

BILL ANALYSIS

C.S.H.B. 3
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Public Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Texas has long been a leader in public school accountability, but through the years, the current system has created only minimal progress. While students and schools have seen incremental improvements, assessment passing standards lack any link to success after graduation, whether for college or in the workforce. From the Texas high school graduating class of 2007, 10 percent of distinguished program graduates and 33 percent of recommended program graduates were not college ready in at least one subject area. Nationally, employers estimate that 45 percent of recent high school graduates are not adequately prepared with the skills and abilities they need to advance beyond entry-level jobs, and 85 percent of newly created U.S. jobs will require education beyond high school.

C.S.H.B. 3 sets the goal of college readiness for all Texas students and challenges the system to elevate Texas to be among the top 10 states in preparing students for college over the next 10 years. The bill evaluates absolute student performance as part of the accountability system's accreditation tier, and it attempts to measure whether schools achieve growth in student achievement by requiring schools to meet the standard for that year or over a three-year average, which recognizes that atypical circumstances can occur but requires schools to correct poor performance trends.

C.S.H.B. 3 also adds a distinction tier to the accountability system to recognize schools that achieve outstanding results in areas, such as academic achievement, workforce readiness, second language learning, fine arts, and health and fitness. These recognitions look beyond a single test and consider multiple indicators of success. The bill focuses on the core skills needed to master English language arts, mathematics, science, and social studies as requirements for high school graduation, but it also provides students with access to additional electives as part of their graduation plans.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the State Board of Education in SECTIONS 4, 7, and 9 of this bill, to the commissioner of education in SECTIONS 14, 18, 20, and 23 of this bill, to the commissioner of higher education in SECTION 24 of this bill, and to the Texas Higher Education Coordinating Board in SECTION 25 of this bill, and that rulemaking authority previously granted to the State Board of Education is transferred to the commissioner of education in SECTION 23 of this bill.

ANALYSIS

C.S.H.B. 3 amends the Education Code to specify that a principal who was employed as a principal at a campus that was rated academically unacceptable during the preceding school year is required to participate in the school leadership pilot program and complete the program requirements not later than a date determined by the commissioner of education and makes this requirement applicable only to a principal employed at a school that is rated academically unacceptable during the 2008-2009 school year. The bill removes a requirement that any person

employed to replace that principal participate in the program and complete the program requirements.

C.S.H.B. 3 requires the State Board of Education (SBOE) to adopt rules to allow courses offered in the foundation curriculum or the enrichment curriculum to simultaneously satisfy, to the extent practicable, more than one required credit for the minimum, recommended, or advanced high school program in which the student is participating and to adopt rules to authorize each school district to implement a program under which students in middle or junior high school may earn credits toward high school graduation in middle or junior high school for any course determined by board rule to qualify as a high school equivalent course.

C.S.H.B. 3 requires a school district, not later than the first day of the school year, to determine the requirements for student advancement from one grade level to the next and, in determining student promotions, to consider the recommendation of the student's teacher, the student's grade in each subject or course, the student's score on certain statewide standardized tests, and any other necessary information, as determined by the district. The bill decreases from a minimum of two to one the number of opportunities a third, fifth, or eighth grade student has to retake the specific statewide standardized tests that are factored into considerations regarding a student's promotion to the next grade level if the student initially fails to perform satisfactorily on the tests and requires a school district, if a student fails to perform satisfactorily on the tests a second time, to prescribe accelerated instruction for the student. The bill removes a requirement that the school district establish a grade placement committee to prescribe the accelerated instruction for a student who fails to perform satisfactorily on a standardized test a second time.

C.S.H.B. 3 requires the accelerated instruction program, prescribed by the district, to be systematic, subject-area specific, and developed in consultation with the student's parent or guardian, and it prohibits the program from being based solely on test practice skills. The bill requires the district's notification to the parent or guardian of a student who fails to perform satisfactorily to include information regarding the district's requirements for advancement from one grade level to the next, areas where the student needs to improve to meet these requirements, and any other applicable information as determined by the district, and requires this information to be made available to the student's current teacher and the teacher in the next grade level. The bill requires the district, if a student fails to meet the requirements for advancement from grade level three, five, and eight, to establish a grade placement committee. The bill requires a grade placement committee to make a determination that the student be retained at the same grade level for the next school year or promoted with accelerated instruction. The bill prohibits a student who fails to participate in an accelerated instruction program from being promoted if the student does not perform satisfactorily on the applicable test and makes conforming changes as they relate to student promotion.

