

By: King of Hemphill, VanDeaver, Dutton,
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H.B. No. 100

A BILL TO BE ENTITLED

AN ACT

relating to the compensation of public school educators and to the operation of public schools and the public school finance system, including enrollment-based funding for certain allotments under the Foundation School Program.

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

ARTICLE 1. CHANGES EFFECTIVE FOR 2023-2024 SCHOOL YEAR

SECTION 1.01. Section 7.062(a), Education Code, is amended to read as follows:

(a) In this section, "wealth per student" means a school district's taxable value of property as determined under Section 48.013 [~~Subchapter M, Chapter 403, Government Code,~~] or, if applicable, Section 48.258, divided by the district's average daily attendance as determined under Section 48.005.

SECTION 1.02. Section 12.104(b), Education Code, as amended by Chapters 542 (S.B. 168), 887 (S.B. 1697), 915 (H.B. 3607), 974 (S.B. 2081), and 1046 (S.B. 1365), Acts of the 87th Legislature, Regular Session, 2021, is reenacted and amended to read as follows:

(b) An open-enrollment charter school is subject to:

(1) a provision of this title establishing a criminal offense;

(2) the provisions in Chapter 554, Government Code; and

(3) a prohibition, restriction, or requirement, as

1 applicable, imposed by this title or a rule adopted under this
2 title, relating to:

3 (A) the Public Education Information Management
4 System (PEIMS) to the extent necessary to monitor compliance with
5 this subchapter as determined by the commissioner;

6 (B) criminal history records under Subchapter C,
7 Chapter 22;

8 (C) reading instruments and accelerated reading
9 instruction programs under Section 28.006;

10 (D) accelerated instruction under Section
11 28.0211;

12 (E) high school graduation requirements under
13 Section 28.025;

14 (F) special education programs under Subchapter
15 A, Chapter 29;

16 (G) bilingual education under Subchapter B,
17 Chapter 29;

18 (H) prekindergarten programs under Subchapter E
19 or E-1, Chapter 29, except class size limits for prekindergarten
20 classes imposed under Section 25.112, which do not apply;

21 (I) extracurricular activities under Section
22 33.081;

23 (J) discipline management practices or behavior
24 management techniques under Section 37.0021;

25 (K) health and safety under Chapter 38;

26 (L) the provisions of Subchapter A, Chapter 39;

27 (M) public school accountability and special

1 investigations under Subchapters A, B, C, D, F, G, and J, Chapter
2 39, and Chapter 39A;

3 (N) the requirement under Section 21.006 to
4 report an educator's misconduct;

5 (O) intensive programs of instruction under
6 Section 28.0213;

7 (P) the right of a school employee to report a
8 crime, as provided by Section 37.148;

9 (Q) bullying prevention policies and procedures
10 under Section 37.0832;

11 (R) the right of a school under Section 37.0052
12 to place a student who has engaged in certain bullying behavior in a
13 disciplinary alternative education program or to expel the student;

14 (S) the right under Section 37.0151 to report to
15 local law enforcement certain conduct constituting assault or
16 harassment;

17 (T) a parent's right to information regarding the
18 provision of assistance for learning difficulties to the parent's
19 child as provided by Sections 26.004(b)(11) and 26.0081(c) and (d);

20 (U) establishment of residency under Section
21 25.001;

22 (V) school safety requirements under Sections
23 37.108, 37.1081, 37.1082, 37.109, 37.113, 37.114, 37.1141, 37.115,
24 37.207, and 37.2071;

25 (W) the early childhood literacy and mathematics
26 proficiency plans under Section 11.185;

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

1 plans under Section 11.186; ~~and~~

2 (Y) [~~(X)~~] parental options to retain a student
3 under Section 28.02124; and

4 (Z) establishing a local school health advisory
5 council in which members are appointed by the governing body of the
6 school and health education instruction complies with Section
7 28.004.

8 SECTION 1.03. Section 12.106(a-2), Education Code, is
9 amended to read as follows:

10 (a-2) In addition to the funding provided by Subsection (a),
11 a charter holder is entitled to receive for the open-enrollment
12 charter school an allotment per student in average daily attendance
13 in an amount equal to the difference between:

14 (1) the product of:

15 (A) the quotient of:

16 (i) the total amount of funding provided to
17 eligible school districts under Section 48.101(b) or (c); and

18 (ii) the total number of students in
19 average daily attendance in school districts that receive an
20 allotment under Section 48.101(b) or (c); and

21 (B) the sum of one and the quotient of:

22 (i) the total number of students in average
23 daily attendance in school districts that receive an allotment
24 under Section 48.101(b) or (c); and

25 (ii) the total number of students in
26 average daily attendance in school districts statewide; and

27 (2) \$600 [~~\$125~~].

1 SECTION 1.04. Section 13.051(c), Education Code, is amended
2 to read as follows:

3 (c) Territory that does not have residents may be detached
4 from a school district and annexed to another school district if:

5 (1) the total taxable value of the property in the
6 territory according to the most recent certified appraisal roll for
7 each school district is not greater than:

8 (A) five percent of the district's taxable value
9 of all property in that district as determined under Section 48.013
10 [~~Subchapter M, Chapter 403, Government Code~~]; and

11 (B) \$5,000 property value per student in average
12 daily attendance as determined under Section 48.005; and

13 (2) the school district from which the property will
14 be detached does not own any real property located in the territory.

15 SECTION 1.05. Section 13.054, Education Code, is amended by
16 amending Subsection (f) and adding Subsections (i-1), (i-2), (i-3),
17 (i-4), and (i-5) to read as follows:

18 (f) For five years beginning with the school year in which
19 the annexation occurs, a school district shall receive additional
20 funding under this subsection or Subsection (h). The amount of
21 funding shall be determined by multiplying the lesser of the
22 enlarged district's local fund assignment computed under Section
23 48.256 or the enlarged district's total cost of tier one by a
24 fraction, the numerator of which is the number of students residing
25 in the territory annexed to the receiving district preceding the
26 date of the annexation and the denominator of which is the number of
27 students residing in the district as enlarged on the date of the

1 annexation, and multiplying the resulting product by the quotient
2 of the enlarged district's maximum compressed tax rate, as
3 determined under Section 48.2551, for the current school year
4 divided by the receiving district's maximum compressed tax rate, as
5 determined under Section 48.2551, for the year in which the
6 annexation occurred. The commissioner shall provide the funding
7 under this subsection from funds appropriated for purposes of the
8 Foundation School Program. A determination by the commissioner
9 under this subsection is final and may not be appealed.

10 (i-1) Notwithstanding any other law, a school district is
11 entitled to funding under Subsection (f) for an annexation that
12 occurs on or after June 1, 2013.

13 (i-2) For each school district entitled to funding under
14 Subsection (f) as provided by Subsection (i-1) that, as of
15 September 1, 2023, has not received the full amount of funding to
16 which the district would have been entitled under Subsection (f) if
17 Subsection (i-1) had been in effect since June 1, 2013, the
18 commissioner shall:

19 (1) determine the difference between:

20 (A) the amount of funding to which the district
21 would have been entitled under Subsection (f) if Subsection (i-1)
22 had been in effect since June 1, 2013; and

23 (B) the amount of funding the district has
24 received under Subsection (f); and

25 (2) provide the amount determined under Subdivision
26 (1) to the district in the form of:

27 (A) a lump sum; or

1 (B) equal annual installments over a period not
2 to exceed three years.

3 (i-3) In addition to the funding provided to a school
4 district under Subsection (i-2), the commissioner may allocate
5 money to the district from funds appropriated for purposes of the
6 Foundation School Program to pay for facilities improvements the
7 commissioner determines necessary as a result of the annexation.

8 (i-4) Each school district that receives funding under
9 Subsection (f) as provided by Subsection (i-2) or under Subsection
10 (i-3) for any year shall submit to the commissioner in the form and
11 manner provided by commissioner rule a report on the district's use
12 of the funding for that year.

13 (i-5) This subsection and Subsections (i-2), (i-3), and
14 (i-4) expire September 1, 2027.

15 SECTION 1.06. Section 19.009(d-2), Education Code, is
16 amended to read as follows:

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

- 23 (1) \$80 per month; or
24 (2) the maximum uniform amount per month that, when
25 combined with any resulting increases in the amount of
26 contributions made by the district for social security coverage for
27 the specified employees or by the district on behalf of the

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

5 SECTION 1.07. (a) This section takes effect only if H.B.
6 11, 88th Legislature, Regular Session, 2023, or another Act of that
7 legislature establishing a residency partnership program and
8 authorizing the issuance of a residency educator certificate
9 becomes law.

10 (b) Section 21.402(a), Education Code, is amended to read as
11 follows:

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

19 (1) for an employee with less than five years of
20 experience who:

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

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

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

27 (D) holds a designation under Section 21.3521 . .

1 \$43,000; or

2 (E) holds a residency educator certificate or has
3 successfully completed a residency partnership program . . \$43,000;

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

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

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

9 (C) the base certificate required under Section
10 21.003(a) for employment in the employee's position other than a
11 certificate described by Paragraph (B) \$50,000; or

12 (D) a designation under Section 21.3521
13 \$53,000; or

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

16 (A) no certification \$55,000;

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

19 (C) the base certificate required under Section
20 21.003(a) for employment in the employee's
21 position \$60,000; or

22 (D) a designation under Section 21.3521
23 \$63,000 [~~in addition to other factors, as determined by~~

24 commissioner rule, determined by the following formula:

25
$$[MS = SF \times FS$$

26 [~~where:~~

27 ["MS" is the minimum monthly salary,

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

3 ~~["FS" is the amount, as determined by the commissioner under~~
4 ~~Subsection (b), of the basic allotment as provided by Section~~
5 ~~48.051(a) or (b) for a school district with a maintenance and~~
6 ~~operations tax rate at least equal to the state maximum compressed~~
7 ~~tax rate, as defined by Section 48.051(a)].~~

8 SECTION 1.08. (a) This section takes effect only if H.B.
9 11, 88th Legislature, Regular Session, 2023, or another Act of that
10 legislature establishing a residency partnership program and
11 authorizing the issuance of a residency educator certificate does
12 not become law.

