Code, is amended  
18 to read as follows:

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

23 (1) educationally disadvantaged; or

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

27 SECTION 4.12. Sections 48.112(c) and (d), Education Code,

1 are amended to read as follows:

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

7 (1) \$12,000, or an increased amount not to exceed  
8 \$36,000 [~~\$32,000~~] as determined under Subsection (d), for each  
9 master teacher;

10 (2) \$9,000 [~~\$6,000~~], or an increased amount not to  
11 exceed \$25,000 [~~\$18,000~~] as determined under Subsection (d), for  
12 each exemplary teacher; ~~and~~

13 (3) \$5,000 [~~\$3,000~~], or an increased amount not to  
14 exceed \$15,000 [~~\$9,000~~] as determined under Subsection (d), for  
15 each recognized teacher; and

16 (4) \$3,000, or an increased amount not to exceed  
17 \$9,000 as determined under Subsection (d), for each:

18 (A) acknowledged teacher; or

19 (B) teacher designated as nationally board  
20 certified.

21 (d) The high needs and rural factor is determined by  
22 multiplying the following applicable amounts by the average of the  
23 point value assigned to each student at a district campus under  
24 Subsection (e):

25 (1) \$6,000 [~~\$5,000~~] for each master teacher;

26 (2) \$4,000 [~~\$3,000~~] for each exemplary teacher; ~~and~~

27 (3) \$2,500 [~~\$1,500~~] for each recognized teacher; and



1           (4) \$1,500 for each:

2                   (A) acknowledged teacher; or

3                   (B) teacher designated as nationally board  
4 certified.

5           SECTION 4.13. Section 48.114, Education Code, is amended by  
6 amending Subsection (a) and adding Subsection (d) to read as  
7 follows:

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

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

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

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

25           SECTION 4.14. Section 48.118(f), Education Code, is amended  
26 to read as follows:

27           (f) The total amount of state funding for allotments and

1 outcomes bonuses under this section may not exceed \$5 million per  
2 year unless money is specifically appropriated for the purpose of  
3 this section and designated as money in excess of the \$5 million  
4 permitted under this subsection. If the total amount of allotments  
5 and outcomes bonuses to which school districts are entitled under  
6 this section exceeds the amount permitted under this subsection,  
7 the agency shall allocate state funding to districts under this  
8 section in the following order:

9 (1) allotments under Subsection (a) for which school  
10 districts participating in partnerships prioritized under Section  
11 29.912(h) are eligible;

12 (2) allotments under Subsection (a) for which school  
13 districts that entered into a memorandum of understanding or letter  
14 of commitment regarding a multidistrict pathway partnership, as  
15 defined by commissioner rule, before May 1, 2023, are eligible;

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

20 (4) allotments under Subsection (a) for which school  
21 districts with the highest percentage of students who are  
22 educationally disadvantaged, in descending order, are eligible;  
23 and

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

27 SECTION 4.15. Section 48.151(g), Education Code, is amended

1 to read as follows:

2 (g) A school district or county that provides special  
3 transportation services for eligible special education students is  
4 entitled to a state allocation at a ~~[paid on a previous year's~~  
5 ~~cost per mile basis. The]~~ rate of \$1.75 per mile or a greater  
6 amount provided ~~[allowable shall be set]~~ by appropriation ~~[based on~~  
7 ~~data gathered from the first year of each preceding biennium]~~.  
8 Districts may use a portion of their support allocation to pay  
9 transportation costs, if necessary. The commissioner may grant an  
10 amount set by appropriation for private transportation to reimburse  
11 parents or their agents for transporting eligible special education  
12 students. The mileage allowed shall be computed along the shortest  
13 public road from the student's home to school and back, morning and  
14 afternoon. The need for this type of transportation shall be  
15 determined on an individual basis and shall be approved only in  
16 extreme hardship cases.

17 SECTION 4.16. Subchapter D, Chapter 48, Education Code, is  
18 amended by adding Sections 48.160 and 48.161 to read as follows:

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

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

27 (2) a program of study in:

1                   (A) computer programming and software  
2 development; or

3                   (B) cybersecurity; and

4                   (3) a program of study in a specialized skilled trade,  
5 such as:

6                   (A) plumbing and pipefitting;

7                   (B) electrical;

8                   (C) welding;

9                   (D) diesel and heavy equipment;

10                   (E) aviation maintenance; or

11                   (F) applied agricultural engineering.

12           (b) Notwithstanding Subsection (a), a school district is  
13 eligible for the allotment under this section for students in  
14 average daily attendance in a high school in the district that does  
15 not offer a program of study described by Subsection (a)(2) or (3)  
16 if:

17                   (1) high school students who reside in the attendance  
18 zone of the high school may participate in the program of study by  
19 enrolling in another high school:

20                   (A) that:

21                           (i) is in the same district or a neighboring  
22 school district;

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

26                           (iii) offers the program of study; and

27                   (B) to and from which transportation is provided

1 for those students; or

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

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

7 (B) receive transportation to and from the  
8 location described by Paragraph (A).

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

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

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

19 (d) A school district that receives an allotment under  
20 Subsection (c) and Section 48.101 is entitled to receive an  
21 additional allotment in an amount equal to the product of 0.1 and  
22 the allotment to which the district is entitled under Section  
23 48.101 for each student for which the district receives an  
24 allotment under Subsection (c). An open-enrollment charter school  
25 is not eligible for an allotment under this subsection.

26 (e) The commissioner by rule may establish requirements to  
27 ensure students in average daily attendance in a high school to

1 which Subsection (b) applies have meaningful access to the programs  
2 of study described by Subsections (a)(2) and (3).

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

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

11 (b) The commissioner by rule may establish requirements for  
12 the use of an allotment under this section by a school district to  
13 ensure that the allotment is used to establish or expand a  
14 Communities In Schools program on a district campus.

15 (c) The amount appropriated for allotments under this  
16 section may not exceed \$50 million in a school year. If the total  
17 amount of allotments to which districts are entitled under this  
18 section for a school year exceeds the amount appropriated under  
19 this subsection, the commissioner shall proportionately reduce  
20 each district's allotment under this section.

21 (d) The commissioner may reduce the amount of a school  
22 district's allotment under this section if the commissioner  
23 determines that the district has not complied with any provision of  
24 this section.

25 SECTION 4.17. Section 48.202(a-1), Education Code, is  
26 amended to read as follows:

27 (a-1) For purposes of Subsection (a), the dollar amount

1 guaranteed level of state and local funds per weighted student per  
2 cent of tax effort ("GL") for a school district is:

3 (1) the greater of the amount of district tax revenue  
4 per weighted student per cent of tax effort available to a school  
5 district at the 96th percentile of wealth per weighted student or  
6 the amount that results from multiplying the maximum amount of the  
7 basic allotment provided under Section 48.051 for the applicable  
8 school year [6,160, or the greater amount provided under Section  
9 48.051(b), if applicable,] by 0.016, for the first eight cents by  
10 which the district's maintenance and operations tax rate exceeds  
11 the district's tier one tax rate; and

12 (2) subject to Subsection (f), the amount that results  
13 from multiplying the maximum amount of the basic allotment provided  
14 under Section 48.051 for the applicable school year [\$6,160, or the  
15 greater amount provided under Section 48.051(b), if applicable,] by  
16 0.008, for the district's maintenance and operations tax effort  
17 that exceeds the amount of tax effort described by Subdivision (1).

18 SECTION 4.18. Subchapter G, Chapter 48, Education Code, is  
19 amended by adding Sections 48.304 and 48.306 to read as follows:

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

25 (1) \$250,000 for the first year of the program's  
26 operation; and

27 (2) \$150,000 for each year of the program's operation

1 after the first year.

2 (b) A day placement program qualifies for purposes of  
3 Subsection (a) if:

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

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

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

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

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

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

27 (d) A determination of the commissioner under this section



1 is final and may not be appealed.

2 SECTION 4.19. Immediately following the effective date of  
3 this article, a school district or open-enrollment charter school  
4 shall redesignate a teacher who holds a designation made under  
5 Section 21.3521, Education Code, before the effective date of this  
6 article, to reflect the teacher's designation under Section  
7 21.3521, Education Code, as amended by this article. Funding  
8 provided to a school district under Section 48.112, Education Code,  
9 for a teacher who held a designation made under Section 21.3521,  
10 Education Code, as that section existed immediately before the  
11 effective date of this article, shall be increased to reflect the  
12 teacher's redesignation under Section 21.3521, Education Code, as  
13 amended by this article.

14 SECTION 4.20. Section 48.114(b), Education Code, is  
15 repealed.

16 SECTION 4.21. Except as otherwise provided by this article,  
17 this article takes effect September 1, 2025.

18 ARTICLE 5. CHANGES RELATED TO SPECIAL EDUCATION EFFECTIVE FOR  
19 2024-2025 SCHOOL YEAR

20 SECTION 5.01. Section 29.001, Education Code, is amended to  
21 read as follows:

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

1 compliance [~~design, consistent~~] with federal and state law related  
2 to special education [~~, for the delivery of services to children~~  
3 ~~with disabilities in this state that includes rules for the~~  
4 ~~administration and funding of the special education program so that~~  
5 ~~a free appropriate public education is available to all of those~~  
6 ~~children between the ages of three and 21]~~.

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

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

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

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

25 (3) the pursuit of [~~periodically assess statewide~~  
26 ~~personnel needs in all areas of specialization related to special~~  
27 ~~education and pursue]~~ strategies to meet statewide special

1 education and related services personnel [~~those~~] needs [~~through a~~  
2 ~~consortium of representatives from regional education service~~  
3 ~~centers, local education agencies, and institutions of higher~~  
4 ~~education and through other available alternatives~~];

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

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

19 (6) the provision of training and technical assistance  
20 to ensure that:

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

25 (B) [~~(7) ensure that~~] an individualized  
26 education program for each student with a disability is properly  
27 developed, implemented, and maintained in the least restrictive

1 environment that is appropriate to meet the student's educational  
2 needs;

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

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

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

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

14 (ii) [~~(B)~~] visit the child and the child's  
15 school;

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

20 (iv) [~~(D)~~] review the child's educational  
21 records;

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

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

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

1                    (F) [~~(11)~~ ~~ensure that~~] each district develops a  
2 process to be used by a teacher who instructs a student with a  
3 disability in a regular classroom setting:

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

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

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

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

12                   SECTION 5.02. Subchapter A, Chapter 29, Education Code, is  
13 amended by adding Section 29.0012 to read as follows:

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

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

27                   SECTION 5.03. Section 29.003, Education Code, is amended to

1 read as follows:

2           Sec. 29.003. ELIGIBILITY CRITERIA. (a) The agency shall  
3 develop specific eligibility criteria based on the general  
4 classifications established by this section and in accordance with  
5 federal law [~~with reference to contemporary diagnostic or~~  
6 ~~evaluative terminologies and techniques~~]. Eligible students with  
7 disabilities shall enjoy the right to a free appropriate public  
8 education, which may include instruction in the regular classroom,  
9 instruction through special teaching, or instruction through  
10 contracts approved under this subchapter. Instruction shall be  
11 supplemented by the provision of related services when appropriate.

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

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

19           (2) from three years of age through five years of age  
20 if the student is experiencing developmental delays as described by  
21 20 U.S.C. Section 1401(3)(B) and defined by commissioner rule; or

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

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

8           SECTION 5.04. Subchapter A, Chapter 29, Education Code, is  
9 amended by adding Section 29.0056 to read as follows:

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

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

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

25           SECTION 5.05. Section 29.008, Education Code, is amended by  
26 amending Subsections (a) and (b) and adding Subsection (a-1) to  
27 read as follows:

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

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

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



1 purposes of this subsection, "local tax effort" means the total  
2 amount of money generated by taxes imposed for debt service and  
3 maintenance and operation less any amounts paid into a tax  
4 increment fund under Chapter 311, Tax Code. This subsection  
5 expires September 1, 2027.

6 SECTION 5.06. The heading to Section 29.009, Education  
7 Code, is amended to read as follows:

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

11 SECTION 5.07. Section 29.010, Education Code, is amended to  
12 read as follows:

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

26 (b) As part of the monitoring process [~~To complete the~~  
27 ~~inspection~~], the agency must obtain information from parents and

1 teachers of students in special education programs in the district.

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

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

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

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

1 SECTION 5.08. Section 29.018, Education Code, is amended by  
2 adding Subsection (g) to read as follows:

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

4 SECTION 5.09. Subchapter A, Chapter 29, Education Code, is  
5 amended by adding Sections 29.026, 29.027, and 29.029 to read as  
6 follows:

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

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

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

18 (1) incorporates:

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

20 (B) the use of empirical data on student  
21 achievement and improvement;

22 (C) parental support and collaboration;

23 (D) the use of technology;

24 (E) meaningful inclusion; and

25 (F) the ability to replicate the program for  
26 students statewide; and

27 (2) gives priority for enrollment to students with

1 autism.

2 (d) A school district or open-enrollment charter school may  
3 not:

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

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

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

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

13 (e) A program under this section may:

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

16 (2) coordinate services with private or  
17 community-based providers;

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

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

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

27 (g) In selecting programs to receive a grant under this

1 section, the commissioner shall prioritize programs that are  
2 collaborations between multiple school districts, multiple charter  
3 schools, or school districts and charter schools. The selected  
4 programs must reflect the diversity of this state.

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

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

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

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

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

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

27 (b) A school district, including a school district acting

1 through a district charter issued under Subchapter C, Chapter 12,  
2 or an open-enrollment charter school, including a charter school  
3 that primarily serves students with disabilities, as provided under  
4 Section 12.1014, is eligible to apply for a grant under this section  
5 if the district or school submits to the commissioner a proposal on  
6 the use of grant funds that:

7 (1) incorporates evidence-based and research-based  
8 design; and

9 (2) increases local capacity to appropriately serve  
10 students with dyslexia by providing:

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

14 (B) training to intervention staff resulting in  
15 appropriate credentialing related to dyslexia.

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

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

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

27 (f) The commissioner shall use funds appropriated or

1 otherwise available to fund grants under this section.

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

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

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

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

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

27 SECTION 5.10. The heading to Subchapter [A-1](#), Chapter [29](#),

1 Education Code, is amended to read as follows:

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

5 SECTION 5.11. Sections 29.041(2) and (3), Education Code,  
6 are amended to read as follows:

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

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

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

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

20 SECTION 5.12. Section 29.042(a), Education Code, is amended  
21 to read as follows:

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



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

8 SECTION 5.13. 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 5.14. 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 5.15. 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 5.16. 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 5.17. 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 5.18. 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 5.19. 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 5.20. 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 5.21. 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 5.22. 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 5.23. 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 5.24. 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 5.25. 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 5.26. 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 5.27. Section 29.002, Education Code, is repealed.

11 SECTION 5.28. 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 6. EDUCATION SAVINGS ACCOUNT PROGRAM

18 SECTION 6.01. 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. 29.3521. AMOUNT OF APPROPRIATION. The amount of money  
23 appropriated for a state fiscal biennium for purposes of the  
24 program may not exceed the greater of:

25 (1) the amount of money appropriated for purposes of  
26 the program for the preceding biennium; or

27 (2) the amount of money necessary for the biennium to

1 provide the amount specified under Section 29.361 for each  
2 participating child and each child on the waiting list maintained  
3 by the comptroller under Section 29.356(d) on the January 1  
4 preceding the biennium.

5 Sec. 29.353. PROGRAM FUND. (a) The program fund is an  
6 account in the general revenue fund to be administered by the  
7 comptroller.

