

1-1 By: Bettencourt, Paxton S.B. No. 1474
 1-2 (In the Senate - Filed March 2, 2023; March 16, 2023, read
 1-3 first time and referred to Committee on Education; April 24, 2023,
 1-4 reported adversely, with favorable Committee Substitute by the
 1-5 following vote: Yeas 9, Nays 3; April 24, 2023, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Creighton	X			
1-8 Campbell	X			
1-9 Bettencourt	X			
1-10 Birdwell			X	
1-11 Flores	X			
1-12 King	X			
1-13 LaMantia		X		
1-14 Menéndez		X		
1-15 Middleton	X			
1-16 Parker	X			
1-17 Paxton	X			
1-18 Springer	X			
1-19 West		X		

1-21 COMMITTEE SUBSTITUTE FOR S.B. No. 1474 By: King

1-22 A BILL TO BE ENTITLED
 1-23 AN ACT

1-24 relating to special education in public schools, including the
 1-25 special education allotment under the Foundation School Program, an
 1-26 education savings account program for certain children with
 1-27 disabilities, and a grant program to reimburse public schools for
 1-28 the cost of certain employer contributions for retirees of the
 1-29 Teacher Retirement System of Texas employed to teach or provide
 1-30 services related to special education.

1-31 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-32 SECTION 1. Effective September 1, 2024, Section 8.051(d),
 1-33 Education Code, is amended to read as follows:

1-34 (d) Each regional education service center shall maintain
 1-35 core services for purchase by school districts and campuses. The
 1-36 core services are:

1-37 (1) training and assistance in:

1-38 (A) teaching each subject area assessed under
 1-39 Section 39.023; and

1-40 (B) providing instruction in personal financial
 1-41 literacy as required under Section 28.0021;

1-42 (2) training and assistance in providing each program
 1-43 that qualifies for a funding allotment under Section 48.102,
 1-44 48.1021, 48.104, 48.105, or 48.109;

1-45 (3) assistance specifically designed for a school
 1-46 district or campus assigned an unacceptable performance rating
 1-47 under Section 39.054;

1-48 (4) training and assistance to teachers,
 1-49 administrators, members of district boards of trustees, and members
 1-50 of site-based decision-making committees;

1-51 (5) assistance specifically designed for a school
 1-52 district that is considered out of compliance with state or federal
 1-53 special education requirements, based on the agency's most recent
 1-54 compliance review of the district's special education programs; and

1-55 (6) assistance in complying with state laws and rules.

1-56 SECTION 2. Chapter 22, Education Code, is amended by adding
 1-57 Subchapter E to read as follows:

1-58 SUBCHAPTER E. RETIRED SPECIAL EDUCATION TEACHER GRANT PROGRAM

1-59 Sec. 22.151. RETIRED SPECIAL EDUCATION TEACHER GRANT
 1-60 PROGRAM. (a) From money appropriated or otherwise available for

2-1 the purpose, the commissioner shall establish a grant program to
 2-2 reimburse school districts and open-enrollment charter schools for
 2-3 the cost of required contributions under Section 825.4092,
 2-4 Government Code, for the employment of a retiree hired to teach
 2-5 special education or provide services related to special education.

2-6 (b) A grant received under the program may only be used for
 2-7 the cost of required contributions for the employment of a retiree:
 2-8 (1) who retired before September 1, 2022; or
 2-9 (2) as provided by the General Appropriations Act.

2-10 (c) If the amount of grant requests under the program
 2-11 exceeds the amount appropriated or otherwise available for the
 2-12 purpose, the commissioner shall proportionately reduce the amount
 2-13 of each grant.

2-14 SECTION 3. Section 29.001, Education Code, is amended to
 2-15 read as follows:

2-16 Sec. 29.001. IMPLEMENTATION OF SPECIAL EDUCATION
 2-17 LAW [STATEWIDE PLAN]. (a) As the state education agency
 2-18 responsible for carrying out the purposes of Part B, Individuals
 2-19 with Disabilities Education Act (IDEA) (20 U.S.C. Section 1411 et
 2-20 seq.), the [The] agency shall develop, and revise [modify] as
 2-21 necessary, a comprehensive system to ensure statewide and local
 2-22 compliance [design, consistent] with federal and state law related
 2-23 to special education[, for the delivery of services to children
 2-24 with disabilities in this state that includes rules for the
 2-25 administration and funding of the special education program so that
 2-26 a free appropriate public education is available to all of those
 2-27 children between the ages of three and 21].

2-28 (b) The comprehensive system [statewide design] shall
 2-29 include the provision of services primarily through school
 2-30 districts and shared services arrangements, supplemented by
 2-31 regional education service centers.

2-32 (c) The comprehensive system [agency] shall focus on
 2-33 maximizing student outcomes and include [also develop and implement
 2-34 a statewide plan with programmatic content that includes procedures
 2-35 designed to]:

2-36 (1) rulemaking, technical assistance, guidance
 2-37 documents, monitoring protocols, and other resources as necessary
 2-38 to implement and ensure compliance with federal and state law
 2-39 related to special education [ensure state compliance with
 2-40 requirements for supplemental federal funding for all
 2-41 state-administered programs involving the delivery of
 2-42 instructional or related services to students with disabilities];

2-43 (2) the facilitation of [facilitate] interagency
 2-44 coordination when other state agencies are involved in the delivery
 2-45 of instructional or related services to students with disabilities;

2-46 (3) the pursuit of [periodically assess statewide
 2-47 personnel needs in all areas of specialization related to special
 2-48 education and pursue] strategies to meet statewide special
 2-49 education and related services personnel [those] needs [through a
 2-50 consortium of representatives from regional education service
 2-51 centers, local education agencies, and institutions of higher
 2-52 education and through other available alternatives];

2-53 (4) ensuring [ensure] that regional education service
 2-54 centers throughout the state maintain a regional support function,
 2-55 which may include direct service delivery and a component designed
 2-56 to facilitate the placement of students with disabilities who
 2-57 cannot be appropriately served in their resident districts;

2-58 (5) [allow the agency to] effectively monitoring
 2-59 [monitor] and periodically conducting [conduct] site visits of all
 2-60 school districts to ensure that rules adopted under this subchapter
 2-61 [section] are applied in a consistent and uniform manner, to ensure
 2-62 that districts are complying with those rules, and to ensure that
 2-63 annual statistical reports filed by the districts and not otherwise
 2-64 available through the Public Education Information Management
 2-65 System under Sections 48.008 and 48.009 are accurate and complete;
 2-66 and

2-67 (6) the provision of training and technical assistance
 2-68 to ensure that:

2-69 (A) appropriately trained personnel are involved

3-1 in the diagnostic and evaluative procedures operating in all
3-2 districts and that those personnel routinely serve on district
3-3 admissions, review, and dismissal committees;

3-4 (B) [~~(7) ensure that~~] an individualized
3-5 education program for each student with a disability is properly
3-6 developed, implemented, and maintained in the least restrictive
3-7 environment that is appropriate to meet the student's educational
3-8 needs;

3-9 (C) [~~(8) ensure that,~~] when appropriate, each
3-10 student with a disability is provided an opportunity to participate
3-11 in career and technology and physical education classes[~~, in~~
3-12 ~~addition to participating in regular or special classes~~];

3-13 (D) [~~(9) ensure that~~] each student with a
3-14 disability is provided necessary related services;

3-15 (E) [~~(10) ensure that~~] an individual assigned
3-16 to act as a surrogate parent for a child with a disability, as
3-17 provided by 20 U.S.C. Section 1415(b), is required to:

3-18 (i) [~~(A)~~] complete a training program that
3-19 complies with minimum standards established by agency rule;

3-20 (ii) [~~(B)~~] visit the child and the child's
3-21 school;

3-22 (iii) [~~(C)~~] consult with persons involved
3-23 in the child's education, including teachers, caseworkers,
3-24 court-appointed volunteers, guardians ad litem, attorneys ad
3-25 litem, foster parents, and caretakers;

3-26 (iv) [~~(D)~~] review the child's educational
3-27 records;

3-28 (v) [~~(E)~~] attend meetings of the child's
3-29 admission, review, and dismissal committee;

3-30 (vi) [~~(F)~~] exercise independent judgment
3-31 in pursuing the child's interests; and

3-32 (vii) [~~(G)~~] exercise the child's due
3-33 process rights under applicable state and federal law; and

3-34 (F) [~~(11) ensure that~~] each district develops a
3-35 process to be used by a teacher who instructs a student with a
3-36 disability in a regular classroom setting:

3-37 (i) [~~(A)~~] to request a review of the
3-38 student's individualized education program;

3-39 (ii) [~~(B)~~] to provide input in the
3-40 development of the student's individualized education program;

3-41 (iii) [~~(C)~~] that provides for a timely
3-42 district response to the teacher's request; and

3-43 (iv) [~~(D)~~] that provides for notification
3-44 to the student's parent or legal guardian of that response.

3-45 SECTION 4. Subchapter A, Chapter 29, Education Code, is
3-46 amended by adding Section 29.0012 to read as follows:

3-47 Sec. 29.0012. ANNUAL MEETING ON SPECIAL EDUCATION. (a) At
3-48 least once each year, the board of trustees of a school district or
3-49 the governing body of an open-enrollment charter school shall
3-50 include during a public meeting a discussion of the performance of
3-51 students receiving special education services at the district or
3-52 school.

3-53 (b) The agency by rule shall adopt a set of performance
3-54 indicators for measuring and evaluating the quality of learning and
3-55 achievement for students receiving special education services at
3-56 the school district or open-enrollment charter school to be
3-57 considered at a meeting held under this section. The indicators
3-58 must include performance on the college, career, or military
3-59 readiness outcomes described by Section 48.110.

3-60 SECTION 5. Section 29.003, Education Code, is amended to
3-61 read as follows:

3-62 Sec. 29.003. ELIGIBILITY CRITERIA. (a) The agency shall
3-63 develop specific eligibility criteria based on the general
3-64 classifications established by this section and in accordance with
3-65 federal law [~~with reference to contemporary diagnostic or~~
3-66 ~~evaluative terminologies and techniques~~]. Eligible students with
3-67 disabilities shall enjoy the right to a free appropriate public
3-68 education, which may include instruction in the regular classroom,
3-69 instruction through special teaching, or instruction through

4-1 contracts approved under this subchapter. Instruction shall be
 4-2 supplemented by the provision of related services when appropriate.