13 (b) Section 21.402(a), Education Code, is amended to read as
14 follows:

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

22 (1) for an employee with less than five years of
23 experience who holds:

24 (A) no certification \$35,000;

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

27 (C) the base certificate required under Section

1 21.003(a) for employment in the employee's position other than a
2 certificate described by Paragraph (B) \$40,000; or
3 (D) a designation under Section 21.3521 . .
4 \$43,000;

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

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

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

10 (C) the base certificate required under Section
11 21.003(a) for employment in the employee's position other than a

12 certificate described by Paragraph (B) \$50,000; or

13 (D) a designation under Section 21.3521
14 \$53,000; or

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

17 (A) no certification \$55,000;

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

20 (C) the base certificate required under Section
21 21.003(a) for employment in the employee's

22 position \$60,000; or

23 (D) a designation under Section 21.3521
24 \$63,000 [~~in addition to other factors, as determined by~~

25 commissioner rule, determined by the following formula:

26
$$[\del{MS - SF \times FS}]$$

27 [~~where:~~

1 ~~["MS" is the minimum monthly salary,~~
2 ~~["SF" is the applicable salary factor specified by Subsection~~
3 ~~(c), and~~
4 ~~["FS" is the amount, as determined by the commissioner under~~
5 ~~Subsection (b), of the basic allotment as provided by Section~~
6 ~~48.051(a) or (b) for a school district with a maintenance and~~
7 ~~operations tax rate at least equal to the state maximum compressed~~
8 ~~tax rate, as defined by Section 48.051(a)].~~

9 SECTION 1.09. Section 21.402, Education Code, is amended by
10 adding Subsections (a-1), (i), (j), (k), and (l) and amending
11 Subsection (g) to read as follows:

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

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

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

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

25 (i) A school district must use at least 50 percent of the
26 difference between what the district would have paid under Section
27 825.405, Government Code, based on the salaries paid under this

1 section as it existed on January 1, 2023, and what the district pays
2 under Section 825.405, Government Code, based on the salaries paid
3 under this section as it exists after September 1, 2023, to increase
4 the average total compensation per district employee employed as a
5 classroom teacher, full-time librarian, full-time school counselor
6 certified under Subchapter B, or full-time school nurse. In
7 calculating average total compensation per district employee under
8 this subsection, a district may not include compensation paid to a
9 classroom teacher, full-time librarian, full-time school counselor
10 certified under Subchapter B, or full-time school nurse in a
11 position added by the school district for the current school year
12 that increases the ratio of those employees to enrolled students
13 over the ratio of those employees to enrolled students for the
14 preceding year.

15 (j) A school district that increases employee compensation
16 in the 2023-2024 school year to comply with Subsection (a), as
17 amended by H.B. 100, Acts of the 88th Legislature, Regular Session,
18 2023, is providing compensation for services rendered
19 independently of an existing employment contract applicable to that
20 year and is not in violation of Section 53, Article III, Texas
21 Constitution. A school district that does not meet the
22 requirements of Subsection (a) in the 2023-2024 school year may
23 satisfy the requirements of this section by providing an employee a
24 one-time bonus payment during the 2024-2025 school year in an
25 amount equal to the difference between the compensation earned by
26 the employee during the 2023-2024 school year and the compensation
27 the employee should have received during that school year if the

1 district had complied with Subsection (a).

2 (k) 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 2023-2024 school year by at least \$8,000
7 more than the amount the employee was compensated during the
8 2022-2023 school year complies with the requirements of this
9 section for the 2023-2024 school year.

10 (l) Subsections (i), (j), and (k) and this subsection expire
11 September 1, 2025.

12 SECTION 1.10. 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 1.11. 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 1.12. Section 21.4552(d), Education Code, is
5 amended to read as follows:

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

12 SECTION 1.13. Section 21.4553(d), Education Code, is
13 amended to read as follows:

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

20 SECTION 1.14. Section 21.4555(f), Education Code, is
21 amended to read as follows:

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

27 SECTION 1.15. Section 26.0081(c), Education Code, is

1 amended to read as follows:

2 (c) The agency shall produce and provide to school districts
3 a written explanation of the options and requirements for providing
4 assistance to students who have learning difficulties or who need
5 or may need special education. The explanation must state that a
6 parent is entitled at any time to request an evaluation of the
7 parent's child for special education services under Section 29.004
8 or for aids, accommodations, or services under Section 504,
9 Rehabilitation Act of 1973 (29 U.S.C. Section 794) and include
10 information regarding the use of video cameras in certain
11 classrooms as provided by Section 29.022. Each school year, each
12 district shall provide the written explanation to a parent of each
13 district student by including the explanation in the student
14 handbook or by another means.

15 SECTION 1.16. Section 29.022, Education Code, is amended by
16 amending Subsections (d), (e), and (l) and adding Subsection (l-1)
17 to read as follows:

18 (d) Before a school or campus activates a video camera in a
19 classroom or other special education setting under this section,
20 the school or campus shall provide written notice of the placement
21 to all school or campus staff and to the parents of each student
22 attending class or engaging in school activities in the classroom
23 or setting. Written notice required under this section must be
24 provided not later than the 10th instructional day after the first
25 day the school or campus activates the video camera.

26 (e) Except as provided by Subsection (e-1), a school
27 district or open-enrollment charter school shall retain video

1 recorded from a video camera placed under this section for at least
2 six [~~three~~] months after the date the video was recorded.

3 (1) A school district or open-enrollment charter school
4 policy relating to the placement, operation, or maintenance of
5 video cameras under this section must:

6 (1) include information on how a person may appeal an
7 action by the district or school that the person believes to be in
8 violation of this section or a policy adopted in accordance with
9 this section, including the appeals process under Section 7.057;

10 (2) require that the district or school provide a
11 response to a request made under this section not later than the
12 seventh school business day after receipt of the request by the
13 person to whom it must be submitted under Subsection (a-3) that
14 authorizes the request or states the reason for denying the
15 request;

16 (3) except as provided by Subdivision (5), require
17 that a school or a campus begin operation of a video camera in
18 compliance with this section not later than the 45th school
19 business day, or the first school day after the 45th school business
20 day if that day is not a school day, after the request is authorized
21 unless the agency grants an extension of time;

22 (4) permit the parent of a student whose admission,
23 review, and dismissal committee has determined that the student's
24 placement for the following school year will be in a classroom or
25 other special education setting in which a video camera may be
26 placed under this section to make a request for the video camera by
27 the later of:

1 (A) the date on which the current school year
2 ends; or

3 (B) the 10th school business day after the date
4 of the placement determination by the admission, review, and
5 dismissal committee; ~~and~~

6 (5) if a request is made by a parent in compliance with
7 Subdivision (4), unless the agency grants an extension of time,
8 require that a school or campus begin operation of a video camera in
9 compliance with this section not later than the later of:

10 (A) the 10th school day of the fall semester; or

11 (B) the 45th school business day, or the first
12 school day after the 45th school business day if that day is not a
13 school day, after the date the request is made;

14 (6) require that, not later than the seventh school
15 business day after a parent requests the district or school to
16 release a video recording for viewing under Subsection (i)(2), the
17 district or school:

18 (A) release the recording for viewing; or

19 (B) if the district or school determines that the
20 district or school is not required to release the recording under
21 that subsection, provide a written response to the parent that
22 states the reason the district or school is not required to release
23 the recording and includes information regarding how the parent may
24 appeal the action as described by Subdivision (1); and

25 (7) not later than the 10th day of the fall semester,
26 require the district or school to provide written information
27 detailing the policy regarding the placement, operation, or

1 maintenance of any video cameras to the parent of a student who:

2 (A) receives special education services in one or
3 more special education classrooms or other special education
4 settings in which a majority of the students in regular attendance
5 are provided special education and related services; or

6 (B) is assigned to one or more special education
7 classrooms or other special education settings for at least 50
8 percent of the instructional day.

9 (1-1) The commissioner shall:

10 (1) develop and post on the agency's Internet website a
11 model form for school districts and open-enrollment charter schools
12 to use to notify parents as required by Subsection (1)(7); and

13 (2) review and update the form, as necessary.

14 SECTION 1.17. Subchapter 7, Chapter 29, Education Code, is
15 amended by adding Section 29.912 to read as follows:

16 Sec. 29.912. RURAL PATHWAY EXCELLENCE PARTNERSHIP (R-PEP)
17 PROGRAM. (a) In this section, "program" means the Rural Pathway
18 Excellence Partnership (R-PEP) program established under this
19 section.

20 (b) The commissioner shall establish and administer the
21 Rural Pathway Excellence Partnership (R-PEP) program to
22 incentivize and support multidistrict, cross-sector, rural college
23 and career pathway partnerships that expand opportunities for
24 underserved students to succeed in school and life while promoting
25 economic development in rural areas.

26 (c) The program must enable an eligible school district that
27 lacks an economy of scale, as determined by commissioner rule, to

1 partner with at least one other school district to offer a broader
2 array of robust college and career pathways. Each partnership must:

3 (1) offer college and career pathways that align with
4 regional labor market projections for high-wage, high-demand
5 careers; and

6 (2) be managed by a coordinating entity that:

7 (A) has or will have at the time students are
8 served under the partnership the capacity to effectively coordinate
9 the partnership;

10 (B) has entered into a performance agreement
11 approved by the board of trustees of each partnering school
12 district that confers to the coordinating entity the same authority
13 with respect to the partnership as provided to an entity that
14 contracts to operate a district campus under Section [11.174](#);

15 (C) is eligible to be awarded a charter under
16 Section [12.101\(a\)](#); and

17 (D) has on the entity's governing board as either
18 voting or ex officio members representatives of each partnering
19 school district and members of regional higher education and
20 workforce organizations.

21 (d) The performance agreement described by Subsection
22 (c)(2)(B) must:

23 (1) include ambitious and measurable performance
24 goals and progress measures tied to current college, career, and
25 military readiness outcomes and longitudinal postsecondary
26 completion and employment-related outcomes;

27 (2) allocate responsibilities for accessing and

1 managing progress and outcome information and annually publishing
2 that information on the Internet website of each partnering
3 district and the coordinating entity;

4 (3) authorize the coordinating entity to optimize the
5 value of each college and career pathway offered through the
6 partnership by:

7 (A) determining scheduling;

8 (B) adding or removing a pathway;

9 (C) hiring pathway-specific personnel;

10 (D) developing and exercising final approval of
11 pathway budgets, which must include at least 80 percent of the state
12 and local funding to which each partnering school district is
13 entitled under Chapter 48 for students participating in the
14 program, including an allotment under Section 48.106 or 48.118 and
15 an outcome bonus under Section 48.110 or 48.118; and

16 (E) determining other matters critical to the
17 efficacy of the pathways; and

18 (4) provide that any eligible student residing in a
19 partnering school district may participate in a college or career
20 pathway offered through the partnership.

21 (e) An employee of a coordinating entity that manages a
22 partnership under the program is eligible for membership in and
23 benefits from the Teacher Retirement System of Texas if the
24 employee would be eligible for membership and benefits by holding
25 the same position at a partnering school district.

26 (f) A student enrolled in a college or career pathway
27 offered through a partnership under the program is not considered

1 for accountability purposes under Chapter 39 to have dropped out of
2 high school or failed to complete the curriculum requirements for
3 high school graduation until the sixth anniversary of the student's
4 first day in high school.

