Amend CSSB 1952 (House Committee Report), in PART 9 of the bill by adding the following appropriately numbered ARTICLE to read as follows:

ARTICLE 9 _____. GENERAL EDUCATION PROVISIONS

SECTION 9____.01. Subchapter B, Chapter 7, Education Code, is amended by adding Section 7.027 to read as follows:

- Sec. 7.027. GRANTS. (a) The agency may accept grants for the benefit of public education.
- (b) Unless otherwise required by federal law or by the terms of a private grant, the agency may award grants in accordance with a formula or other criteria adopted by agency rule instead of using a competitive process.

SECTION 9____.02. Section 7.102(c)(15), Education Code, is amended to read as follows:

(15) The board shall adopt criteria for identifying gifted and talented students [and shall develop and update a state plan for the education of gifted and talented students] as required under Subchapter D, Chapter 29.

SECTION 9____.03. Section 8.103, Education Code, is amended to read as follows:

- Sec. 8.103. ANNUAL EVALUATION. The commissioner shall conduct an annual evaluation of each executive director and regional education service center. Each evaluation must include:
 - (1) an audit of the center's finances;
- (2) a review of the center's performance on the indicators adopted under Section 8.101; and
- (3) [a review of client satisfaction with services provided under Subchapter B; and
- $\left[\frac{(4)}{4}\right]$ a review of any other factor the commissioner determines to be appropriate.

SECTION 9____.04. Section 21.004(a), Education Code, is amended to read as follows:

(a) To the extent that funds are available, the agency, the State Board for Educator Certification, and the Texas Higher Education Coordinating Board shall develop and implement coordinated programs to identify talented students and recruit those students and persons, including high school and undergraduate

students, mid-career and retired professionals, honorably discharged and retired military personnel, and members of underrepresented gender and ethnic groups, into the teaching profession.

SECTION 9____.05. Section 21.355, Education Code, is amended to read as follows:

Sec. 21.355. CONFIDENTIALITY. (a) A document evaluating the performance of a teacher or administer is confidential.

(b) This section does not restrict the use of aggregate results of student performance on academic skills assessment instruments for the purposes of evaluating teacher preparation and training programs as provided by Section 39.030(b).

SECTION 9_____.06. Section 29.903, as added by Chapter 795, Acts of the 77th Legislature, Regular Session, 2001, is amended by adding Subsection (h) to read as follows:

(h) This section must be implemented only to the extent that funds are specifically appropriated for the purpose.

SECTION 9____.07. Sections 31.1011(a), (d), and (e), Education Code, are amended to read as follows:

- (a) The commissioner shall implement a program to study the use of credits for textbooks. The program shall be designed to allow a participating school district or open-enrollment charter school to receive credit for textbooks purchased at a cost below the cost limit established under Section 31.025(a). The commissioner shall allow any school district or open-enrollment charter school to participate in the program.
- (d) The commissioner shall prepare a report relating to the use of the textbook credit system and deliver the report to the $\underline{80th}$ [79th] Legislature.
 - (e) This section expires September 1, 2007 [2005].

SECTION 9____.08. Section 32.033(a), Education Code, is amended to read as follows:

(a) The agency, in coordination with institutions of higher education and other public or private entities, <u>may</u> [shall] maintain and expand, as needed, the telecommunications capabilities of school districts and regional education service centers. The agency shall design and implement a

telecommunications system for distance learning throughout the state.

SECTION 9____.09. Section 39.030(b), Education Code, is amended to read as follows:

- (b) The results of individual student performance on academic skills assessment instruments administered under this subchapter are confidential and may be released only in accordance with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g). However, overall student performance data shall be aggregated by ethnicity, sex, grade level, subject area, campus, and district and made available to the public, with appropriate interpretations, at regularly scheduled meetings of the board of trustees of each school district. The information may not contain the names of individual students [or teachers]. Except as otherwise required by the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g), this subsection does not restrict the use of aggregate results of student performance on academic skills assessment instruments for the purpose of evaluating teacher preparation and training programs, including:
 - (1) traditional educator preparation programs;
 - (2) alternative certification programs; and
 - (3) continuing education courses and programs.