C.S.H.B. 3 requires SBOE to designate the specific courses in the foundation curriculum required for a student participating in the minimum, recommended, or advanced high school program and prohibits SBOE, except as otherwise provided, from designating a specific course or a specific number of credits in the enrichment curriculum subject as requirements for the recommended program. The bill specifies that a student be at least 16 years of age, have completed the credits necessary for the 10th grade under the recommended or advanced high school program, or have failed to be promoted to the 10th grade one or more times for the student to be permitted to take courses under the minimum high school program, with the agreement of the student, the student's parent or guardian, and a school counselor or administrator. The bill includes in the curriculum requirements for the recommended and advanced high school programs a requirement for successful completion of four credits, rather than four courses, in each subject of the foundation curriculum, including at least one-half credit in government and at least one-half credit in economics to meet the social studies requirement in the foundation curriculum, plus two credits in the same language other than English and eight elective credits, in addition to the four credits in each subject of the foundation curriculum.

C.S.H.B. 3 authorizes, rather than requires, SBOE to allow a student to comply with the curriculum requirements under the minimum, recommended, or advanced high school program for a mathematics or science course by successfully completing a career and technical course approved for that purpose by SBOE and removes a prohibition against a student's use of this option for more than two courses. The bill establishes that a student's substitution of a career and technical course does not affect requirements relating to end-of-course tests otherwise applicable to the student and requires the student to comply with those requirements in the same manner as if the substitution had not occurred. The bill requires SBOE, in adopting rules to provide students with the course substitution option, to approve a variety of mathematics and science courses that may be taken by a student after completion of Algebra II and physics to comply with the recommended program requirements and prohibits SBOE from limiting the courses approved for that purpose. The bill requires a school district, before a student's parent or guardian may agree that the student be permitted to take courses under the minimum high school program, to provide written notice to the parent or guardian explaining the benefits of the recommended high school program and requires the notice to be developed by the Texas Education Agency (TEA), to be printed in English and Spanish, and to require that the student's parent or guardian sign a confirmation of receipt and return the confirmation to the student's campus. The bill adds a temporary provision, set to expire September 1, 2015, to establish that the curriculum requirements for the recommended and advanced high school programs apply to students entering the ninth grade beginning with the 2011-2012 school year.

C.S.H.B. 3 removes an exception to the use of the standard method developed by the commissioner to compute a student's high school grade point average in instances of conflict with the method developed under rules of the Texas Higher Education Coordinating Board to ensure a uniform standard for college admissions, in which case the latter applied in determining the student's college eligibility.

C.S.H.B. 3 authorizes a school district, in accordance with SBOE-adopted rules, to seek approval from SBOE to offer one or more career and technical courses, including career and technical courses offered as alternatives to otherwise required mathematics or science courses. The bill requires a school district to submit an application for approval not later than January 1 of the year preceding the first school year that the district proposes to offer the course, and requires the application to include a detailed description of the course, the curriculum, the instructional materials, any required equipment, and any other information required by SBOE. The bill requires SBOE to evaluate each application and associated information and establishes that, if SBOE does not take action approving or denying an application on or before the 180th day after the date the application was submitted, the application is considered approved. The bill establishes that approval of a career and technical course is effective for a period of three school years immediately following the date of approval, authorizes any district to seek renewed approval of the course for an additional three-year period in accordance with SBOE-established procedures, and establishes that there is no limit on the number of three-year periods for which course approval may be renewed. The bill authorizes any Texas school district to offer an approved career and technical course and establishes that a provision postponing the effective date of SBOE rules until the beginning of the school year that begins at least 90 days after the date of the rules' adoption does not apply to a rule adopted by SBOE regarding career and technical courses.

C.S.H.B. 3 revises provisions that currently authorize TEA to establish a secure, interoperable system to be implemented through a portal which allows ready access to certain assessment data. The bill requires TEA to establish and maintain a student assessment data portal for use by school districts, teachers, parents, students, and public institutions of higher education and requires TEA to establish a secure, interoperable system to be implemented through the portal under which a student or the student's parent or guardian can easily access the student's individual test data; an authorized school district employee, including a district teacher, can readily access individual test data for use in developing strategies to improve student performance; and an authorized employee of a public institution of higher education can access

appropriate student data. The bill requires the system to provide a means for a student or the student's parent or guardian to track the student's progress on test requirements for graduation and requires TEA to establish an interoperable system to be implemented through the portal under which general student assessment data is easily accessible to the public. The bill requires student test data to include performance data on tests over multiple years, beginning with the 2007-2008 school year, including any data indicating student achievement progress, and to be updated before the beginning of each school year to include current student test data. The bill requires this system to permit comparisons of student performance information at the classroom, campus, district, and state levels.

C.S.H.B. 3 authorizes the commissioner to adopt rules as necessary to administer the public school accountability system. The bill requires TEA to develop required tests in a manner that allows, to the extent practicable, the score a student receives to provide reliable information relating to a student's satisfactory performance for each performance standard and an appropriate range of performances to serve as a valid indication of student achievement growth. The bill excludes any tests administered to a student for the purpose of retaking the test from the question and answer keys TEA is required to release every third year.