4-3 (b) A student is eligible to participate in a school
 4-4 district's special education program ~~[if the student]~~:

4-5 (1) from birth through [is not more than] 21 years of
 4-6 age if the student [and] has a visual [or auditory] impairment or is
 4-7 deaf or hard of hearing and that disability prevents the student
 4-8 from being adequately or safely educated in public school without
 4-9 the provision of special education services; [or]

4-10 (2) from three years of age through five years of age
 4-11 if the student is experiencing developmental delays as described by
 4-12 20 U.S.C. Section 1401(3)(B) and defined by commissioner rule; or

4-13 (3) from 3 years of age through [is at least three but
 4-14 not more than] 21 years of age if the student [and] has one or more
 4-15 of the [following] disabilities described by 20 U.S.C. Section
 4-16 1401(3)(A) and that disability prevents the student from being
 4-17 adequately or safely educated in public school without the
 4-18 provision of special education services[+]

- 4-19 [~~(A) physical disability,~~
- 4-20 [~~(B) intellectual or developmental disability,~~
- 4-21 [~~(C) emotional disturbance,~~
- 4-22 [~~(D) learning disability,~~
- 4-23 [~~(E) autism,~~
- 4-24 [~~(F) speech disability; or~~
- 4-25 [~~(G) traumatic brain injury].~~

4-26 SECTION 6. Subchapter A, Chapter 29, Education Code, is
 4-27 amended by adding Section 29.0056 to read as follows:

4-28 Sec. 29.0056. INFORMATION REGARDING STATE SUPPORTED LIVING
 4-29 CENTERS. (a) In this section, "state supported living center" has
 4-30 the meaning assigned by Section 531.002, Health and Safety Code.

4-31 (b) The Health and Human Services Commission, in
 4-32 collaboration with the agency and stakeholders who represent the
 4-33 full continuum of educational residential placement options, shall
 4-34 develop and provide to the agency materials regarding educational
 4-35 residential placement options for children who may qualify for
 4-36 placement in a state supported living center. The agency shall make
 4-37 the materials developed under this subsection available to school
 4-38 districts.

4-39 (c) At a meeting of a child's admission, review, and
 4-40 dismissal committee at which residential placement is discussed,
 4-41 the school district shall provide to the child's parent the
 4-42 materials developed under Subsection (b).

4-43 SECTION 7. Section 29.008, Education Code, is amended by
 4-44 amending Subsections (a) and (b) and adding Subsection (a-1) to
 4-45 read as follows:

4-46 (a) The commissioner shall establish a list of approved
 4-47 public or private facilities, institutions, or agencies inside or
 4-48 outside of this state that a [A] school district, shared services
 4-49 arrangement unit, or regional education service center may contract
 4-50 with [a public or private facility, institution, or agency inside
 4-51 or outside of this state] for the provision of services to students
 4-52 with disabilities in a residential placement. The commissioner may
 4-53 approve either the whole or a part of a facility or program.

4-54 (a-1) Each contract described by this section [for
 4-55 residential placement] must be approved by the commissioner. The
 4-56 commissioner may approve a [residential placement] contract under
 4-57 this section only after at least a programmatic evaluation of
 4-58 personnel qualifications, costs, adequacy of physical plant and
 4-59 equipment, and curriculum content. [The commissioner may approve
 4-60 either the whole or a part of a facility or program.]

4-61 (b) Except as provided by Subsection (c), costs of an
 4-62 approved contract for residential placement may be paid from a
 4-63 combination of federal, state, and local funds. The local share of
 4-64 the total contract cost for each student is that portion of the
 4-65 local tax effort that exceeds the district's local fund assignment
 4-66 under Section 48.256, divided by the average daily attendance in
 4-67 the district. If the contract involves a private facility, the
 4-68 state share of the total contract cost is that amount remaining
 4-69 after subtracting the local share. If the contract involves a

5-1 public facility, the state share is that amount remaining after
 5-2 subtracting the local share from the portion of the contract that
 5-3 involves the costs of instructional and related services. For
 5-4 purposes of this subsection, "local tax effort" means the total
 5-5 amount of money generated by taxes imposed for debt service and
 5-6 maintenance and operation less any amounts paid into a tax
 5-7 increment fund under Chapter 311, Tax Code. This subsection
 5-8 expires September 1, 2027.

5-9 SECTION 8. The heading to Section 29.009, Education Code,
 5-10 is amended to read as follows:

5-11 Sec. 29.009. PUBLIC NOTICE CONCERNING EARLY CHILDHOOD
 5-12 SPECIAL EDUCATION [PRESCHOOL] PROGRAMS [FOR ~~STUDENTS WITH~~
 5-13 DISABILITIES].

5-14 SECTION 9. Section 29.010, Education Code, is amended to
 5-15 read as follows:

5-16 Sec. 29.010. GENERAL SUPERVISION AND COMPLIANCE. (a) The
 5-17 agency shall develop [~~adopt~~] and implement a comprehensive system
 5-18 for monitoring school district compliance with federal and state
 5-19 laws relating to special education. The monitoring system must
 5-20 include a comprehensive cyclical process and a targeted risk-based
 5-21 process [~~provide for ongoing analysis of district special education~~
 5-22 ~~data and of complaints filed with the agency concerning special~~
 5-23 ~~education services and for inspections of school districts at~~
 5-24 ~~district facilities]. The agency shall establish criteria and
 5-25 instruments for use in determining district compliance under this
 5-26 section [~~use the information obtained through analysis of district~~
 5-27 ~~data and from the complaints management system to determine the~~
 5-28 ~~appropriate schedule for and extent of the inspection].~~~~

5-29 (b) As part of the monitoring process [~~To complete the~~
 5-30 ~~inspection], the agency must obtain information from parents and
 5-31 teachers of students in special education programs in the district.~~

5-32 (c) The agency shall develop and implement a system of
 5-33 interventions and sanctions for school districts the agency
 5-34 identifies as being in noncompliance with [~~whose most recent~~
 5-35 ~~monitoring visit shows a failure to comply with major requirements~~
 5-36 ~~of] the Individuals with Disabilities Education Act (20 U.S.C.
 5-37 Section 1400 et seq.), federal regulations, state statutes, or
 5-38 agency requirements necessary to carry out federal law or
 5-39 regulations or state law relating to special education.~~

5-40 (d) The agency shall establish a graduated process of
 5-41 sanctions to apply to [~~For]~~ districts that remain in noncompliance
 5-42 for more than one year [~~, the first stage of sanctions shall begin~~
 5-43 ~~with annual or more frequent monitoring visits]. The [~~Subsequent~~]
 5-44 sanctions shall [~~may~~] range in severity and may include [~~up to~~]
 5-45 the withholding of funds. If funds are withheld, the agency may use the
 5-46 funds to provide, through alternative arrangements, services to
 5-47 students and staff members in the district from which the funds are
 5-48 withheld.~~

5-49 (e) The agency's complaint management division shall
 5-50 develop a system for expedited investigation and resolution of
 5-51 complaints concerning a district's failure to provide special
 5-52 education or related services to a student eligible to participate
 5-53 in the district's special education program.

5-54 [~~(f) This section does not create an obligation for or~~
 5-55 ~~impose a requirement on a school district or open-enrollment~~
 5-56 ~~charter school that is not also created or imposed under another~~
 5-57 ~~state law or a federal law.]~~

5-58 SECTION 10. Effective September 1, 2024, Section 29.014(d),
 5-59 Education Code, is amended to read as follows:

5-60 (d) The basic allotment for a student enrolled in a district
 5-61 to which this section applies is adjusted by the tier of intensity
 5-62 of service defined in accordance with [~~weight for a homebound~~
 5-63 ~~student under] Section 48.102 and designated by commissioner rule
 5-64 for use under this section [~~48.102(a)]~~.~~

5-65 SECTION 11. Section 29.018, Education Code, is amended by
 5-66 adding Subsection (g) to read as follows:

5-67 (g) This section expires September 1, 2026.

5-68 SECTION 12. Sections 29.022(a), (a-1), (b), (c), (c-1),
 5-69 (d), (f), (h), (k), (l), (s), and (t), Education Code, are amended

6-1 to read as follows:

6-2 (a) In order to promote student safety, on receipt of a
6-3 written request authorized under Subsection (a-1), a school
6-4 district or open-enrollment charter school shall provide
6-5 equipment, including a video camera, to the school or schools in the
6-6 district or the charter school campus or campuses specified in the
6-7 request. A school or campus that receives equipment as provided by
6-8 this subsection shall place, operate, and maintain one or more
6-9 video cameras in special education [~~self-contained~~] classrooms and
6-10 other special education settings [~~in which a majority of the~~
6-11 ~~students in regular attendance are provided special education and~~
6-12 ~~related services and are assigned to one or more self-contained~~
6-13 ~~classrooms or other special education settings for at least 50~~
6-14 ~~percent of the instructional day~~], provided that:

6-15 (1) a school or campus that receives equipment as a
6-16 result of the request by a parent or staff member is required to
6-17 place equipment only in classrooms or settings in which the
6-18 parent's child is in regular attendance or to which the staff member
6-19 is assigned, as applicable; and

6-20 (2) a school or campus that receives equipment as a
6-21 result of the request by a board of trustees, governing body,
6-22 principal, or assistant principal is required to place equipment
6-23 only in classrooms or settings identified by the requestor, if the
6-24 requestor limits the request to specific classrooms or settings
6-25 subject to this subsection.

6-26 (a-1) For purposes of Subsection (a):

6-27 (1) a parent of a child who receives special education
6-28 services in one or more special education [~~self-contained~~]
6-29 classrooms or other special education settings may request in
6-30 writing that equipment be provided to the school or campus at which
6-31 the child receives those services;

6-32 (2) a board of trustees or governing body may request
6-33 in writing that equipment be provided to one or more specified
6-34 schools or campuses at which one or more children receive special
6-35 education services in special education [~~self-contained~~]
6-36 classrooms or other special education settings;

6-37 (3) the principal or assistant principal of a school
6-38 or campus at which one or more children receive special education
6-39 services in special education [~~self-contained~~] classrooms or other
6-40 special education settings may request in writing that equipment be
6-41 provided to the principal's or assistant principal's school or
6-42 campus; and

6-43 (4) a staff member assigned to work with one or more
6-44 children receiving special education services in special education
6-45 [~~self-contained~~] classrooms or other special education settings
6-46 may request in writing that equipment be provided to the school or
6-47 campus at which the staff member works.

6-48 (b) A school or campus that places a video camera in a
6-49 special education classroom or other special education setting in
6-50 accordance with Subsection (a) shall operate and maintain the video
6-51 camera in the classroom or setting, as long as the classroom or
6-52 setting continues to satisfy the requirements under Subsection (a),
6-53 for the remainder of the school year in which the school or campus
6-54 received the request, unless the requestor withdraws the request in
6-55 writing. If for any reason a school or campus will discontinue
6-56 operation of a video camera during a school year, not later than the
6-57 fifth school day before the date the operation of the video camera
6-58 will be discontinued, the school or campus must notify the parents
6-59 of each student in regular attendance in the classroom or setting
6-60 that operation of the video camera will not continue unless
6-61 requested by a person eligible to make a request under Subsection
6-62 (a-1). Not later than the 10th school day before the end of each
6-63 school year, the school or campus must notify the parents of each
6-64 student in regular attendance in the classroom or setting that
6-65 operation of the video camera will not continue during the
6-66 following school year unless a person eligible to make a request for
6-67 the next school year under Subsection (a-1) submits a new request.