5 (g) A school district proposing to enter into a performance
6 agreement under this section shall notify the commissioner of the
7 district's intent to enter into the agreement. The commissioner
8 shall establish procedures for a district to notify the
9 commissioner, including the period within which notification is
10 required before the school year in which the proposed agreement
11 would take effect, and to provide any additional information
12 required by the commissioner. The commissioner shall notify the
13 district whether the proposed agreement is approved or denied not
14 later than the 60th day after the date the commissioner receives
15 notification of the proposed agreement and all other information
16 required by the commissioner. If the commissioner fails to notify
17 the district that the proposed agreement has been approved or
18 denied within the period prescribed by this subsection, the
19 proposed agreement is considered approved.

20 (h) From money appropriated for that purpose, the
21 commissioner shall establish a grant program to assist in the
22 planning and implementation of a partnership under the program.
23 The commissioner may award a grant only to a coordinating entity
24 that has entered into a performance agreement approved under
25 Subsection (g). The commissioner may use not more than 15 percent
26 of the money appropriated for the grant program to cover the cost of
27 administering the grant program and to provide technical assistance

1 and support to partnerships under the program.

2 (i) The commissioner shall adopt rules as necessary to
3 implement this section, including rules establishing:

4 (1) requirements for a coordinating entity and a
5 performance agreement with the entity;

6 (2) the period for which a partnership under the
7 program may operate after commissioner approval before renewal of
8 commissioner approval is required; and

9 (3) standards for renewal of commissioner approval for
10 a partnership under the program.

11 (j) This section does not prohibit an agreement between a
12 school district and another entity for the provision of services at
13 a district campus.

14 (k) The commissioner may accept gifts, grants, and
15 donations from any source, including private and nonprofit
16 organizations, for the program. A private or nonprofit
17 organization that contributes to the program may receive an award
18 under Section 7.113.

19 SECTION 1.18. Section 30.003, Education Code, is amended by
20 amending Subsections (b) and (f-1) and adding Subsection (b-1) to
21 read as follows:

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

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

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

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

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

15 (3) Section 45.0032;

16 (4) [~~(3)~~] Section 48.255; and

17 (5) [~~(4)~~] Section 48.2551.

18 SECTION 1.19. Section 30.102(b), Education Code, is amended
19 to read as follows:

20 (b) A classroom teacher, full-time librarian, full-time
21 school counselor certified under Subchapter B, Chapter 21, or
22 full-time school nurse employed by the department is entitled to
23 receive as a minimum salary the [~~monthly~~] salary specified by
24 Section 21.402. A classroom teacher, full-time librarian,
25 full-time school counselor, or full-time school nurse may be paid,
26 from funds appropriated to the department, a salary in excess of the
27 minimum specified by that section, but the salary may not exceed the

1 rate of pay for a similar position in the public schools of an
2 adjacent school district.

3 SECTION 1.20. Section 33.009(h), Education Code, is amended
4 to read as follows:

5 (h) From funds appropriated for that purpose, a school
6 counselor who attends the academy under this section is entitled to
7 receive a stipend in the amount determined by the coordinating
8 board. If funds are available after all eligible school counselors
9 have received a stipend under this subsection, the coordinating
10 board shall pay a stipend in the amount determined by the
11 coordinating board to a teacher who attends the academy under this
12 section. A stipend received under this subsection is not
13 considered in determining whether a district is paying the school
14 counselor or teacher the minimum ~~monthly~~ salary under Section
15 21.402.

16 SECTION 1.21. Section 46.003(a), Education Code, is amended
17 to read as follows:

18 (a) For each year, except as provided by Sections 46.005 and
19 46.006, a school district is guaranteed a specified amount per
20 student in state and local funds for each cent of tax effort, up to
21 the maximum rate under Subsection (b), to pay the principal of and
22 interest on eligible bonds issued to construct, acquire, renovate,
23 or improve an instructional facility. The amount of state support
24 is determined by the formula:

25
$$\text{FYA} = (\text{FYL} \times \text{ADA} \times \text{BTR} \times 100) - (\text{BTR} \times (\text{DPV}/100))$$

26 where:

27 "FYA" is the guaranteed facilities yield amount of state

1 funds allocated to the district for the year;

2 "FYL" is the dollar amount guaranteed level of state and
3 local funds per student per cent of tax effort, which is \$35 or a
4 greater amount for any year provided by appropriation;

5 "ADA" is the greater of the number of students in average
6 daily attendance, as determined under Section 48.005, in the
7 district or 400;

8 "BTR" is the district's bond tax rate for the current year,
9 which is determined by dividing the amount budgeted by the district
10 for payment of eligible bonds by the quotient of the district's
11 taxable value of property as determined under Section 48.013
12 [~~Subchapter M, Chapter 403, Government Code,~~] or, if applicable,
13 Section 48.258, divided by 100; and

14 "DPV" is the district's taxable value of property as
15 determined under Section 48.013 [~~Subchapter M, Chapter 403,~~
16 ~~Government Code,~~] or, if applicable, Section 48.258.

17 SECTION 1.22. Section 46.006(g), Education Code, is amended
18 to read as follows:

19 (g) In this section, "wealth per student" means a school
20 district's taxable value of property as determined under Section
21 48.013 [~~Subchapter M, Chapter 403, Government Code,~~] or, if
22 applicable, Section 48.258, divided by the district's average daily
23 attendance as determined under Section 48.005.

24 SECTION 1.23. Section 46.032(a), Education Code, is amended
25 to read as follows:

26 (a) Each school district is guaranteed a specified amount
27 per student in state and local funds for each cent of tax effort to

1 pay the principal of and interest on eligible bonds. The amount of
2 state support, subject only to the maximum amount under Section
3 46.034, is determined by the formula:

$$4 \quad \text{EDA} = (\text{EDGL} \times \text{ADA} \times \text{EDTR} \times 100) - (\text{EDTR} \times (\text{DPV}/100))$$

5 where:

6 "EDA" is the amount of state funds to be allocated to the
7 district for assistance with existing debt;

8 "EDGL" is the dollar amount guaranteed level of state and
9 local funds per student per cent of tax effort, which is the lesser
10 of:

11 (1) \$40 or a greater amount for any year provided by
12 appropriation; or

13 (2) the amount that would result in a total additional
14 amount of state funds under this subchapter for the current year
15 equal to \$60 million in excess of the state funds to which school
16 districts would have been entitled under this section if the
17 guaranteed level amount were \$35;

18 "ADA" is the number of students in average daily attendance,
19 as determined under Section 48.005, in the district;

20 "EDTR" is the existing debt tax rate of the district, which is
21 determined by dividing the amount budgeted by the district for
22 payment of eligible bonds by the quotient of the district's taxable
23 value of property as determined under Section 48.013 [~~Subchapter M,~~
24 ~~Chapter 403, Government Code,~~] or, if applicable, under Section
25 48.258, divided by 100; and

26 "DPV" is the district's taxable value of property as
27 determined under Section 48.013 [~~Subchapter M, Chapter 403,~~

1 ~~Government Code,~~] or, if applicable, under Section 48.258.

2 SECTION 1.24. 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 1.25. Subchapter A, Chapter 48, Education Code, is

1 amended by adding Section 48.0055 to read as follows:

2 Sec. 48.0055. ENROLLMENT-BASED FUNDING. The commissioner
3 by rule shall establish the method for determining average
4 enrollment for purposes of funding provided based on average
5 enrollment under Chapter 46 and this chapter.

6 SECTION 1.26. Sections 48.011(a-1), (d), and (e), Education
7 Code, are amended to read as follows:

8 (a-1) The commissioner may modify dates relating to the
9 adoption of a school district's maintenance and operations tax rate
10 and, if applicable, an election required for the district to adopt
11 that rate as necessary to implement the changes to the Foundation
12 School Program and requirements relating to school district tax
13 rates made by the 88th [H.B. 3, 86th] Legislature, Regular Session,
14 2023 [2019].

15 (d) Beginning with the 2026-2027 [2021-2022] school year,
16 the commissioner may not make an adjustment under Subsection (a) or
17 (a-1).

18 (e) This section expires September 1, 2027 [2023].

19 SECTION 1.27. Subchapter A, Chapter 48, Education Code, is
20 amended by adding Section 48.013 to read as follows:

21 Sec. 48.013. DETERMINATION OF TAXABLE VALUE OF PROPERTY.
22 For purposes of Chapter 46 and this chapter, the agency shall
23 determine the taxable value of property of each school district
24 using locally determined property values adjusted in accordance
25 with Section 403.302(d), Government Code.

26 SECTION 1.28. Section 48.051, Education Code, is amended by
27 amending Subsections (a) and (c) and adding Subsections (c-3),

1 (c-4), and (c-5) to read as follows:

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

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

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) \$6,250;

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 (c) During any school year for which the value of "A"
22 determined [~~maximum amount of the basic allotment provided~~] under
23 Subsection (a) or, if applicable, the sum of the value of "A" and
24 the allotment under Section 48.101 to which the district is
25 entitled, [~~or (b)~~] is greater than the value of "A" or, if
26 applicable, the sum of the value of "A" and the allotment under
27 Section 48.101 to which the district is entitled, [~~maximum amount~~

1 ~~provided~~] for the preceding school year, a school district must use
2 at least 50 ~~[30]~~ percent of the amount ~~[, if the amount is greater~~
3 ~~than zero,~~] that equals the product of the average daily attendance
4 of the district multiplied by the amount of the difference between
5 the district's funding under this chapter per student in average
6 daily attendance for the current school year and the preceding
7 school year to increase the average total compensation per
8 full-time district employee ~~[provide compensation increases to~~
9 ~~full-time district employees]~~ other than administrators as
10 follows:

11 (1) 75 percent must be used to increase the average
12 total compensation per full-time district employee employed as
13 ~~[paid to]~~ classroom teachers, full-time librarians, full-time
14 school counselors certified under Subchapter B, Chapter 21, and
15 full-time school nurses ~~[, prioritizing differentiated compensation~~
16 ~~for classroom teachers with more than five years of experience];~~
17 and

18 (2) 25 percent may be used as determined by the
19 district to increase the average total compensation per ~~[paid to]~~
20 full-time district employee not described by Subdivision (1)
21 ~~[employees]~~.

22 (c-3) In calculating the average total compensation per
23 full-time district employee under Subsection (c), a school district
24 may not consider compensation paid to a district employee employed
25 in a position described by that subsection added by the district for
26 the current school year that increases the ratio of those employees
27 to students enrolled in the district compared to the preceding

1 school year.