C.S.H.B. 3 removes the requirement for the administration of a Spanish version for the statewide standardized tests to students of limited English proficiency in grade six.

C.S.H.B. 3 prohibits, rather than requires, special purpose questions from being administered in a separate section of the end-of-course test.

C.S.H.B. 3 defines "college readiness" as the level of preparation a student must attain in English language arts and mathematics courses to enroll and succeed, without remediation, in an entry-level general education course for credit in that same content area for a baccalaureate degree or associate degree program at a general academic teaching institution, other than a research institution, as categorized under the Texas Higher Education Coordinating Board's accountability system, or at a postsecondary educational institution that primarily offers associate degrees or certificates or credentials other than baccalaureate or advanced degrees.

C.S.H.B. 3 requires TEA to ensure that the required Algebra II and English II end-of-course tests are developed to be capable of, beginning with the 2011-2012 school year, measuring college readiness. The bill requires TEA, before the beginning of the 2012-2013 school year, to gather data and conduct research studies to substantiate the correlation between a certain level of performance on the Algebra II and English III end-of-course tests and college readiness and requires these studies to include an evaluation of any need for remediation courses to facilitate college readiness. The bill requires the commissioner, in conjunction with the commissioner of higher education, based on the studies' results, to establish student performance standards for the end-of-course tests specified above indicating that students have attained college readiness. The bill requires TEA, to the extent practicable, to conduct similar research studies for the appropriate science and social studies end-of-course tests. The bill adds a temporary provision, set to expire January 1, 2013, to require TEA to deliver, not later than December 1, 2012, to the lieutenant governor, the speaker of the house of representatives, and the clerks of the standing senate and house committees with primary jurisdiction over public education a report that includes an analysis of the feasibility of establishing college readiness performance standards for science and social studies end-of-course tests and, if feasible, recommendations for implementing those standards.

C.S.H.B. 3 requires TEA to continue to gather data to perform these studies at least once every three years and to review periodically these college readiness performance standards and compare them to performance standards established nationally and internationally for comparable tests. The bill requires TEA, following each review, to deliver to the lieutenant governor, the speaker of the house, and the clerks of the standing senate and house committees with primary jurisdiction over public education a report on the results of the review indicating

whether the college readiness performance standards are sufficiently rigorous to prepare students in Texas to compete academically with students nationally and internationally and requires TEA, if it determines that the college readiness standards are not sufficiently rigorous, to recommend changes.

C.S.H.B. 3 requires the commissioner, rather than SBOE, to determine the level of performance considered to be satisfactory on the statewide standardized test and end-of-course tests. The bill establishes that, beginning with the 2012-2013 school year, satisfactory performance on English language arts and mathematics tests means the performance across grade levels necessary to indicate college readiness, with specific exceptions, and satisfactory performance as determined by the commissioner. The bill requires the commissioner, for the purpose of establishing performance across grade levels, to establish the performance standards for the Algebra II and English III end-of-course tests; the performance standards for the Algebra I and English II end-of-course tests that correlate student performance on the Algebra I and English II end-of-course tests with student performance on the Algebra II and English III tests; the performance standards for the English I end-of-course test that correlate student performance on the English I end-of-course test with student performance on the English II test; the performance standards for the grade eight tests that correlate student performance on the grade eight tests with student performance on the Algebra I and English II end-of-course tests in the same content area; and the performance standards on the statewide standardized tests in each of grades three through seven that correlate student performance in the same content area on the tests for each grade with student performance on the test in the succeeding grade. The bill requires each school district, to assist parents in providing assistance during the school summer recess, to make available, rather than to distribute, test study guides to parents of students who do not perform satisfactorily on one or more parts of a standardized test.

C.S.H.B. 3 requires TEA, during the 2011-2012 school year, to collect data through the administration of required statewide standardized tests in grades three through eight and end-of-course field tests and, before the beginning of the 2012-2013 school year, to analyze the data to substantiate the grade level to grade level correlation between satisfactory performance for each performance standard across the various grade level statewide and standardized test and end-of-course tests. The bill requires these studies to include an evaluation of any need for remediation courses to facilitate college readiness and requires TEA, once the college readiness level of satisfactory performance has been established, to continue to gather data and perform studies at least once every three years. The bill requires the commissioner, in conjunction with the commissioner of higher education, to revise the satisfactory performance standard if the data does not support the correlation between student performance standards and college readiness.