6-68 (c) Except as provided by Subsection (c-1), video cameras
6-69 placed under this section must be capable of:

- 7-1 (1) covering all areas of the special education
7-2 classroom or other special education setting, including a room
7-3 attached to the classroom or setting used for time-out; and
7-4 (2) recording audio from all areas of the special
7-5 education classroom or other special education setting, including a
7-6 room attached to the classroom or setting used for time-out.
7-7 (c-1) The inside of a bathroom or any area in the special
7-8 education classroom or other special education setting in which a
7-9 student's clothes are changed may not be visually monitored, except
7-10 for incidental coverage of a minor portion of a bathroom or changing
7-11 area because of the layout of the classroom or setting.
7-12 (d) Before a school or campus activates a video camera in a
7-13 special education classroom or other special education setting
7-14 under this section, the school or campus shall provide written
7-15 notice of the placement to all school or campus staff and to the
7-16 parents of each student attending class or engaging in school
7-17 activities in the classroom or setting.
7-18 (f) A school district or open-enrollment charter school may
7-19 solicit and accept gifts, grants, and donations from any person for
7-20 use in placing video cameras in special education classrooms or
7-21 other special education settings under this section.
7-22 (h) A school district or open-enrollment charter school may
7-23 not:
7-24 (1) allow regular or continual monitoring of video
7-25 recorded under this section; or
7-26 (2) use video recorded under this section for teacher
7-27 evaluation or for any other purpose other than the promotion of
7-28 safety of students receiving special education services in a
7-29 special education [~~self-contained~~] classroom or other special
7-30 education setting.
7-31 (k) The commissioner may adopt rules to implement and
7-32 administer this section, including rules regarding the special
7-33 education classrooms and other special education settings to which
7-34 this section applies.
7-35 (1) A school district or open-enrollment charter school
7-36 policy relating to the placement, operation, or maintenance of
7-37 video cameras under this section must:
7-38 (1) include information on how a person may appeal an
7-39 action by the district or school that the person believes to be in
7-40 violation of this section or a policy adopted in accordance with
7-41 this section, including the appeals process under Section 7.057;
7-42 (2) require that the district or school provide a
7-43 response to a request made under this section not later than the
7-44 seventh school business day after receipt of the request by the
7-45 person to whom it must be submitted under Subsection (a-3) that
7-46 authorizes the request or states the reason for denying the
7-47 request;
7-48 (3) except as provided by Subdivision (5), require
7-49 that a school or a campus begin operation of a video camera in
7-50 compliance with this section not later than the 45th school
7-51 business day, or the first school day after the 45th school business
7-52 day if that day is not a school day, after the request is authorized
7-53 unless the agency grants an extension of time;
7-54 (4) permit the parent of a student whose admission,
7-55 review, and dismissal committee has determined that the student's
7-56 placement for the following school year will be in a special
7-57 education classroom or other special education setting in which a
7-58 video camera may be placed under this section to make a request for
7-59 the video camera by the later of:
7-60 (A) the date on which the current school year
7-61 ends; or
7-62 (B) the 10th school business day after the date
7-63 of the placement determination by the admission, review, and
7-64 dismissal committee; and
7-65 (5) if a request is made by a parent in compliance with
7-66 Subdivision (4), unless the agency grants an extension of time,
7-67 require that a school or campus begin operation of a video camera in
7-68 compliance with this section not later than the later of:
7-69 (A) the 10th school day of the fall semester; or

8-1 (B) the 45th school business day, or the first
8-2 school day after the 45th school business day if that day is not a
8-3 school day, after the date the request is made.

8-4 (s) This section applies to the placement, operation, and
8-5 maintenance of a video camera in a special education
8-6 ~~[self-contained]~~ classroom or other special education setting
8-7 during the regular school year and extended school year services.

8-8 (t) A video camera placed under this section is not required
8-9 to be in operation for the time during which students are not
8-10 present in the special education classroom or other special
8-11 education setting.

8-12 SECTION 13. Sections 29.022(u)(3) and (4), Education Code,
8-13 are amended to read as follows:

8-14 (3) "Special education classroom or other special
8-15 education setting" means a classroom or setting primarily used for
8-16 delivering special education services to students who spend on
8-17 average less than 40 percent of an instructional day in a general
8-18 education classroom or setting [~~"Self-contained classroom" does~~
8-19 ~~not include a classroom that is a resource room instructional~~
8-20 ~~arrangement under Section 48.102~~].

8-21 (4) "Staff member" means a teacher, related service
8-22 provider, paraprofessional, counselor, or educational aide
8-23 assigned to work in a special education ~~[self-contained]~~ classroom
8-24 or other special education setting.

8-25 SECTION 14. Section 29.026(i), Education Code, is amended
8-26 to read as follows:

8-27 (i) A program selected to receive a grant under this section
8-28 is [~~The commissioner shall select programs and award grant funds to~~
8-29 ~~those programs beginning in the 2018-2019 school year. The~~
8-30 ~~selected programs are]~~ to be funded for two years.

8-31 SECTION 15. Section 29.027(d), Education Code, is amended
8-32 to read as follows:

8-33 (d) A grant under this section is [~~The commissioner shall~~
8-34 ~~select grant recipients and award grant funds beginning in the~~
8-35 ~~2021-2022 school year. The grants are]~~ to be awarded for two years.

8-36 SECTION 16. Subchapter A, Chapter 29, Education Code, is
8-37 amended by adding Section 29.029 to read as follows:

8-38 Sec. 29.029. SUPPORTS FOR RECRUITING SPECIAL EDUCATION
8-39 STAFF. (a) From funds appropriated or otherwise available for the
8-40 purpose, the agency shall provide grants to school districts and
8-41 open-enrollment charter schools to increase the number of qualified
8-42 and appropriately credentialed special education staff, including
8-43 special education teachers, special education paraprofessionals,
8-44 evaluation personnel, ancillary instruction personnel, and related
8-45 service personnel.

8-46 (b) A school district or open-enrollment charter school
8-47 that receives a grant under this section shall require each person
8-48 the district or school uses the grant money to assist in becoming
8-49 licensed, certified, or otherwise credentialed as described by
8-50 Subsection (a) to work at the district or school for a period
8-51 established by commissioner rule.

8-52 (c) The commissioner shall adopt rules establishing the
8-53 period of required employment described by Subsection (b) and any
8-54 other rules necessary to implement this section.

8-55 SECTION 17. The heading to Subchapter A-1, Chapter 29,
8-56 Education Code, is amended to read as follows:

8-57 SUBCHAPTER A-1. PARENT-DIRECTED [SUPPLEMENTAL SPECIAL EDUCATION]
8-58 SERVICES FOR STUDENTS RECEIVING SPECIAL EDUCATION SERVICES
8-59 [PROGRAM]

8-60 SECTION 18. Sections 29.041(2) and (3), Education Code, are
8-61 amended to read as follows:

8-62 (2) "Supplemental [special education] instructional
8-63 materials" includes textbooks, computer hardware or software,
8-64 other technological devices, and other materials suitable for
8-65 addressing an educational need of a student receiving special
8-66 education services under Subchapter A.

8-67 (3) "Supplemental [special education] services" means
8-68 an additive service that provides an educational benefit to a
8-69 student receiving special education services under Subchapter A,

9-1 including:

9-2 (A) occupational therapy, physical therapy, and
9-3 speech therapy; and

9-4 (B) private tutoring and other supplemental
9-5 private instruction or programs.

9-6 SECTION 19. Sections 29.042(a) and (c), Education Code, are
9-7 amended to read as follows:

9-8 (a) The agency by rule shall establish and administer a
9-9 parent-directed ~~[supplemental special education services and~~
9-10 ~~instructional materials]~~ program for students receiving special
9-11 education services, through which a parent may direct supplemental
9-12 services and supplemental instructional materials for the parent's
9-13 student ~~[students]~~ who meets ~~[meet]~~ the eligibility requirements
9-14 for participation in the program. Subject to Subsection (c), the
9-15 agency shall provide each student approved as provided by this
9-16 subchapter a grant in the amount provided under Section 48.305 ~~[of~~
9-17 ~~not more than \$1,500]~~ to purchase supplemental ~~[special education]~~
9-18 services and supplemental ~~[special education]~~ instructional
9-19 materials.

9-20 (c) A student may receive a grant under this subchapter once
9-21 while enrolled in a grade level below grade six and once while
9-22 enrolled in grade six or above. A student may receive an additional
9-23 grant under this subchapter if the legislature appropriates money
9-24 for the additional grant in the General Appropriations Act ~~[The~~
9-25 ~~commissioner shall set aside an amount not to exceed \$30 million~~
9-26 ~~from the total amount of funds appropriated for each state fiscal~~
9-27 ~~year to fund the program under this section. For each state fiscal~~
9-28 ~~year, the total amount provided for student grants under Subsection~~
9-29 ~~(a) may not exceed the amount set aside by the commissioner under~~
9-30 ~~this subsection].~~

9-31 SECTION 20. Section 29.045, Education Code, is amended to
9-32 read as follows:

9-33 Sec. 29.045. APPROVAL OF APPLICATION; ASSIGNMENT OF
9-34 ACCOUNT. The ~~[Subject to available funding the]~~ agency shall
9-35 approve each student who meets the program eligibility criteria
9-36 established under Section 29.044 and assign to the student an
9-37 account maintained under Section 29.042(b). The account may only
9-38 be used by the student's parent to purchase supplemental ~~[special~~
9-39 ~~education]~~ services or supplemental ~~[special education]~~
9-40 instructional materials for the student, subject to Sections 29.046
9-41 and 29.047.

9-42 SECTION 21. Sections 29.046(a) and (b), Education Code, are
9-43 amended to read as follows:

9-44 (a) Money in an account assigned to a student under Section
9-45 29.045 may be used only for supplemental ~~[special education]~~
9-46 services and supplemental ~~[special education]~~ instructional
9-47 materials.

9-48 (b) Supplemental ~~[special education]~~ services must be
9-49 provided by an agency-approved provider.

9-50 SECTION 22. Sections 29.047(a), (c), (d), and (e),
9-51 Education Code, are amended to read as follows:

9-52 (a) The agency shall establish criteria necessary for
9-53 agency approval for each category of provider of a professional
9-54 service that is a supplemental ~~[special education]~~ service, as
9-55 identified by the agency.

9-56 (c) The agency shall provide a procedure for providers of
9-57 supplemental ~~[special education]~~ services to apply to the agency to
9-58 become an agency-approved provider.

9-59 (d) The agency may establish criteria for agency approval of
9-60 vendors for each category of supplemental ~~[special education]~~
9-61 instructional materials identified by the agency.

9-62 (e) If the agency establishes criteria for agency approval
9-63 for a vendor of a category of supplemental ~~[special education]~~
9-64 instructional materials, the agency shall provide a procedure for
9-65 vendors of that category to apply to the agency to become an
9-66 agency-approved vendor.

9-67 SECTION 23. Subchapter A-1, Chapter 29, Education Code, is
9-68 amended by adding Section 29.0475 to read as follows:

9-69 Sec. 29.0475. PROGRAM PARTICIPANT, PROVIDER, AND VENDOR

10-1 AUTONOMY. (a) A provider of supplemental services or vendor of
 10-2 supplemental instructional materials that receives money
 10-3 distributed under the program is not a recipient of federal
 10-4 financial assistance on the basis of receiving that money.