2 (c-4) If a school district increases employee compensation
3 in a school year to comply with Subsection (c), as amended by
4 H.B. 100, Acts of the 88th Legislature, Regular Session, 2023, the
5 district is providing compensation for services rendered
6 independently of an existing employment contract applicable to that
7 year and is not a violation of Section 53, Article III, Texas
8 Constitution.

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

16 SECTION 1.29. Section 48.101, Education Code, is amended to
17 read as follows:

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

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

23 (2) "ADA" is the number of students in average daily
24 attendance for which the district is entitled to an allotment under
25 Section 48.051, other than students enrolled in a full-time virtual
26 program under Section 48.0071(c) as that section existed on January
27 1, 2023; and

1 (3) "BA" is the basic allotment determined under
2 Section 48.051.

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

$$7 \quad AA = ((1,600 - ADA) \times \underline{.00056} [\del{.0004}]) \times BA$$

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

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

$$15 \quad (2) \quad AA = ((5,000 - ADA) \times \underline{.00004} [\del{.000025}]) \times BA.$$

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

$$21 \quad AA = ((1,600 - ADA) \times \underline{.00066} [\del{.00047}]) \times BA$$

22 SECTION 1.30. Subchapter C, Chapter 48, Education Code, is
23 amended by adding Section 48.1022 to read as follows:

24 Sec. 48.1022. SPECIAL EDUCATION FULL INDIVIDUAL AND INITIAL
25 EVALUATION. For each student for whom a school district conducts a
26 full individual and initial evaluation under Section 29.004 or 20
27 U.S.C. Section 1414(a)(1), the district is entitled to an allotment

1 of \$500 or a greater amount provided by appropriation.

2 SECTION 1.31. Section 48.111(a), Education Code, is amended
3 to read as follows:

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

13 SECTION 1.32. Section 48.115(b), Education Code, is amended
14 to read as follows:

15 (b) Funds allocated under this section must be used to
16 improve school safety and security, including costs associated
17 with:

- 18 (1) securing school facilities, including:
- 19 (A) improvements to school infrastructure;
- 20 (B) the use or installation of physical barriers;
- 21 and
- 22 (C) the purchase and maintenance of:
- 23 (i) security cameras or other security
24 equipment, including video surveillance as provided by Section
25 29.022; and

26 (ii) technology, including communications
27 systems or devices, that facilitates communication and information

1 sharing between students, school personnel, and first responders in
2 an emergency;

3 (2) providing security for the district, including:

4 (A) employing school district peace officers,
5 private security officers, and school marshals; and

6 (B) collaborating with local law enforcement
7 agencies, such as entering into a memorandum of understanding for
8 the assignment of school resource officers to schools in the
9 district;

10 (3) school safety and security training and planning,
11 including:

12 (A) active shooter and emergency response
13 training;

14 (B) prevention and treatment programs relating
15 to addressing adverse childhood experiences; and

16 (C) the prevention, identification, and
17 management of emergencies and threats, using evidence-based,
18 effective prevention practices and including:

19 (i) providing licensed counselors, social
20 workers, and individuals trained in restorative discipline and
21 restorative justice practices;

22 (ii) providing mental health personnel and
23 support;

24 (iii) providing behavioral health
25 services;

26 (iv) establishing threat reporting
27 systems; and

1 (v) developing and implementing programs
2 focused on restorative justice practices, culturally relevant
3 instruction, and providing mental health support; and

4 (4) providing programs related to suicide prevention,
5 intervention, and postvention.

6 SECTION 1.33. Subchapter C, Chapter 48, Education Code, is
7 amended by adding Sections 48.116 and 48.118 to read as follows:

8 Sec. 48.116. FINE ARTS ALLOTMENT. (a) For each student in
9 average daily attendance enrolled in a fine arts education course
10 approved by the agency under Subsection (b) in grades 6 through 12,
11 a school district is entitled to an annual allotment equal to the
12 basic allotment, or, if applicable, the sum of the basic allotment
13 and the allotment under Section 48.101 to which the district is
14 entitled, multiplied by .008.

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

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

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

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

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

26 Sec. 48.118. RURAL PATHWAY EXCELLENCE PARTNERSHIP (R-PEP)
27 ALLOTMENT AND OUTCOME BONUS. (a) For each full-time equivalent

1 student in average daily attendance in grades 9 through 12 in a
2 college or career pathway offered through a partnership under the
3 Rural Pathway Excellence Partnership (R-PEP) program under Section
4 29.912, a school district is entitled to an allotment equal to the
5 basic allotment or, if applicable, the sum of the basic allotment
6 and the allotment under Section 48.101 to which the district is
7 entitled, multiplied by:

8 (1) 1.15, if the student is educationally
9 disadvantaged; or

10 (2) 1.11, if the student is not educationally
11 disadvantaged.

12 (b) Each year, the commissioner shall determine for each
13 school district the minimum number of annual graduates of a college
14 or career pathway described by Subsection (a) in each cohort
15 described by Section 48.110(b) who would have to obtain not later
16 than five years after high school graduation a postsecondary
17 credential of value, including a degree, certificate, or other
18 credential that prepares students for continued learning and
19 greater earnings in the state economy, in order for the district to
20 qualify for an outcomes bonus under Subsection (c).

21 (c) In addition to the allotment under Subsection (a), for
22 each annual graduate in a cohort described by Subsection (b) who
23 earns a postsecondary credential of value described by that
24 subsection during the preceding school year in excess of the
25 minimum number of students determined for the applicable district
26 cohort under Subsection (b), a school district is entitled to an
27 annual outcomes bonus of:

1 (1) if the annual graduate is educationally
2 disadvantaged, \$2,000;

3 (2) if the annual graduate is not educationally
4 disadvantaged, \$1,000; and

5 (3) if the annual graduate is enrolled in a special
6 education program under Subchapter A, Chapter 29, \$2,000,
7 regardless of whether the annual graduate is educationally
8 disadvantaged.

9 (d) A school district is entitled to an outcomes bonus under
10 each subdivision of Subsection (c) for which an annual graduate
11 qualifies.

12 (e) A school district may receive funding for a student
13 under this section and any other section for which the student
14 qualifies.

15 SECTION 1.34. Sections 48.151(c) and (g), Education Code,
16 are amended to read as follows:

17 (c) Each district or county operating a regular
18 transportation system is entitled to an allotment based on a rate of
19 \$1.54 per mile per regular eligible student or a greater rate set by
20 the legislature in the General Appropriations Act.

21 (g) A school district or county that provides special
22 transportation services for eligible special education students is
23 entitled to a state allocation at a [~~paid on a previous year's~~
24 ~~cost-per-mile basis. The~~] rate per mile equal to the sum of the
25 rate per mile set under Subsection (c) and \$0.13, or a greater
26 amount provided [~~allowable shall be set~~] by appropriation [~~based on~~
27 ~~data gathered from the first year of each preceding biennium~~].

1 Districts may use a portion of their support allocation to pay
2 transportation costs, if necessary. The commissioner may grant an
3 amount set by appropriation for private transportation to reimburse
4 parents or their agents for transporting eligible special education
5 students. The mileage allowed shall be computed along the shortest
6 public road from the student's home to school and back, morning and
7 afternoon. The need for this type of transportation shall be
8 determined on an individual basis and shall be approved only in
9 extreme hardship cases.

10 SECTION 1.35. Subchapter D, Chapter 48, Education Code, is
11 amended by adding Section 48.160 to read as follows:

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

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

20 (2) a program of study in:

21 (A) computer programming and software
22 development; or

23 (B) cybersecurity; and

24 (3) a program of study in a specialized skilled trade,
25 such as:

26 (A) plumbing and pipefitting;

27 (B) electrical;

1 (C) welding;

2 (D) diesel and heavy equipment;

3 (E) aviation maintenance; or

4 (F) applied agricultural engineering.

5 (b) Notwithstanding Subsection (a), a school district is
6 eligible for the allotment under this section for students enrolled
7 in a high school in the district that does not offer a program of
8 study described by Subsection (a)(2) or (3) if:

9 (1) high school students who reside in the attendance
10 zone of the high school may participate in the program of study by
11 enrolling in another high school:

12 (A) that:

13 (i) is in the same district or a neighboring
14 school district;

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

18 (iii) offers the program of study; and

19 (B) to and from which transportation is provided
20 for those students; or

21 (2) students enrolled in the high school:

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

25 (B) receive transportation to and from the
26 location described by Paragraph (A).

27 (c) An eligible school district is entitled to an annual

1 allotment of \$10 for each student enrolled at a high school in the
2 district that offers a pathway or program of study from each
3 subdivision described by Subsection (a) if:

4 (1) each student enrolled at the high school takes a
5 progressively more advanced mathematics course each year of
6 enrollment; and

7 (2) for each of those pathways or programs of study, at
8 least one student enrolled at the high school completes a course in
9 the pathway or program of study.

10 (d) A school district that receives an allotment under
11 Subsection (c) and Section 48.101 is entitled to receive an
12 additional allotment in an amount equal to the product of 0.1 and
13 the allotment to which the district is entitled under Section
14 48.101 for each student for which the district receives an
15 allotment under Subsection (c). An open-enrollment charter school
16 is not eligible for an allotment under this subsection.

17 (e) The commissioner by rule may establish requirements to
18 ensure students enrolled in a high school to which Subsection (b)
19 applies have meaningful access to the programs of study described
20 by Subsections (a)(2) and (3).

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

24 SECTION 1.36. Sections 48.202(a) and (a-1), Education Code,
25 are amended to read as follows:

26 (a) Each school district is guaranteed a specified amount
27 per weighted student in state and local funds for each cent of tax

1 effort over that required for the district's local fund assignment
2 up to the maximum level specified in this subchapter. The amount of
3 state support, subject only to the maximum amount under Section
4 48.203, is determined by the formula:

$$5 \quad \text{GYA} = (\text{GL} \times \text{WADA} \times \text{DTR} \times 100) - \text{LR}$$

6 where:

7 "GYA" is the guaranteed yield amount of state funds to be
8 allocated to the district;

9 "GL" is the dollar amount guaranteed level of state and local
10 funds per weighted student per cent of tax effort, which is an
11 amount described by Subsection (a-1) or a greater amount for any
12 year provided by appropriation;

13 "WADA" is the number of students in weighted average daily
14 attendance, which is calculated by dividing the sum of the school
15 district's allotments under Subchapters B and C by the basic
16 allotment for the applicable year;

17 "DTR" is the district enrichment tax rate of the school
18 district, which is determined by subtracting the amounts specified
19 by Subsection (b) from the total amount of maintenance and
20 operations taxes collected by the school district for the
21 applicable school year and dividing the difference by the quotient
22 of the district's taxable value of property as determined under
23 Section 48.013 [~~Subchapter M, Chapter 403, Government Code,~~] or, if
24 applicable, under Section 48.258 or by the quotient of the value of
25 "DPV" as determined under Section 48.256(d) if that subsection
26 applies to the district, divided by 100; and

27 "LR" is the local revenue, which is determined by multiplying

1 "DTR" by the quotient of the district's taxable value of property as
2 determined under Section 48.013 [~~Subchapter M, Chapter 403,~~
3 ~~Government Code,~~] or, if applicable, under Section 48.258 or by the
4 quotient of the value of "DPV" as determined under Section
5 48.256(d) if that subsection applies to the district, divided by
6 100.