8 (b) The fund is composed of:

9 (1) money appropriated to the fund;

10 (2) gifts, grants, and donations received under  
11 Section 29.370; and

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

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

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

19 Sec. 29.3535. PROMOTION OF PROGRAM. Notwithstanding  
20 Chapter 2113, Government Code, the comptroller or the comptroller's  
21 designee may enter into contracts or agreements and engage in  
22 marketing, advertising, and other activities to promote, market,  
23 and advertise the development and use of the program. The  
24 comptroller may use money from the program fund to pay for  
25 activities authorized under this section.

26 Sec. 29.354. SELECTION OF CERTIFIED EDUCATIONAL ASSISTANCE  
27 ORGANIZATIONS. (a) An organization may apply to the comptroller

1 for certification as a certified educational assistance  
2 organization during an application period established by the  
3 comptroller.

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

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

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

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

11 (A) accept, process, and track applications for  
12 the program;

13 (B) assist prospective applicants, applicants,  
14 and program participants with finding preapproved education  
15 service providers and vendors of educational products;

16 (C) accept and process payments for approved  
17 education-related expenses; and

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

20 (c) The comptroller may certify one or more educational  
21 assistance organizations to support the administration of the  
22 program, including by:

23 (1) administering in whole or in part:

24 (A) the application process under Section  
25 29.356; and

26 (B) the program expenditures process under  
27 Section 29.360; and

1           (2) assisting prospective applicants, applicants, and  
2 program participants with understanding approved education-related  
3 expenses and finding preapproved education service providers and  
4 vendors of educational products.

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

8           Sec. 29.355. ELIGIBLE CHILD. (a) A child is eligible to  
9 participate in the program and may, subject to available funding  
10 and the requirements of this subchapter, initially enroll in the  
11 program for the following school year if the child is eligible to  
12 attend a public school under Section 25.001 and:

13           (1) either:

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

17                   (B) is enrolling in kindergarten or first grade  
18 for the first time; or

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

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

23                   (A) applies to enroll in the program for the same  
24 school year in which the sibling applies to enroll in the program;  
25 or

26                   (B) is participating in the program.

27           (b) A child who establishes eligibility under this section

1 may, subject to available funding and the requirements of this  
2 subchapter, participate in the program until the earliest of the  
3 following dates:

4 (1) the date on which the child graduates from high  
5 school;

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

8 (3) the date on which the child enrolls in a public  
9 school, including an open-enrollment charter school, in a manner in  
10 which the child will be counted toward the school's average daily  
11 attendance for purposes of the allocation of funding under the  
12 foundation school program;

13 (4) the date on which the child fails to perform  
14 satisfactorily for the second consecutive year on an assessment  
15 instrument required under Section 29.371; or

16 (5) the date on which the child is declared ineligible  
17 for the program by the comptroller under this subchapter.

18 (c) Notwithstanding Subsection (a) or (b), a child is not  
19 eligible to participate in the program during the period in which  
20 the child's parent or legal guardian is a state representative or  
21 state senator.

22 Sec. 29.356. APPLICATION TO PROGRAM. (a) A parent of an  
23 eligible child may apply to a certified educational assistance  
24 organization designated by the comptroller to enroll the child in  
25 the program for the following school year. The comptroller shall  
26 establish deadlines by which an applicant must complete and submit  
27 an application form to participate in the program.

1       (b) On receipt of more acceptable applications during an  
2 application period for admission under this section than available  
3 positions in the program due to insufficient funding, a certified  
4 educational assistance organization shall, at the direction of the  
5 comptroller, prioritize applicants:

6           (1) in the following order:

7                   (A) children to whom Paragraph (B) does not  
8 apply; and

9                   (B) children who previously ceased participation  
10 in the program due to enrollment in a public school; and

11           (2) within each of the groups described by Subdivision  
12 (1), as follows, as applicable:

13                   (A) children with a disability who are members of  
14 a household with a total annual income that is at or below 400  
15 percent of the federal poverty guidelines;

16                   (B) children who are members of a household with  
17 a total annual income that is at or below 185 percent of the federal  
18 poverty guidelines;

19                   (C) children who are members of a household with  
20 a total annual income that is above 185 percent of the federal  
21 poverty guidelines and below 400 percent of the federal poverty  
22 guidelines; and

23                   (D) children who are members of a household with  
24 a total annual income that is at or above 400 percent of the federal  
25 poverty guidelines.

26       (b-1) For purposes of Subsection (b), a certified  
27 educational assistance organization shall prioritize a



1 participating child's sibling who is initially eligible to  
2 participate in the program under Section 29.355(a)(2) in the same  
3 manner as the participating child.

4 (b-2) The agency shall provide to the comptroller the  
5 information necessary to make the determinations required under  
6 Subsection (b).

7 (c) The comptroller shall create an application form for the  
8 program and ensure the application form is made readily available  
9 through various sources, including a certified educational  
10 assistance organization's Internet website. The application form  
11 must state the application deadlines established by the comptroller  
12 under Subsection (a). Each certified educational assistance  
13 organization designated under Subsection (a) shall ensure that the  
14 application form, including any required supporting document, is  
15 capable of being submitted to the organization electronically.

16 (d) The comptroller shall create and maintain a waiting list  
17 based on the priority categories described by Subsection (b) for  
18 applicants if, during an application period, there are more  
19 acceptable applications for admission than there are available  
20 positions.

21 (e) Each certified educational assistance organization  
22 designated under Subsection (a) shall post on the organization's  
23 Internet website program information for prospective applicants,  
24 including:

25 (1) a description of the program;

26 (2) expenses allowed under the program under Section  
27 29.359;

1           (3) a link to a list of preapproved education service  
2 providers and vendors of educational products under Section 29.358;

3           (4) a description of the application process;

4           (5) a description of the applicant selection process;

5           (6) a description of the program expenditures process  
6 under Section 29.360; and

7           (7) a description of the responsibilities of program  
8 participants.

9           (f) A certified educational assistance organization shall  
10 produce and provide to each participating parent a  
11 comptroller-approved program participant handbook that includes:

12           (1) information regarding expenses allowed under the  
13 program under Section 29.359;

14           (2) if the handbook is provided electronically, a link  
15 to a list of preapproved education service providers and vendors of  
16 educational products under Section 29.358;

17           (3) a description of the program expenditures process  
18 under Section 29.360; and

19           (4) a description of the responsibilities of program  
20 participants.

21           (g) Each certified educational assistance organization  
22 designated under Subsection (a) shall on enrollment and annually  
23 provide to each participating parent the information described by  
24 Subsections (e) and (f). The organization may provide the  
25 information electronically.

26           (h) The comptroller or a certified educational assistance  
27 organization designated under Subsection (a):

1           (1) may require a participating parent to submit  
2 annual notice regarding the parent's intent for the child to  
3 continue participating in the program for the next school year; and

4           (2) may not require a program participant in good  
5 standing to annually resubmit an application for continued  
6 participation in the program.

7           Sec. 29.357. PARTICIPATION IN PROGRAM. To receive funding  
8 under the program, a participating parent must agree to:

9           (1) spend money received through the program only for  
10 expenses allowed under Section 29.359;

11           (2) ensure the administration of assessment  
12 instruments to the participating child in accordance with Section  
13 29.371 and share or authorize administrators of assessment  
14 instruments to share with the child's certified educational  
15 assistance organization the results of those assessment  
16 instruments;

17           (3) refrain from selling an item purchased with  
18 program money while the child is participating in the program; and

19           (4) notify the applicable certified educational  
20 assistance organization not later than 30 days after the date on  
21 which the child:

22                   (A) enrolls in a public school, including an  
23 open-enrollment charter school in a manner in which the child will  
24 be counted toward the school's average daily attendance for  
25 purposes of the allocation of funding under the foundation school  
26 program;

27                   (B) graduates from high school; or

1           (C) is no longer eligible to enroll in a public  
2 school under Section 25.001.

3           Sec. 29.358. PREAPPROVED PROVIDERS AND VENDORS. (a) The  
4 comptroller shall by rule establish a process for the preapproval  
5 of education service providers and vendors of educational products  
6 for participation in the program. The comptroller shall allow for  
7 the submission of applications on a rolling basis.

8           (b) The comptroller shall approve an education service  
9 provider or vendor of educational products for participation in the  
10 program if the provider or vendor:

11           (1) has previously been approved by the agency to  
12 provide supplemental special education services under Subchapter  
13 A-1 and remains in good standing with the agency;

14           (2) for a private school, demonstrates accreditation  
15 by an organization recognized by:

16                   (A) the Texas Private School Accreditation  
17 Commission; or

18                   (B) the agency;

19           (3) for a public school, demonstrates:

20                   (A) accreditation by the agency; and

21                   (B) the ability to provide services or products  
22 to participating children in a manner in which the children are not  
23 counted toward the school's average daily attendance;

24           (4) for a private tutor, therapist, or teaching  
25 service, demonstrates that:

26                   (A) the tutor or therapist or each employee of  
27 the teaching service who intends to provide educational services to

1 a participating child:

2 (i) is an educator employed by or a retired  
3 educator formerly employed by a school accredited by the agency, an  
4 organization recognized by the agency, or an organization  
5 recognized by the Texas Private School Accreditation Commission;

6 (ii) holds a relevant license or  
7 accreditation issued by a state, regional, or national  
8 certification or accreditation organization; or

9 (iii) is employed in or retired from a  
10 teaching or tutoring capacity at a higher education provider;

11 (B) the tutor or therapist or each employee of  
12 the teaching service who intends to provide educational services to  
13 a participating child provided to the comptroller a national  
14 criminal history record information review completed by the tutor,  
15 therapist, or employee, as applicable, within a period established  
16 by comptroller rule; and

17 (C) the tutor or therapist or each employee of  
18 the teaching service who intends to provide educational services to  
19 a participating child is not:

20 (i) required to be discharged or refused to  
21 be hired by a school district under Section [22.085](#); or

22 (ii) included in the registry under Section  
23 [22.092](#); or

24 (5) for a higher education provider, demonstrates  
25 nationally recognized postsecondary accreditation.

26 (c) The comptroller shall review the national criminal  
27 history record information or documentation for each private tutor,

1 therapist, or teaching service employee who submits information or  
2 documentation under this section. The tutor, therapist, or service  
3 must provide the comptroller with any information requested by the  
4 comptroller to enable the comptroller to complete the review.

5 (d) An education service provider or vendor of educational  
6 products shall provide information requested by the comptroller to  
7 verify the provider's or vendor's eligibility for preapproval under  
8 Subsection (b). The comptroller may not approve a provider or  
9 vendor if the comptroller cannot verify the provider's or vendor's  
10 eligibility for preapproval.

11 (e) An education service provider or vendor of educational  
12 products must agree to:

13 (1) abide by the disbursement schedule under Section  
14 29.360(c) and all other requirements of this subchapter;

15 (2) accept money from the program only for  
16 education-related expenses approved under Section 29.359;

17 (3) notify the comptroller not later than the 30th day  
18 after the date that the provider or vendor no longer meets the  
19 requirements of this section; and

20 (4) return any money received in violation of this  
21 subchapter or other relevant law to the comptroller for deposit  
22 into the program fund.

23 (f) An education service provider or vendor of educational  
24 products that receives approval under this section may participate  
25 in the program until the earliest of the date on which the provider  
26 or vendor:

27 (1) no longer meets the requirements under this

1 section; or

2 (2) violates this subchapter or other relevant law.

3 (g) This section may not be construed to allow a learning  
4 pod, as defined by Section 27.001, or a home school to qualify as an  
5 approved education service provider or vendor of educational  
6 products.

7 Sec. 29.359. APPROVED EDUCATION-RELATED EXPENSES. (a)  
8 Subject to Subsection (b), money received under the program may be  
9 used only for the following education-related expenses incurred by  
10 a participating child at a preapproved education service provider  
11 or vendor of educational products:

12 (1) tuition and fees for:

13 (A) a private school;

14 (B) a higher education provider;

15 (C) an online educational course or program; or

16 (D) a program that provides training for an  
17 industry-based credential;

18 (2) the purchase of textbooks or other instructional  
19 materials or uniforms required by a private school, higher  
20 education provider, or course in which the child is enrolled,  
21 including purchases made through a third-party vendor of  
22 educational products;

23 (3) fees for classes or other educational services  
24 provided by a public school, including an open-enrollment charter  
25 school, if the classes or services do not qualify the child to be  
26 included in the school's average daily attendance;

27 (4) costs related to academic assessments;

1           (5) fees for services provided by a private tutor or  
2 teaching service;

3           (6) fees for transportation provided by a  
4 fee-for-service transportation provider for the child to travel to  
5 and from a preapproved education service provider or vendor of  
6 educational products;

7           (7) fees for educational therapies or services  
8 provided by a practitioner or provider, only for fees that are not  
9 covered by any federal, state, or local government benefits such as  
10 Medicaid or the Children's Health Insurance Program (CHIP) or by  
11 any private insurance that the child is enrolled in at the time of  
12 receiving the therapies or services;

13           (8) costs of computer hardware and software and other  
14 technological devices prescribed by a physician to facilitate a  
15 child's education, not to exceed in any year 10 percent of the total  
16 amount paid to the participating child's account that year;

17           (9) costs of breakfast or lunch provided to a child  
18 during the school day by a private school; and

19           (10) before- and after-school academic child care from  
20 a provider that has a partnership with a public school to provide  
21 before- or after-school child care.

22           (b) Money received under the program may not be used to pay  
23 any person who is related to the program participant within the  
24 third degree by consanguinity or affinity, as determined under  
25 Chapter 573, Government Code.

26           (c) A finding that a program participant used money  
27 distributed under the program to pay for an expense not allowed



1 under Subsection (a) does not affect the validity of any payment  
2 made by the participant for an approved education-related expense  
3 that is allowed under that subsection.

4 Sec. 29.360. PROGRAM EXPENDITURES. (a) The comptroller  
5 shall disburse from the program fund to each certified educational  
6 assistance organization the amount specified under Section  
7 29.361(a) for each participating child for which the organization  
8 is responsible.

9 (b) To initiate payment to an education service provider or  
10 vendor of educational products for an education-related expense  
11 approved under Section 29.359, the participating parent must submit  
12 a request in a form prescribed by comptroller rule to the applicable  
13 certified educational assistance organization.

14 (c) Subject to Subsection (d) and Sections 29.362(g) and  
15 29.364, on receiving a request under Subsection (b), a certified  
16 educational assistance organization shall verify that the request  
17 is for an expense approved under Section 29.359 and, not later than  
18 the 15th business day after the date the organization verifies the  
19 request, send payment to the education service provider or vendor  
20 of educational products.

21 (d) A disbursement under this section may not exceed the  
22 applicable participating child's account balance.

23 (e) A certified educational assistance organization shall  
24 provide the participating parent for which the organization is  
25 responsible with electronic access to:

26 (1) view the current balance of the participating  
27 child's account;

1           (2) initiate the payment process under Subsection (b);  
2 and

3           (3) view a summary of the past activity on the  
4 participating child's account, including payments from the account  
5 to education service providers and vendors of educational products.