10-5 (b) A rule adopted or action taken related to the program by
 10-6 an individual, governmental entity, court of law, or program
 10-7 administrator may not:

10-8 (1) consider the actions of a provider of supplemental
 10-9 services, vendor of supplemental instructional materials, or
 10-10 program participant to be the actions of an agent of state
 10-11 government;

10-12 (2) limit:
 10-13 (A) a provider of supplemental services' ability
 10-14 to determine the methods used to educate the provider's students or
 10-15 to exercise the provider's religious or institutional values; or

10-16 (B) a program participant's ability to determine
 10-17 the participant's educational content or to exercise the
 10-18 participant's religious values;

10-19 (3) obligate a provider of supplemental services or
 10-20 program participant to act contrary to the provider's or
 10-21 participant's religious or institutional values, as applicable;

10-22 (4) impose any regulation on a provider of
 10-23 supplemental services, vendor of supplemental instructional
 10-24 materials, or program participant beyond those regulations
 10-25 necessary to enforce the requirements of the program; or

10-26 (5) require as a condition of receiving money
 10-27 distributed under the program:

10-28 (A) a provider of supplemental services to modify
 10-29 the provider's creed, practices, admissions policies, curriculum,
 10-30 performance standards, employment policies, or assessments; or

10-31 (B) a program participant to modify the
 10-32 participant's creed, practices, curriculum, performance standards,
 10-33 or assessments.

10-34 (c) In a proceeding challenging a rule adopted by a state
 10-35 agency or officer under this subchapter, the agency or officer has
 10-36 the burden of proof to establish by clear and convincing evidence
 10-37 that the rule:

10-38 (1) is necessary to implement or enforce the program
 10-39 as provided by this subchapter;

10-40 (2) does not violate this section;

10-41 (3) does not impose an undue burden on a program
 10-42 participant or a provider of supplemental services or vendor of
 10-43 supplemental instructional materials that participates or applies
 10-44 to participate in the program; and

10-45 (4) is the least restrictive means of accomplishing
 10-46 the purpose of the program while recognizing the independence of a
 10-47 provider of supplemental services to meet the educational needs of
 10-48 students in accordance with the provider's religious or
 10-49 institutional values.

10-50 SECTION 24. Section 29.048, Education Code, is amended to
 10-51 read as follows:

10-52 Sec. 29.048. ADMISSION, REVIEW, AND DISMISSAL COMMITTEE
 10-53 DUTIES. (a) A student's admission, review, and dismissal
 10-54 committee shall develop a student's individualized education
 10-55 program under Section 29.005, in compliance with the Individuals
 10-56 with Disabilities Education Act (20 U.S.C. Section 1400 et seq.),
 10-57 without consideration of any supplemental [~~special education~~]
 10-58 services or supplemental instructional materials that may be
 10-59 provided under the program under this subchapter.

10-60 (b) Unless the district first verifies that an account has
 10-61 been assigned to the student under Section 29.045, the [The]
 10-62 admission, review, and dismissal committee of a student approved
 10-63 for participation in the program shall provide to the student's
 10-64 parent at an admission, review, and dismissal committee meeting for
 10-65 the student:

10-66 (1) information regarding the types of supplemental
 10-67 [~~special education~~] services or supplemental instructional
 10-68 materials available under the program and provided by
 10-69 agency-approved providers for which an account maintained under

11-1 Section 29.042(b) for the student may be used; and
 11-2 (2) instructions regarding accessing an account
 11-3 described by Subdivision (1).

11-4 SECTION 25. Subchapter A-1, Chapter 29, Education Code, is
 11-5 amended by adding Section 29.0485 to read as follows:

11-6 Sec. 29.0485. DETERMINATION OF COMMISSIONER FINAL.
 11-7 Notwithstanding Section 7.057, a determination of the commissioner
 11-8 under this subchapter is final and may not be appealed.

11-9 SECTION 26. Section 29.049, Education Code, is amended to
 11-10 read as follows:

11-11 Sec. 29.049. RULES. The commissioner shall adopt rules as
 11-12 necessary to administer the supplemental [~~special education~~]
 11-13 services and supplemental instructional materials program under
 11-14 this subchapter.

11-15 SECTION 27. Section 29.315, Education Code, is amended to
 11-16 read as follows:

11-17 Sec. 29.315. TEXAS SCHOOL FOR THE DEAF MEMORANDUM OF
 11-18 UNDERSTANDING. The Texas Education Agency and the Texas School for
 11-19 the Deaf shall develop [~~, agree to, and by commissioner rule adopt no~~
 11-20 ~~later than September 1, 1998,~~] a memorandum of understanding to
 11-21 establish:

11-22 (1) the method for developing and reevaluating a set
 11-23 of indicators of the quality of learning at the Texas School for the
 11-24 Deaf;

11-25 (2) the process for the agency to conduct and report on
 11-26 an annual evaluation of the school's performance on the indicators;

11-27 (3) the requirements for the school's board to
 11-28 publish, discuss, and disseminate an annual report describing the
 11-29 educational performance of the school;

11-30 (4) the process for the agency to assign an
 11-31 accreditation status to the school, to reevaluate the status on an
 11-32 annual basis, and, if necessary, to conduct monitoring reviews; and

11-33 (5) the type of information the school shall be
 11-34 required to provide through the Public Education Information
 11-35 Management System (PEIMS).

11-36 SECTION 28. Section 29.316(c), Education Code, is amended
 11-37 to read as follows:

11-38 (c) Not later than August 31 of each year, the agency, the
 11-39 division, and the center jointly shall prepare and post on the
 11-40 agency's, the division's, and the center's respective Internet
 11-41 websites a report on the language acquisition of children eight
 11-42 years of age or younger who are deaf or hard of hearing. The report
 11-43 must:

11-44 (1) include:

11-45 (A) existing data reported in compliance with
 11-46 federal law regarding children with disabilities; and

11-47 (B) information relating to the language
 11-48 acquisition of children who are deaf or hard of hearing and also
 11-49 have other disabilities;

11-50 (2) state for each child:

11-51 (A) the percentage of the instructional day
 11-52 [~~arrangement used with the child, as described by Section 48.102,~~
 11-53 ~~including the time~~] the child spends on average in a general
 11-54 education setting [~~mainstream instructional arrangement~~];

11-55 (B) the specific language acquisition services
 11-56 provided to the child, including:

11-57 (i) the time spent providing those
 11-58 services; and

11-59 (ii) a description of any hearing
 11-60 amplification used in the delivery of those services, including:

11-61 (a) the type of hearing amplification
 11-62 used;

11-63 (b) the period of time in which the
 11-64 child has had access to the hearing amplification; and

11-65 (c) the average amount of time the
 11-66 child uses the hearing amplification each day;

11-67 (C) the tools or assessments used to assess the
 11-68 child's language acquisition and the results obtained;

11-69 (D) the preferred unique communication mode used

12-1 by the child at home; and

12-2 (E) the child's age, race, and gender, the age at
12-3 which the child was identified as being deaf or hard of hearing, and
12-4 any other relevant demographic information the commissioner
12-5 determines to likely be correlated with or have an impact on the
12-6 child's language acquisition;

12-7 (3) compare progress in English literacy made by
12-8 children who are deaf or hard of hearing to progress in that subject
12-9 made by children of the same age who are not deaf or hard of hearing,
12-10 by appropriate age range; and

12-11 (4) be redacted as necessary to comply with state and
12-12 federal law regarding the confidentiality of student medical or
12-13 educational information.

12-14 SECTION 29. Chapter 29, Education Code, is amended by
12-15 adding Subchapter J to read as follows:

12-16 SUBCHAPTER J. EDUCATION SAVINGS ACCOUNT PROGRAM

12-17 Sec. 29.351. DEFINITIONS. In this subchapter:

12-18 (1) "Account" means an education savings account
12-19 established under the program.

12-20 (2) "Child with a disability" means a child who is:

12-21 (A) eligible to participate in a school
12-22 district's special education program under Section 29.003; or

12-23 (B) covered by Section 504, Rehabilitation Act of
12-24 1973 (29 U.S.C. Section 794).

12-25 (3) "Curriculum" means a complete course of study for
12-26 a particular content area or grade level.

12-27 (4) "Financial institution" means a bank, credit
12-28 union, savings bank, or savings and loan association organized
12-29 under the laws of this state, the laws of another state, or federal
12-30 law that has its main office or a branch office in this state. The
12-31 term does not include any institution the deposits of which are not
12-32 insured by the Federal Deposit Insurance Corporation or the
12-33 National Credit Union Administration.

12-34 (5) "Institution of higher education" and "private or
12-35 independent institution of higher education" have the meanings
12-36 assigned by Section 61.003.

12-37 (6) "Parent" means a resident of this state who is a
12-38 natural or adoptive parent, managing or possessory conservator,
12-39 legal guardian, custodian, or other person with legal authority to
12-40 act on behalf of a child.

12-41 (7) "Program" means the education savings account
12-42 program established under this subchapter.

12-43 (8) "Program participant" means a child and a parent
12-44 of a child enrolled in the program.

12-45 Sec. 29.352. PURPOSES. The purposes of the education
12-46 savings account program are to:

12-47 (1) improve public schools and overall academic
12-48 performance;

12-49 (2) promote efficiency;

12-50 (3) promote and preserve the liberties and rights of
12-51 the people; and

12-52 (4) increase parental choice in learning
12-53 opportunities and supports.

12-54 Sec. 29.353. ESTABLISHMENT OF PROGRAM. (a) The agency
12-55 shall establish and administer an education savings account program
12-56 to provide funding for certain education-related expenses of
12-57 eligible children.

12-58 (b) The agency shall ensure that information about the
12-59 program is readily available to parents of children with
12-60 disabilities and the public through various sources, including the
12-61 agency's Internet website. The information made available to
12-62 parents of children with disabilities must include a notice that:

12-63 (1) states that a private school is not subject to laws
12-64 regarding the provision of educational services in the same manner
12-65 as a public school, and a child with a disability attending a
12-66 private school may not receive the services a child with a
12-67 disability attending a public school is entitled to receive under
12-68 federal and state law;