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

10 (1) the greater of the amount of district tax revenue
11 per weighted student per cent of tax effort available to a school
12 district at the 96th percentile of wealth per weighted student or
13 the amount that results from multiplying the maximum amount of the
14 basic allotment provided under Section 48.051 for the applicable
15 school year [~~6,160, or the greater amount provided under Section~~
16 ~~48.051(b), if applicable,~~] by 0.016, for the first eight cents by
17 which the district's maintenance and operations tax rate exceeds
18 the district's tier one tax rate; and

19 (2) subject to Subsection (f), the amount that results
20 from multiplying the maximum amount of the basic allotment provided
21 under Section 48.051 for the applicable school year [~~\$6,160, or the~~
22 ~~greater amount provided under Section 48.051(b), if applicable,~~] by
23 0.008, for the district's maintenance and operations tax effort
24 that exceeds the amount of tax effort described by Subdivision (1).

25 SECTION 1.37. Section 48.2542, Education Code, is amended
26 to read as follows:

27 Sec. 48.2542. ADDITIONAL STATE AID FOR ADJUSTMENT OF

1 LIMITATION ON TAX INCREASES ON HOMESTEAD OF ELDERLY OR DISABLED.
2 Notwithstanding any other provision of this chapter, if a school
3 district is not fully compensated through state aid or the
4 calculation of excess local revenue under this chapter based on the
5 determination of the district's taxable value of property under
6 Section 48.013 [~~Subchapter M, Chapter 403, Government Code~~], the
7 district is entitled to additional state aid in the amount
8 necessary to fully compensate the district for the amount of ad
9 valorem tax revenue lost due to a reduction of the amount of the
10 limitation on tax increases provided by Sections 11.26(a-4), (a-5),
11 (a-6), (a-7), (a-8), (a-9), and (a-10), Tax Code, as applicable.

12 SECTION 1.38. Section 48.255(c), Education Code, is amended
13 to read as follows:

14 (c) For purposes of Subsection (b)(2):

15 (1) "SCP" is the state compression percentage;

16 (2) "PYCP" is the state compression percentage for the
17 preceding school year; and

18 (3) "ECPV" is the estimated percentage change in total
19 taxable property value for the applicable tax year using the
20 taxable values of property [~~as~~] determined [~~based on the estimate~~
21 ~~submitted to the legislature~~] under Section 48.013 [~~48.269~~].

22 SECTION 1.39. Section 48.2551(a), Education Code, is
23 amended to read as follows:

24 (a) In this section:

25 (1) "DPV" is the taxable value of property in the
26 school district, as determined under Section 48.013 [~~by the agency~~
27 ~~by rule, using locally determined property values adjusted in~~

1 ~~accordance with Section 403.302(d), Government Code];~~

2 (2) "E" is the expiration of the exclusion of
3 appraised property value for the preceding tax year that is
4 recognized as taxable property value for the current tax year,
5 which is the sum of the following:

6 (A) property value that is no longer subject to a
7 limitation on appraised value under Chapter 313, Tax Code; and

8 (B) property value under Section 311.013(n), Tax
9 Code, that is no longer excluded from the calculation of "DPV" from
10 the preceding year because of refinancing or renewal after
11 September 1, 2019;

12 (3) "MCR" is the district's maximum compressed rate,
13 which is the tax rate for the current tax year per \$100 of valuation
14 of taxable property at which the district must levy a maintenance
15 and operations tax to receive the full amount of the tier one
16 allotment to which the district is entitled under this chapter;

17 (4) "PYDPV" is the district's value of "DPV" for the
18 preceding tax year; and

19 (5) "PYMCR" is the district's value of "MCR" for the
20 preceding tax year.

21 SECTION 1.40. Sections 48.256(a) and (b), Education Code,
22 are amended to read as follows:

23 (a) Each school district's share of the Foundation School
24 Program is determined by the following formula:

$$LFA = TR \times DPV$$

25 where:

26 "LFA" is the school district's local share;

1 "TR" is the school district's adopted tier one maintenance
2 and operations tax rate, as described by Section 45.0032(a) for
3 each hundred dollars of valuation; and

4 "DPV" is the taxable value of property in the school district
5 for the current tax year determined under Section 48.013
6 [~~Subchapter M, Chapter 403, Government Code~~].

7 (b) The commissioner shall adjust the values determined
8 under Section 48.013 [~~reported by the comptroller~~] to reflect
9 reductions in taxable value of property resulting from natural or
10 economic disaster in the year in which the valuations are
11 determined. The decision of the commissioner is final. An
12 adjustment does not affect the local fund assignment of any other
13 school district.

14 SECTION 1.41. Section 48.257(c), Education Code, is amended
15 to read as follows:

16 (c) For purposes of Subsection (a), state aid to which a
17 district is entitled under Section 13.054 or this chapter that is
18 not described by Section 48.266(a)(3) may offset the amount by
19 which a district must reduce the district's revenue level under
20 this section. Any amount of state aid used as an offset under this
21 subsection shall reduce the amount of state aid to which the
22 district is entitled.

23 SECTION 1.42. Section 48.271(a), Education Code, is amended
24 to read as follows:

25 (a) If the final determination of an appeal under Chapter
26 42, Tax Code, results in a reduction in the taxable value of
27 property that exceeds five percent of the total taxable value of

1 property in the school district for the same tax year determined
2 under Section 48.013 [~~Subchapter M, Chapter 403, Government Code~~],
3 the commissioner shall request the comptroller to adjust its
4 taxable property value findings for that year consistent with the
5 final determination of the appraisal appeal.

6 SECTION 1.43. Section 48.273(a)(4), Education Code, is
7 amended to read as follows:

8 (4) "Wealth per student" means the taxable property
9 values determined under Section 48.013 [~~reported by the comptroller~~
10 ~~to the commissioner under Section 48.256~~] divided by the number of
11 students in average daily attendance.

12 SECTION 1.44. Sections 48.277(d) and (e), Education Code,
13 are amended to read as follows:

14 (d) A school district or open-enrollment charter school is
15 not entitled to an allotment under Subsection (a) beginning with
16 the 2029-2030 [~~2024-2025~~] school year.

17 (e) This section expires September 1, 2030 [~~2025~~].

18 SECTION 1.45. Subchapter F, Chapter 48, Education Code, is
19 amended by adding Section 48.280 to read as follows:

20 Sec. 48.280. SALARY TRANSITION ALLOTMENT. (a) In the
21 2023-2024, 2024-2025, and 2025-2026 school years, a school district
22 is entitled to receive an annual salary transition allotment equal
23 to the difference, if that amount is greater than zero, between:

- 24 (1) the amount calculated under Subsection (b); and
25 (2) the amount calculated under Subsection (c).

26 (b) The agency shall calculate a school district's value for
27 Subsection (a)(1) by determining the difference in the amount the

1 district must pay in compensation to employees on the minimum
2 salary schedule under Section 21.402, as amended by H.B. 100, Acts
3 of the 88th Legislature, Regular Session, 2023, from the amount
4 paid in compensation to employees on the minimum salary schedule
5 under that section as effective in the 2022-2023 school year, less
6 the difference between:

7 (1) the amount of employer contributions under Section
8 825.4035, Government Code, and Section 1575.203, Insurance Code,
9 the district paid in the 2022-2023 school year for employees on the
10 minimum salary schedule under Section 21.402; and

11 (2) the amount the district would have paid in
12 employer contributions under Section 825.4035, Government Code,
13 and Section 1575.203, Insurance Code, in the 2022-2023 school year
14 for employees on the minimum salary schedule if the changes made to
15 Section 21.402 by H.B. 100, Acts of the 88th Legislature, Regular
16 Session, 2023, had been in effect.

17 (c) The agency shall calculate a school district's value for
18 Subsection (a)(2) by determining the total maintenance and
19 operations revenue for the current school year less the total
20 maintenance and operations revenue that would have been available
21 to the district using the basic allotment formula provided by
22 Section 48.051 and the small and mid-sized allotment formulas
23 provided by Section 48.101 as those sections existed on January 1,
24 2023.

25 (d) Before making a final determination of the amount of an
26 allotment to which a school district is entitled under this
27 section, the agency shall ensure each school district has an

1 opportunity to review and submit revised information to the agency
2 for purposes of calculating the values under Subsection (a).

3 (e) A school district is entitled to an allotment in an
4 amount equal to:

5 (1) for the 2026-2027 school year, two-thirds of the
6 value determined under Subsection (a); and

7 (2) for the 2027-2028 school year, one-third of the
8 value determined under Subsection (a).

9 (f) A school district is not entitled to an allotment under
10 this section in the 2028-2029 school year or a later school year.

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

12 SECTION 1.46. Subchapter F, Chapter 48, Education Code, is
13 amended by adding Section 48.284 to read as follows:

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

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

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

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

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

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

9 (e) The commissioner may require a school district to
10 submit, or request from a state agency or a political subdivision of
11 this state, additional information as needed to make a
12 determination under this section.

13 (f) The total amount of grants awarded under this section
14 for a school year may not exceed \$175 million.

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

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

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

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

24 SECTION 1.47. Section 49.302(a), Education Code, is amended
25 to read as follows:

26 (a) For purposes of this subchapter, the taxable value of an
27 individual parcel or other item of property and the total taxable

1 value of property in a school district resulting from the
2 detachment of property from or annexation of property to that
3 district is determined by applying the appraisal ratio for the
4 appropriate category of property determined under Section 48.013
5 [~~Subchapter M, Chapter 403, Government Code,~~] for the preceding tax
6 year to the taxable value of the detached or annexed property
7 determined under Title 1, Tax Code, for the preceding tax year.

