

Amend CSSB 3 as follows:

(1) In SECTION 21 of the bill, in proposed Section 39.106(e), Education Code (page 32, line 49), strike "or".

(2) In SECTION 21 of the bill, in proposed Section 39.106(e), Education Code (page 32, line 50), between "(3)" and "closure" insert the following:

the authority of the campus transferred to the recovery school district established under Section 39.1061; or

(4)

(3) In Section 21 of the bill, in proposed Subchapter E, Chapter 39, Education Code (page 34, between lines 53 and 54) add the following:

Sec. 39.1061. RECOVERY SCHOOL DISTRICT. (a) The recovery school district is created for the purpose of direct state oversight of failing campuses, excluding open-enrollment charter schools. The recovery school district has the powers of school districts generally, except as provided by this section.

(b) The commissioner shall appoint a board of trustees for the recovery school district. The board serves without compensation and at the pleasure of the commissioner. The board is responsible for employing a superintendent and other central office staff for the recovery school district. The commissioner may assign agency staff to act on behalf of the recovery school district.

(c) Immediately on the determination that a campus is subject to Section 39.106(e), the commissioner may transfer authority of the campus to the recovery school district. On the transfer to the recovery school district, the superintendent shall determine which employees at the campus are to be retained and notify the school district on or before the 90th day after the date the determination is made. Employees previously assigned to the campus remain employees of the school district subject to the terms of their employment contracts.

(d) The superintendent may employ staff to operate a campus transferred to the recovery school district or may contract with a school district, regional education service center, or other governmental entity or a qualified entity as determined by Section

39.106(k) for any services necessary at the campus.

(e) Employees of the recovery school district who are not agency employees and who qualify for membership in the Teacher Retirement System of Texas are covered under that system to the same extent a qualified employee of a school district is covered. For each employee of the recovery school district covered under the Teacher Retirement System of Texas, the recovery school district is responsible for making any contribution that otherwise would be the legal responsibility of a school district, and the state is responsible for making contributions to the same extent the state would be legally responsible if the employee were a school district employee.

(f) The recovery school district and the board of trustees of the recovery school district are entitled to immunity in the same manner as the agency and school district board members. Employees and volunteers of the recovery school district are immune from liability to the same extent as school district board members, employees, and volunteers.

(g) The recovery school district is entitled to state funding for students enrolled at a campus transferred to the recovery school district in the same manner as the school district in which the campus is located. A school district may be required to transfer to the recovery school district state, local, and federal funds that would otherwise be expended for the benefit of the campus or to hold such funds in a separate account for the benefit of the campus and make payments as directed by the superintendent. The commissioner may require a school district to continue to provide transportation, payroll, accounting, recordkeeping, or any other service to the campus in the same manner as a service was provided before transfer to the recovery school district. The commissioner shall pay a reasonable fee for the services. A determination of the amount attributable to a campus, of services required, or of a fee for services made by the commissioner under this subsection is final and may not be appealed. The commissioner may appoint a conservator or management team or take any other action necessary to ensure cooperation with the school district for the benefit of a campus transferred to the recovery school district.

(h) A campus transferred to the recovery school district shall be evaluated and assigned a rating under this chapter in the same manner as any other campus. The campus shall be returned to the control of the school district following the second year in which the campus meets all academic standards generally applicable to school district campuses.

(i) Nothing in this section shall be construed to require the commissioner to transfer a campus to the recovery school district or limit the authority of the commissioner to order reconstitution, repurposing, alternative management, or closure of a campus, including a campus transferred to the recovery school district.

(j) The recovery school district may not levy a tax or exercise any power of eminent domain. The transfer of a campus to the recovery school district does not change the boundaries of the school district in which the campus is located or affect the validity of any tax levy by the school district.