12-69 (2) provides information regarding rights to which a

13-1 child with a disability is entitled under federal and state law if
13-2 the child attends a public school, including:
13-3 (A) rights provided under the Individuals with
13-4 Disabilities Education Act (20 U.S.C. Section 1400 et seq.),
13-5 including:
13-6 (i) an individualized education program
13-7 that provides a free and appropriate public education;
13-8 (ii) educational services provided in the
13-9 least restrictive environment;
13-10 (iii) instruction from certified teachers;
13-11 (iv) dispute resolution options to ensure
13-12 proper and full implementation of an individualized education
13-13 program;
13-14 (v) transition and planning services; and
13-15 (vi) supplementary aids and services;
13-16 (B) rights provided under Subchapter A; and
13-17 (C) other rights provided under federal or state
13-18 law; and
13-19 (3) provides information regarding the program,
13-20 including:
13-21 (A) the operation of an account;
13-22 (B) expenses allowed under Section 29.357 and the
13-23 consequences for using money in an account on expenses that are not
13-24 allowed under that section; and
13-25 (C) common service offerings.
13-26 Sec. 29.354. ELIGIBLE CHILD. (a) A child is eligible to
13-27 participate in the program if the child:
13-28 (1) is a child with a disability;
13-29 (2) is eligible to attend a public school under
13-30 Section 25.001; and
13-31 (3) meets at least one of the following criteria:
13-32 (A) was enrolled in a public school in this state
13-33 during the entire preceding school year;
13-34 (B) was required to attend school under Section
13-35 25.085 for less than the entire preceding school year due to the
13-36 child's age or nonresidence in this state; or
13-37 (C) participated in the program during the
13-38 preceding school year.
13-39 (b) A child who establishes eligibility under this section
13-40 may participate in the program until the earliest of the following
13-41 dates:
13-42 (1) the date on which the child graduates from high
13-43 school;
13-44 (2) the date on which the child is no longer eligible
13-45 to attend a public school under Section 25.001;
13-46 (3) the date on which the child enrolls in a public
13-47 school, including an open-enrollment charter school; or
13-48 (4) the date on which the child is declared ineligible
13-49 for the program by the commissioner under this subchapter.
13-50 (c) Notwithstanding Subsection (b), the commissioner shall
13-51 establish a process for, in the least disruptive manner possible:
13-52 (1) a child participating in the program to cease
13-53 participation and enroll in a public school, including an
13-54 open-enrollment charter school; and
13-55 (2) a child who previously participated in the program
13-56 and subsequently enrolled in a public school, including an
13-57 open-enrollment charter school, to resume participation in the
13-58 program.
13-59 Sec. 29.355. ENROLLMENT IN PROGRAM. (a) A parent of an
13-60 eligible child may enroll the child in the program for the following
13-61 school year.
13-62 (b) The commissioner shall by rule create an enrollment
13-63 application for the program and make the enrollment application
13-64 readily available to interested parents through various sources,
13-65 including the agency's Internet website. An enrollment application
13-66 for the program must be submitted to the commissioner
13-67 electronically.
13-68 (c) The commissioner shall post on the agency's Internet
13-69 website and provide to each parent who submits an enrollment

14-1 application a publication that describes the operation of the
14-2 program, including:

14-3 (1) expenses allowed under the program under Section
14-4 29.357;

14-5 (2) expense reporting requirements; and

14-6 (3) a description of the responsibilities of program
14-7 participants and the duties of the commissioner under this
14-8 subchapter.

14-9 (d) The commissioner shall provide to each parent who
14-10 submits an enrollment application a written copy of the notice
14-11 described by Section 29.353(b). Before the parent may receive
14-12 funding under the program, the parent must sign an acknowledgment
14-13 of receipt and understanding of the notice and return the signed
14-14 acknowledgment to the commissioner.

14-15 Sec. 29.356. PARTICIPATION IN PROGRAM. (a) To receive
14-16 funding under the program, a parent of an eligible child must agree
14-17 to:

14-18 (1) spend funds received through the program only for
14-19 expenses allowed under Section 29.357;

14-20 (2) notify the commissioner if the child enrolls in a
14-21 public school, including an open-enrollment charter school, not
14-22 later than the 30th day after the date of enrollment;

14-23 (3) provide to the commissioner information necessary
14-24 to determine the child's eligibility and the amount to which the
14-25 child is entitled under the program;

14-26 (4) ensure that the child's quality of learning is
14-27 appropriately measured in accordance with Subsection (d) and
14-28 commissioner rule and report the results to the agency; and

14-29 (5) inform the commissioner if the child graduates
14-30 from high school.

14-31 (b) The parent of a child participating in the program is
14-32 the trustee of the child's account.

14-33 (c) The commissioner shall provide annually to each program
14-34 participant the publication provided under Section 29.355(c).

14-35 (d) The commissioner shall adopt a list of approved
14-36 instruments that allow for a comparison between the quality of
14-37 educational attainment for a child participating in the program and
14-38 for students in other educational placements. To the extent
14-39 practicable, the list must include nationally norm-referenced
14-40 assessments and assessment instruments adopted under Section
14-41 39.023. A child's performance on an instrument approved under this
14-42 subsection for measuring a child's quality of learning may not be
14-43 considered in determining the child's eligibility to participate in
14-44 the program.

14-45 Sec. 29.357. APPROVED EDUCATION-RELATED EXPENSES.

14-46 (a) Funds received under the program may be used only for the
14-47 following expenses incurred by a program participant:

14-48 (1) tuition and fees:

14-49 (A) at a private school accredited by an entity
14-50 recognized by the commissioner as an accrediting entity for private
14-51 schools in this state;

14-52 (B) at an institution of higher education or a
14-53 private or independent institution of higher education;

14-54 (C) for an online educational course or program;

14-55 or

14-56 (D) for a program that provides training for an
14-57 industry-based certification;

14-58 (2) the purchase of textbooks or other instructional
14-59 materials required by a school, institution, course, or program
14-60 described by Subdivision (1) in which the child is enrolled;

14-61 (3) fees for classes or other educational services
14-62 provided by a public school, including an open-enrollment charter
14-63 school, if the classes or services do not qualify the child to be
14-64 included in the school's average daily attendance;

14-65 (4) fees for services provided by a private tutor or
14-66 teaching service;

14-67 (5) fees paid to a vendor for transportation to and
14-68 from school, not to exceed \$500 per year;

14-69 (6) fees for educational therapies or services

15-1 provided by a practitioner or provider;
15-2 (7) costs of computer hardware and software and other
15-3 technological devices prescribed to facilitate a child's education
15-4 by a physician, therapist, or other licensed service provider;
15-5 (8) fees for a nationally norm-referenced achievement
15-6 test or examination, an assessment instrument adopted under Section
15-7 39.023, an advanced placement test or similar examination, an
15-8 examination related to college or university admission, or any
15-9 other instrument included on the agency's list under Section
15-10 29.356(d);
15-11 (9) fees for the management of the participant's
15-12 account charged by a financial institution;
15-13 (10) costs of breakfast or lunch provided to a child
15-14 during the school day by a private school;
15-15 (11) the purchase of school uniforms required by a
15-16 private school;
15-17 (12) costs of a school-age program, as defined by
15-18 Section 42.002, Human Resources Code; and
15-19 (13) costs of a youth camp licensed under Chapter 141,
15-20 Health and Safety Code, that provides educational services.
15-21 (b) Expenses allowed under Subsection (a) do not include
15-22 expenses for:
15-23 (1) consumable supplies, including paper, pens,
15-24 pencils, folders, and notebooks; or
15-25 (2) food, other than breakfast or lunch as authorized
15-26 under Subsection (a)(10).
15-27 (c) Any money remaining in a program participant's account
15-28 on the child's graduation from high school may be used by the child
15-29 for tuition, fees, textbooks, and other instructional materials to
15-30 attend or take courses from an institution of higher education or a
15-31 private or independent institution of higher education.
15-32 (d) An education service provider or vendor of educational
15-33 products must provide a program participant with a receipt for each
15-34 expense allowed under Subsection (a) charged by the provider or
15-35 vendor to the participant.
15-36 (e) The content, subject to Section 29.364(c), or religious
15-37 nature of a product or service may not be considered in determining
15-38 whether a payment for the product or service is an expense allowed
15-39 under Subsection (a).
15-40 (f) A finding that a program participant used funds
15-41 distributed under the program to pay for an expense not allowed
15-42 under Subsection (a) does not affect the validity of any payment
15-43 made by the participant for an expense that is allowed under that
15-44 subsection.
15-45 Sec. 29.358. AMOUNT OF PAYMENT; FINANCING. (a) A parent
15-46 of an eligible child shall receive each year that the child
15-47 participates in the program a payment from the state to the child's
15-48 account in the amount provided under Section 48.306.
15-49 (b) Money in an account may not be considered to be the
15-50 property of a program participant and may be spent only in
15-51 accordance with this subchapter.
15-52 (c) Any funds remaining in a child's account at the end of a
15-53 fiscal year are carried forward to the next fiscal year unless
15-54 another provision of this subchapter mandates the closure of the
15-55 account.
15-56 (d) The parent of a child participating in the program may
15-57 make payments for the expenses of educational programs, services,
15-58 and products not covered by funds in the child's account.
15-59 Sec. 29.359. ADMINISTRATION OF ACCOUNTS. (a) The
15-60 commissioner may contract with one or more financial institutions
15-61 or other entities that accept fiduciary responsibility to establish
15-62 and manage an account for each child participating in the program.
15-63 A program participant must be able to access the participant's
15-64 account by using an online or electronic transfer payment service.
15-65 (b) The commissioner shall make quarterly payments to each
15-66 program participant's account in equal amounts, with the first
15-67 payment for each school year made on September 1 and the remaining
15-68 payments made on or before the 15th days of November, February, and
15-69 May.

16-1 (c) After the end of each fiscal year, the commissioner
 16-2 shall reconcile payments made to and from all accounts under the
 16-3 program.

16-4 (d) On the earlier of the child's 26th birthday or the sixth
 16-5 anniversary of the child's graduation from high school, the child's
 16-6 account is closed and any remaining funds are returned to the state.

16-7 (e) The commissioner may contract with an entity to
 16-8 administer all or any part of the program.

16-9 (f) An entity responsible for managing accounts:

16-10 (1) shall ensure that each expenditure from an account
 16-11 is for an expense allowed under Section 29.357; and

16-12 (2) may require a program participant to submit any
 16-13 information necessary to make the determination described by
 16-14 Subdivision (1).

16-15 Sec. 29.360. RANDOM AUDITING OF ACCOUNTS. (a) The
 16-16 commissioner may randomly audit accounts as necessary to ensure
 16-17 compliance with applicable law and the requirements of the program.
 16-18 The commissioner may contract with another entity to audit accounts
 16-19 under this section.

16-20 (b) In auditing an account, the commissioner or an entity
 16-21 contracted to audit accounts under this section may require that a
 16-22 program participant provide further information and documentation
 16-23 regarding any payment from the participant's account.

16-24 (c) An entity contracted to audit accounts under this
 16-25 section shall report to the commissioner any violation of this
 16-26 subchapter or other relevant law found by the entity during an audit
 16-27 conducted under this section.

16-28 Sec. 29.361. SUSPENSION OF ACCOUNT. (a) The commissioner
 16-29 shall suspend the account of a program participant who fails to
 16-30 comply with applicable law or a requirement of the program,
 16-31 including a requirement under Section 29.356(a), or who
 16-32 substantially misuses funds received under the program.

16-33 (b) On suspension of an account under Subsection (a), the
 16-34 commissioner shall notify the program participant in writing that
 16-35 the account has been suspended and that no further payments may be
 16-36 made from the account. The notification must specify the grounds
 16-37 for the suspension and state that the participant has 10 business
 16-38 days to respond and take any corrective action required by the
 16-39 commissioner.

16-40 (c) On the expiration of the 10-day period under Subsection
 16-41 (b), the commissioner shall:

16-42 (1) order permanent closure of the suspended account
 16-43 and declare the program participant ineligible for the program;

16-44 (2) order temporary reinstatement of the account,
 16-45 conditioned on the performance of a specified action by the
 16-46 participant; or

16-47 (3) order full reinstatement of the account.

16-48 (d) The commissioner may recover funds distributed under
 16-49 the program that were used for expenses not allowed under Section
 16-50 29.357(a) from the program participant or the entity that received
 16-51 the funds if the participant's account is suspended or closed under
 16-52 this section.