6           Sec. 29.361. AMOUNT OF PAYMENT; FINANCING. (a) Regardless  
7 of the deadline by which the participating parent applies for  
8 enrollment in the program under Section 29.356(a) and except as  
9 provided by Subsections (a-1) and (a-3), a participating parent  
10 shall receive each school year that the parent's child participates  
11 in the program payments from the state to be held in trust for the  
12 benefit of the child from funds available under Section 29.353 to  
13 the child's account equal to 75 percent of the estimated statewide  
14 average amount of funding per student in average daily attendance  
15 for the applicable school year, as determined by the commissioner  
16 not later than January 15 preceding the applicable school year. For  
17 purposes of determining the estimated statewide average amount of  
18 funding per student under this subsection, the commissioner shall  
19 include state and local funding under Chapters 46, 48, and 49 and  
20 the amount the state is required to contribute under Section  
21 825.404, Government Code.

22           (a-1) If a child enrolls in the program after the beginning  
23 of a school year, the comptroller shall prorate the amount the  
24 participating parent of the child receives under Subsection (a)  
25 based on the date the child enrolls in the program.

26           (a-2) A participating parent must submit all requests for  
27 payment from the account of the parent's child for expenses

1 incurred during a fiscal year to the comptroller not less than 90  
2 days after the end of that fiscal year.

3 (a-3) Notwithstanding Subsection (a), a participating child  
4 who is a home-schooled student, as defined by Section 29.916(a)(1),  
5 may not receive payments to the child's account under Subsection  
6 (a) in an amount that exceeds \$1,000 for a school year.

7 (b) Any money remaining in a participating child's account  
8 at the end of a fiscal year that is not obligated for expenses  
9 incurred during that fiscal year shall be returned to the  
10 comptroller for deposit to the program fund. The comptroller shall  
11 provide to a participating parent adequate notice of the return of  
12 money in the account under this subsection.

13 (c) A participating parent may make payments for the  
14 expenses of educational programs, services, and products not  
15 covered by money in the account of the parent's child.

16 (d) A payment under Subsection (a) may not be financed using  
17 federal money or money from the available school fund or  
18 instructional materials fund.

19 (e) Payments received under this subchapter do not  
20 constitute taxable income to a participating parent, unless  
21 otherwise provided by federal or another state's law.

22 (f) On dates consistent with satisfying the application  
23 deadlines established under Section 29.356(a), the agency shall  
24 calculate and report to the comptroller the amount specified under  
25 Subsection (a) for each participating child.

26 Sec. 29.3615. ENROLLMENT IN PUBLIC SCHOOL. Notwithstanding  
27 any other provision of this subchapter or other law, if a child

1 ceases participation in the program due to the child's enrollment  
2 in a public school, including an open-enrollment charter school:

3 (1) the public school is entitled to receive an amount  
4 equal to the amount in the child's account returned to the  
5 comptroller under Section 29.362(f); and

6 (2) the child may not be considered in evaluating the  
7 performance of a public school under the public school  
8 accountability system as prescribed by Chapters 39 and 39A for the  
9 first school year after the child ceases participation in the  
10 program.

11 Sec. 29.362. ADMINISTRATION OF ACCOUNTS. (a) On receipt of  
12 money distributed by the comptroller for purposes of making  
13 payments to accounts, a certified educational assistance  
14 organization shall hold the money in trust for the benefit of  
15 participating children and make quarterly payments to the account  
16 of each participating child for which the organization is  
17 responsible in equal amounts on or before the first day of July,  
18 October, January, and April.

19 (b) Each year, the comptroller may deduct from the total  
20 amount of money appropriated for purposes of this subchapter an  
21 amount, not to exceed three percent of that total amount, to cover  
22 the comptroller's cost of administering the program.

23 (c) Each quarter, each certified educational assistance  
24 organization shall submit to the comptroller a breakdown of the  
25 organization's actual costs of administering the program for the  
26 previous quarter and the comptroller shall disburse from money  
27 appropriated for the program to each certified educational

1 assistance organization the amount necessary to cover the  
2 organization's actual costs of administering the program for that  
3 quarter. The total amount disbursed to all certified educational  
4 assistance organizations under this subsection for a state fiscal  
5 year may not exceed five percent of the amount appropriated for the  
6 purposes of the program for that fiscal year.

7 (d) On or before the first day of October and February or  
8 another date determined by comptroller rule, each certified  
9 educational assistance organization shall:

10 (1) verify with the agency that each participating  
11 child for which the organization is responsible is not enrolled in a  
12 public school, including an open-enrollment charter school, in a  
13 manner in which the child is counted toward the school's average  
14 daily attendance for purposes of the allocation of state funding  
15 under the foundation school program; and

16 (2) notify the comptroller if the organization  
17 determines that a participating child for which the organization is  
18 responsible is enrolled in a public school, including an  
19 open-enrollment charter school, in a manner in which the child is  
20 counted toward the school's average daily attendance for purposes  
21 of the allocation of state funding under the foundation school  
22 program.

23 (e) The comptroller by rule shall establish a process by  
24 which a participating parent may authorize the comptroller or the  
25 certified educational assistance organization to make a payment  
26 directly from the account of the parent's child to a preapproved  
27 education service provider or vendor of educational products for an

1 expense allowed under Section 29.359.

2 (f) On the date on which a child who participated in the  
3 program is no longer eligible to participate in the program under  
4 Section 29.355 and payments for any education-related expenses  
5 allowed under Section 29.359 from the child's account have been  
6 completed, the child's account shall be closed and any remaining  
7 money returned to the comptroller for deposit in the program fund.

8 (g) Each quarter, any interest or other earnings  
9 attributable to money held by a certified educational assistance  
10 organization for purposes of the program shall be remitted to the  
11 comptroller for deposit in the program fund.

12 Sec. 29.363. AUDITING. (a) The comptroller shall contract  
13 with a private entity to audit accounts and program participant  
14 eligibility data not less than once per year to ensure compliance  
15 with applicable law and program requirements. The audit must  
16 include a review of:

17 (1) each certified educational assistance  
18 organization's internal controls over program transactions; and

19 (2) compliance by:

20 (A) certified educational assistance  
21 organizations with Section 29.354 and other program requirements;

22 (B) program participants with Section 29.357 and  
23 other program requirements; and

24 (C) education service providers and vendors of  
25 educational products with Section 29.358 and other program  
26 requirements.

27 (b) In conducting an audit, the private entity may require a

1 certified educational assistance organization, program  
2 participant, or education service provider or vendor of educational  
3 products to provide information and documentation regarding any  
4 transaction occurring under the program.

5 (c) The private entity shall report to the comptroller any  
6 violation of this subchapter or other relevant law and any  
7 transactions the entity determines to be unusual or suspicious  
8 found by the entity during an audit conducted under this section.

9 The comptroller shall report the violation or transaction to:

10 (1) the applicable certified educational assistance  
11 organization;

12 (2) the education service provider or vendor of  
13 educational products, as applicable; and

14 (3) the participating parent of each participating  
15 child who is affected by the violation or transaction.

16 Sec. 29.364. SUSPENSION OF ACCOUNT. (a) The comptroller  
17 shall suspend the account of a program participant who fails to  
18 remain in good standing by complying with applicable law or a  
19 requirement of the program.

20 (b) On suspension of an account under Subsection (a), the  
21 comptroller shall notify the participating parent in writing that  
22 the account of the parent's child has been suspended and that no  
23 additional payments may be made from the account. The notification  
24 must specify the grounds for the suspension and state that the  
25 participating parent has 30 days to respond and take any corrective  
26 action required by the comptroller.

27 (c) On the expiration of the 30-day period under Subsection

1 (b), the comptroller shall:

2 (1) order closure of the suspended account;

3 (2) order temporary reinstatement of the account,  
4 conditioned on the performance of a specified action by the program  
5 participant; or

6 (3) order full reinstatement of the account.

7 (d) The comptroller may recover money distributed under the  
8 program that was used for expenses not allowed under Section  
9 29.359, for a child who was not eligible to participate in the  
10 program at the time of the expenditure, or from an education service  
11 provider or vendor of educational products that was not approved at  
12 the time of the expenditure. The money may be recovered from the  
13 program participant or the education service provider or vendor of  
14 educational products that received the money if the participating  
15 child's account is suspended or closed under this section. Failure  
16 to reimburse the state on demand by the comptroller constitutes a  
17 debt to the state for purposes of Section 403.055, Government Code.  
18 The comptroller shall deposit money recovered under this subsection  
19 into the program fund.

20 Sec. 29.365. TUITION AND FEES; REFUND PROHIBITED. (a) An  
21 education service provider or vendor of educational products may  
22 not charge a participating child an amount greater than the  
23 standard amount charged for that service or product by the provider  
24 or vendor.

25 (b) An education service provider or vendor of educational  
26 products receiving money distributed under the program may not in  
27 any manner rebate, refund, or credit to or share with a program



1 participant, or any person on behalf of a participant, any program  
2 money paid or owed by the participant to the provider or vendor.

3 Sec. 29.366. REFERRAL TO DISTRICT ATTORNEY. If the  
4 comptroller obtains evidence of fraudulent use of an account or  
5 money distributed under the program or any other violation of law by  
6 a certified educational assistance organization, program  
7 participant, or education service provider or vendor of educational  
8 products, the comptroller shall notify the appropriate local county  
9 or district attorney with jurisdiction over, as applicable:

10 (1) the principal place of business of the  
11 organization or provider or vendor; or

12 (2) the residence of the program participant.

13 Sec. 29.367. SPECIAL EDUCATION NOTICE. (a) Each certified  
14 educational assistance organization designated under Section  
15 29.356(a) shall post on the organization's Internet website and  
16 provide to each parent who submits an application for the program a  
17 notice that:

18 (1) states that a private school is not subject to  
19 federal and state laws regarding the provision of educational  
20 services to a child with a disability in the same manner as a public  
21 school; and

22 (2) provides information regarding rights to which a  
23 child with a disability is entitled under federal and state law if  
24 the child attends a public school, including:

25 (A) rights provided under the Individuals with  
26 Disabilities Education Act (20 U.S.C. Section 1400 et seq.); and

27 (B) rights provided under Subchapter A.

1       (b) A private school in which a participating child with a  
2 disability enrolls shall provide to the participating parent a copy  
3 of the notice required under Subsection (a).

4       Sec. 29.368. PROGRAM PARTICIPANT, PROVIDER, AND VENDOR  
5 AUTONOMY. (a) An education service provider or vendor of  
6 educational products that receives money distributed under the  
7 program is not a recipient of federal financial assistance and may  
8 not be considered to be an agent of state government on the basis of  
9 receiving that money.

10       (b) A rule adopted or other action taken related to the  
11 program may not limit the ability of an education service provider,  
12 vendor of educational products, or program participant to:

13               (1) determine:

14                       (A) the methods of instruction or curriculum used  
15 to educate students;

16                       (B) admissions and enrollment practices,  
17 policies, and standards; or

18                       (C) employment practices, policies, and  
19 standards; or

20               (2) exercise the provider's, vendor's, or  
21 participant's religious or institutional practices as determined  
22 by the provider, vendor, or participant.

23       Sec. 29.369. STUDENT RECORDS AND INFORMATION. (a) On  
24 request by the parent of a child participating or seeking to  
25 participate in the program, the school district or open-enrollment  
26 charter school that the child would otherwise attend shall provide  
27 a copy of the child's school records possessed by the district or

1 school, if any, to the child's parent or, if applicable, the private  
2 school the child attends.

3 (b) As necessary to verify a child's eligibility for the  
4 program, the agency, a school district, or an open-enrollment  
5 charter school shall provide to the applicable certified  
6 educational assistance organization any information available to  
7 the agency, district, or school requested by the organization  
8 regarding a child who participates or seeks to participate in the  
9 program, including information regarding:

10 (1) the child's public school enrollment status; and

11 (2) whether the child:

12 (A) is a child with a disability; or

13 (B) can be counted toward a public school's  
14 average daily attendance for purposes of the allocation of funding  
15 under the foundation school program.

16 (c) A certified educational assistance organization may not  
17 retain information provided under Subsection (b) beyond the period  
18 necessary to determine a child's eligibility to participate in the  
19 program.

20 (d) A certified educational assistance organization or an  
21 education service provider or vendor of educational products that  
22 obtains information regarding a participating child:

23 (1) shall comply with state and federal law regarding  
24 the confidentiality of student educational information; and

25 (2) may not sell or otherwise distribute information  
26 regarding a child participating in the program.

27 Sec. 29.370. GIFTS, GRANTS, AND DONATIONS. The comptroller

1 and a certified educational assistance organization may solicit and  
2 accept gifts, grants, and donations from any public or private  
3 source for any expenses related to the administration of the  
4 program, including establishing the program and contracting for the  
5 report required under Section 29.372.

6 Sec. 29.371. ADMINISTRATION OF ASSESSMENT INSTRUMENTS. (a)  
7 The agency shall ensure that each participating child is annually  
8 administered:

9 (1) each assessment instrument required to be  
10 administered to a public school student at the child's grade and  
11 course level under Section 39.023(a) or (c), subject to any  
12 applicable exemptions or accommodations provided under Subchapter  
13 B, Chapter 39; or

14 (2) a nationally norm-referenced assessment  
15 instrument that assesses student performance in an equivalent  
16 manner to the applicable assessment instruments described by  
17 Subdivision (1).

18 (b) For purposes of the annual report required under Section  
19 29.372, the agency shall provide to the comptroller the results of  
20 the assessment instruments administered under this section, in  
21 aggregate and disaggregated by race, ethnicity, socioeconomic  
22 status, and status as a child with a disability. A child's results  
23 on an assessment instrument administered under this section are  
24 confidential, are not subject to disclosure under Chapter 552,  
25 Government Code, and may only be shared as necessary to develop the  
26 annual report required under Section 29.372 of this subchapter. In  
27 providing the results of the assessment instruments, the agency

1 shall ensure compliance with state and federal law regarding the  
2 confidentiality of student educational information, including the  
3 Family Educational Rights and Privacy Act of 1974 (20 U.S.C.  
4 Section 1232g).

5 (c) The agency shall require a regional education service  
6 center to administer assessment instruments under this section.

7 (d) A school district may administer assessment instruments  
8 under this section.

9 (e) If authorized by the agency, a private school may, but  
10 is not required to, administer assessment instruments under this  
11 section in accordance with agency rule.

12 Sec. 29.372. ANNUAL REPORT. (a) The comptroller shall  
13 require that the certified educational assistance organizations  
14 collaborate to compile program data and produce an annual  
15 longitudinal report regarding:

16 (1) the number of program applications received,  
17 accepted, and wait-listed, disaggregated by age;

18 (2) program participant satisfaction;

19 (3) the results of assessment instruments provided in  
20 accordance with Section 29.371;

21 (4) the effect of the program on public and private  
22 school capacity and availability;

23 (5) the amount of cost savings accruing to the state as  
24 a result of the program;

25 (6) in a report submitted in an even-numbered year  
26 only, an estimate of the total amount of funding required for the  
27 program for the next state fiscal biennium;

1           (7) the amount of gifts, grants, and donations  
2 received under Section 29.370; and

3           (8) based on surveys of former program participants or  
4 other sources available to the organizations, the number and  
5 percentage of participating children who, within one year after  
6 graduating from high school, are:

7           (A) college ready, as indicated by earning a  
8 minimum of 12 non-remedial semester credit hours or the equivalent  
9 or an associate degree from a postsecondary educational  
10 institution;

11           (B) career ready, as indicated by:

12                   (i) earning a credential of value included  
13 in a library of credentials established under Section 2308A.007,  
14 Government Code; or

15                   (ii) employment at or above the median wage  
16 in the child's region; or

17           (C) military ready, as indicated by achieving a  
18 passing score set by the applicable military branch on the Armed  
19 Services Vocational Aptitude Battery and enlisting in the armed  
20 forces of the United States or the Texas National Guard.

