By: Pitts

H.B. No. 3171

	A BILL TO BE ENTITLED
1	AN ACT
2	relating to reducing compliance monitoring by the Texas Education
3	Agency of school districts and charter schools and programs.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Section 7.021(b)(1), Education Code, is amended
6	to read as follows:
7	(1) The agency shall administer and monitor compliance
8	with education programs required by federal [or state] law,
9	including federal funding [and state funding] for those programs.
10	SECTION 2. Subchapter B, Chapter 7, Education Code, is
11	amended by adding Section 7.027 to read as follows:
12	Sec. 7.027. LIMITATION ON COMPLIANCE MONITORING. Except as
13	provided by Sections 39.074 and 39.075, the agency shall monitor
14	campuses, programs, and schools granted charters under Chapter 12
15	and school districts only as necessary to ensure:
16	(1) compliance with federal law and regulations;
17	(2) financial accountability, including compliance
18	with grant requirements; and
19	(3) data integrity for purposes of:
20	(A) the Public Education Information Management
21	System (PEIMS); and
22	(B) accountability under Chapter 39.
23	SECTION 3. Section 29.001, Education Code, is amended to
24	read as follows:

1 Sec. 29.001. STATEWIDE PLAN. The agency shall develop, and 2 modify as necessary, a statewide design, consistent with federal law, for the delivery of services to children with disabilities in 3 4 this state that includes rules for the administration and funding 5 of the special education program so that a free appropriate public 6 education is available to all of those children between the ages of three and 21. The statewide design shall include the provision of 7 8 services primarily through school districts and shared services 9 arrangements, supplemented by regional education service centers. 10 The agency shall also develop and implement a statewide plan with programmatic content that includes procedures designed to: 11

(1) ensure state compliance with requirements for supplemental federal funding for all state-administered programs involving the delivery of instructional or related services to students with disabilities;

16 (2) facilitate interagency coordination when other 17 state agencies are involved in the delivery of instructional or 18 related services to students with disabilities;

periodically assess statewide personnel needs in 19 (3) all areas of specialization related to special education and pursue 20 21 strategies to meet those needs through a consortium of representatives from regional education service centers, local 22 education agencies, and institutions of higher education and 23 24 through other available alternatives;

(4) ensure that regional education service centers throughout the state maintain a regional support function, which may include direct service delivery and a component designed to

1 facilitate the placement of students with disabilities who cannot 2 be appropriately served in their resident districts;

and 3 (5) allow the agency to effectively monitor 4 periodically conduct site visits of all school districts [to ensure 5 that rules adopted under this section are applied in a consistent 6 and uniform manner,] to ensure that districts are complying with federal law and regulations [those rules,] and to ensure that 7 8 annual statistical reports filed by the districts and not otherwise available through the Public Education Information Management 9 System under Section 42.006[τ] are accurate and complete; 10

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

(7) ensure that an individualized education program for each student with a disability is properly developed, implemented, and maintained in the least restrictive environment that is appropriate to meet the student's educational needs;

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

(9) ensure that each student with a disability isprovided necessary related services; and

(10) ensure that an individual assigned to act as a
surrogate parent for a child with a disability, as provided by 20
U.S.C. Section 1415(b) and its subsequent amendments, is required

1 to: 2 (A) complete a training program that complies 3 with minimum standards established by agency rule; 4 (B) visit the child and the child's school; 5 (C) consult with persons involved in the child's 6 education, including teachers, caseworkers, court-appointed 7 volunteers, guardians ad litem, attorneys ad litem, foster parents, 8 and caretakers; review the child's educational records; 9 (D) attend meetings of the child's admission, 10 (E) review, and dismissal committee; 11 exercise independent judgment in pursuing 12 (F) the child's interests; and 13 exercise the child's due process rights under 14 (G) 15 applicable state and federal law. SECTION 4. Sections 29.010(a) and (c), Education Code, are 16 17 amended to read as follows: The agency shall adopt and implement a comprehensive 18 (a) system for monitoring school district compliance with federal [and 19 state] laws relating to special education. The monitoring system 20 must provide for ongoing analysis of district special education 21 data and of complaints filed with the agency concerning special 22 education services and for inspections of school districts at 23 24 district facilities. The agency shall use the information obtained 25 through analysis of district data and from the complaints management system to determine the appropriate schedule for and 26 27 extent of the inspection.