16-53 Sec. 29.362. LIMITATION ON AMOUNTS CHARGED; REFUND
 16-54 PROHIBITED. (a) An education service provider may not:

16-55 (1) charge a child participating in the program an
 16-56 amount greater than the standard amount charged for that service by
 16-57 the provider; or

16-58 (2) increase the amount charged to a child
 16-59 participating in the program for a service:

16-60 (A) if the total amount charged to the child for
 16-61 that service by the provider during the preceding year was less than
 16-62 two-thirds of the amount deposited in the child's account for that
 16-63 year, to an amount that exceeds two-thirds of the amount deposited
 16-64 in the child's account for the current year; or

16-65 (B) if the total amount charged to the child for
 16-66 that service by the provider during the preceding year was
 16-67 two-thirds or more of the amount deposited in the child's account
 16-68 for that year, by more than five percent of the amount charged to
 16-69 the child for that service by the provider during the preceding

17-1 year.

17-2 (b) An education service provider or a vendor of educational
 17-3 products receiving funds distributed under the program may not in
 17-4 any manner rebate, refund, or credit to or share with a program
 17-5 participant, or any person on behalf of a participant, any program
 17-6 funds paid or owed by the participant to the provider or vendor.

17-7 Sec. 29.363. REFERRAL TO ATTORNEY GENERAL. (a) If the
 17-8 commissioner obtains evidence of fraudulent use of an account, the
 17-9 commissioner may refer the case to the attorney general for
 17-10 investigation.

17-11 (b) With the consent of the appropriate local county or
 17-12 district attorney, the attorney general has concurrent
 17-13 jurisdiction with the consenting local prosecutor to prosecute an
 17-14 offense referred to the attorney general under Subsection (a).

17-15 Sec. 29.364. PROVIDER ACCOUNTABILITY. (a) To receive
 17-16 funds distributed under the program, a private school must be
 17-17 accredited by an entity recognized by the commissioner as an
 17-18 accrediting entity for private schools in this state.

17-19 (b) To receive funds distributed under the program, an
 17-20 education service provider that provides a full course load to a
 17-21 child participating in the program must administer to the child an
 17-22 instrument included on the list adopted by the commissioner under
 17-23 Section 29.356(d) and report the results to the agency.

17-24 (c) A practitioner or provider who provides educational
 17-25 therapies or services must be licensed or accredited by a regional
 17-26 or national accrediting organization to receive funds distributed
 17-27 under the program.

17-28 (d) A private tutor, teaching service, online educational
 17-29 course or program provider, or industry-based certification
 17-30 training provider must apply to and be approved by the agency to
 17-31 receive funds distributed under the program.

17-32 (e) To be eligible for approval under Subsection (d), a
 17-33 private tutor or each employee of a teaching service who intends to
 17-34 provide educational services to a program participant must:

17-35 (1) complete a national criminal history record
 17-36 information review; or

17-37 (2) provide to the agency documentation indicating
 17-38 that the tutor or employee, as applicable, has completed a national
 17-39 criminal history record information review within a period
 17-40 established by commissioner rule.

17-41 (f) The agency shall review the national criminal history
 17-42 record information or documentation for each private tutor or
 17-43 employee of a teaching service who submits an application under
 17-44 Subsection (d). The tutor or employee must provide the agency with
 17-45 any information requested by the agency to enable the agency to
 17-46 complete the review.

17-47 (g) The agency shall maintain and post on the agency's
 17-48 Internet website a list of private tutors, teaching services,
 17-49 online educational course or program providers, and industry-based
 17-50 certification training providers approved to receive funds
 17-51 distributed under the program.

17-52 (h) A private tutor, teaching service, online educational
 17-53 course or program provider, or industry-based certification
 17-54 training provider may appeal the agency's rejection of an
 17-55 application submitted under Subsection (d). The agency shall
 17-56 review the application and make a recommendation to the
 17-57 commissioner regarding whether to approve or reject the
 17-58 application. A decision of the commissioner under this section is
 17-59 final and may not be appealed.

17-60 Sec. 29.365. PROGRAM PARTICIPANT, PROVIDER, AND VENDOR
 17-61 AUTONOMY. (a) An education service provider or vendor of
 17-62 educational products that receives money distributed under the
 17-63 program is not a recipient of federal financial assistance on the
 17-64 basis of receiving that money.

17-65 (b) A rule adopted or action taken related to the program by
 17-66 an individual, governmental entity, court of law, or program
 17-67 administrator may not:

17-68 (1) consider the actions of an education service
 17-69 provider, vendor of educational products, or program participant to

18-1 be the actions of an agent of state government;
18-2 (2) limit:
18-3 (A) an education service provider's ability to
18-4 determine the methods used to educate the provider's students or to
18-5 exercise the provider's religious or institutional values; or
18-6 (B) a program participant's ability to determine
18-7 the participant's educational content or to exercise the
18-8 participant's religious values;
18-9 (3) obligate an education service provider or program
18-10 participant to act contrary to the provider's or participant's
18-11 religious or institutional values, as applicable;
18-12 (4) impose any regulation on an education service
18-13 provider, vendor of educational products, or program participant
18-14 beyond those regulations necessary to enforce the requirements of
18-15 the program; or
18-16 (5) require as a condition of receiving money
18-17 distributed under the program:
18-18 (A) an education service provider to modify the
18-19 provider's creed, practices, admissions policies, curriculum,
18-20 performance standards, employment policies, or assessments; or
18-21 (B) a program participant to modify the
18-22 participant's creed, practices, curriculum, performance standards,
18-23 or assessments.
18-24 (c) In a proceeding challenging a rule adopted by a state
18-25 agency or officer under this subchapter, the agency or officer has
18-26 the burden of proof to establish by clear and convincing evidence
18-27 that the rule:
18-28 (1) is necessary to implement or enforce the program
18-29 as provided by this subchapter;
18-30 (2) does not violate this section;
18-31 (3) does not impose an undue burden on a program
18-32 participant or an education service provider or vendor of
18-33 educational products that participates or applies to participate in
18-34 the program; and
18-35 (4) is the least restrictive means of accomplishing
18-36 the purpose of the program while recognizing the independence of an
18-37 education service provider to meet the educational needs of
18-38 students in accordance with the provider's religious or
18-39 institutional values.
18-40 Sec. 29.366. STUDENT RECORDS AND INFORMATION. On request
18-41 by the parent of a child participating in the program, the school
18-42 district or open-enrollment charter school that the child would
18-43 otherwise attend shall provide a copy of the child's school records
18-44 possessed by the district or school, if any, to the child's parent
18-45 or, if applicable, the private school the child attends.
18-46 Sec. 29.367. ANNUAL SURVEY. The commissioner may conduct
18-47 an annual parental satisfaction survey that asks each parent of a
18-48 child participating in the program to express:
18-49 (1) the parent's overall level of satisfaction with
18-50 the program; and
18-51 (2) the parent's opinion on specified topics and
18-52 issues relevant to the effectiveness of the program.
18-53 Sec. 29.368. DETERMINATION OF COMMISSIONER FINAL.
18-54 Notwithstanding Section 7.057, a determination of the commissioner
18-55 regarding eligibility or the approval of expenses under this
18-56 subchapter is final and may not be appealed.
18-57 Sec. 29.369. RULES. The commissioner shall:
18-58 (1) adopt rules as necessary to implement this
18-59 subchapter, including:
18-60 (A) rules regarding eligibility determination,
18-61 expense reporting requirements for program participants, and
18-62 approval of expenses, including appeals of agency determinations on
18-63 those issues;
18-64 (B) rules for measuring the quality of learning
18-65 for a child participating in the program; and
18-66 (C) rules for implementing this subchapter in a
18-67 manner that ensures compliance with federal law regarding
18-68 confidentiality of student educational information, including the
18-69 Family Educational Rights and Privacy Act of 1974 (20 U.S.C.

19-1 Section 1232g); and
 19-2 (2) coordinate as necessary to:
 19-3 (A) calculate annually the savings to the state
 19-4 from the implementation of the program; and
 19-5 (B) prevent fraud in financial transactions
 19-6 under the program, including by adopting measures to permit
 19-7 anonymous fraud reporting by telephone hotline or online
 19-8 communication.

19-9 Sec. 29.370. GIFTS, GRANTS, AND DONATIONS. The
 19-10 commissioner may solicit and accept gifts, grants, and donations
 19-11 from any public or private source for any expenses related to the
 19-12 administration of the program, including the initial
 19-13 implementation of the program and making payments to a program
 19-14 participant's account.

19-15 SECTION 30. Section 30.001(b), Education Code, is amended
 19-16 to read as follows:

19-17 (b) The commissioner, with the approval of the State Board
 19-18 of Education, shall develop and implement a plan for the
 19-19 coordination of services to children with disabilities in each
 19-20 region served by a regional education service center. The plan
 19-21 must include procedures for:

19-22 (1) identifying existing public or private
 19-23 educational and related services for children with disabilities in
 19-24 each region;

19-25 (2) identifying and referring children with
 19-26 disabilities who cannot be appropriately served by the school
 19-27 district in which they reside to other appropriate programs;

19-28 (3) assisting school districts to individually or
 19-29 cooperatively develop programs to identify and provide appropriate
 19-30 services for children with disabilities;

19-31 (4) expanding and coordinating services provided by
 19-32 regional education service centers for children with disabilities;
 19-33 and

19-34 (5) providing for special education supports
 19-35 [~~services~~], including special seats, books, instructional media,
 19-36 and other supplemental supplies and services required for proper
 19-37 instruction.

19-38 SECTION 31. Section 30.002(g), Education Code, is amended
 19-39 to read as follows:

19-40 (g) To facilitate implementation of this section, the
 19-41 commissioner shall develop a system to distribute from the
 19-42 foundation school fund to school districts or regional education
 19-43 service centers a special supplemental allowance for each student
 19-44 with a visual impairment and for each student with a serious visual
 19-45 disability and another medically diagnosed disability of a
 19-46 significantly limiting nature who is receiving special education
 19-47 services through any approved program. The supplemental allowance
 19-48 may be spent only for special education services uniquely required
 19-49 by the nature of the student's disabilities and may not be used in
 19-50 lieu of educational funds otherwise available under this code or
 19-51 through state or local appropriations.