21           (b) In producing the report, the certified educational  
22 assistance organizations shall:

23                   (1) use appropriate analytical and behavioral science  
24 methodologies to ensure public confidence in the report; and

25                   (2) comply with the requirements regarding the  
26 confidentiality of student educational information under the  
27 Family Educational Rights and Privacy Act of 1974 (20 U.S.C.

1 Section 1232g).

2 (c) The report must cover a period of not less than five  
3 years and include, subject to Subsection (b)(2), the data analyzed  
4 and methodology used.

5 (d) The comptroller and the applicable certified  
6 educational assistance organizations shall post the report on the  
7 comptroller's and organization's respective Internet websites.

8 Sec. 29.373. RULES; PROCEDURES. The comptroller shall  
9 adopt rules and procedures as necessary to implement, administer,  
10 and enforce this subchapter.

11 Sec. 29.374. APPEAL; FINALITY OF DECISIONS. (a) A program  
12 participant may appeal to the comptroller an administrative  
13 decision made by a certified educational assistance organization  
14 under this subchapter, including a decision regarding eligibility,  
15 allowable expenses, or the participant's removal from the program.

16 (b) This subchapter may not be construed to confer a  
17 property right on a certified educational assistance organization,  
18 education service provider, vendor of educational products, or  
19 program participant.

20 (c) A decision of the comptroller made under this subchapter  
21 is final and not subject to appeal.

22 Sec. 29.375. SUNSET REVIEW OF PROGRAM. The Sunset Advisory  
23 Commission's review of the agency under Chapter 325, Government  
24 Code (Texas Sunset Act), must include a review of the program.

25 SECTION 6.02. Section 22.092(d), Education Code, is amended  
26 to read as follows:

27 (d) The agency shall provide equivalent access to the

1 registry maintained under this section to:

2 (1) private schools;

3 (2) public schools; ~~and~~

4 (3) nonprofit teacher organizations approved by the  
5 commissioner for the purpose of participating in the tutoring  
6 program established under Section 33.913; and

7 (4) the comptroller for the purpose of preapproving  
8 education service providers and vendors of educational products  
9 under Section 29.358 for participation in the program established  
10 under Subchapter J, Chapter 29.

11 SECTION 6.03. Section 411.109, Government Code, is amended  
12 by adding Subsection (b-1) and amending Subsection (c) to read as  
13 follows:

14 (b-1) The comptroller is entitled to obtain criminal  
15 history record information as provided by Subsection (c) about a  
16 person who is a private tutor, a therapist, or an employee of a  
17 teaching service or school who intends to provide educational  
18 services to a child participating in the program established under  
19 Subchapter J, Chapter 29, Education Code, and is seeking approval  
20 to receive money distributed under that program.

21 (c) Subject to Section 411.087 and consistent with the  
22 public policy of this state, the comptroller is entitled to:

23 (1) obtain through the Federal Bureau of Investigation  
24 criminal history record information maintained or indexed by that  
25 bureau that pertains to a person described by Subsection (a), ~~or~~  
26 (b), or (b-1); and

27 (2) obtain from the department or any other criminal



1 justice agency in this state criminal history record information  
2 maintained by the department or that criminal justice agency that  
3 relates to a person described by Subsection (a), ~~[or]~~ (b), or (b-1).

4 SECTION 6.04. Subchapter J, Chapter 29, Education Code, as  
5 added by this article, applies beginning with the 2024-2025 school  
6 year.

7 SECTION 6.05. Not later than May 15, 2024, the comptroller  
8 of public accounts shall adopt rules as provided by Section 29.373,  
9 Education Code, as added by this article.

10 SECTION 6.06. (a) The constitutionality and other validity  
11 under the state or federal constitution of all or any part of  
12 Subchapter J, Chapter 29, Education Code, as added by this article,  
13 may be determined in an action for declaratory judgment under  
14 Chapter 37, Civil Practice and Remedies Code, in a district court in  
15 Travis County.

16 (b) An order, however characterized, of a trial court  
17 granting or denying a temporary or otherwise interlocutory  
18 injunction or a permanent injunction on the grounds of the  
19 constitutionality or unconstitutionality, or other validity or  
20 invalidity, under the state or federal constitution of all or any  
21 part of Subchapter J, Chapter 29, Education Code, as added by this  
22 article, may be reviewed only by direct appeal to the Texas Supreme  
23 Court filed not later than the 15th day after the date on which the  
24 order was entered. The Texas Supreme Court shall give precedence to  
25 appeals under this section over other matters.

26 (c) The direct appeal is an accelerated appeal.

27 (d) This section exercises the authority granted by Section

1 3-b, Article V, Texas Constitution.

2 (e) The filing of a direct appeal under this section will  
3 automatically stay any temporary or otherwise interlocutory  
4 injunction or permanent injunction granted in accordance with this  
5 section pending final determination by the Texas Supreme Court,  
6 unless the supreme court makes specific findings that the applicant  
7 seeking such injunctive relief has pleaded and proved that:

8 (1) the applicant has a probable right to the relief it  
9 seeks on final hearing;

10 (2) the applicant will suffer a probable injury that  
11 is imminent and irreparable, and that the applicant has no other  
12 adequate legal remedy; and

13 (3) maintaining the injunction is in the public  
14 interest.

15 (f) An appeal under this section, including an  
16 interlocutory, accelerated, or direct appeal, is governed, as  
17 applicable, by the Texas Rules of Appellate Procedure, including  
18 Rules 25.1(d)(6), 28.1, 32.1(g), 37.3(a)(1), 38.6(a) and (b),  
19 40.1(b), and 49.4.

20 (g) This section does not authorize an award of attorney's  
21 fees against this state, and Section 37.009, Civil Practice and  
22 Remedies Code, does not apply to an action filed under this section.

23 SECTION 6.07. It is the intent of the legislature that every  
24 provision, section, subsection, sentence, clause, phrase, or word  
25 in this article, and every application of the provisions in this  
26 article to each person or entity, is severable from each other. If  
27 any application of any provision in this article to any person,

1 group of persons, or circumstances is found by a court to be invalid  
2 for any reason, the remaining applications of that provision to all  
3 other persons and circumstances shall be severed and may not be  
4 affected.

5 SECTION 6.08. This article takes effect immediately if this  
6 Act receives a vote of two-thirds of all the members elected to each  
7 house, as provided by Section 39, Article III, Texas Constitution.  
8 If this Act does not receive the vote necessary for immediate  
9 effect, this article takes effect on the 91st day after the last day  
10 of the legislative session.

11 ARTICLE 7. CHANGES RELATED TO PUBLIC SCHOOLS GENERALLY

12 SECTION 7.01. Subchapter 2, Chapter 25, Education Code, is  
13 amended by adding Section 25.906 to read as follows:

14 Sec. 25.906. PROTECTIONS FOR CERTAIN MILITARY DEPENDENTS.

15 (a) In this section:

16 (1) "Compact" means the Interstate Compact on  
17 Educational Opportunity for Military Children executed under  
18 Section 162.002.

19 (2) "Uniformed services" means:

20 (A) the United States Army, Navy, Air Force,  
21 Space Force, Marine Corps, or Coast Guard;

22 (B) the Commissioned Officer Corps of the  
23 National Oceanic and Atmospheric Administration; or

24 (C) the Commissioned Corps of the United States  
25 Public Health Service.

26 (b) The provisions of Articles IV, V, VI, and VII of the  
27 compact apply to the following children as if those children were

1 children described by Article III of the compact:

2 (1) a child of a veteran of the uniformed services who  
3 was discharged or released through retirement, for a period of four  
4 years after the date of the veteran's retirement, if the veteran  
5 returns to the veteran's home of record on military orders; and

6 (2) a child of a member of the uniformed services who  
7 dies on active duty or as a result of injuries sustained on active  
8 duty, for a period of four years after the member's death.

9 (c) Each school district and open-enrollment charter school  
10 that maintains an Internet website shall post on the district's or  
11 school's Internet website an easily accessible link to information  
12 regarding the compact and the additional protections provided by  
13 this section.

14 SECTION 7.02. Section 26.002, Education Code, is amended to  
15 read as follows:

16 Sec. 26.002. DEFINITIONS [~~DEFINITION~~]. In this chapter:

17 (1) "Benchmark assessment" includes a benchmark  
18 assessment instrument as defined by Section 39.0263(a) and a  
19 district-required assessment designed to evaluate students against  
20 a set of national or state comparison points.

21 (2) "Parent" [~~,"parent"~~] includes a person standing  
22 in parental relation. The term does not include a person as to whom  
23 the parent-child relationship has been terminated or a person not  
24 entitled to possession of or access to a child under a court order.  
25 Except as provided by federal law, all rights of a parent under  
26 Title 2 of this code and all educational rights under Section  
27 151.001(a)(10), Family Code, shall be exercised by a student who is

1 18 years of age or older or whose disabilities of minority have been  
2 removed for general purposes under Chapter 31, Family Code, unless  
3 the student has been determined to be incompetent or the student's  
4 rights have been otherwise restricted by a court order.

5 (3) "Test" includes a benchmark assessment.

6 SECTION 7.03. Chapter 26, Education Code, is amended by  
7 adding Section 26.0062 to read as follows:

8 Sec. 26.0062. NOTICE REGARDING BENCHMARK ASSESSMENT  
9 RESULTS. A school district shall report in writing to each  
10 student's parent the results of a benchmark assessment administered  
11 to the student not later than the 30th calendar day after the date  
12 on which the results of the assessment are available. The results  
13 may be made available to the parent through a parent portal.

14 SECTION 7.04. Section 28.006, Education Code, is amended by  
15 amending Subsections (a), (b), (c), (c-1), (c-2), (c-3), and (j)  
16 and adding Subsections (a-1), (b-2), (b-3), (b-4), (d-1), (g-3),  
17 (g-4), (g-5), (g-6), (n), and (o) to read as follows:

18 (a) The commissioner shall adopt procedures [~~develop~~  
19 ~~recommendations~~] for school districts and open-enrollment charter  
20 schools for:

21 (1) administering reading instruments to:

22 (A) ensure the results of the reading instruments  
23 are valid, reliable, and equated;

24 (B) diagnose student reading development and  
25 comprehension; and

26 (C) identify students at risk for dyslexia or  
27 other reading difficulties;

1 (2) training educators in administering the reading  
2 instruments; and

3 (3) applying the results of the reading instruments to  
4 the instructional program and intervention practices.

5 (a-1) A school district or open-enrollment charter school  
6 may not administer a reading instrument to a student more than three  
7 times during a school year.

8 (b) The commissioner shall adopt a comprehensive list of  
9 reading instruments that a school district or open-enrollment  
10 charter school shall select from for [~~may~~] use in diagnosing [~~to~~  
11 ~~diagnose student~~] reading development and comprehension for  
12 students who are enrolled in kindergarten through third grade. A  
13 reading instrument included on the commissioner's list must include  
14 the foundational literacy components of phonemic and phonological  
15 awareness, phonics, vocabulary, fluency, and comprehension. For  
16 use in diagnosing the reading development and comprehension of  
17 kindergarten students, the commissioner shall adopt [~~a~~]  
18 multidimensional assessment tools [~~tool~~] that include [~~includes a~~]  
19 reading instruments that test [~~instrument and tests~~] at least three  
20 developmental skills, including the foundational literacy  
21 components. A multidimensional assessment tool administered as  
22 provided by this subsection is considered to be a reading  
23 instrument for purposes of this section. A school district or  
24 open-enrollment charter school [~~district-level committee~~  
25 ~~established under Subchapter F, Chapter 11,~~] may use other [~~adopt a~~  
26 ~~list of~~] reading instruments, subject to Subsection (b-4), [~~for use~~  
27 ~~in the district in a grade level other than kindergarten]~~ in

1 addition to the reading instruments included on the commissioner's  
2 list. Each reading instrument included on the list adopted by the  
3 commissioner or administered by a school district or  
4 open-enrollment charter school [~~or a district-level committee~~]  
5 must:

6 (1) be based on scientific research concerning reading  
7 skills development and reading comprehension;

8 (2) [~~. A list of reading instruments adopted under~~  
9 ~~this subsection must~~] provide for diagnosing the reading  
10 development and comprehension of students participating in a  
11 program under Subchapter B, Chapter 29;

12 (3) provide progress monitoring capabilities;

13 (4) provide a diagnostic tool to assist teachers in  
14 developing research-based targeted instruction;

15 (5) allow screening of students three times each  
16 school year;

17 (6) assess only foundational literacy components not  
18 already mastered by the student; and

19 (7) assess whether a student needs reading instruction  
20 intervention.

21 (b-2) The commissioner shall include on the commissioner's  
22 list any reading instrument that is:

23 (1) based on scientific research concerning reading  
24 skills development and reading comprehension; and

25 (2) submitted for inclusion on the list under  
26 Subsection (b-4).

27 (b-3) The commissioner shall update the list of reading

1 instruments at least once every four years, including  
2 multidimensional assessment tools authorized under this section.

3 (b-4) A school district or open-enrollment charter school  
4 that uses one or more reading instruments not included on the  
5 commissioner's list in accordance with Subsection (b) must submit  
6 the instrument to the commissioner to verify the instrument  
7 satisfies the requirements of this section. The commissioner shall  
8 place on the commissioner's list a reading instrument that  
9 satisfies the requirements of this section.

10 (c) Each school district and open-enrollment charter school  
11 shall administer, at the first and second grade levels, a reading  
12 instrument that is based on scientific research concerning reading  
13 skills development and reading comprehension included on the list  
14 adopted by the commissioner [~~or by the district-level~~  
15 ~~committee~~]. The district or school shall administer the reading  
16 instrument in accordance with the commissioner's recommendations  
17 under Subsection (a)(1).

18 (c-1) Each school district and open-enrollment charter  
19 school shall administer at the beginning of the seventh grade a  
20 reading instrument included on the list adopted by the commissioner  
21 to each student whose performance on the assessment instrument in  
22 reading administered under Section 39.023(a) to the student in  
23 grade six did not demonstrate reading proficiency, as determined by  
24 the commissioner. The district or school shall administer the  
25 reading instrument in accordance with the commissioner's policies  
26 adopted [~~recommendations~~] under Subsection (a)(1).

27 (c-2) Each school district and open-enrollment charter



1 school shall administer at the kindergarten level a reading  
2 instrument included on the list adopted by the commissioner [~~under~~  
3 ~~Subsection (b) or approved by the commissioner under Subsection~~  
4 ~~(b-1)~~]. The district or school shall administer the reading  
5 instrument in accordance with the commissioner's policies adopted  
6 ~~[recommendations]~~ under Subsection (a)(1).

7 (c-3) The commissioner by rule shall determine the  
8 performance on a [~~the~~] reading instrument adopted under Subsection  
9 (b) that indicates kindergarten readiness.

10 (d-1) The commissioner shall prominently display on the  
11 agency's Internet website information regarding the commissioner's  
12 list of reading instruments maintained under this section and the  
13 process for applying for inclusion on the list, as provided by  
14 agency rule adopted under Subsection (n).

15 (g-3) A school district or open-enrollment charter school  
16 shall provide reading intervention to each student in kindergarten  
17 through grade three who is determined to need reading intervention  
18 using an assessment administered in accordance with Subsection (b).  
19 The school district shall continue to offer a student reading  
20 intervention until the student achieves satisfactory performance  
21 on a reading instrument. A reading intervention program offered  
22 under this subsection must:

23 (1) include targeted instruction to improve the  
24 student's reading skills in the relevant areas identified through  
25 the assessment instrument;

26 (2) monitor the progress of the student's reading  
27 skills throughout the school year;

1           (3) be implemented during regular school hours and in  
2 addition to core instruction;

3           (4) use high-quality instructional materials,  
4 curricula, and curricular tools that are research based and  
5 effective for early childhood literacy intervention; and

6           (5) be provided by a teacher who has attended a  
7 literacy achievement academy provided under Section 21.4552.