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

8 SECTION 5. Sections 29.062(a) and (e), Education Code, are 9 amended to read as follows:

(a) The legislature recognizes that compliance with this 10 subchapter is an imperative public necessity. Therefore, in 11 accordance with the policy of the state, the agency shall evaluate 12 the effectiveness of programs under this subchapter based on the 13 results of assessment instruments required under Subchapter B, 14 15 Chapter 39. The agency may combine evaluations under this section with federal accountability measures concerning students of 16 limited English proficiency [monitor compliance with state rules by 17 inspecting each school district and open-enrollment charter school 18 19 on-site at least every three years].

(e) If a school district or open-enrollment charter school
 fails to satisfy appropriate standards adopted by the commissioner
 for purposes of Subsection (a) [or refuses to comply after proper
 notification], the agency shall apply sanctions, which may include
 the removal of accreditation, loss of foundation school funds, or
 both.

26 SECTION 6. Section 29.123, Education Code, is amended to 27 read as follows:

Sec. 29.123. STATE PLAN; ASSISTANCE. 1 The State Board of 2 Education shall develop and periodically update a state plan for the education of gifted and talented students to guide school 3 districts in establishing and improving programs for identified 4 5 The regional education service centers may assist students. districts in implementing the state plan. In addition to obtaining 6 7 assistance from a regional education service center, a district may 8 obtain other assistance in implementing the plan. [The plan shall 9 be used for accountability purposes to measure the performance of 10 districts in providing services to students identified as gifted and talented.] 11

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SECTION 7. Section 29.154, Education Code, is amended to read as follows:

Sec. 29.154. EVALUATION OF PREKINDERGARTEN PROGRAMS. 14 The 15 commissioner of education, in consultation with the commissioner of human services, shall [monitor and evaluate prekindergarten 16 programs as to their developmental appropriateness. 17 The commissioners shall also] evaluate the potential for coordination 18 19 on а statewide basis of prekindergarten programs with government-funded early childhood care and education programs such 20 21 as child care administered under Chapter 44, Human Resources Code, and federal Head Start programs. That evaluation shall use 22 23 recommendations contained in the report to the 71st Legislature 24 required by Chapter 717, Acts of the 70th Legislature, Regular Session, 1987. For the purpose of providing cost-effective care for 25 26 children during the full workday with developmentally appropriate 27 curriculum, the commissioners shall investigate the use of existing

1 child-care program sites as prekindergarten sites. Following the 2 evaluation required by this section, the commissioners, in 3 cooperation with school districts and other program administrators, shall integrate programs, staff, and program sites 4 5 for prekindergarten, child-care, and federal Head Start programs to the greatest extent possible. 6

7 SECTION 8. Section 42.151(h), Education Code, is amended to 8 read as follows:

9 (h) Funds allocated under this section, other than an 10 indirect cost allotment established under State Board of Education 11 rule, must be used in the special education program under 12 Subchapter A, Chapter 29. <u>The annual audit of school district</u> 13 <u>fiscal accounts required under Section 44.008 must cover a</u> 14 <u>district's compliance with this subsection.</u>

SECTION 9. Section 42.152(c), Education Code, is amended to read as follows:

Funds allocated under this section shall be used [only] (c) 17 to fund supplemental programs and services designed to eliminate 18 19 any disparity in performance on assessment instruments administered under Subchapter B, Chapter 39, or disparity in the 20 21 rates of high school completion between students at risk of dropping out of school, as defined by Section 29.081, and all other 22 The annual audit of school district fiscal accounts 23 students. required under Section 44.008 must cover a district's compliance 24 with this subsection. [Specifically, the funds, other than an 25 26 indirect cost allotment established under State Board of Education 27 rule, which may not exceed 15 percent, may be used only to meet the

costs of providing a compensatory, intensive, or accelerated 1 instruction program under Section 29.081 or an alternative 2 education program established under Section 37.008 or to support a 3 program eligible under Title I of the Elementary and Secondary 4 Education Act of 1965, as provided by Pub. L. No. 103-382 and its 5 6 subsequent amendments, and by federal regulations implementing that Act, at a campus at which at least 50 percent of the students 7 are educationally disadvantaged. In meeting the costs of providing 8 a compensatory, intensive, or accelerated instruction program 9 under Section 29.081, a district's compensatory education 10 allotment may be used only for costs supplementary to the regular 11 education program, such as costs for program and student 12 evaluation, instructional materials and equipment and other 13 supplies required for quality instruction, supplemental staff 14 expenses, salary for teachers of at-risk students, smaller class 15 size, and individualized instruction.] A home-rule school district 16 or an open-enrollment charter school must use funds allocated under 17 Subsection (a) for a purpose authorized in this subsection but is 18 subject to Subchapter C, Chapter 19 not otherwise 29. [Notwithstanding any other provisions of this section: 20

[(1) to ensure that a sufficient amount of the funds allotted under this section are available to supplement instructional programs and services, no more than 18 percent of the funds allotted under this section may be used to fund disciplinary alternative education programs established under Section 37.008; and

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[(2) the commissioner may waive the limitations

Subdivision (1) upon an annual petition, by a district's board and a 1 2 district's site-based decision making committee, presenting the 3 reason for the need to spend supplemental compensatory education 4 funds on disciplinary alternative education programs under Section 5 37.008. The district shall in its petition report the number of 6 students in each grade level, by demographic subgroup, not making 7 satisfactory progress under the state's assessment system. The 8 commissioner will make this waiver request information available 9 annually to the public on the agency's website.]

10 SECTION 10. Section 42.153(b), Education Code, is amended 11 to read as follows:

Funds allocated under this section, other than an 12 (b) indirect cost allotment established under State Board of Education 13 14 rule, must be used in providing bilingual education or special 15 language programs under Subchapter B, Chapter 29[, and must be accounted for under existing agency reporting and auditing 16 procedures]. The annual audit of school district fiscal accounts 17 required under Section 44.008 must cover a district's compliance 18 19 with this subsection.

20 SECTION 11. Section 42.154(c), Education Code, is amended 21 to read as follows:

(c) Funds allocated under this section, other than an indirect cost allotment established under State Board of Education rule, must be used in providing career and technology education programs in grades nine through 12 or career and technology education programs for students with disabilities in grades seven through 12 under Sections 29.182, 29.183, and 29.184. <u>The annual</u>

<u>audit of school district fiscal accounts required under Section</u> <u>44.008 must cover a district's compliance with this subsection.</u>

3 SECTION 12. Section 42.156(b), Education Code, is amended 4 to read as follows:

5 (b) Funds allocated under this section, other than the 6 represents the program's share of amount that general 7 administrative costs, must be used in providing programs for gifted 8 and talented students under Subchapter D, Chapter 29, including 9 programs sanctioned by International Baccalaureate and Advanced Placement, or in developing programs for gifted and talented 10 The annual audit of school district fiscal accounts 11 students. required under Section 44.008 must cover a district's compliance 12 with this subsection. [Each district must account for the 13 expenditure of state funds as provided by rule of the State Board of 14 Education. If by the end of the 12th month after receiving an 15 allotment for developing a program a district has failed to 16 17 implement a program, the district must refund the amount of the allotment to the agency within 30 days.] 18

SECTION 13. Sections 7.055(b)(23), 29.062(b)-(d), 37.008(m), 42.152(d) and (q)-(s), and 42.154(d), Education Code, are repealed.

SECTION 14. This Act applies beginning with the 2003-2004 school year.

SECTION 15. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate

1 effect, this Act takes effect September 1, 2003.