Amend Amendment No. 13 by Hegar to CSSB 422 as follows:

(1) Strike page 1, lines 11-23, and substitute the following:

SECTION ___. Section 8.103, Education Code, is amended to read as follows:

Sec. 8.103. ANNUAL EVALUATION. <u>(a) Except as provided by</u> <u>Subchapter E, the</u> [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;

(3) a review of client satisfaction with servicesprovided under Subchapter B;

(4) a survey of the center's board of directors concerning the performance of the center's executive director;

(5) a review of:

(A) the number of programs offered by the center to improve student performance on assessment instruments administered under Section 39.023; and

(B) the attendance rate at each program described by Paragraph (A) during each year of the preceding two years;

(6) a review of the center's performance on four goals established by the center for improving the center's performance; and

(7) [(4)] a review of any other factor the commissioner determines to be appropriate.

(b) The agency shall post the results of an evaluation conducted under this section on the agency's Internet website.

SECTION __. Subchapter C, Chapter 8, Education Code, is amended by adding Section 8.1031 to read as follows:

Sec. 8.1031. RATING SYSTEM. (a) The commissioner shall establish a system for rating regional education service centers on the basis of the results of evaluations conducted under Section 8.103.

(b) The rating system must include a minimum level of performance that a regional education service center is expected to

achieve on each area evaluated under Section 8.103 and on the overall evaluation. A center that does not meet the minimum level of overall performance is considered to be low-performing.

SECTION ___. Section 8.104, Education Code, is amended to read as follows:

Sec. 8.104. SANCTIONS. <u>(a)</u> The commissioner shall develop a system of corrective actions to require a regional education service center that the commissioner determines to be <u>low-performing</u> [deficient in an accountability measure] under Section <u>8.1031</u> [8.103].

(b) The actions must include, in increasing order of severity:

(1) conducting an on-site investigation of the center;

(2) requiring the center to send notice [of each deficiency] to each school district and campus in the center's region or served by the center the previous year <u>concerning any area</u> of performance, including overall performance, that is below the minimum level of performance established for that area under <u>Section 8.1031</u>; and

(3) requiring the center to prepare for the commissioner's approval a plan to address each area of <u>performance</u> that is below the minimum level of performance established for that <u>area under Section 8.1031</u> [deficiency;

[(4) appointing a master to oversee the operations of the center;

[(5) replacing the executive director or board of directors; and

[(6) in the case of deficient performance in two consecutive years, closing the center].

(c) In addition to the actions required under Subsection(b), the commissioner shall take the following actions:

(1) for a regional education service center that has been low-performing for one school year, place the center on probation;

(2) for a regional education service center that has been low-performing for two consecutive school years, continue the center's probation and: (B) distribute the money withheld to school districts in the region that the center serves; and

(A) withhold any state money to which the center

(3) for a regional education service center that has been low-performing for three consecutive school years:

(A) both:

is otherwise entitled; and

(i) appoint a master to oversee the operations of the center; and

(ii) replace the executive director or board of directors; or

(B) order the closure of the center.

(2) Strike page 3, line 29, through page 4, line 7, and substitute the following:

Sec. 8.103. ANNUAL EVALUATION. <u>(a)</u> The commissioner shall conduct an annual evaluation of each executive director and regional education service center. Each evaluation must include:

an audit of the center's finances;

(2) a review of the center's performance on the indicators adopted under Section 8.101;

(3) a review of client satisfaction with servicesprovided under Subchapter B;

(4) a survey of the center's board of directors concerning the performance of the center's executive director;

(5) a review of:

(A) the number of programs offered by the center to improve student performance on assessment instruments administered under Section 39.023; and

(B) the attendance rate at each program described by Paragraph (A) during each year of the preceding two years;

(6) a review of the center's performance on four goals established by the center for improving the center's performance; and

(7) [(4)] a review of any other factor the commissioner determines to be appropriate.

(b) The agency shall post the results of an evaluation conducted under this section on the agency's Internet website.

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(3) On page 4, between lines 16 and 17, insert the following: SECTION ____. (a) As soon as practicable after the effective date of this Act, the commissioner of education shall establish a rating system for regional education service centers as required by Section 8.1031, Education Code, as added by this Act.

(b) The Texas Education Agency shall begin rating regional education service centers as required by Section 8.1031, Education Code, as added by this Act, beginning with the 2006-2007 school year.

(c) The commissioner of education may not take an action under Section 8.104, Education Code, as amended by this Act, based on the performance of a regional education service center for the 2005-2006 school year or an earlier school year.

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