8 SECTION 1.48. Section 403.3011(2), Government Code, is
9 amended to read as follows:

10 (2) "Eligible school district" means a school district
11 for which the comptroller has determined the following:

12 (A) in the most recent study, the local value is
13 invalid under Section 403.302(c) and does not exceed the state
14 value for the school district determined in the study;

15 (B) in the two studies preceding the most recent
16 study, the school district's local value was valid under Section
17 403.302(c); and

18 (C) in the most recent study, the aggregate local
19 value of all of the categories of property sampled by the
20 comptroller is not less than 90 percent of the lower limit of the
21 margin of error as determined by the comptroller of the aggregate
22 value as determined by the comptroller of all of the categories of
23 property sampled by the comptroller [~~, and~~

24 [~~(D) the appraisal district that appraises~~
25 ~~property for the school district was in compliance with the scoring~~
26 ~~requirement of the comptroller's most recent review of the~~
27 ~~appraisal district conducted under Section 5.102, Tax Code].~~

1 SECTION 1.49. Section 403.303(a), Government Code, is
2 amended to read as follows:

3 (a) A school district or a property owner whose property is
4 included in the study under Section 403.302 and whose tax liability
5 on the property is \$100,000 or more may protest the comptroller's
6 findings under Section 403.302(g) or (h) by filing a petition with
7 the comptroller. The petition must be filed not later than the 50th
8 [40th] day after the date on which the comptroller's findings are
9 certified to the commissioner of education and must specify the
10 grounds for objection and the value claimed to be correct by the
11 school district or property owner.

12 SECTION 1.50. Section 5.102, Tax Code, is amended by adding
13 Subsection (f) to read as follows:

14 (f) Following the conclusion of all reviews conducted by the
15 comptroller under this section each year, the comptroller shall
16 prepare a report summarizing the findings of the reviews conducted
17 by the comptroller in that year. The report must include the number
18 of appraisal districts for which the comptroller conducted a
19 limited-scope review under Subsection (a-1), the number of
20 recommendations made under Subsection (c), the percentage increase
21 or decrease in the number of recommendations made under Subsection
22 (c) as compared to the number of recommendations made under that
23 subsection as listed in the report prepared for the preceding year,
24 the number of appraisal districts subject to Subsection (e), and
25 any other information the comptroller determines is necessary. The
26 comptroller shall include the report required by this subsection in
27 the report required under Section 5.10.

1 SECTION 1.51. Section 26.08(n), Tax Code, is amended to
2 read as follows:

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

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

8 (2) the greater of:

9 (A) the district's enrichment tax rate for the
10 preceding tax year, less any amount by which the district is
11 required to reduce the district's enrichment tax rate under Section
12 48.202(f), Education Code, in the current tax year; or

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

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

16 SECTION 1.52. The following provisions of the Education
17 Code are repealed:

18 (1) Sections 21.402(b), (c), (c-1), (f), and (h);

19 (2) Sections 21.403(a) and (d); and

20 (3) Sections 48.111(c), (c-1), and (c-2).

21 SECTION 1.53. Section 403.3011, Government Code, as amended
22 by this Act, applies only to a study conducted under Section
23 403.302, Government Code, for a tax year that begins on or after
24 January 1, 2024. A study conducted before that date is governed by
25 the law in effect immediately before the effective date of this Act,
26 and the former law is continued in effect for that purpose.

27 SECTION 1.54. Section 403.303, Government Code, as amended

1 by this Act, applies only to a protest of a finding under a study
2 conducted under Section 403.302, Government Code, for which a
3 petition is filed on or after January 1, 2024. A petition filed
4 before that date is governed by the law in effect on the date the
5 petition was filed, and the former law is continued in effect for
6 that purpose.

7 SECTION 1.55. Section 5.102(f), Tax Code, as added by this
8 Act, applies only to a report required under Section 5.10, Tax Code,
9 for a tax year that begins on or after January 1, 2024.

10 SECTION 1.56. If both this Act and H.B. 11, 88th
11 Legislature, Regular Session, 2023, are enacted, this Act prevails
12 over H.B. 11, to the extent of any conflict, without regard to the
13 date of enactment of this Act or H.B. 11.

14 SECTION 1.57. (a) Except as provided by Subsection (b) of
15 this section or as otherwise provided by this article, this article
16 takes effect immediately if this Act receives a vote of two-thirds
17 of all the members elected to each house, as provided by Section 39,
18 Article III, Texas Constitution. If this Act does not receive the
19 vote necessary for immediate effect, the entirety of this article
20 takes effect September 1, 2023.

21 (b) Sections 7.062(a), 12.106(a-2), 13.051(c), 13.054,
22 30.003, 46.003(a), 46.006(g), 46.032(a), 48.0051(a), (b), and (d),
23 48.011(a-1), (d), and (e), 48.051, 48.101, 48.111, 48.151(c) and
24 (g), 48.202(a) and (a-1), 48.2542, 48.255(c), 48.2551(a),
25 48.256(a) and (b), 48.257(c), 48.271(a), 48.273(a)(4), 48.277(d)
26 and (e), and 49.302(a), Education Code, and Section 26.08(n), Tax
27 Code, as amended by this article, and Sections 48.0055, 48.013,

1 48.1022, 48.116, 48.118, 48.160, 48.280, and 48.284, Education
2 Code, as added by this article, take effect September 1, 2023.

3 ARTICLE 2. CHANGES EFFECTIVE FOR 2024-2025 SCHOOL YEAR

4 SECTION 2.01. Section 8.051(d), Education Code, is amended
5 to read as follows:

6 (d) Each regional education service center shall maintain
7 core services for purchase by school districts and campuses. The
8 core services are:

9 (1) training and assistance in:

10 (A) teaching each subject area assessed under
11 Section 39.023; and

12 (B) providing instruction in personal financial
13 literacy as required under Section 28.0021;

14 (2) training and assistance in providing each program
15 that qualifies for a funding allotment under Section 48.102,
16 48.1021, 48.104, 48.105, or 48.109;

17 (3) assistance specifically designed for a school
18 district or campus assigned an unacceptable performance rating
19 under Section 39.054;

20 (4) training and assistance to teachers,
21 administrators, members of district boards of trustees, and members
22 of site-based decision-making committees;

23 (5) assistance specifically designed for a school
24 district that is considered out of compliance with state or federal
25 special education requirements, based on the agency's most recent
26 compliance review of the district's special education programs; and

27 (6) assistance in complying with state laws and rules.

1 SECTION 2.02. Section 29.002, Education Code, is amended to
2 read as follows:

3 Sec. 29.002. DEFINITION. In this subchapter, "special
4 services" means:

5 (1) special education, as defined by 20 U.S.C. Section
6 1401(29) [~~instruction, which may be provided by professional and~~
7 ~~supported by paraprofessional personnel in the regular classroom or~~
8 ~~in an instructional arrangement described by Section 48.102~~]; and

9 (2) related services, as defined by 20 U.S.C. Section
10 1401(26) [~~which are developmental, corrective, supportive, or~~
11 ~~evaluative services, not instructional in nature, that may be~~
12 ~~required for the student to benefit from special education~~
13 ~~instruction and for implementation of a student's individualized~~
14 ~~education program~~].

15 SECTION 2.03. Section 29.014(d), Education Code, is amended
16 to read as follows:

17 (d) The basic allotment for a student enrolled in a district
18 to which this section applies is adjusted by the tier of intensity
19 of service defined in accordance with [~~weight for a homebound~~
20 ~~student under~~] Section 48.102 and designated by commissioner rule
21 for use under this section [~~48.102(a)~~].

22 SECTION 2.04. Section 29.018, Education Code, is amended by
23 adding Subsection (g) to read as follows:

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

25 SECTION 2.05. Sections 29.022(a), (a-1), (b), (c), (c-1),
26 (d), (f), (h), (k), (l), (s), and (t), Education Code, are amended
27 to read as follows:

1 (a) In order to promote student safety, on receipt of a
2 written request authorized under Subsection (a-1), a school
3 district or open-enrollment charter school shall provide
4 equipment, including a video camera, to the school or schools in the
5 district or the charter school campus or campuses specified in the
6 request. A school or campus that receives equipment as provided by
7 this subsection shall place, operate, and maintain one or more
8 video cameras in special education [~~self-contained~~] classrooms and
9 other special education settings [~~in which a majority of the~~
10 ~~students in regular attendance are provided special education and~~
11 ~~related services and are assigned to one or more self-contained~~
12 ~~classrooms or other special education settings for at least 50~~
13 ~~percent of the instructional day~~], provided that:

14 (1) a school or campus that receives equipment as a
15 result of the request by a parent or staff member is required to
16 place equipment only in classrooms or settings in which the
17 parent's child is in regular attendance or to which the staff member
18 is assigned, as applicable; and

19 (2) a school or campus that receives equipment as a
20 result of the request by a board of trustees, governing body,
21 principal, or assistant principal is required to place equipment
22 only in classrooms or settings identified by the requestor, if the
23 requestor limits the request to specific classrooms or settings
24 subject to this subsection.

25 (a-1) For purposes of Subsection (a):

26 (1) a parent of a child who receives special education
27 services in one or more special education [~~self-contained~~]

1 classrooms or other special education settings may request in
2 writing that equipment be provided to the school or campus at which
3 the child receives those services;

4 (2) a board of trustees or governing body may request
5 in writing that equipment be provided to one or more specified
6 schools or campuses at which one or more children receive special
7 education services in special education [~~self-contained~~]
8 classrooms or other special education settings;

9 (3) the principal or assistant principal of a school
10 or campus at which one or more children receive special education
11 services in special education [~~self-contained~~] classrooms or other
12 special education settings may request in writing that equipment be
13 provided to the principal's or assistant principal's school or
14 campus; and

15 (4) a staff member assigned to work with one or more
16 children receiving special education services in special education
17 [~~self-contained~~] classrooms or other special education settings
18 may request in writing that equipment be provided to the school or
19 campus at which the staff member works.

20 (b) A school or campus that places a video camera in a
21 special education classroom or other special education setting in
22 accordance with Subsection (a) shall operate and maintain the video
23 camera in the classroom or setting, as long as the classroom or
24 setting continues to satisfy the requirements under Subsection (a),
25 for the remainder of the school year in which the school or campus
26 received the request, unless the requestor withdraws the request in
27 writing. If for any reason a school or campus will discontinue

1 operation of a video camera during a school year, not later than the
2 fifth school day before the date the operation of the video camera
3 will be discontinued, the school or campus must notify the parents
4 of each student in regular attendance in the classroom or setting
5 that operation of the video camera will not continue unless
6 requested by a person eligible to make a request under Subsection
7 (a-1). Not later than the 10th school day before the end of each
8 school year, the school or campus must notify the parents of each
9 student in regular attendance in the classroom or setting that
10 operation of the video camera will not continue during the
11 following school year unless a person eligible to make a request for
12 the next school year under Subsection (a-1) submits a new request.

13 (c) Except as provided by Subsection (c-1), video cameras
14 placed under this section must be capable of:

15 (1) covering all areas of the special education
16 classroom or other special education setting, including a room
17 attached to the classroom or setting used for time-out; and

18 (2) recording audio from all areas of the special
19 education classroom or other special education setting, including a
20 room attached to the classroom or setting used for time-out.