8           (g-4) In providing reading intervention under Subsection  
9 (g-3), a school district or open-enrollment charter school may not  
10 remove a student, except under circumstances for which a student  
11 enrolled in the same grade level who is not receiving reading  
12 intervention would be removed, from:

13           (1) instruction in the foundation curriculum and  
14 enrichment curriculum adopted under Section 28.002 for the grade  
15 level in which the student is enrolled; or

16           (2) recess or other physical activity that is  
17 available to other students enrolled in the same grade level.

18           (g-5) In addition to the report required under Subsection  
19 (d)(2), a school district or open-enrollment charter school shall  
20 notify the parent or guardian of each student in kindergarten  
21 through grade three who is determined to need reading intervention.

22 The notification must:

23           (1) be distributed not later than the 30th day after  
24 the date the result of the reading instrument indicating that the  
25 student needs intervention is available;

26           (2) describe the current reading services the district  
27 or school provides to the student;

1           (3) describe the reading interventions that will be  
2 provided to the student to ensure the student will meet or exceed  
3 grade-level reading standards; and

4           (4) include high-quality resources for the parent or  
5 guardian of the student to use at home to help the student succeed  
6 at reading.

7           (g-6) From funds appropriated for teacher literacy  
8 achievement academies developed under Section 21.4552, the  
9 commissioner may, in collaboration with regional education service  
10 centers, provide assistance to school districts and  
11 open-enrollment charter schools in complying with the requirements  
12 of Section 28.0062. The commissioner shall prioritize providing  
13 assistance under this subsection in school districts with the  
14 highest rate of students performing below satisfactory levels on  
15 reading instruments administered under Subsection (b).

16           ~~(j) [No more than 15 percent of the funds certified by the~~  
17 ~~commissioner under Subsection (i) may be spent on indirect costs.]~~  
18 The commissioner shall evaluate the programs that fail to meet the  
19 standard of performance under Section 39.301(c)(5) and may  
20 implement interventions or sanctions under Chapter 39A. [The  
21 commissioner may audit the expenditures of funds appropriated for  
22 purposes of this section. The use of the funds appropriated for  
23 purposes of this section shall be verified as part of the district  
24 audit under Section 44.008.]

25           (n) The agency by rule shall provide a process under which a  
26 school district or open-enrollment charter school may submit an  
27 application for inclusion of a reading instrument on the

1 commissioner's list of reading instruments maintained under this  
2 section.

3 (o) The agency may not use data collected from a reading  
4 instrument administered under this section in evaluating the  
5 performance of a school district or campus under Section 39.054.

6 SECTION 7.05. Subchapter A, Chapter 28, Education Code, is  
7 amended by adding Section 28.0063 to read as follows:

8 Sec. 28.0063. SUPPLEMENTAL READING INSTRUCTION FOR CERTAIN  
9 STUDENTS. (a) A school district or open-enrollment charter school  
10 shall make available supplemental instruction described by Section  
11 28.0211(a-4) to address a student's reading deficiency if the  
12 student's results on both of the reading assessments administered  
13 under Section 28.006 in two consecutive school years indicate the  
14 student needs reading intervention.

15 (b) A parent or guardian of a student described by  
16 Subsection (a) may select a tutor from a list of high-quality tutors  
17 approved by the agency or by the school district or open-enrollment  
18 charter school the student attends to provide the supplemental  
19 instruction required under Subsection (a). The district or school  
20 shall contract directly with the tutor selected, who may be a  
21 classroom teacher employed at the district or school. A classroom  
22 teacher selected as a student's tutor is entitled to supplemental  
23 pay from the district or school. The district or school may not  
24 provide money under this subsection directly to a parent or  
25 guardian of a student.

26 (c) A school district or open-enrollment charter school  
27 shall submit to the agency the district's or school's list of

1 high-quality tutors and publish the list on the district's or  
2 school's Internet website.

3 (d) A school district or open-enrollment charter school  
4 that provides a tutor to a student under this section shall continue  
5 to provide the student any other reading support required of the  
6 district or school by federal or state law.

7 SECTION 7.06. Section 28.009, Education Code, is amended by  
8 amending Subsection (a) and adding Subsection (a-6) to read as  
9 follows:

10 (a) Each school district shall implement a program under  
11 which students may earn the equivalent of at least 12 semester  
12 credit hours of college credit in high school. On request, a public  
13 institution of higher education in this state shall assist a school  
14 district in developing and implementing the program. The college  
15 credit may be earned through:

16 (1) international baccalaureate, advanced placement,  
17 or dual credit courses, including courses provided through OnRamps;

18 (2) articulated postsecondary courses provided for  
19 local credit or articulated postsecondary advanced technical  
20 credit courses provided for state credit; or

21 (3) any combination of the courses described by  
22 Subdivisions (1) and (2).

23 (a-6) Each school district shall report through the Public  
24 Education Information Management System (PEIMS) the number of  
25 district students who, during that school year, were enrolled in an  
26 OnRamps course and provide the name of the OnRamps courses in which  
27 the students were enrolled. The commissioner shall establish a

1 unique identifier in PEIMS for each OnRamps course offered.

2 SECTION 7.07. Subchapter E, Chapter 29, Education Code, is  
3 amended by adding Section 29.1537 to read as follows:

4 Sec. 29.1537. PREKINDERGARTEN COMMUNITY-BASED CHILD-CARE  
5 PARTNERSHIP GRANT PROGRAM. (a) The commissioner shall establish  
6 and administer a grant program to support school districts and  
7 open-enrollment charter schools in increasing partnerships with  
8 community-based child-care providers to provide prekindergarten  
9 classes under Section 29.153.

10 (b) A school district or open-enrollment charter school may  
11 apply for a grant under the grant program in partnership with a  
12 community-based child-care provider described by Section  
13 29.153(g).

14 (c) A school district or open-enrollment charter school  
15 shall use money received under the grant program to fund the  
16 enrollment of eligible children in prekindergarten classes  
17 provided under Section 29.153 through a partnership between the  
18 district or school and a community-based child-care provider  
19 described by Section 29.153(g). A child is eligible for enrollment  
20 in a prekindergarten class described by this subsection using money  
21 received under the grant program if the child:

22 (1) is at least three years of age; and

23 (2) receives subsidized child-care services provided  
24 through the child-care services program administered by the Texas  
25 Workforce Commission.

26 (d) The commissioner may provide grants under the grant  
27 program for the enrollment in each school year of not more than

1 3,500 children in a prekindergarten class described by Subsection  
2 (c).

3 (e) The agency shall annually report to the legislature  
4 regarding the number of children described by Subsection (c)  
5 enrolled in a prekindergarten class.

6 SECTION 7.08. Section 29.1543, Education Code, is amended  
7 to read as follows:

8 Sec. 29.1543. EARLY EDUCATION REPORTS. The agency shall  
9 produce and make available to the public on the agency's Internet  
10 website annual district and campus-level reports containing  
11 information from the previous school year on early education in  
12 school districts and open-enrollment charter schools. A report  
13 under this section must contain:

14 (1) the information required by Section 29.1532(c) to  
15 be reported through the Public Education Information Management  
16 System (PEIMS);

17 (2) a description of any ~~the~~ diagnostic reading  
18 instruments administered as provided by Section 28.006 ~~[in~~  
19 ~~accordance with Section 28.006(c) or (c-2)]~~;

20 (3) the number of students who were administered a  
21 diagnostic reading instrument administered as provided by Section  
22 28.006 ~~[in accordance with Section 28.006(c) or (c-2)]~~;

23 (4) the number of students whose scores from a  
24 diagnostic reading instrument administered as provided by Section  
25 28.006 ~~[in accordance with Section 28.006(c) or (c-2)]~~ indicate  
26 reading proficiency;

27 (5) the number of kindergarten students who were

1 enrolled in a prekindergarten program in the previous school year  
2 in the same district or school as the district or school in which  
3 the student attends kindergarten;

4 (6) the number and percentage of students who perform  
5 satisfactorily on the third grade reading or mathematics assessment  
6 instrument administered under Section 39.023, disaggregated by  
7 whether the student was eligible for free prekindergarten under  
8 Section 29.153;

9 (7) the number of students described by Subdivision  
10 (6) who attended kindergarten in the district, disaggregated by:

11 (A) whether the student met the kindergarten  
12 readiness standard on a the reading instrument adopted under  
13 Section 28.006;

14 (B) whether the student attended prekindergarten  
15 in the district; and

16 (C) the type of prekindergarten the student  
17 attended, if applicable; and

18 (8) the information described by Subdivisions (6) and  
19 (7) disaggregated by whether the student is educationally  
20 disadvantaged.

21 SECTION 7.09. Subchapter 7, Chapter 29, Education Code, is  
22 amended by adding Section 29.9016 to read as follows:

23 Sec. 29.9016. CAREER AND MILITARY TECHNICAL GRANT PILOT  
24 PROGRAM. (a) The agency shall establish a pilot program to award  
25 grants to school districts to implement or maintain a program under  
26 which the district:

27 (1) establishes a junior reserve officer training



1 corps program under 10 U.S.C. Section 2031 for students in high  
2 school;

3 (2) annually administers the Armed Services  
4 Vocational Aptitude Battery test to each student in grades 9  
5 through 12; and

6 (3) provides career counseling at least once each year  
7 to each student administered the test under Subdivision (2) based  
8 on the results of the test.

9 (b) The amount of a grant awarded under the pilot program is  
10 \$50,000.

11 (c) The total amount of grants awarded under the pilot  
12 program for a school year may not exceed \$2 million.

13 (d) Not later than December 1, 2026, the agency shall submit  
14 to the legislature a report on the results of the pilot program.  
15 The report must include the agency's recommendation on whether the  
16 pilot program should be continued, expanded, or terminated.

17 (e) The commissioner may adopt rules necessary to implement  
18 the pilot program.

19 (f) This section expires September 1, 2027.

20 SECTION 7.10. Chapter 791, Government Code, is amended by  
21 adding Subchapter D to read as follows:

22 SUBCHAPTER D. INTERLOCAL CONTRACTING BETWEEN LOCAL EDUCATION

23 AGENCIES TO PROCURE HEALTH INSURANCE COVERAGE

24 Sec. 791.051. DEFINITIONS. In this subchapter:

25 (1) "Cooperative" means a cooperative established  
26 under this subchapter by an interlocal contract for group health  
27 coverage.

1           (2) "Local education agency" means:

2                   (A) a school district; or

3                   (B) an open-enrollment charter school as defined  
4 by Section 5.001, Education Code.

5           (3) "Participating local education agency" means,  
6 with respect to a cooperative, a local education agency that  
7 participates in the cooperative.

8           Sec. 791.052. COMPLIANCE WITH SUBCHAPTER REQUIRED. A local  
9 education agency shall comply with this subchapter when procuring  
10 and administering employee group health coverage with another local  
11 education agency.

12           Sec. 791.053. INTERLOCAL CONTRACT FOR GROUP HEALTH  
13 INSURANCE COVERAGE. (a) The governing body of a local education  
14 agency may by resolution enter into an interlocal contract and  
15 cooperate with one or more other local education agencies to  
16 establish a cooperative for the purposes of procuring group health  
17 insurance coverage under this subchapter.

18           (b) The governing body of a local education agency may renew  
19 an interlocal contract entered into under Subsection (a).

20           (c) This subchapter does not affect the ability of local  
21 education agencies to provide group health coverage through a risk  
22 pool established in accordance with Chapter 172, Local Government  
23 Code.

24           Sec. 791.054. COOPERATIVE. (a) A cooperative is a legal  
25 entity that may procure employee group health insurance coverage  
26 for each participating local education agency.

27           (b) Participating local education agencies may contract for

1 the supervision and administration of the cooperative in accordance  
2 with Section 791.013.

3 (c) Except as provided by this subsection, a cooperative is  
4 governed by a board of directors composed of the chief executive  
5 officers of each participating local education agency or the  
6 officers' designees. If the cooperative is composed of more than  
7 seven local education agencies, the cooperative shall appoint at  
8 least seven directors to serve on the cooperative's board of  
9 directors.

10 Sec. 791.055. PROCUREMENT. (a) A cooperative must procure  
11 a contract for employee group health coverage under this subchapter  
12 through a request for proposals to potential vendors advertised in  
13 a manner consistent with Section 44.031(g), Education Code, in at  
14 least one county in which a participating local education agency's  
15 central office is located.

16 (b) The board of directors of a cooperative shall select the  
17 vendor that provides the best value to participating local  
18 education agencies considering the factors described by Section  
19 44.031(b), Education Code.

20 (c) A cooperative that enters into a contract in accordance  
21 with this section satisfies a competitive bidding requirement  
22 applicable to the procurement of group health coverage under other  
23 law.

24 Sec. 791.056. OFFER OF COVERAGE; PREMIUM LIABILITY. (a) A  
25 cooperative shall offer one or more group health insurance plans  
26 procured under Section 791.055 to employees of participating local  
27 education agencies and dependents of those employees.



1 SECTION 8.02. Section 7.0561(f), Education Code, is amended  
2 to read as follows:

3 (f) In consultation with interested school districts,  
4 open-enrollment charter schools, and other appropriate interested  
5 persons, the commissioner shall adopt rules applicable to the  
6 consortium, according to the following principles for a next  
7 generation of higher performing public schools:

8 (1) engagement of students in digital learning,  
9 including engagement through the use of electronic textbooks and  
10 instructional materials adopted under Subchapters B and B-1,  
11 Chapter 31, and virtual or hybrid courses offered by school  
12 districts and open-enrollment charter schools under Chapter 30B  
13 ~~[through the state virtual school network under Subchapter 30A];~~

14 (2) emphasis on learning standards that focus on  
15 high-priority standards identified in coordination with districts  
16 and charter schools participating in the consortium;

17 (3) use of multiple assessments of learning capable of  
18 being used to inform students, parents, districts, and charter  
19 schools on an ongoing basis concerning the extent to which learning  
20 is occurring and the actions consortium participants are taking to  
21 improve learning; and

22 (4) reliance on local control that enables communities  
23 and parents to be involved in the important decisions regarding the  
24 education of their children.