SECTION 9____.10. Section 39.075(a), Education Code, is amended to read as follows:

- (a) The commissioner \underline{may} [shall] authorize special accreditation investigations to be conducted:
- (1) when excessive numbers of absences of students eligible to be tested on state assessment instruments are determined;
- (2) when excessive numbers of allowable exemptions from the required state assessment are determined;
- (3) in response to complaints submitted to the agency with respect to alleged violations of civil rights or other requirements imposed on the state by federal law or court order;
- (4) in response to established compliance reviews of the district's financial accounting practices and state and federal program requirements;

- (5) when extraordinary numbers of student placements in alternative education programs, other than placements under Sections 37.006 and 37.007, are determined;
- (6) in response to an allegation involving a conflict between members of the board of trustees or between the board and the district administration if it appears that the conflict involves a violation of a role or duty of the board members or the administration clearly defined by this code; or
 - (7) as the commissioner otherwise determines necessary.

SECTION 9____.11. Section 39.131, Education Code, is amended by adding subsection (k) to read as follows:

(k) The commissioner may take action under Subsection (a) or (b) against an entity to which a charter is granted under Subchapter B, Chapter 12, based on the failure of one or more campuses operated by that charter holder to satisfy accreditation criteria.

SECTION 9____.12. The heading to Section 39.182, Education Code, is amended to read as follows:

Sec. 39.182. COMPREHENSIVE [ANNUAL] REPORT.

SECTION 9____.13. Section 39.182(a), Education Code, is amended to read as follows:

- (a) Not later than December 1 of each <u>even-numbered</u> year, the agency shall prepare and deliver to the governor, the lieutenant governor, the speaker of the house of representatives, each member of the legislature, the Legislative Budget Board, and the clerks of the standing committees of the senate and house of representatives with primary jurisdiction over the public school system a comprehensive report covering the preceding <u>two</u> school <u>years</u> [year] and containing;
- (1) an evaluation of the achievements of the state educational program in relation to the statutory goals for the public education system under Section 4.002;
- (2) an evaluation of the status of education in the state as reflected by the academic excellence indicators adopted under Section 39.051;
- (3) a summary compilation of overall student performance on academic skills assessment instruments required by Section 39.023 with the number and percentage of students exempted

from the administration of those instruments and the basis of the exemptions, aggregated by grade level, subject area, campus, and district, with appropriate interpretations and analysis, and disaggregated by race, ethnicity, gender, and socioeconomic status;

- (4) a summary compilation of overall performance of students placed in an alternative education program established under Section 37.008 on academic skills assessment instruments required by Section 39.023 with the number of those students exempted from the administration of those instruments and the basis of the exemptions, aggregated by district, grade level, and subject area, with appropriate interpretations and analysis, and disaggregated by race, ethnicity, gender, and socioeconomic status;
- (5) a summary compilation of overall performance of students at risk of dropping out of school, as defined by Section 29.081(d), on academic skills assessment instruments required by Section 39.023 with the number of those students exempted from the administration of those instruments and the basis of the exemptions, aggregated by district, grade level, and subject area, with appropriate interpretations and analysis, and disaggregated by race, ethnicity, gender, and socioeconomic status;
- (6) an evaluation of the correlation between student grades and student performance on academic skills assessment instruments required by Section 39.023;
- (7) a statement of the dropout rate of students in grade levels 7 through 12, expressed in the aggregate and by grade level, and a statement of the completion rates of students for grade levels 9 through 12;

(8) a statement of:

- (A) the completion rate of students who enter grade level 9 and graduate not more than four years later;
- (B) the completion rate of students who enter grade level 9 and graduate, including students who require more than four years to graduate;
- (C) the completion rate of students who enter grade level 9 and not more than four years later receive a high

school equivalency certificate;

- (D) the completion rate of students who enter grade level 9 and receive a high school equivalency certificate, including students who require more than four years to receive a certificate; and
- (E) the number and percentage of all students who have not been accounted for under Paragraph (A), (B), (C), or (D);
- (9) a statement of the projected cross-sectional and longitudinal dropout rates for grade levels 9 through 12 for the next five years, assuming no state action is taken to reduce the dropout rate;
- (10) a description of a systematic, measurable plan for reducing the projected cross-sectional and longitudinal dropout rates to five percent or less for the 1997-1998 school year;
- (11) a summary of the information required by Section 29.083 regarding grade level retention of students and information concerning:
- (A) the number and percentage of students retained; and
- (B) the performance of retained students on assessment instruments required under Section 39.023(a);
- (12) information, aggregated by district type and disaggregated by race, ethnicity, gender, and socioeconomic status, on:
- (A) the number of students placed in an alternative education program established under Section 37.008;
- (B) the average length of a student's placement in an alternative education program established under Section 37.008;
- (C) the academic performance of students on assessment instruments required under Section 39.023(a) during the year preceding and during the year following placement in an alternative education program; and
- (D) the dropout rates of students who have been placed in an alternative education program established under Section 37.008;
- (13) a list of each school district or campus that does not satisfy performance standards, with an explanation of the