21 (c-1) The inside of a bathroom or any area in the special
22 education classroom or other special education setting in which a
23 student's clothes are changed may not be visually monitored, except
24 for incidental coverage of a minor portion of a bathroom or changing
25 area because of the layout of the classroom or setting.

26 (d) Before a school or campus activates a video camera in a
27 special education classroom or other special education setting

1 under this section, the school or campus shall provide written
2 notice of the placement to all school or campus staff and to the
3 parents of each student attending class or engaging in school
4 activities in the classroom or setting.

5 (f) A school district or open-enrollment charter school may
6 solicit and accept gifts, grants, and donations from any person for
7 use in placing video cameras in special education classrooms or
8 other special education settings under this section.

9 (h) A school district or open-enrollment charter school may
10 not:

11 (1) allow regular or continual monitoring of video
12 recorded under this section; or

13 (2) use video recorded under this section for teacher
14 evaluation or for any other purpose other than the promotion of
15 safety of students receiving special education services in a
16 special education [~~self-contained~~] classroom or other special
17 education setting.

18 (k) The commissioner may adopt rules to implement and
19 administer this section, including rules regarding the special
20 education classrooms and other special education settings to which
21 this section applies.

22 (l) A school district or open-enrollment charter school
23 policy relating to the placement, operation, or maintenance of
24 video cameras under this section must:

25 (1) include information on how a person may appeal an
26 action by the district or school that the person believes to be in
27 violation of this section or a policy adopted in accordance with

1 this section, including the appeals process under Section 7.057;

2 (2) require that the district or school provide a
3 response to a request made under this section not later than the
4 seventh school business day after receipt of the request by the
5 person to whom it must be submitted under Subsection (a-3) that
6 authorizes the request or states the reason for denying the
7 request;

8 (3) except as provided by Subdivision (5), require
9 that a school or a campus begin operation of a video camera in
10 compliance with this section not later than the 45th school
11 business day, or the first school day after the 45th school business
12 day if that day is not a school day, after the request is authorized
13 unless the agency grants an extension of time;

14 (4) permit the parent of a student whose admission,
15 review, and dismissal committee has determined that the student's
16 placement for the following school year will be in a special
17 education classroom or other special education setting in which a
18 video camera may be placed under this section to make a request for
19 the video camera by the later of:

20 (A) the date on which the current school year
21 ends; or

22 (B) the 10th school business day after the date
23 of the placement determination by the admission, review, and
24 dismissal committee; and

25 (5) if a request is made by a parent in compliance with
26 Subdivision (4), unless the agency grants an extension of time,
27 require that a school or campus begin operation of a video camera in

1 compliance with this section not later than the later of:

2 (A) the 10th school day of the fall semester; or

3 (B) the 45th school business day, or the first
4 school day after the 45th school business day if that day is not a
5 school day, after the date the request is made.

6 (s) This section applies to the placement, operation, and
7 maintenance of a video camera in a special education
8 ~~[self-contained]~~ classroom or other special education setting
9 during the regular school year and extended school year services.

10 (t) A video camera placed under this section is not required
11 to be in operation for the time during which students are not
12 present in the special education classroom or other special
13 education setting.

14 SECTION 2.06. Sections [29.022\(u\)\(3\)](#) and (4), Education
15 Code, are amended to read as follows:

16 (3) "Special education classroom or other special
17 education setting" means a classroom or setting primarily used for
18 delivering special education services to students who spend on
19 average less than 50 percent of an instructional day in a general
20 education classroom or setting [~~"Self-contained classroom" does~~
21 ~~not include a classroom that is a resource room instructional~~
22 ~~arrangement under Section [48.102](#)].~~

23 (4) "Staff member" means a teacher, related service
24 provider, paraprofessional, counselor, or educational aide
25 assigned to work in a special education ~~[self-contained]~~ classroom
26 or other special education setting.

27 SECTION 2.07. Section [29.316\(c\)](#), Education Code, is amended

1 to read as follows:

2 (c) Not later than August 31 of each year, the agency, the
3 division, and the center jointly shall prepare and post on the
4 agency's, the division's, and the center's respective Internet
5 websites a report on the language acquisition of children eight
6 years of age or younger who are deaf or hard of hearing. The report
7 must:

8 (1) include:

9 (A) existing data reported in compliance with
10 federal law regarding children with disabilities; and

11 (B) information relating to the language
12 acquisition of children who are deaf or hard of hearing and also
13 have other disabilities;

14 (2) state for each child:

15 (A) the percentage of the instructional day
16 [~~arrangement used with the child, as described by Section 48.102,~~
17 ~~including the time~~] the child spends on average in a general
18 education setting [~~mainstream instructional arrangement~~];

19 (B) the specific language acquisition services
20 provided to the child, including:

21 (i) the time spent providing those
22 services; and

23 (ii) a description of any hearing
24 amplification used in the delivery of those services, including:

25 (a) the type of hearing amplification
26 used;

27 (b) the period of time in which the

1 child has had access to the hearing amplification; and

2 (c) the average amount of time the
3 child uses the hearing amplification each day;

4 (C) the tools or assessments used to assess the
5 child's language acquisition and the results obtained;

6 (D) the preferred unique communication mode used
7 by the child at home; and

8 (E) the child's age, race, and gender, the age at
9 which the child was identified as being deaf or hard of hearing, and
10 any other relevant demographic information the commissioner
11 determines to likely be correlated with or have an impact on the
12 child's language acquisition;

13 (3) compare progress in English literacy made by
14 children who are deaf or hard of hearing to progress in that subject
15 made by children of the same age who are not deaf or hard of hearing,
16 by appropriate age range; and

17 (4) be redacted as necessary to comply with state and
18 federal law regarding the confidentiality of student medical or
19 educational information.

20 SECTION 2.08. Section 46.003(a), Education Code, is amended
21 to read as follows:

22 (a) For each year, except as provided by Sections 46.005 and
23 46.006, a school district is guaranteed a specified amount per
24 student in state and local funds for each cent of tax effort, up to
25 the maximum rate under Subsection (b), to pay the principal of and
26 interest on eligible bonds issued to construct, acquire, renovate,
27 or improve an instructional facility. The amount of state support

1 is determined by the formula:

2
$$\text{FYA} = (\text{FYL} \times \text{AE} [\text{ADA}] \times \text{BTR} \times 100) - (\text{BTR} \times (\text{DPV}/100))$$

3 where:

4 "FYA" is the guaranteed facilities yield amount of state
5 funds allocated to the district for the year;

6 "FYL" is the dollar amount guaranteed level of state and
7 local funds per student per cent of tax effort, which is \$35 or a
8 greater amount for any year provided by appropriation;

9 "AE" [~~"ADA"~~] is the greater of the number of students in
10 average enrollment [~~daily attendance~~], as determined under Section
11 48.0055 [~~48.005~~], in the district or 400;

12 "BTR" is the district's bond tax rate for the current year,
13 which is determined by dividing the amount budgeted by the district
14 for payment of eligible bonds by the quotient of the district's
15 taxable value of property as determined under Section 48.013
16 [~~Subchapter M, Chapter 403, Government Code~~] or, if applicable,
17 Section 48.258, divided by 100; and

18 "DPV" is the district's taxable value of property as
19 determined under Section 48.013 [~~Subchapter M, Chapter 403,~~
20 ~~Government Code~~] or, if applicable, Section 48.258.

21 SECTION 2.09. Section 46.005, Education Code, is amended to
22 read as follows:

23 Sec. 46.005. LIMITATION ON GUARANTEED AMOUNT. The
24 guaranteed amount of state and local funds for a new project that a
25 district may be awarded in any state fiscal biennium under Section
26 46.003 for a school district may not exceed the lesser of:

27 (1) the amount the actual debt service payments the

1 district makes in the biennium in which the bonds are issued; or

2 (2) the greater of:

3 (A) \$100,000; or

4 (B) the product of the number of students in
5 average enrollment [~~daily attendance~~] in the district multiplied by
6 \$250.

7 SECTION 2.10. Section 46.006(g), Education Code, is amended
8 to read as follows:

9 (g) In this section, "wealth per student" means a school
10 district's taxable value of property as determined under Section
11 48.013 [~~Subchapter M, Chapter 403, Government Code,~~] or, if
12 applicable, Section 48.258, divided by the district's average
13 enrollment [~~daily attendance~~] as determined under Section 48.0055
14 [~~48.005~~].

15 SECTION 2.11. Section 46.032(a), Education Code, is amended
16 to read as follows:

17 (a) Each school district is guaranteed a specified amount
18 per student in state and local funds for each cent of tax effort to
19 pay the principal of and interest on eligible bonds. The amount of
20 state support, subject only to the maximum amount under Section
21 46.034, is determined by the formula:

22
$$EDA = (EDGL \times \underline{AE} [\del{ADA}] \times EDTR \times 100) - (EDTR \times (DPV/100))$$

23 where:

24 "EDA" is the amount of state funds to be allocated to the
25 district for assistance with existing debt;

26 "EDGL" is the dollar amount guaranteed level of state and
27 local funds per student per cent of tax effort, which is the lesser

1 of:

2 (1) \$40 or a greater amount for any year provided by
3 appropriation; or

4 (2) the amount that would result in a total additional
5 amount of state funds under this subchapter for the current year
6 equal to \$60 million in excess of the state funds to which school
7 districts would have been entitled under this section if the
8 guaranteed level amount were \$35;

9 "AE" [~~"ADA"~~] is the number of students in average enrollment
10 [~~daily attendance~~], as determined under Section 48.0055 [~~48.005~~],
11 in the district;

12 "EDTR" is the existing debt tax rate of the district, which is
13 determined by dividing the amount budgeted by the district for
14 payment of eligible bonds by the quotient of the district's taxable
15 value of property as determined under Section 48.013 [~~Subchapter M,~~
16 ~~Chapter 403, Government Code,~~] or, if applicable, under Section
17 48.258, divided by 100; and

18 "DPV" is the district's taxable value of property as
19 determined under Section 48.013 [~~Subchapter M, Chapter 403,~~
20 ~~Government Code,~~] or, if applicable, under Section 48.258.