25 SECTION 8.03. Section 25.007(b), Education Code, is amended  
26 to read as follows:

27 (b) In recognition of the challenges faced by students who

1 are homeless or in substitute care, the agency shall assist the  
2 transition of students who are homeless or in substitute care from  
3 one school to another by:

4 (1) ensuring that school records for a student who is  
5 homeless or in substitute care are transferred to the student's new  
6 school not later than the 10th working day after the date the  
7 student begins enrollment at the school;

8 (2) developing systems to ease transition of a student  
9 who is homeless or in substitute care during the first two weeks of  
10 enrollment at a new school;

11 (3) developing procedures for awarding credit,  
12 including partial credit if appropriate, for course work, including  
13 electives, completed by a student who is homeless or in substitute  
14 care while enrolled at another school;

15 (4) developing procedures to ensure that a new school  
16 relies on decisions made by the previous school regarding placement  
17 in courses or educational programs of a student who is homeless or  
18 in substitute care and places the student in comparable courses or  
19 educational programs at the new school, if those courses or  
20 programs are available;

21 (5) promoting practices that facilitate access by a  
22 student who is homeless or in substitute care to extracurricular  
23 programs, summer programs, credit transfer services, virtual or  
24 hybrid [~~electronic~~] courses provided under Chapter 30B [~~30A~~], and  
25 after-school tutoring programs at nominal or no cost;

26 (6) establishing procedures to lessen the adverse  
27 impact of the movement of a student who is homeless or in substitute

1 care to a new school;

2 (7) entering into a memorandum of understanding with  
3 the Department of Family and Protective Services regarding the  
4 exchange of information as appropriate to facilitate the transition  
5 of students in substitute care from one school to another;

6 (8) encouraging school districts and open-enrollment  
7 charter schools to provide services for a student who is homeless or  
8 in substitute care in transition when applying for admission to  
9 postsecondary study and when seeking sources of funding for  
10 postsecondary study;

11 (9) requiring school districts, campuses, and  
12 open-enrollment charter schools to accept a referral for special  
13 education services made for a student who is homeless or in  
14 substitute care by a school previously attended by the student, and  
15 to provide comparable services to the student during the referral  
16 process or until the new school develops an individualized  
17 education program for the student;

18 (10) requiring school districts, campuses, and  
19 open-enrollment charter schools to provide notice to the child's  
20 educational decision-maker and caseworker regarding events that  
21 may significantly impact the education of a child, including:

22 (A) requests or referrals for an evaluation under  
23 Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794), or  
24 special education under Section [29.003](#);

25 (B) admission, review, and dismissal committee  
26 meetings;

27 (C) manifestation determination reviews required

1 by Section 37.004(b);

2 (D) any disciplinary actions under Chapter 37 for  
3 which parental notice is required;

4 (E) citations issued for Class C misdemeanor  
5 offenses on school property or at school-sponsored activities;

6 (F) reports of restraint and seclusion required  
7 by Section 37.0021;

8 (G) use of corporal punishment as provided by  
9 Section 37.0011; and

10 (H) appointment of a surrogate parent for the  
11 child under Section 29.0151;

12 (11) developing procedures for allowing a student who  
13 is homeless or in substitute care who was previously enrolled in a  
14 course required for graduation the opportunity, to the extent  
15 practicable, to complete the course, at no cost to the student,  
16 before the beginning of the next school year;

17 (12) ensuring that a student who is homeless or in  
18 substitute care who is not likely to receive a high school diploma  
19 before the fifth school year following the student's enrollment in  
20 grade nine, as determined by the district, has the student's course  
21 credit accrual and personal graduation plan reviewed;

22 (13) ensuring that a student in substitute care who is  
23 in grade 11 or 12 be provided information regarding tuition and fee  
24 exemptions under Section 54.366 for dual-credit or other courses  
25 provided by a public institution of higher education for which a  
26 high school student may earn joint high school and college credit;

27 (14) designating at least one agency employee to act



1 as a liaison officer regarding educational issues related to  
2 students in the conservatorship of the Department of Family and  
3 Protective Services; and

4 (15) providing other assistance as identified by the  
5 agency.

6 SECTION 8.04. The heading to Section 26.0031, Education  
7 Code, is amended to read as follows:

8 Sec. 26.0031. RIGHTS CONCERNING [~~STATE~~] VIRTUAL AND HYBRID  
9 COURSES [~~SCHOOL NETWORK~~].

10 SECTION 8.05. Section 26.0031, Education Code, is amended  
11 by amending Subsections (a), (b), (c), (c-1), (d), and (e) and  
12 adding Subsection (b-1) to read as follows:

13 (a) At the time and in the manner that a school district or  
14 open-enrollment charter school informs students and parents about  
15 courses that are offered in the district's or school's traditional  
16 classroom setting, the district or school shall notify parents and  
17 students of the option to enroll in a virtual or hybrid [~~an~~  
18 ~~electronic~~] course offered by the district or school in which the  
19 student is enrolled or by another district or school [~~through the~~  
20 ~~state virtual school network~~] under Chapter 30B [~~30A~~].

21 (b) Except as provided by Subsection (c), a school district  
22 or open-enrollment charter school in which a student is enrolled as  
23 a full-time student may not deny the request of a parent of a  
24 student to enroll the student in a virtual or hybrid [~~an electronic~~]  
25 course offered by the district or school in which the student is  
26 enrolled or by another district or school [~~through the state~~  
27 ~~virtual school network~~] under Chapter 30B [~~30A~~].

1        (b-1) A school district or open-enrollment charter school  
2 may not actively discourage a student, including by threat or  
3 intimidation, from enrolling in a virtual or hybrid course.

4        (c) A school district or open-enrollment charter school may  
5 deny a request to enroll a student in a virtual or hybrid [~~an~~  
6 ~~electronic~~] course if:

7            (1) a student attempts to enroll in a course load that  
8 is inconsistent with the student's high school graduation plan or  
9 requirements for college admission or earning an industry  
10 certification;

11           (2) the student requests permission to enroll in a  
12 virtual or hybrid [~~an electronic~~] course at a time that is not  
13 consistent with the enrollment period established by the school  
14 district or open-enrollment charter school providing the course; or

15           (3) the district or school determines that the cost of  
16 the course is too high [~~offers a substantially similar course~~].

17        (c-1) A school district or open-enrollment charter school  
18 may decline to pay the cost for a student of more than three  
19 yearlong virtual [~~electronic~~] courses, or the equivalent, during  
20 any school year. This subsection does not:

21           (1) limit the ability of the student to enroll in  
22 additional virtual [~~electronic~~] courses at the student's cost; or

23           (2) apply to a student enrolled in a full-time virtual  
24 [~~online~~] program [~~that was operating on January 1, 2013~~].

25        (d) Notwithstanding Subsection (c)(2), a school district or  
26 open-enrollment charter school that provides a virtual or hybrid  
27 [~~an electronic~~] course [~~through the state virtual school network~~]

1 under Chapter 30B [~~30A~~] shall make all reasonable efforts to  
2 accommodate the enrollment of a student in the course under special  
3 circumstances.

4 (e) A school district or open-enrollment charter school  
5 that denies a request to enroll a student in a virtual or hybrid  
6 course under Subsection (c) must provide a written explanation of  
7 the denial to the student and the student's parent. The written  
8 explanation must provide notice of the student's ability to appeal  
9 the decision and an explanation of the appeal process, including  
10 the process of pursuing a final appeal heard by the board of  
11 trustees of the district or the governing board of the school. A  
12 determination made by the board of trustees of the school district  
13 or the governing board of the open-enrollment charter school [~~A~~  
14 ~~parent may appeal to the commissioner a school district's or~~  
15 ~~open-enrollment charter school's decision to deny a request to~~  
16 ~~enroll a student in an electronic course offered through the state~~  
17 ~~virtual school network. The commissioner's decision] under this  
18 subsection is final and may not be appealed.~~

19 SECTION 8.06. Subtitle F, Title 2, Education Code, is  
20 amended by adding Chapter 30B to read as follows:

21 CHAPTER 30B. VIRTUAL AND HYBRID CAMPUSES, PROGRAMS, AND COURSES

22 SUBCHAPTER A. GENERAL PROVISIONS

23 Sec. 30B.001. DEFINITIONS. In this chapter:

24 (1) "Full-time hybrid campus" means a school district  
25 or open-enrollment charter school campus at which at least 50  
26 percent of the enrolled students are enrolled in a full-time hybrid  
27 program authorized under Subchapter C.

1           (2) "Full-time hybrid program" means a full-time  
2 educational program offered by a school district or open-enrollment  
3 charter school campus in which:

4           (A) a student is in attendance in person for less  
5 than 90 percent of the minutes of instruction provided; and

6           (B) the instruction and content may be delivered  
7 synchronously or asynchronously over the Internet, in person, or  
8 through other means.

9           (3) "Full-time virtual campus" means a school district  
10 or open-enrollment charter school campus at which at least 50  
11 percent of the enrolled students are enrolled in a full-time  
12 virtual program authorized under Subchapter C.

13           (4) "Full-time virtual program" means a full-time  
14 educational program offered by a school district or open-enrollment  
15 charter school campus in which:

16           (A) a student is in attendance in person  
17 minimally or not at all; and

18           (B) the instruction and content are delivered  
19 synchronously or asynchronously primarily over the Internet.

20           (5) "Hybrid course" means a course in which:

21           (A) a student is in attendance in person for less  
22 than 90 percent of the minutes of instruction provided; and

23           (B) the instruction and content may be delivered  
24 synchronously or asynchronously over the Internet, in person, or  
25 through other means.

26           (6) "Parent" means a student's parent or a person  
27 standing in parental relation to a student.

1           (7) "Virtual course" means a course in which  
2 instruction and content are delivered synchronously or  
3 asynchronously primarily over the Internet.

4           (8) "Whole program virtual instruction provider"  
5 means a private or third-party service that provides oversight and  
6 management of the virtual instruction services or otherwise  
7 provides a preponderance of those services for a full-time virtual  
8 or full-time hybrid campus or program.

9           Sec. 30B.002. RULES. (a) The commissioner shall adopt  
10 rules as necessary to administer this chapter.

11           (b) To the extent practicable, the commissioner shall  
12 consult school districts, open-enrollment charter schools, and  
13 parents in adopting rules under this section.

14           (c) The agency may form an advisory committee to comply with  
15 the provisions of this section. Chapter 2110, Government Code,  
16 does not apply to an advisory committee formed under this section.

17           Sec. 30B.003. GRANTS AND FEDERAL FUNDS. (a) For purposes  
18 of this chapter, the commissioner may seek and accept a grant from a  
19 public or private person.

20           (b) For purposes of this chapter, the commissioner may  
21 accept federal funds and shall use those funds in compliance with  
22 applicable federal law, regulations, and guidelines.

23           Sec. 30B.004. PROVISION OF COMPUTER EQUIPMENT OR INTERNET  
24 SERVICE. This chapter does not:

25           (1) require a school district, an open-enrollment  
26 charter school, a virtual course provider, or the state to provide a  
27 student with home computer equipment or Internet access for a

1 virtual course provided by a school district or open-enrollment  
2 charter school; or

3 (2) prohibit a school district or open-enrollment  
4 charter school from providing a student with home computer  
5 equipment or Internet access for a virtual course provided by the  
6 district or school.

7 Sec. 30B.005. EXTRACURRICULAR ACTIVITY. A student enrolled  
8 in a virtual or hybrid course, program, or campus offered under this  
9 chapter may participate in an extracurricular activity sponsored or  
10 sanctioned by the school district or open-enrollment charter school  
11 in which the student is enrolled or by the University  
12 Interscholastic League in the same manner as other district or  
13 school students.

14 Sec. 30B.006. HYBRID AND VIRTUAL INSTRUCTION PERMITTED.

15 (a) A school district or open-enrollment charter school may  
16 deliver instruction through hybrid courses, virtual courses,  
17 full-time hybrid programs, and full-time virtual programs in the  
18 manner provided by this chapter.

19 (b) The following entities may deliver instruction through  
20 hybrid or virtual courses under this chapter in the same manner  
21 provided for a school district or open-enrollment charter school:

22 (1) a consortium of school districts or  
23 open-enrollment charter schools;

24 (2) an institution of higher education, as that term  
25 is defined by Section 61.003; or

26 (3) a regional education service center.

27 (c) A school district or open-enrollment charter school

1 that delivers instruction through a hybrid or virtual course shall  
2 develop written information describing each hybrid or virtual  
3 course available for enrollment and complying with any other  
4 requirement of Section 26.0031.

5 (d) A school district or open-enrollment charter school  
6 shall make information under this section available to students and  
7 parents at the time students ordinarily select courses and may  
8 provide that information to students and parents at other times as  
9 determined by the district or school.

10 Sec. 30B.007. FOUNDATION SCHOOL FUNDING. A student  
11 enrolled in a hybrid course, virtual course, full-time hybrid  
12 program, or full-time virtual program offered under this chapter by  
13 a school district or open-enrollment charter school is counted  
14 toward the district's or school's average daily attendance in the  
15 same manner as district or school students not enrolled in a hybrid  
16 course, virtual course, full-time hybrid program, or full-time  
17 virtual program.

18 SUBCHAPTER B. HYBRID AND VIRTUAL COURSES

19 Sec. 30B.051. HYBRID OR VIRTUAL COURSE QUALITY  
20 REQUIREMENTS. (a) A school district or open-enrollment charter  
21 school that offers a hybrid or virtual course under this chapter  
22 must certify to the commissioner that the course:

23 (1) includes the appropriate essential knowledge and  
24 skills adopted under Subchapter A, Chapter 28;

25 (2) provides instruction at the appropriate level of  
26 rigor for the grade level at which the course is offered and will  
27 prepare a student enrolled in the course for the student's next

1 grade level or a subsequent course in a similar subject matter; and  
2 (3) except as provided by Subsection (b), meets  
3 standards for hybrid or virtual courses adopted by the  
4 commissioner.

5 (b) If the commissioner has not adopted applicable  
6 standards for hybrid or virtual courses, a school district or  
7 open-enrollment charter school that offers a hybrid or virtual  
8 course must instead certify to the commissioner that the course  
9 meets the National Standards for Quality Online Courses published  
10 by the Virtual Learning Leadership Alliance, Quality Matters, and  
11 the Digital Learning Collaborative, or a successor publication.

12 Sec. 30B.052. RIGHTS OF STUDENTS REGARDING HYBRID AND  
13 VIRTUAL COURSES. (a) Except as provided by Section 30B.104(b), a  
14 school district or open-enrollment charter school may not require a  
15 student to enroll in a hybrid or virtual course.

16 (b) A hybrid or virtual course offered under this chapter to  
17 a student receiving special education services or other  
18 accommodations must meet the needs of the participating student in  
19 a manner consistent with Subchapter A, Chapter 29, and with federal  
20 law, including the Individuals with Disabilities Education Act (20  
21 U.S.C. Section 1400 et seq.) and Section 504, Rehabilitation Act of  
22 1973 (29 U.S.C. Section 794), as applicable.

23 Sec. 30B.053. RIGHTS OF TEACHERS REGARDING HYBRID AND  
24 VIRTUAL COURSES. (a) Except as provided by Subsection (a-1), a  
25 school district or open-enrollment charter school may not require a  
26 classroom teacher to provide both virtual instruction and in-person  
27 instruction for a course offered under this chapter during the same



1 class period. The commissioner may waive the requirements of this  
2 subsection for courses included in the enrichment curriculum under  
3 Section 28.002.

4 (a-1) Subsection (a) does not apply to a requirement that a  
5 classroom teacher simulcast the teacher's in-person instruction  
6 provided that the teacher is not required to interact with students  
7 observing the instruction virtually.

8 (b) A classroom teacher may not provide instruction for a  
9 hybrid or virtual course offered under this chapter unless:

10 (1) the teacher has received appropriate professional  
11 development in hybrid or virtual instruction, as determined by the  
12 school district or open-enrollment charter school at which the  
13 teacher is employed; or

14 (2) the district or school has determined that the  
15 teacher has sufficient previous experience to not require the  
16 professional development described by Subdivision (1).

17 (c) A school district or open-enrollment charter school may  
18 not directly or indirectly coerce any classroom teacher hired to  
19 provide in-person instruction to agree to an assignment to teach a  
20 hybrid or virtual course.