19-52 SECTION 32. Section 30.005, Education Code, is amended to
 19-53 read as follows:

19-54 Sec. 30.005. TEXAS SCHOOL FOR THE BLIND AND VISUALLY
 19-55 IMPAIRED MEMORANDUM OF UNDERSTANDING. The Texas Education Agency
 19-56 and the Texas School for the Blind and Visually Impaired shall
 19-57 develop[~~, agree to, and by commissioner rule adopt~~] a memorandum of
 19-58 understanding to establish:

19-59 (1) the method for developing and reevaluating a set
 19-60 of indicators of the quality of learning at the Texas School for the
 19-61 Blind and Visually Impaired;

19-62 (2) the process for the agency to conduct and report on
 19-63 an annual evaluation of the school's performance on the indicators;

19-64 (3) the requirements for the school's board to
 19-65 publish, discuss, and disseminate an annual report describing the
 19-66 educational performance of the school;

19-67 (4) the process for the agency to:

19-68 (A) assign an accreditation status to the school;

19-69 (B) reevaluate the status on an annual basis; and

(C) if necessary, conduct monitoring reviews;

and

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

SECTION 33. Section 37.146(a), Education Code, is amended to read as follows:

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

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

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

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

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

SECTION 34. Effective September 1, 2024, Section 48.051(a), Education Code, is amended to read as follows:

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

$$A = \$6,160 \times TR/MCR$$

where:

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

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

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

SECTION 35. Effective September 1, 2024, Section 48.102, Education Code, is amended to read as follows:

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

(a-1) Notwithstanding Subsection (a), for the 2024-2025 and 2025-2026 school years, the amount of an allotment under this section shall be determined in accordance with Section 48.1023. This subsection expires September 1, 2026. [For each full-time equivalent student in average daily attendance in a special education program under Subchapter A, Chapter 29, in an instructional arrangement other than a mainstream instructional arrangement, a district is entitled to an annual allotment equal to the basic allotment, or, if applicable, the sum of the basic allotment and the allotment under Section 48.101 to which the district is entitled, multiplied by a weight determined according to instructional arrangement as follows:

[Homebound	5.0
[Hospital class	3.0
[Speech therapy	5.0
[Resource room	3.0
[Self-contained, mild and moderate, regular campus	3.0
[Self-contained, severe, regular campus	3.0

3.0

21-1 ~~[Off home campus 2.7]~~

21-2 ~~[Nonpublic day school 1.7]~~

21-3 ~~[Vocational adjustment class 2.3]~~

21-4 (b) ~~The commissioner by rule shall define seven tiers of~~
 21-5 ~~intensity of service for use in determining funding under this~~
 21-6 ~~section. The commissioner must include one tier specifically~~
 21-7 ~~addressing students receiving special education services in~~
 21-8 ~~residential placement [A special instructional arrangement for~~
 21-9 ~~students with disabilities residing in care and treatment~~
 21-10 ~~facilities, other than state schools, whose parents or guardians do~~
 21-11 ~~not reside in the district providing education services shall be~~
 21-12 ~~established by commissioner rule. The funding weight for this~~
 21-13 ~~arrangement shall be 4.0 for those students who receive their~~
 21-14 ~~education service on a local school district campus. A special~~
 21-15 ~~instructional arrangement for students with disabilities residing~~
 21-16 ~~in state schools shall be established by commissioner rule with a~~
 21-17 ~~funding weight of 2.8].~~

21-18 (c) ~~[For funding purposes, the number of contact hours~~
 21-19 ~~credited per day for each student in the off home campus~~
 21-20 ~~instructional arrangement may not exceed the contact hours credited~~
 21-21 ~~per day for the multidistrict class instructional arrangement in~~
 21-22 ~~the 1992-1993 school year.~~

21-23 ~~[(d) For funding purposes the contact hours credited per day~~
 21-24 ~~for each student in the resource room; self-contained, mild and~~
 21-25 ~~moderate; and self-contained, severe, instructional arrangements~~
 21-26 ~~may not exceed the average of the statewide total contact hours~~
 21-27 ~~credited per day for those three instructional arrangements in the~~
 21-28 ~~1992-1993 school year.~~

21-29 ~~[(e) The commissioner by rule shall prescribe the~~
 21-30 ~~qualifications an instructional arrangement must meet in order to~~
 21-31 ~~be funded as a particular instructional arrangement under this~~
 21-32 ~~section. In prescribing the qualifications that a mainstream~~
 21-33 ~~instructional arrangement must meet, the commissioner shall~~
 21-34 ~~establish requirements that students with disabilities and their~~
 21-35 ~~teachers receive the direct, indirect, and support services that~~
 21-36 ~~are necessary to enrich the regular classroom and enable student~~
 21-37 ~~success.~~

21-38 ~~[(f) In this section, "full-time equivalent student" means~~
 21-39 ~~30 hours of contact a week between a special education student and~~
 21-40 ~~special education program personnel.~~

21-41 ~~[(g) The commissioner shall adopt rules and procedures~~
 21-42 ~~governing contracts for residential and day program placement of~~
 21-43 ~~[special education] students receiving special education~~
 21-44 ~~services.~~

21-45 ~~[(d) The legislature shall provide by appropriation for the~~
 21-46 ~~state's share of the costs of those placements.~~

21-47 ~~[(h) At least 55 percent of the funds allocated under this~~
 21-48 ~~section must be used in the special education program under~~
 21-49 ~~Subchapter A, Chapter 29.~~

21-50 (e) ~~[(i)]~~ The agency shall ensure ~~[encourage]~~ the placement
 21-51 of students in special education programs, including students in
 21-52 residential placement ~~[instructional arrangements]~~, in the least
 21-53 restrictive environment appropriate for their educational needs.

21-54 (f) ~~[(j)]~~ A school district that provides an extended year
 21-55 program required by federal law for special education students who
 21-56 may regress is entitled to receive funds in an amount equal to 75
 21-57 percent, or a lesser percentage determined by the commissioner, of
 21-58 the basic allotment, or, if applicable, the sum of the basic
 21-59 allotment and the allotment under Section 48.101 to which the
 21-60 district is entitled for each ~~[full-time equivalent]~~ student in
 21-61 average daily attendance, multiplied by the amount designated for
 21-62 the highest tier of intensity of service for which the student
 21-63 qualifies ~~[student's instructional arrangement]~~ under this
 21-64 section, for each day the program is provided divided by the number
 21-65 of days in the minimum school year. The total amount of state
 21-66 funding for extended year services under this section may not
 21-67 exceed \$10 million per year. A school district may use funds
 21-68 received under this section only in providing an extended year
 21-69 program.

22-1 (g) [~~(k)~~] From the total amount of funds appropriated for
 22-2 special education under this section, the commissioner shall
 22-3 withhold an amount specified in the General Appropriations Act, and
 22-4 distribute that amount to school districts for programs under
 22-5 Section 29.014. The program established under that section is
 22-6 required only in school districts in which the program is financed
 22-7 by funds distributed under this subsection and any other funds
 22-8 available for the program. After deducting the amount withheld
 22-9 under this subsection from the total amount appropriated for
 22-10 special education, the commissioner shall reduce each district's
 22-11 allotment proportionately and shall allocate funds to each district
 22-12 accordingly.

22-13 (h) Not later than December 1 of each even-numbered year,
 22-14 the commissioner shall submit to the Legislative Budget Board, for
 22-15 purposes of the allotment under this section, proposed weights for
 22-16 the tiers of intensity of service for the next state fiscal
 22-17 biennium.

22-18 SECTION 36. Effective September 1, 2024, Subchapter C,
 22-19 Chapter 48, Education Code, is amended by adding Section 48.1021 to
 22-20 read as follows:

22-21 Sec. 48.1021. SPECIAL EDUCATION SERVICE GROUP ALLOTMENT.

22-22 (a) For each six-week period in which a student in a special
 22-23 education program under Subchapter A, Chapter 29, receives eligible
 22-24 special education services, a school district is entitled to an
 22-25 allotment in an amount set by the legislature in the General
 22-26 Appropriations Act for the service group for which the student is
 22-27 eligible.

22-28 (a-1) Notwithstanding Subsection (a), for the 2024-2025 and
 22-29 2025-2026 school years, the amount of an allotment under this
 22-30 section shall be determined in accordance with Section 48.1023.
 22-31 This subsection expires September 1, 2026.

22-32 (b) The commissioner by rule shall establish four service
 22-33 groups for use in determining funding under this section. In
 22-34 establishing the groups, the commissioner must consider the level
 22-35 of services, equipment, and technology required to meet the needs
 22-36 of students receiving special education services.

22-37 (c) A school district is entitled to receive an allotment
 22-38 under this section for each service group for which a student is
 22-39 eligible.

22-40 (d) A school district is entitled to the full amount of an
 22-41 allotment under this section for a student receiving eligible
 22-42 special education services during any part of a six-week period.

22-43 (e) At least 55 percent of the funds allocated under this
 22-44 section must be used for a special education program under
 22-45 Subchapter A, Chapter 29.

22-46 (f) Not later than December 1 of each even-numbered year,
 22-47 the commissioner shall submit to the Legislative Budget Board, for
 22-48 purposes of the allotment under this section, proposed amounts of
 22-49 funding for the service groups for the next state fiscal biennium.

22-50 SECTION 37. Subchapter C, Chapter 48, Education Code, is
 22-51 amended by adding Sections 48.1022 and 48.1023 to read as follows:

22-52 Sec. 48.1022. SPECIAL EDUCATION FULL INDIVIDUAL AND INITIAL
 22-53 EVALUATION. For each student for whom a school district conducts a
 22-54 full individual and initial evaluation under Section 29.004 or 20
 22-55 U.S.C. Section 1414(a)(1), the district is entitled to an allotment
 22-56 of \$500 or a greater amount provided by appropriation.

22-57 Sec. 48.1023. SPECIAL EDUCATION TRANSITION FUNDING.

22-58 (a) For the 2024-2025 and 2025-2026 school years, the commissioner
 22-59 may adjust weights or amounts provided under Section 48.102 or
 22-60 48.1021 as necessary to ensure compliance with requirements
 22-61 regarding maintenance of state financial support under 20 U.S.C.
 22-62 Section 1412(a)(18) and maintenance of local financial support
 22-63 under applicable federal law.

22-64 (b) For the 2024-2025 and 2025-2026 school years, the
 22-65 commissioner shall determine the formulas through which school
 22-66 districts receive funding under Sections 48.102 and 48.1021. In
 22-67 determining the formulas, the commissioner may combine the methods
 22-68 of funding under those sections with the method of funding provided
 22-69 by Section 48.102, as it existed on January 1, 2023.

23-1 (c) For the 2026-2027 school year, the commissioner may
 23-2 adjust the weights or amounts set by the legislature in the General
 23-3 Appropriations Act for purposes of Section 48.102 or 48.1021.
 23-4 Before making an adjustment under this subsection, the commissioner
 23-5 shall notify and must receive approval from the Legislative Budget
 23-6 Board.

23-7 (d) Notwithstanding any other provision of this section,
 23-8 the sum of funding provided under Sections 48.102 and 48.1021 for
 23-9 the 2024-2025 or for the 2025-2026 school year as adjusted under
 23-10 this section may not exceed the sum of:

23-11 (1) funding that would have been provided under
 23-12 Section 48.102, as it existed on January 1, 2023; and

23-13 (2) the amount set by the legislature in the General
 23-14 Appropriations Act.

23-15 (e) Each school district and open-enrollment charter school
 23-16 shall report to the agency information necessary to implement this
 23-17 section.

23-18 (f) The agency shall provide technical assistance to school
 23-19 districts and open-enrollment charter schools to ensure a
 23-20 successful transition in funding formulas for special education.

23-21 (g) This section expires September 1, 2028.

23-22 SECTION 38. Section 48.103(c), Education Code, is amended
 23-23 to read as follows:

23-24 (c) A school district may receive funding for a student
 23-25 under each provision of this section, ~~and~~ Section 48.102, and
 23-26 Section 48.1021 for which ~~if~~ the student qualifies ~~[satisfies the~~
 23-27 ~~requirements of both sections]~~.