actions taken by the commissioner to improve student performance in the district or campus and an evaluation of the results of those actions;

- (14) an evaluation of the status of the curriculum taught in public schools, with recommendations for legislative changes necessary to improve or modify the curriculum required by Section 28.002;
- (15) a description of all funds received by and each activity and expenditure of the agency;
- (16) a summary and analysis of the compliance of school districts with administrative cost ratios set by the commissioner under Section 42.201, including any improvements and cost savings achieved by school districts;
- (17) a summary of the effect of deregulation, including exemptions and waivers granted under Section 7.056 or 39.112;
- (18) a statement of the total number and length of reports that school districts and school district employees must submit to the agency, identifying which reports are required by federal statute or rule, state statute, or agency rule, and a summary of the agency's efforts to reduce overall reporting requirements;
- (19) a list of each school district that is not in compliance with state special education requirements, including:
- (A) the period for which the district has not been in compliance;
- (B) the manner in which the agency considered the district's failure to comply in determining the district's accreditation status; and
- (C) an explanation of the actions taken by the commissioner to ensure compliance and an evaluation of the results of those actions;
- (20) a comparison of the performance of open-enrollment charter schools and school districts on the academic excellence indicators specified in Section 39.051(b) and accountability measures adopted under Section 39.051(g), with a separately aggregated comparison of the performance of open-enrollment charter schools predominantly serving students at risk of dropping

out of school, as defined by Section 29.081(d), with the performance of school districts; and

(21) any additional information considered important by the commissioner or the State Board of Education.

SECTION 9____.14. Sections 825.507(b) and (c), Government Code, are amended to read as follows:

- (b) The retirement system may release records of a participant, including a participant to which Chapter 803 applies, to:
- (1) the participant or the participant's attorney or guardian or another person who the executive director determines is acting on behalf of the participant;
- (2) the executor or administrator of the deceased participant's estate, including information relating to the deceased participant's beneficiary;
- (3) a spouse or former spouse of the participant if the executive director determines that the information is relevant to the spouse's or former spouse's interest in member accounts, benefits, or other amounts payable by the retirement system;
- (4) an administrator, carrier, consultant, attorney, or agent acting on behalf of the retirement system;
- (5) a governmental entity, an employer, or the designated agent of an employer, only to the extent the retirement system needs to share the information to perform the purposes of the retirement system, as determined by the executive director;
- (6) a person authorized by the participant in writing to receive the information;
- (7) a federal or state criminal law enforcement agency that requests a record for a law enforcement purpose;
- (8) the attorney general to the extent necessary to enforce child support; $[\frac{\partial \mathbf{r}}{\partial t}]$
- (9) a party in response to a subpoena issued under applicable law if the executive director determines that the participant will have a reasonable opportunity to contest the subpoena;
- (10) the commissioner of education or the commissioner's designee; or

(11) the State Board for Educator Certification or the board's designee.

(c) The records of a participant remain confidential after release to a person as authorized by this section. This section does not prevent the disclosure or confirmation, on an individual basis, of the status or identity of a participant as a member, former member, retiree, deceased member or retiree, beneficiary, or alternate payee of the retirement system. The release of records to a designee of the commissioner of education or State Board for Educator Certification under Subsection (b)(10) or (b)(11) is an intergovernmental transfer of information that does not violate the confidentiality of the information and does not waive any exception to public disclosure.

SECTION 9____.15. Sections 7.102(c)(1) and (c)(25), 8.051(b), 11.254(b), 12.107(b), 12.118, 12.119(c), 21.453, 29.123, 32.035, 45.208(e), Education Code, are repealed.

SECTION 9____.16. This article applies beginning with the 2003-2004 school year.