21 Sec. 30B.054. ASSESSMENTS. Except as authorized by  
22 commissioner rule, an assessment instrument administered under  
23 Section 39.023 or 39.025 to a student enrolled in a hybrid or  
24 virtual course offered under this chapter shall be administered to  
25 the student in the same manner in which the assessment instrument is  
26 administered to a student enrolled in an in-person course at the  
27 student's school district or open-enrollment charter school.

1       Sec. 30B.055. TUITION AND FEES. A school district or  
2 open-enrollment charter school may charge tuition and fees for a  
3 hybrid or virtual course provided to a student who:

4           (1) is not eligible to enroll in a public school in  
5 this state; or

6           (2) is not enrolled in the school district or  
7 open-enrollment charter school.

8       Sec. 30B.056. ATTENDANCE FOR CLASS CREDIT OR GRADE.

9 Notwithstanding Section 25.092, a school district or  
10 open-enrollment charter school shall establish the participation  
11 necessary to earn credit or a grade for a hybrid or virtual course  
12 offered by the district or school.

13       Sec. 30B.057. AGENCY PUBLICATION OF AVAILABLE VIRTUAL

14 COURSES. (a) The agency shall publish a list of virtual courses  
15 offered by school districts and open-enrollment charter schools in  
16 this state that includes:

17           (1) whether the course is available to a student who is  
18 not otherwise enrolled in the offering district or school;

19           (2) the cost of the course; and

20           (3) information regarding any third-party provider  
21 involved in the delivery of the course.

22       (b) A school district or open-enrollment charter school  
23 shall provide to the agency information required to publish the  
24 list under Subsection (a).

25       SUBCHAPTER C. FULL-TIME HYBRID AND FULL-TIME VIRTUAL CAMPUSES

26       Sec. 30B.101. FULL-TIME HYBRID OR FULL-TIME VIRTUAL CAMPUS  
27 AUTHORIZATION. (a) A school district or open-enrollment charter

1 school may operate a full-time hybrid campus or a full-time virtual  
2 campus if authorized by the commissioner in accordance with this  
3 section.

4 (b) The commissioner shall adopt rules establishing the  
5 requirements for and process by which a school district or  
6 open-enrollment charter school may apply for authorization to  
7 operate a full-time hybrid campus or a full-time virtual campus.  
8 The rules adopted by the commissioner may require certain written  
9 application materials and interviews and shall require a school  
10 district or open-enrollment charter school to:

11 (1) engage in a year of planning before offering a  
12 course under this chapter to verify the course is designed in  
13 accordance with high-quality criteria;

14 (2) develop an academic plan that incorporates:

15 (A) curriculum and instructional practices  
16 aligned with the appropriate essential knowledge and skills  
17 provided under Subchapter A, Chapter 28;

18 (B) monitoring of the progress of student  
19 performance and interventions;

20 (C) a method for meeting the needs of and  
21 complying with federal and state requirements for special  
22 populations and at-risk students; and

23 (D) compliance with the requirements of this  
24 chapter;

25 (3) develop an operations plan that addresses:

26 (A) staffing models;

27 (B) the designation of selected school leaders;

- 1           (C) professional development for staff;
- 2           (D) student and family engagement;
- 3           (E) school calendars and schedules;
- 4           (F) student enrollment eligibility;
- 5           (G) cybersecurity and student data privacy
- 6 measures; and
- 7           (H) any educational services to be provided by a
- 8 private or third party; and

9           (4) demonstrate the capacity to execute the district's  
10 or school's plan successfully.

11           (c) A full-time hybrid campus or full-time virtual campus  
12 authorized under this section must include:

13           (1) at least one grade level in which an assessment  
14 instrument is required to be administered under Section 39.023(a)  
15 or (c), including each subject or course for which an assessment  
16 instrument is required in that grade level;

17           (2) sufficient grade levels, as determined by the  
18 commissioner, to allow for the annual evaluation of the performance  
19 of students who complete the courses offered; or

20           (3) for a campus that does not include grade levels  
21 described by Subdivision (1) or (2), another performance evaluation  
22 measure approved by the commissioner during the authorization  
23 process.

24           (d) A campus approved under this subchapter may only apply  
25 for and receive authorization to operate as a full-time hybrid  
26 campus or a full-time virtual campus. A campus may not change its  
27 operation designation during the authorization process or after the

1 campus is authorized.

2 (e) The commissioner may only authorize a school district or  
3 open-enrollment charter school to operate a full-time hybrid campus  
4 or a full-time virtual campus if the commissioner determines that  
5 the authorization of the campus is likely to result in improved  
6 student learning opportunities. If a district or school will use a  
7 private or third party in operating the campus, the commissioner  
8 shall consider the historical performance of the private or third  
9 party, if known, in making a determination under this section.

10 (f) A determination made by the commissioner under this  
11 section is final and not subject to appeal.

12 Sec. 30B.102. REVOCATION. (a) Unless revoked as provided  
13 by this section, the commissioner's authorization of a full-time  
14 hybrid campus or full-time virtual campus under Section 30B.101  
15 continues indefinitely.

16 (b) The commissioner shall revoke the authorization of a  
17 full-time hybrid campus or full-time virtual campus if the campus  
18 has been assigned, for the three preceding school years:

19 (1) a needs improvement or unacceptable performance  
20 rating under Subchapter C, Chapter 39;

21 (2) a rating of performance that needs improvement or  
22 unacceptable, as determined by the commissioner, on a performance  
23 evaluation approved by the commissioner under Section  
24 30B.101(c)(3); or

25 (3) any combination of the ratings described by  
26 Subdivision (1) or (2).

27 (c) The commissioner may, based on a special investigation

1 conducted under Section 39.003:

2 (1) revoke an authorization of a full-time hybrid  
3 campus or full-time virtual campus; or

4 (2) require any intervention authorized under that  
5 section.

6 (d) If a private or third party is determined to be  
7 ineligible under Section 30B.152, the commissioner shall revoke an  
8 authorization of a full-time hybrid campus or full-time virtual  
9 campus for which the private or third party acts as a whole program  
10 virtual instruction provider, unless the commissioner approves a  
11 request by the school district or open-enrollment charter school  
12 that operates the campus to use an alternative private or third  
13 party.

14 (e) An appeal by a school district or open-enrollment  
15 charter school of a revocation of an authorization under this  
16 chapter that results in the closure of a campus must be made under  
17 Section 39A.301.

18 Sec. 30B.103. STUDENT ELIGIBILITY. (a) A student eligible  
19 to enroll in a public school of this state is eligible to enroll at a  
20 full-time hybrid campus.

21 (b) A student is eligible to enroll in a full-time virtual  
22 campus if the student:

23 (1) attended a public school in this state for a  
24 minimum of six weeks in the current school year or in the preceding  
25 school year;

26 (2) is, in the school year in which the student first  
27 seeks to enroll in the full-time virtual campus, enrolled in the

1 first grade or a lower grade level;

2 (3) was not required to attend public school in this  
3 state due to nonresidency during the preceding school year;

4 (4) is a dependent of a member of the United States  
5 military who has been deployed; or

6 (5) has been placed in substitute care in this state.

7 Sec. 30B.104. STUDENT RIGHTS REGARDING FULL-TIME HYBRID AND  
8 FULL-TIME VIRTUAL CAMPUSES. (a) A student enrolled in a school  
9 district may not be compelled to enroll in a full-time hybrid or  
10 full-time virtual campus. A school district must offer the option  
11 for a student's parent to select in-person instruction for the  
12 student.

13 (b) Notwithstanding Subsection (a) or Section 30B.052, an  
14 open-enrollment charter school may require a student to attend a  
15 full-time hybrid or full-time virtual campus.

16 Sec. 30B.105. CAMPUS DESIGNATIONS. The commissioner shall  
17 determine and assign a unique campus designation number to each  
18 full-time hybrid campus or full-time virtual campus authorized  
19 under this subchapter.

20 Sec. 30B.106. FUNDING. (a) For purposes of calculating the  
21 average daily attendance of students attending a full-time hybrid  
22 campus or full-time virtual campus, the commissioner shall use the  
23 number of full-time equivalent students enrolled in the full-time  
24 hybrid or full-time virtual campus multiplied by the average  
25 attendance rate of the school district or open-enrollment charter  
26 school that offers the full-time hybrid or full-time virtual campus  
27 not including any student enrolled full-time in a full-time hybrid

1 or full-time virtual campus. In the event that a reliable  
2 attendance rate cannot be determined under this section, the  
3 commissioner shall use the statewide average attendance rate.

4 (b) The commissioner shall provide proportionate funding to  
5 the applicable school district or open-enrollment charter school  
6 for a student that alternates attendance between a traditional,  
7 in-person campus setting and the full-time hybrid or full-time  
8 virtual campus of any single district or school in the same school  
9 year.

10 SUBCHAPTER D. PRIVATE AND THIRD-PARTY PROVIDERS

11 Sec. 30B.151. NOTICE AND USE OF PRIVATE OR THIRD PARTY. (a)  
12 A school district or open-enrollment charter school shall provide  
13 notice to the commissioner of the use of or change in affiliation of  
14 a private or third party acting as a whole program virtual  
15 instruction provider for a full-time hybrid or full-time virtual  
16 campus or program.

17 (b) Except as provided by Section 30B.152, a school district  
18 or open-enrollment charter school may not use a private or third  
19 party to act as a whole program virtual instruction provider if the  
20 party has been determined to be ineligible under that section.

21 Sec. 30B.152. PRIVATE OR THIRD-PARTY ACCOUNTABILITY. (a)  
22 The commissioner shall, to the extent feasible, evaluate the  
23 performance of a private or third party acting as a whole program  
24 virtual instruction provider for a school district or  
25 open-enrollment charter school.

26 (b) The commissioner shall establish a standard to  
27 determine if a private or third party is ineligible to act as a



1 whole program virtual instruction provider. A private or third  
2 party determined to be ineligible under this section remains  
3 ineligible until after the fifth anniversary of that determination.

4 (c) A school district or open-enrollment charter school may  
5 use a private or third party determined to be ineligible under  
6 Subsection (b) as a whole program virtual instruction provider if:

7 (1) the district or school requests approval from the  
8 commissioner; and

9 (2) the commissioner determines that the reasons the  
10 private or third party was declared ineligible under Subsection (b)  
11 will not affect the operation of the party as a whole program  
12 virtual instruction provider at the district or school.

13 SUBCHAPTER E. STATE SUPPORT

14 Sec. 30B.201. EDUCATOR PROFESSIONAL DEVELOPMENT. From  
15 funds appropriated or otherwise available, the agency shall develop  
16 professional development courses and materials aligned with  
17 research-based practices for educators in providing high-quality  
18 virtual education.

19 Sec. 30B.202. DEVELOPMENT GRANTS FOR VIRTUAL EDUCATION.  
20 From funds appropriated or otherwise available, the agency shall  
21 provide grants and technical assistance to school districts and  
22 open-enrollment charter schools to aid in the establishment of  
23 high-quality full-time hybrid or full-time virtual campuses.

24 SECTION 8.07. Section 33.009(d), Education Code, is amended  
25 to read as follows:

26 (d) An academy developed under this section must provide  
27 counselors and other postsecondary advisors with knowledge and

1 skills to provide counseling to students regarding postsecondary  
2 success and productive career planning and must include information  
3 relating to:

4 (1) each endorsement described by Section  
5 28.025(c-1), including:

6 (A) the course requirements for each  
7 endorsement; and

8 (B) the postsecondary educational and career  
9 opportunities associated with each endorsement;

10 (2) available methods for a student to earn credit for  
11 a course not offered at the school in which the student is enrolled,  
12 including enrollment in a virtual [~~an electronic~~] course provided  
13 [~~through the state virtual school network~~] under Chapter 30B [~~30A~~];

14 (3) general academic performance requirements for  
15 admission to an institution of higher education, including the  
16 requirements for automatic admission to a general academic teaching  
17 institution under Section 51.803;

18 (4) regional workforce needs, including information  
19 about the required education and the average wage or salary for  
20 careers that meet those workforce needs; and

21 (5) effective strategies for engaging students and  
22 parents in planning for postsecondary education and potential  
23 careers, including participation in mentorships and business  
24 partnerships.

25 SECTION 8.08. Subchapter A, Chapter 37, Education Code, is  
26 amended by adding Section 37.0071 to read as follows:

27 Sec. 37.0071. VIRTUAL EDUCATION AS ALTERNATIVE TO

1 EXPULSION. (a) Except as provided by Subsection (b), before a  
2 school district or open-enrollment charter school may expel a  
3 student, the district or school shall consider the appropriateness  
4 and feasibility of, as an alternative to expulsion, enrolling the  
5 student in a full-time hybrid program, full-time virtual program,  
6 full-time hybrid campus, or full-time virtual campus, as those  
7 terms are defined in Section 30B.001.

8 (b) Subsection (a) does not apply to a student expelled  
9 under Section 37.0081 or 37.007(a), (d), or (e).

10 SECTION 8.09. Section 48.005, Education Code, is amended by  
11 adding Subsection (e-1) to read as follows:

12 (e-1) In a school year in which the occurrence of an  
13 emergency or crisis, as defined by commissioner rule, causes a  
14 statewide decrease in average daily attendance of school districts  
15 entitled to funding under this chapter or, for an emergency or  
16 crisis occurring only within a specific region of this state,  
17 causes a regional decrease in the average daily attendance of  
18 school districts located in the affected region, the commissioner  
19 shall modify or waive requirements applicable to the affected  
20 districts under this section and adopt appropriate safeguards as  
21 necessary to ensure the continued support and maintenance of an  
22 efficient system of public free schools and the continued delivery  
23 of high-quality instruction under that system.

24 SECTION 8.10. Section 48.053(b), Education Code, is amended  
25 to read as follows:

26 (b) A school district to which this section applies is  
27 entitled to funding under this chapter as if the district were a

1 full-time hybrid campus or full-time virtual campus for purposes of  
2 Section 30B.106 with ~~had~~ no tier one local share for purposes of  
3 Section 48.256 for each student enrolled in the district:

4 (1) who resides in this state; or

5 (2) who:

6 (A) is a dependent of a member of the United  
7 States military;

8 (B) was previously enrolled in school in this  
9 state; and

10 (C) does not reside in this state due to a  
11 military deployment or transfer.

12 SECTION 8.11. Section 48.104(f), Education Code, is amended  
13 to read as follows:

14 (f) A student receiving a full-time virtual education  
15 provided through a full-time virtual campus under Chapter 30B shall  
16 ~~[through the state virtual school network may]~~ be included in  
17 determining the number of students who are educationally  
18 disadvantaged and reside in an economically disadvantaged census  
19 block group under Subsection (b) or (e), as applicable~~[, if the~~  
20 ~~school district submits to the commissioner a plan detailing the~~  
21 ~~enhanced services that will be provided to the student and the~~  
22 ~~commissioner approves the plan].~~

23 SECTION 8.12. Section 48.111, Education Code, is amended by  
24 amending Subsection (b) and adding Subsection (b-1) to read as  
25 follows:

26 (b) For purposes of Subsection (a), in determining the  
27 number of students enrolled in a school district, the commissioner

1 shall exclude students enrolled in the district who receive  
2 full-time instruction provided through a full-time virtual campus  
3 under Chapter 30B [~~through the state virtual school network under~~  
4 ~~Chapter 30A~~].

5 (b-1) For purposes of Subsection (a), in determining the  
6 number of students enrolled in a school district, the commissioner  
7 shall exclude students enrolled in the district who receive  
8 full-time instruction through the state virtual school network  
9 under Chapter 30A as that chapter existed on September 1, 2023.  
10 This subsection expires September 1, 2029.