23-28 SECTION 39. Section 48.110(d), Education Code, is amended
 23-29 to read as follows:

23-30 (d) For each annual graduate in a cohort described by
 23-31 Subsection (b) who demonstrates college, career, or military
 23-32 readiness as described by Subsection (f) in excess of the minimum
 23-33 number of students determined for the applicable district cohort
 23-34 under Subsection (c), a school district is entitled to an annual
 23-35 outcomes bonus of:

23-36 (1) if the annual graduate is educationally
 23-37 disadvantaged, \$5,000;

23-38 (2) if the annual graduate is not educationally
 23-39 disadvantaged, \$3,000; and

23-40 (3) if the annual graduate is enrolled in a special
 23-41 education program under Subchapter A, Chapter 29, \$4,000 ~~[\$2,000]~~,
 23-42 regardless of whether the annual graduate is educationally
 23-43 disadvantaged.

23-44 SECTION 40. Section 48.151(b)(2), Education Code, is
 23-45 amended to read as follows:

23-46 (2) "Eligible ~~[special education]~~ student receiving
 23-47 special education services" means a student who is eligible for
 23-48 special education services under Section 29.003 and who would be
 23-49 unable to attend classes without special transportation services.

23-50 SECTION 41. Section 48.151(g), Education Code, is amended
 23-51 to read as follows:

23-52 (g) A school district or county that provides special
 23-53 transportation services for eligible ~~[special education]~~ students
 23-54 receiving special education services is entitled to a state
 23-55 allocation at a ~~[paid on a previous year's cost-per-mile basis.~~
 23-56 ~~The]~~ rate per mile equal to the sum of the rate per mile set under
 23-57 Subsection (c) and \$0.13, or a greater amount provided ~~[allowable~~
 23-58 ~~shall be set]~~ by appropriation ~~[based on data gathered from the~~
 23-59 ~~first year of each preceding biennium]~~. Districts may use a portion
 23-60 of their support allocation to pay transportation costs, if
 23-61 necessary. The commissioner may grant an amount set by
 23-62 appropriation for private transportation to reimburse parents or
 23-63 their agents for transporting eligible ~~[special education]~~
 23-64 students receiving special education services. The mileage allowed
 23-65 shall be computed along the shortest public road from the student's
 23-66 home to school and back, morning and afternoon. The need for this
 23-67 type of transportation shall be determined on an individual basis
 23-68 and shall be approved only in extreme hardship cases.

23-69 SECTION 42. Subchapter D, Chapter 48, Education Code, is

24-1 amended by adding Section 48.159 to read as follows:

24-2 Sec. 48.159. SPECIAL EDUCATION CERTIFICATION ALLOTMENT.

24-3 (a) For each classroom teacher or educational diagnostician
24-4 employed by a school district who, during the preceding year,
24-5 became certified under Subchapter B, Chapter 21, to teach special
24-6 education or as an educational diagnostician, as applicable, the
24-7 district is entitled to an allotment in the amount of the teacher's
24-8 or diagnostician's certification fee.

24-9 (b) A school district shall use an allotment received under
24-10 this section to provide a stipend in the amount of the allotment to
24-11 the classroom teacher or educational diagnostician for whom the
24-12 district received the allotment. A stipend received by a classroom
24-13 teacher under this subsection is not considered in determining
24-14 whether the district is paying the teacher the minimum monthly
24-15 salary under Section 21.402.

24-16 SECTION 43. Section 48.265(a), Education Code, is amended
24-17 to read as follows:

24-18 (a) If [Notwithstanding any other provision of law, if] the
24-19 commissioner determines that the amount appropriated for the
24-20 purposes of the Foundation School Program exceeds the amount to
24-21 which school districts are entitled under this chapter, the
24-22 commissioner may provide [by rule shall establish a grant program
24-23 through which excess funds are awarded as] grants using the excess
24-24 money for the purchase of video equipment, or for the reimbursement
24-25 of costs for previously purchased video equipment, used for
24-26 monitoring special education classrooms or other special education
24-27 settings required under Section 29.022.

24-28 SECTION 44. Section 48.279(e), Education Code, is amended
24-29 to read as follows:

24-30 (e) After the commissioner has replaced any withheld
24-31 federal funds as provided by Subsection (d), the commissioner shall
24-32 distribute the remaining amount, if any, of funds described by
24-33 Subsection (a) to proportionately increase funding for the special
24-34 education allotment under Section 48.102 and the special education
24-35 service group allotment under Section 48.1021.

24-36 SECTION 45. Subchapter G, Chapter 48, Education Code, is
24-37 amended by adding Sections 48.304, 48.305, and 48.306 to read as
24-38 follows:

24-39 Sec. 48.304. DAY PLACEMENT PROGRAM FUNDING. (a) For each
24-40 qualifying day placement program that a regional education service
24-41 center makes available in partnership with a school district,
24-42 open-enrollment charter school, or shared services arrangement,
24-43 the center is entitled to an allotment of:

24-44 (1) \$250,000 for the first year of the program's
24-45 operation; and

24-46 (2) \$150,000 for each year of the program's operation
24-47 after the first year.

24-48 (b) A day placement program qualifies for purposes of
24-49 Subsection (a) if:

24-50 (1) the program complies with commissioner rules
24-51 adopted under Section 48.102(c);

24-52 (2) the program offers services to students who are
24-53 enrolled at any school district or open-enrollment charter school
24-54 in the county in which the program is offered, unless the
24-55 commissioner by rule waives or modifies the requirement under this
24-56 subdivision for the program to serve all students in a county; and

24-57 (3) the agency has designated the program for service
24-58 in the county in which the program is offered and determined that,
24-59 at the time of designation, the program increases the availability
24-60 of day placement services in the county.

24-61 Sec. 48.305. PARENT-DIRECTED SERVICES FOR STUDENTS
24-62 RECEIVING SPECIAL EDUCATION SERVICES GRANT. (a) A student to whom
24-63 the agency awards a grant under Subchapter A-1, Chapter 29, is
24-64 entitled to receive an amount of \$1,500 or a greater amount provided
24-65 by appropriation.

24-66 (b) The legislature shall include in the appropriations for
24-67 the Foundation School Program state aid sufficient for the agency
24-68 to award grants under Subchapter A-1, Chapter 29, in the amount
24-69 provided by this section.

25-1 (c) A student may receive a grant under Subchapter A-1,
 25-2 Chapter 29, once while enrolled in a grade level below grade six and
 25-3 once while enrolled in grade six or above. A student may receive an
 25-4 additional grant under that subchapter if the legislature
 25-5 appropriates money for the additional grant in the General
 25-6 Appropriations Act.

25-7 (d) A determination of the commissioner under this section
 25-8 is final and may not be appealed.

25-9 Sec. 48.306. EDUCATION SAVINGS ACCOUNT FUNDING. (a) A
 25-10 person enrolled in the education savings account program
 25-11 established under Subchapter J, Chapter 29, is entitled to a
 25-12 deposit to the person's education savings account in an amount
 25-13 equal to the sum of \$7,250 and:

25-14 (1) \$1,500, if the child is educationally
 25-15 disadvantaged;

25-16 (2) \$1,400, if the child is eligible to participate in
 25-17 a school district's special education program under Section 29.003
 25-18 but has not previously participated in such a program; and

25-19 (3) if the child has previously participated in a
 25-20 school district's special education program under Section 29.003,
 25-21 the amount of funding for special education services the district
 25-22 was entitled to receive for the child under Subchapters B and C,
 25-23 Chapter 48, for the most recent school year in which the child
 25-24 participated in the district's special education program.

25-25 (b) The legislature shall include in the appropriations for
 25-26 the Foundation School Program state aid sufficient for the agency
 25-27 to make deposits to education savings accounts under Subchapter J,
 25-28 Chapter 29, in the amount provided by this section.

25-29 (c) A payment under Subsection (a) may not be financed using
 25-30 federal funds or money appropriated from the permanent school fund
 25-31 or the available school fund.

25-32 (d) A determination of the commissioner under this section
 25-33 is final and may not be appealed.

25-34 SECTION 46. Section 411.0901, Government Code, is amended
 25-35 by adding Subsection (a-1) to read as follows:

25-36 (a-1) The Texas Education Agency is entitled to obtain
 25-37 criminal history record information maintained by the department
 25-38 about a person who is a private tutor or an employee of a teaching
 25-39 service who intends to provide educational services to a child
 25-40 participating in the program established under Subchapter J,
 25-41 Chapter 29, Education Code, and is seeking approval to receive
 25-42 funds distributed under that program.

25-43 SECTION 47. Section 825.4092(f), Government Code, as added
 25-44 by Chapter 546 (S.B. 202), Acts of the 87th Legislature, Regular
 25-45 Session, 2021, is amended to read as follows:

25-46 (f) A reporting employer is ultimately responsible for
 25-47 payment of the amounts required to be contributed under Subsections
 25-48 (b) and (c). The employer may not directly or indirectly pass that
 25-49 cost on to the retiree through payroll deduction, by imposition of a
 25-50 fee, or by any other means designed to recover the cost. This
 25-51 subsection does not apply to contributions required for a retiree
 25-52 employed by a school district or open-enrollment charter school to
 25-53 teach or provide services related to special education.

25-54 SECTION 48. The following provisions of the Education Code
 25-55 are repealed:

- 25-56 (1) Section 29.002;
- 25-57 (2) Sections 29.026(n) and (o);
- 25-58 (3) Section 29.027(i); and
- 25-59 (4) Section 29.050.

25-60 SECTION 49. Subchapter E, Chapter 22, Education Code, as
 25-61 added by this Act, Chapter 29, Education Code, as amended by this
 25-62 Act, and Section 825.4092(f), Government Code, as amended by this
 25-63 Act, apply beginning with the 2023-2024 school year.

25-64 SECTION 50. (a) Notwithstanding any other section of this
 25-65 Act, in a state fiscal year, the Texas Education Agency is not
 25-66 required to implement a provision found in another section of this
 25-67 Act that is drafted as a mandatory provision imposing a duty on the
 25-68 agency to take an action unless money is specifically appropriated
 25-69 to the agency for that fiscal year to carry out that duty. The Texas

26-1 Education Agency may implement the provision in that fiscal year to
26-2 the extent other funding is available to the agency to do so.

26-3 (b) If, as authorized by Subsection (a) of this section, the
26-4 Texas Education Agency does not implement the mandatory provision
26-5 in a state fiscal year, the agency, in its legislative budget
26-6 request for the next state fiscal biennium, shall certify that fact
26-7 to the Legislative Budget Board and include a written estimate of
26-8 the costs of implementing the provision in each year of that next
26-9 state fiscal biennium.

26-10 (c) This section and the suspension of the Texas Education
26-11 Agency's duty to implement a mandatory provision of this Act, as
26-12 provided by Subsection (a) of this section, expires and the duty to
26-13 implement the mandatory provision resumes on September 1, 2027.

26-14 SECTION 51. (a) Except as provided by Subsection (b) of
26-15 this section and as otherwise provided by this Act, this Act takes
26-16 effect immediately if it receives a vote of two-thirds of all the
26-17 members elected to each house, as provided by Section 39, Article
26-18 III, Texas Constitution. If this Act does not receive the vote
26-19 necessary for immediate effect, this Act takes effect September 1,
26-20 2023.

26-21 (b) The amendments by this Act to Chapter 48, Education
26-22 Code, except as otherwise provided by this Act, take effect
26-23 September 1, 2023.

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