21 SECTION 2.12. Section 48.051(a), Education Code, is amended
22 to read as follows:

23 (a) For each student in average daily attendance, not
24 including the time students spend each day in special education
25 programs in a setting [~~an instructional arrangement~~] other than a
26 general education setting [~~mainstream or career and technology~~
27 ~~education programs~~], for which an additional allotment is made

1 under Subchapter C, a district is entitled to an allotment equal to
 2 [~~the lesser of \$6,160 or~~] the amount that results from the following
 3 formula:

4
$$A = \underline{B} [\underline{\$6,160}] \times \text{TR/MCR}$$

5 where:

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

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

8 (1) \$6,300;

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

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

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

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

16 SECTION 2.13. Section 48.102, Education Code, is amended to
 17 read as follows:

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

1 ~~average daily attendance in a special education program under~~
2 ~~Subchapter A, Chapter 29, in an instructional arrangement other~~
3 ~~than a mainstream instructional arrangement, a district is entitled~~
4 ~~to an annual allotment equal to the basic allotment, or, if~~
5 ~~applicable, the sum of the basic allotment and the allotment under~~
6 ~~Section 48.101 to which the district is entitled, multiplied by a~~
7 ~~weight determined according to instructional arrangement as~~
8 ~~follows:~~

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

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

23 (b) The commissioner by rule shall define seven tiers of
24 intensity of service for use in determining funding under this
25 section. The commissioner must include one tier specifically
26 addressing students receiving special education services in
27 residential placement [~~A special instructional arrangement for~~

1 ~~students with disabilities residing in care and treatment~~
2 ~~facilities, other than state schools, whose parents or guardians do~~
3 ~~not reside in the district providing education services shall be~~
4 ~~established by commissioner rule. The funding weight for this~~
5 ~~arrangement shall be 4.0 for those students who receive their~~
6 ~~education service on a local school district campus. A special~~
7 ~~instructional arrangement for students with disabilities residing~~
8 ~~in state schools shall be established by commissioner rule with a~~
9 ~~funding weight of 2.8].~~

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

15 ~~[(d) For funding purposes the contact hours credited per day~~
16 ~~for each student in the resource room; self-contained, mild and~~
17 ~~moderate; and self-contained, severe, instructional arrangements~~
18 ~~may not exceed the average of the statewide total contact hours~~
19 ~~credited per day for those three instructional arrangements in the~~
20 ~~1992-1993 school year.~~

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

1 ~~are necessary to enrich the regular classroom and enable student~~
2 ~~success.~~

3 ~~[(f) In this section, "full-time equivalent student" means~~
4 ~~30 hours of contact a week between a special education student and~~
5 ~~special education program personnel.~~

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

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

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

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

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

1 this section, for each day the program is provided divided by the
2 number of days in the minimum school year. The total amount of
3 state funding for extended year services under this section may not
4 exceed \$10 million per year. A school district may use funds
5 received under this section only in providing an extended year
6 program.

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

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

24 SECTION 2.14. Subchapter C, Chapter 48, Education Code, is
25 amended by adding Sections 48.1021 and 48.1023 to read as follows:

26 Sec. 48.1021. SPECIAL EDUCATION SERVICE GROUP ALLOTMENT.

27 (a) For each six-week period in which a student in a special

1 education program under Subchapter A, Chapter 29, receives eligible
2 special education services, a school district is entitled to an
3 allotment in an amount set by the legislature in the General
4 Appropriations Act for the service group for which the student is
5 eligible.

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

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

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

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

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

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

Sec. 48.1023. SPECIAL EDUCATION TRANSITION FUNDING. (a)

For the 2024-2025 and 2025-2026 school years, the commissioner may adjust weights or amounts provided under Section 48.102 or 48.1021 as necessary to ensure compliance with requirements regarding maintenance of state financial support under 20 U.S.C. Section 1412(a)(18) and maintenance of local financial support under applicable federal law.

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

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

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

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

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

1 (e) Each school district and open-enrollment charter school
2 shall report to the agency information necessary to implement this
3 section.

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

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

8 SECTION 2.15. Section 48.103(c), Education Code, is amended
9 to read as follows:

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

14 SECTION 2.16. Sections 48.104(a), (d), and (e), Education
15 Code, are amended to read as follows:

16 (a) For each student who does not have a disability and
17 resides in a residential placement facility in a district in which
18 the student's parent or legal guardian does not reside, a district
19 is entitled to an annual allotment equal to the basic allotment
20 multiplied by 0.2 or, if the student is educationally
21 disadvantaged, 0.2755 ~~[0.275]~~. For each full-time equivalent
22 student who is in a remedial and support program under Section
23 29.081 because the student is pregnant, a district is entitled to an
24 annual allotment equal to the basic allotment multiplied by 2.41.

25 (d) The weights assigned to the five tiers of the index
26 established under Subsection (c) are, from least to most severe
27 economic disadvantage, 0.2255 ~~[0.225]~~, 0.238 ~~[0.2375]~~, 0.2505

1 ~~0.25~~, 0.263 ~~[0.2625]~~, and 0.2755 ~~[0.275]~~.

2 (e) If insufficient data is available for any school year to
3 evaluate the level of economic disadvantage in a census block
4 group, a school district is entitled to an annual allotment equal to
5 the basic allotment multiplied by 0.2255 ~~[0.225]~~ for each student
6 who is educationally disadvantaged and resides in that census block
7 group.

8 SECTION 2.17. Section 48.105(a), Education Code, is amended
9 to read as follows:

10 (a) For each student in average enrollment ~~[daily~~
11 ~~attendance]~~ in a bilingual education or special language program
12 under Subchapter B, Chapter 29, a district is entitled to an annual
13 allotment equal to the basic allotment multiplied by:

14 (1) for an emergent bilingual student, as defined by
15 Section 29.052:

16 (A) 0.1; or

17 (B) 0.15 if the student is in a bilingual
18 education program using a dual language immersion/one-way or
19 two-way program model; and

20 (2) for a student not described by Subdivision (1),
21 0.05 if the student is in a bilingual education program using a dual
22 language immersion/two-way program model.

23 SECTION 2.18. Sections 48.106(a) and (a-1), Education Code,
24 are amended to read as follows:

25 (a) For each full-time equivalent student in average
26 enrollment ~~[daily attendance]~~ in an approved career and technology
27 education program in grades 7 through 12, a district is entitled to

1 an annual allotment equal to the basic allotment~~[7]~~ or, if
2 applicable, the sum of the basic allotment and the allotment under
3 Section 48.101 to which the district is entitled, multiplied by:

4 (1) 0.1 [~~1.1~~] for a full-time equivalent student in
5 career and technology education courses not in an approved program
6 of study;

7 (2) 0.28 [~~1.28~~] for a full-time equivalent student in
8 levels one and two career and technology education courses in an
9 approved program of study, as identified by the agency; and

10 (3) 0.47 [~~1.47~~] for a full-time equivalent student in
11 levels three and four career and technology education courses in an
12 approved program of study, as identified by the agency.

13 (a-1) In addition to the amounts under Subsection (a), for
14 each student in average enrollment [~~daily attendance~~], a district
15 is entitled to \$50 for each of the following in which the student is
16 enrolled:

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

19 (2) a campus that is a member of the New Tech Network
20 and that focuses on project-based learning and work-based
21 education.

22 SECTION 2.19. Section 48.107(a), Education Code, is amended
23 to read as follows:

24 (a) Except as provided by Subsection (b), for each student
25 in average enrollment [~~daily attendance~~] who is using a public
26 education grant under Subchapter G, Chapter 29, to attend school in
27 a district other than the district in which the student resides, the

1 district in which the student attends school is entitled to an
2 annual allotment equal to the basic allotment multiplied by a
3 weight of 0.1.

4 SECTION 2.20. Section 48.108(a), Education Code, is amended
5 to read as follows:

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

- 10 (1) educationally disadvantaged; or
11 (2) an emergent bilingual student, as defined by
12 Section 29.052, and is in a bilingual education or special language
13 program under Subchapter B, Chapter 29.

14 SECTION 2.21. Section 48.109(c), Education Code, is amended
15 to read as follows:

16 (c) Not more than five percent of a district's students in
17 average enrollment [~~daily attendance~~] are eligible for funding
18 under this section.

19 SECTION 2.22. Subchapter C, Chapter 48, Education Code, is
20 amended by adding Section 48.119 to read as follows:

21 Sec. 48.119. BOOK SAFETY ALLOTMENT. (a) For each student
22 in average enrollment, a school district is entitled to an annual
23 allotment of \$3 or a greater amount provided by appropriation.

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

27 (c) The agency shall adopt a list of approved vendors at

1 which a school district may spend funds allocated under this
2 section for the purpose described by Subsection (b).

3 SECTION 2.23. Section 48.153, Education Code, is amended to
4 read as follows:

5 Sec. 48.153. DROPOUT RECOVERY SCHOOL AND RESIDENTIAL
6 PLACEMENT FACILITY ALLOTMENT. A school district or open-enrollment
7 charter school is entitled to \$275 for each student in average
8 enrollment [~~daily attendance~~] who:

- 9 (1) resides in a residential placement facility; or
10 (2) is at a district or school or a campus of the
11 district or school that is designated as a dropout recovery school
12 under Section 39.0548.

13 SECTION 2.24. Section 48.257, Education Code, is amended by
14 amending Subsection (a) and adding Subsection (b-1) to read as
15 follows:

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

24 (b-1) This subsection applies only to a school district to
25 which Subsection (a) applies, that received an allotment under
26 Section 48.277 for the 2023-2024 school year, and that adopts a
27 maintenance and operations tax rate for the current school year

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

17 SECTION 2.25. Section 48.279(e), Education Code, is
18 amended to read as follows:

19 (e) After the commissioner has replaced any withheld
20 federal funds as provided by Subsection (d), the commissioner shall
21 distribute the remaining amount, if any, of funds described by
22 Subsection (a) to proportionately increase funding for the special
23 education allotment under Section 48.102 and the special education
24 service group allotment under Section 48.1021.

25 SECTION 2.26. This article takes effect September 1, 2024.

26 ARTICLE 3. CHANGES EFFECTIVE FOR 2025-2026 SCHOOL YEAR

27 SECTION 3.01. Section 48.051, Education Code, is amended by

1 adding Subsection (a-1) to read as follows:

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

7 SECTION 3.02. Subchapter D, Chapter 49, Education Code, is
8 amended by adding Section 49.1541 to read as follows:

9 Sec. 49.1541. CREDIT FOR PREPAYMENT. (a) The total amount
10 required under Section 49.153 for a school district to purchase
11 attendance credit under this subchapter for any school year is
12 reduced by four percent if the district:

13 (1) elects to pay for credit purchased in the manner
14 provided by Section 49.154(a)(2); and

15 (2) pays the total amount required to be paid by the
16 district not later than February 15 of the school year for which the
17 agreement is in effect.

18 (b) A reduction under Subsection (a) shall be made after
19 making any reduction to which the district is entitled under
20 Section 49.157 or another provision of this chapter.

21 SECTION 3.03. This article takes effect September 1, 2025.