Amend HB 635 by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS accordingly:

SECTION \_\_\_\_\_. (a) Chapter 73, Education Code, is amended by adding Subchapter I to read as follows:

## SUBCHAPTER I. COMPETITIVE GRANT PROGRAM TO PROMOTE EARLY LITERACY Sec. 73.601. DEFINITIONS. In this subchapter:

- (1) "Competitive grant program" means the competitive grant program to promote early literacy established under this subchapter.
- (2) "Health care practitioner" has the meaning assigned by Section 112.001, Occupations Code.
- (3) "Health science center" means The University of Texas Health Science Center at Houston.
- (4) "Literacy program" means a program to promote early literacy.
- Sec. 73.602. ESTABLISHMENT OF COMPETITIVE GRANT PROGRAM TO PROMOTE EARLY LITERACY. (a) The University of Texas Health Science Center at Houston shall establish a competitive grant program to promote early literacy through which the health science center will award grants for the implementation of literacy programs, or the expansion of existing programs, and for the operation of those programs for a period of not less than two years.
- (b) The health science center shall award grants under the program to applicants, including applicants operating existing programs, in a manner that ensures that the literacy programs collectively:
- (1) operate in multiple communities that are geographically distributed throughout this state; and
- (2) provide program services to approximately 50,000 children.
- Sec. 73.603. LITERACY PROGRAM REQUIREMENTS. (a) A literacy program funded through a grant awarded under this subchapter must:
- (1) strictly adhere to the program model developed by the Reach Out and Read National Center, including any clinical, programmatic, and data collection requirements of that model;

- (2) provide matching funds in an amount equal to the amount of the grant funds awarded under this subchapter;
- (3) require that health care practitioners volunteer to:
- (A) in conjunction with performing well-child examinations, provide books to children and encourage parents to read to their children to develop preliteracy skills;
- (B) maintain waiting rooms that encourage children to read; and
- (C) provide services designed to increase the school readiness of children receiving program services; and
- (4) partner with local adult literacy providers to encourage parent literacy in appropriate circumstances.
- (b) Matching funds under Subsection (a)(2) may include in-kind contributions.
- Sec. 73.604. APPLICATION. (a) A public or private entity, including a county, municipality, or other political subdivision of this state, may apply for a grant under this subchapter.
- (b) To apply for a grant, an applicant must submit a written application to the health science center on a form prescribed by the health science center in consultation with the Reach Out and Read National Center.
- Sec. 73.605. ADDITIONAL CONSIDERATIONS IN AWARDING GRANTS.

  In addition to the factors described by Sections 73.602(b) and

  73.603, in determining whether to award a grant to an applicant

  under this subchapter, the health science center may consider:
- (1) the demonstrated need for a literacy program in the community in which the applicant proposes to operate or expand the program, which the health science center shall determine by considering:
- (A) the poverty rate, the crime rate, the number of births to Medicaid recipients, the rate of poor birth outcomes, and the incidence of referrals of elementary school students for remedial instruction or special education services, and of child abuse and neglect, during a prescribed period in the community; and
- (B) the need to enhance school readiness in the community;

- (2) the applicant's ability to participate in ongoing monitoring and performance evaluations under Section 73.608, including the applicant's ability to collect and provide information requested by the health science center under Section 73.608(d);
- (3) the applicant's ability to adhere to the literacy program guidelines published under Section 73.606;
- (4) the applicant's ability to develop broad-based community support for implementing or expanding a literacy program, as applicable; and
- (5) the applicant's history of developing and sustaining innovative, high-quality programs that meet the needs of families and communities.
- Sec. 73.606. LITERACY PROGRAM GUIDELINES. The health science center, with the assistance of the Reach Out and Read National Center, shall publish guidelines for the literacy programs funded under this subchapter. The guidelines must adhere to the Reach Out and Read national program model standards and guidelines that have been tested and replicated in multiple communities.
- Sec. 73.607. USE OF PROGRAM FUNDS. (a) In addition to awarding grants under this subchapter, the health science center may use program funds to:
  - (1) administer the competitive grant program; and
- (2) purchase or contract to purchase discounted books for use by grant recipients.
- (b) A grant recipient may use grant funds awarded under this subchapter only to cover costs related to implementing or expanding and operating a literacy program, including costs related to:
  - (1) administering the literacy program;
- (2) training and managing health care practitioners who volunteer to participate in the literacy program; and
- (3) purchasing or contracting to purchase discounted books for use in the literacy program.
- Sec. 73.608. PROGRAM MONITORING AND EVALUATION; ANNUAL COMMITTEE REPORTS. (a) The health science center, with the assistance of the Reach Out and Read National Center, shall publish performance indicators that are designed to measure a grant

recipient's performance with respect to the literacy program guidelines published under Section 73.606.

- (b) The health science center shall:
- (1) use the performance indicators published under Subsection (a) to continuously monitor and formally evaluate on an annual basis the performance of each grant recipient; and
- (2) prepare and submit an annual report, not later than December 1 of each year, to the Senate Committee on Education, or its successor, and the House Public Education Committee, or its successor, regarding the performance of each grant recipient during the preceding state fiscal year with respect to providing literacy program services.
- (c) The report required under Subsection (b)(2) must include:
- (1) the number of low-income children receiving literacy program services;
- (2) the number of health care practitioners who participate in the program and the estimated value of the services provided by those practitioners under the program; and
- (3) the extent to which each grant recipient adhered to the Reach Out and Read national program model.
- (d) On request, each grant recipient shall timely collect and provide data and any other information required by the health science center to monitor and evaluate the recipient or to prepare the report required by this section.
- Sec. 73.609. COMPETITIVE GRANT PROGRAM FUNDING. (a) The health science center shall actively seek and apply for any available federal funds to assist in financing the competitive grant program established under this subchapter.
- (b) The health science center may use appropriated funds from the state government and may accept gifts, donations, grants of money, and in-kind contributions from the federal government, local governments, private corporations, or other persons to assist in financing the competitive grant program.
- (b) The University of Texas Health Science Center at Houston shall:
  - (1) as soon as practicable, apply for any available

federal funds to assist in financing the competitive grant program under Subchapter I, Chapter 73, Education Code, as added by this section, as required by Section 73.609, Education Code, as added by this section;

- (2) not later than December 1, 2009, submit a report to the Senate Committee on Education, or its successor, and the House Public Education Committee, or its successor, regarding the implementation and status of the competitive grant program required by Subchapter I, Chapter 73, Education Code, as added by this section;
- (3) not later than September 1, 2010, establish and implement the competitive grant program required by Subchapter I, Chapter 73, Education Code, as added by this section, and, with the assistance of the Reach Out and Read National Center, publish the guidelines required by Section 73.606, Education Code, as added by this section; and
- (4) not later than December 1, 2011, submit the initial annual report required by Subdivision (2), Subsection (b), Section 73.608, Education Code, as added by this section.
- (c) This section does not make an appropriation. A provision in this section that creates a new governmental program, creates a new entitlement, or imposes a new duty on a governmental entity is not mandatory during a fiscal period for which the legislature has not made a specific appropriation to implement the provision.