11 SECTION 8.13. The following provisions of the Education  
12 Code are repealed:

13 (1) Section 26.0031(f); and

14 (2) Chapter 30A.

15 SECTION 8.14. (a) Notwithstanding the repeal by this  
16 article of Chapter 30A, Education Code, a school district or  
17 open-enrollment charter school providing an electronic course or a  
18 full-time program through the state virtual school network in  
19 accordance with Chapter 30A, Education Code, as that law existed  
20 immediately before the effective date of this article, may, except  
21 as provided by Subsection (b) of this section, continue to provide  
22 that course or full-time program as if that chapter were still in  
23 effect until the end of the 2025-2026 school year.

24 (b) The funding provided to a school district or  
25 open-enrollment charter school for a student enrolled in an  
26 electronic course or full-time program offered through the state  
27 virtual school network in accordance with Chapter 30A, Education

1 Code, as that law existed immediately before the effective date of  
2 this article, shall be determined, as applicable, under Section  
3 30B.007 or 30B.106, Education Code, as added by this article.

4 SECTION 8.15. The commissioner of education shall adopt  
5 rules providing an expedited authorization process for a school  
6 district or open-enrollment charter school that applies to operate  
7 a full-time hybrid campus or a full-time virtual campus under  
8 Chapter 30B, Education Code, as added by this article, if the  
9 district or school, as of the effective date of this article:

10 (1) operates an electronic course or full-time program  
11 through the state virtual school network in accordance with Chapter  
12 30A, Education Code, as that law existed immediately before the  
13 effective date of this article; or

14 (2) operates a virtual education program, regardless  
15 of whether the district or school received funding for students  
16 enrolled in the program during the 2022-2023 or 2023-2024 school  
17 year.

18 SECTION 8.16. This article takes effect immediately if this  
19 Act receives a vote of two-thirds of all the members elected to each  
20 house, as provided by Section 39, Article III, Texas Constitution.  
21 If this Act does not receive the vote necessary for immediate  
22 effect, this article takes effect on the 91st day after the last day  
23 of the legislative session.

24 ARTICLE 9. CHANGES RELATED TO ACCOUNTABILITY

25 SECTION 9.01. Subchapter A, Chapter 39, Education Code, is  
26 amended by adding Section 39.008 to read as follows:

27 Sec. 39.008. EXPIRATION OF CHAPTER. This chapter expires

1 August 31, 2026.

2 SECTION 9.02. Subchapter C, Chapter 39, Education Code, is  
3 amended by adding Section 39.0521 to read as follows:

4 Sec. 39.0521. TEMPORARY PROVISION: ASSIGNMENT OF  
5 PERFORMANCE RATINGS AND SCORING OF ASSESSMENT INSTRUMENTS. (a)  
6 Notwithstanding any other law, for the 2023-2024, 2024-2025, and  
7 2025-2026 school years, the commissioner shall use the indicators,  
8 standards, procedures, criteria, and calculations prescribed by  
9 the 2022 Accountability Manual, adopted under 19 T.A.C. Section  
10 97.1001, as that rule existed on September 1, 2023, to:

11 (1) evaluate school district and campus performance  
12 and assign each district and campus a performance rating; and

13 (2) score assessment instruments administered under  
14 Subchapter B.

15 (b) The agency shall receive a direct appropriation from the  
16 legislature for any additional costs for scoring the assessment  
17 instruments administered under Subchapter B in the manner described  
18 by Subsection (a)(2).

19 (c) This section expires August 31, 2026.

20 SECTION 9.03. Section 39.053, Education Code, is amended by  
21 amending Subsection (c) and adding Subsections (c-4), (c-5), and  
22 (c-6) to read as follows:

23 (c) School districts and campuses must be evaluated based on  
24 three domains of indicators of achievement adopted under this  
25 section that include:

26 (1) in the student achievement domain, indicators of  
27 student achievement that must include:

1 (A) for evaluating the performance of districts  
2 and campuses generally:

3 (i) an indicator that accounts for the  
4 results of assessment instruments required under Sections  
5 39.023(a), (c), and (l), as applicable for the district and campus,  
6 including the results of assessment instruments required for  
7 graduation retaken by a student, aggregated across grade levels by  
8 subject area, including:

9 (a) for the performance standard  
10 determined by the commissioner under Section 39.0241(a), the  
11 percentage of students who performed satisfactorily on the  
12 assessment instruments, aggregated across grade levels by subject  
13 area; and

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

19 (ii) an indicator that accounts for the  
20 results of assessment instruments required under Section  
21 39.023(b), as applicable for the district and campus, including the  
22 percentage of students who performed satisfactorily on the  
23 assessment instruments, as determined by the performance standard  
24 adopted by the agency, aggregated across grade levels by subject  
25 area; and

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



1 indicators that account for:

2 (i) students who satisfy the Texas Success  
3 Initiative (TSI) college readiness benchmarks prescribed by the  
4 Texas Higher Education Coordinating Board under Section 51.334 on  
5 an assessment instrument in reading or mathematics designated by  
6 the coordinating board under that section;

7 (ii) students who satisfy relevant  
8 performance standards on advanced placement tests or similar  
9 assessments;

10 (iii) students who earn dual course credits  
11 in the dual credit courses;

12 (iv) students who demonstrate military  
13 readiness by:

14 (a) enlisting [~~enlist~~] in the armed  
15 forces of the United States or the Texas National Guard;

16 (b) achieving a passing score set by  
17 the applicable military branch on the Armed Services Vocational  
18 Aptitude Battery test; or

19 (c) successfully completing a Junior  
20 Reserve Officer Training Corps program;

21 (v) students who earn industry  
22 certifications;

23 (vi) students admitted into postsecondary  
24 industry certification programs that require as a prerequisite for  
25 entrance successful performance at the secondary level;

26 (vii) students whose successful completion  
27 of a course or courses under Section 28.014 indicates the student's

1 preparation to enroll and succeed, without remediation, in an  
2 entry-level general education course for a baccalaureate degree or  
3 associate degree;

4 (viii) students who successfully met  
5 standards on a composite of indicators that through research  
6 indicates the student's preparation to enroll and succeed, without  
7 remediation, in an entry-level general education course for a  
8 baccalaureate degree or associate degree;

9 (ix) high school graduation rates, computed  
10 in accordance with standards and definitions adopted in compliance  
11 with the Every Student Succeeds Act (20 U.S.C. Section 6301 et seq.)  
12 subject to the exclusions provided by Subsections (g), (g-1),  
13 (g-2), (g-3), and (g-4);

14 (x) students who successfully completed an  
15 OnRamps dual enrollment course;

16 (xi) students who successfully completed a  
17 practicum or internship approved by the State Board of Education;

18 (xii) students who are awarded an associate  
19 degree; and

20 (xiii) students who successfully completed  
21 a program of study in career and technical education;

22 (2) in the school progress domain, indicators for  
23 effectiveness in promoting student learning, which must include:

24 (A) for assessment instruments, including  
25 assessment instruments under Subdivisions (1)(A)(i) and (ii), the  
26 percentage of students who met the standard for improvement, as  
27 determined by the commissioner; and

1 (B) for evaluating relative performance, the  
2 performance of districts and campuses compared to similar districts  
3 or campuses; and

4 (3) in the closing the gaps domain, the use of  
5 disaggregated data to demonstrate the differentials among students  
6 from different racial and ethnic groups, socioeconomic  
7 backgrounds, and other factors, including:

8 (A) students formerly receiving special  
9 education services;

10 (B) students continuously enrolled; and

11 (C) students who are mobile.

12 (c-4) The agency shall study the college, career, and  
13 military readiness indicators adopted under Subsection (c) to  
14 determine the correlation of each indicator with post-secondary  
15 success, including the correlation of industry certifications with  
16 wages and available jobs. The assignment of value for an indicator  
17 must be based on the strength of the indicator's correlation with  
18 successful outcomes.

19 (c-5) The agency shall maintain a list of industry  
20 certifications that are eligible for purposes of Subsection  
21 (c)(1)(B)(v). The certifications must:

22 (1) be aligned to a program of study that, according to  
23 labor market data, prepares students for high-wage, high-skill,  
24 in-demand occupations;

25 (2) allow students to demonstrate mastery of the  
26 skills required for occupations within an approved program of  
27 study; and

1           (3) be obtained through an assessment of the knowledge  
2 and skills provided by or determined by an independent, third-party  
3 certifying entity using predetermined standards for knowledge,  
4 skills, and competencies.

5           (c-6) The agency shall determine the eligibility of  
6 industry certifications under Subsection (c-5) using the most  
7 current labor market information. A certification the agency  
8 determines is no longer eligible for purposes of Subsection  
9 (c)(1)(B)(v) shall be removed from the list maintained under  
10 Subsection (c-5) not later than four years after the date the agency  
11 makes the determination. During the four years following an  
12 agency's determination under this subsection that an industry  
13 certification is no longer eligible for purposes of Subsection  
14 (c)(1)(B)(v), a school district may receive the benefit of  
15 achievement indicators based on that industry certification for  
16 purposes of Subsection (c) only for a cohort of students who earn  
17 the industry certification and graduate within the four-year  
18 period.

19           SECTION 9.04. Section [39.0541](#), Education Code, is amended  
20 to read as follows:

21           Sec. 39.0541. ADOPTION OF INDICATORS AND STANDARDS. The  
22 commissioner may adopt indicators and standards under this  
23 subchapter at any time [~~during a school year~~] before issuing the  
24 evaluation of a school district or campus for a school year.

25           SECTION 9.05. Section [39.0542\(a\)](#), Education Code, is  
26 amended to read as follows:

27           (a) The [~~Each school year, the~~] commissioner shall provide

1 each school district a document in a simple, accessible format that  
2 explains the accountability performance measures, methods, and  
3 procedures that will be applied [~~for that school year~~] in assigning  
4 each school district and campus a performance rating under Section  
5 39.054.

6 SECTION 9.06. Subchapter H, Chapter 39, Education Code, is  
7 amended by adding Section 39.231 to read as follows:

8 Sec. 39.231. LOCAL ACCOUNTABILITY GRANT PROGRAM. (a) With  
9 funds appropriated or otherwise available for the purpose, the  
10 agency shall establish a grant program with capacity to assist at  
11 least one school district per education service center region in  
12 developing local accountability systems that comply with the  
13 requirements of Section 39.0544.

14 (b) The commissioner shall adopt rules to implement this  
15 section.

16 SECTION 9.07. Chapter 39, Education Code, is amended by  
17 adding Subchapter N to read as follows:

18 SUBCHAPTER N. TEXAS COMMISSION ON ASSESSMENT AND ACCOUNTABILITY

19 Sec. 39.451. DEFINITION. In this subchapter, "commission"  
20 means the Texas Commission on Assessment and Accountability.

21 Sec. 39.452. TEXAS COMMISSION ON ASSESSMENT AND  
22 ACCOUNTABILITY. (a) The commission is established to develop and  
23 make recommendations for:

24 (1) improvements to the current public school  
25 assessment and accountability systems; and

26 (2) the adoption of a new assessment and  
27 accountability system as provided by the Every Student Succeeds Act

1 (20 U.S.C. Section 6301 et seq.).

2 (b) The commission is composed of 15 members, consisting of:

3 (1) four members appointed by the governor;

4 (2) five members appointed by the lieutenant governor;

5 (3) five members appointed by the speaker of the house  
6 of representatives; and

7 (4) a member of the State Board of Education, as  
8 designated by the chair of that board.

9 (c) The members appointed by the governor must have an  
10 interest in public education and include at least:

11 (1) one person who is a current or retired classroom  
12 teacher with at least 10 years of teaching experience;

13 (2) one person who is a member of the business  
14 community; and

15 (3) one person who is a member of the civic community.

16 (d) The appointments made by the lieutenant governor and the  
17 speaker of the house of representatives must each consist of:

18 (1) three members of the applicable legislative  
19 chamber;

20 (2) an administrator in the public school system or an  
21 elected member of the board of trustees of a school district; and

22 (3) a member of the public who works in public  
23 education with experience in the assessment and accountability  
24 system.

25 (e) In making appointments under Subsections (b)(1), (2),  
26 and (3), the governor, lieutenant governor, and speaker of the  
27 house of representatives shall coordinate to ensure that the

1 membership of the commission reflects, to the extent possible, the  
2 ethnic and geographic diversity of this state.

3 Sec. 39.453. PRESIDING OFFICER. The governor shall  
4 designate the presiding officer of the commission.

5 Sec. 39.454. COMPENSATION AND REIMBURSEMENT. A member of  
6 the commission is not entitled to compensation for service on the  
7 commission but is entitled to reimbursement for actual and  
8 necessary expenses incurred in performing commission duties.

9 Sec. 39.455. ADMINISTRATIVE SUPPORT AND FUNDING. (a) One  
10 full-time employee of the agency shall provide administrative  
11 support for the commission. Funding for the full-time employee  
12 shall be provided by legislative appropriation not to exceed  
13 \$100,000 made to the agency for that purpose.

14 (b) Funding for the administrative and operational expenses  
15 of the commission shall be provided by legislative appropriation  
16 not to exceed \$100,000 made to the agency for that purpose.

17 Sec. 39.456. RECOMMENDATIONS. (a) The commission shall  
18 develop recommendations under this subchapter to address issues  
19 related to the public school statewide assessment and  
20 accountability system, including:

21 (1) the purpose of the assessment and accountability  
22 system and the relationship between state and local accountability  
23 in that system;

24 (2) the appropriate number of assessments per grade  
25 level that comply with federal requirements;

26 (3) changes in policy regarding the assessment and  
27 accountability system necessary to meet the needs of the state;

1           (4) grading systems and the impact that those systems  
2 will have on the assessment and accountability system, including  
3 the use of artificial intelligence in grading systems;

4           (5) the development and use of additional  
5 research-based indicators for the assessment and accountability  
6 system; and

7           (6) the adoption of an assessment and accountability  
8 system that meets the needs of the 21st-century student.

9           (b) The commission may establish one or more working groups  
10 composed of not more than five members of the commission to study,  
11 discuss, and address specific policy issues and recommendations to  
12 refer to the commission for consideration.

13           Sec. 39.457. REPORT. Not later than December 31, 2024, the  
14 commission shall prepare and deliver a report to the governor and  
15 the legislature that recommends statutory changes to improve the  
16 public school assessment and accountability system, including any  
17 adjustments to funding necessary to account for student  
18 demographics.

19           Sec. 39.458. PUBLIC MEETINGS AND PUBLIC INFORMATION. (a)  
20 The commission may hold public meetings as needed to fulfill its  
21 duties under this subchapter.

22           (b) The commission is subject to Chapters 551 and 552,  
23 Government Code.

24           Sec. 39.459. COMMISSION ABOLISHED; EXPIRATION OF  
25 SUBCHAPTER. The commission is abolished and this subchapter  
26 expires January 7, 2025.

27           SECTION 9.08. (a) Notwithstanding any other law, the



1 commissioner of education may not assign A through F ratings,  
2 domain-scaled scores, or overall scaled scores to an independent  
3 school district or district campus under Chapter 39, Education  
4 Code, for the 2022-2023 school year.

5 (b) Notwithstanding Subchapter B, Chapter 2001, Government  
6 Code, the commissioner of education may, using abbreviated notice  
7 as determined practicable by the commissioner and without a public  
8 hearing, but with input from the legislature, adopt rules for  
9 determining the accountability of public schools for the 2022-2023  
10 school year.

11 SECTION 9.09. This article takes effect on the 91st day  
12 after the last day of the legislative session.