C.S.H.B. 3 requires a student participating in the minimum high school program to perform satisfactorily, as determined by the commissioner, on the Algebra I and English III end-of-course tests and a student in the recommended or advanced high school programs to perform satisfactorily, as determined by the commissioner, on the Algebra II and English III end-of-course tests and removes a requirement for a student to achieve a specific cumulative score for each test. The bill specifies that a student who fails to perform satisfactorily, rather than fails to achieve a certain score, on a test required for graduation, is to retake the test and authorizes a student who performs satisfactorily on an Algebra II or English III end-of-course test, under the performance standard determined by the commissioner, but who fails to perform satisfactorily under the college readiness performance standard to retake the test. The bill removes the authorization for any other student to retake an end-of course test for any reason.

C.S.H.B. 3 requires TEA, in consultation with the coordinating board, to develop senior-level English language arts and mathematics accelerated instruction courses for students who do not perform satisfactorily on the end-of-course tests, and the bill requires a district to offer a student who does not meet the college readiness performance standard the opportunity to enroll in such a course, rather than requiring enrollment in a corresponding content-area college preparatory course for a student determined, on completing grade 11, unlikely to achieve a specified

cumulative score required for receiving a high school diploma.

C.S.H.B. 3 prohibits a school district from administering a test required for graduation administered under these provisions as they existed before September 1, 1999. The bill authorizes a school district to administer to a student who failed to perform satisfactorily on an end-of-course test an alternate test designated by the commissioner and requires the commissioner to determine the level of performance considered to be satisfactory on an alternate test. The bill prohibits the district from administering to the student a test or a part of a test that assesses a subject that was not assessed in a test required for graduation before September 1, 1999. The bill requires the commissioner to make available to districts information necessary to administer the alternate test and establishes that the commissioner's determination regarding designation of an appropriate alternate test and the performance required is final and may not be appealed.

C.S.H.B. 3 prohibits a student entering a grade above the ninth grade during the 2011-2012 school year from receiving a high school diploma unless the student has performed satisfactorily on each required test under state law as the law existed before amendment by Chapter 1312 (S.B. 1031), Acts of the 80th Legislature, Regular Session, 2007. The bill establishes that a student may be exempted from the administration of a statewide standardized test, an end-of-course test, or Spanish version of a statewide standardized test for a period of up to four years, in addition to existing applicable exemption periods, if the student's initial enrollment in a school in the United States was as an unschooled asylee or refugee. The bill defines "asylum," "refugee," "system," and "unschooled asylee or refugee" for the purposes of these provisions.

C.S.H.B. 3 increases from six years to eight years the maximum age of the data used to compute state and national test norms of averages at the time the test is administered and establishes that the eight-year limitation on data to compute norms does not apply if only data older than eight years is available for a test. The bill authorizes the commissioner by rule to limit this exception based on the type of test.

C.S.H.B. 3 requires TEA to determine the necessary annual improvement required for a student to be prepared to perform satisfactorily on the grade five and grade eight tests, as well as on the end-of-course test.

C.S.H.B. 3 requires the commissioner by rule to determine the criteria for, rather than to define, the following accreditation statuses: accredited, accredited-warned, and accredited-probation. The bill requires the commissioner, in determining a school district's accreditation status, to evaluate and consider performance on student achievement indicators described below, rather than under the academic accountability system, and performance under the financial accountability rating system. The bill authorizes the commissioner to evaluate, in addition to considering, the district's compliance with certain statutory requirements and requirements imposed by a commissioner or SBOE rule. The bill requires the commissioner, in determining a campus's accreditation status, to evaluate and consider performance on student achievement indicators and authorizes the commissioner to evaluate and consider other factors the commissioner considers appropriate.

C.S.H.B. 3 requires the commissioner, rather than SBOE, to adopt a set of indicators of the quality of learning and to biennially review the indicators for the consideration of appropriate revisions and adds to the requirement the adoption of a set of indicators of student achievement. The bill requires the commissioner, rather than SBOE, to biennially review the indicators for revision purposes. The bill removes a requirement that the degree of change from one school year to the next on each adopted indicator be considered and removes information disaggregated by gender from the categories of disaggregated information on which the indicators are based. The bill requires the student achievement indicators to include the results of tests required for graduation that are retaken aggregated across grade levels by subject area, in addition to the aggregated results of statewide standardized tests, end-of-course tests, and the statewide

standardized test for students of limited English proficiency, along with the percentages of students who performed satisfactorily on those tests both under the performance standard set by the commissioner and under the college readiness standard, and, for students who did not perform satisfactorily under those two standards, the percentage of students who met the standard for annual improvement, and the year-to-year percentage increase in students who performed satisfactorily on those tests under the college readiness standard or who did not perform satisfactorily under the college readiness standard but met the standard for annual improvement. The bill removes the following from the list of required indicators: student attendance rates; the percentage of graduating students who attain certain scores or meet certain course requirements; the results of the Scholastic Assessment Test, the American College Test, articulated postsecondary degree programs, and certified workforce training programs; the percentage of students provided accelerated instruction or promoted through the grade placement committee process; the numerical progress of students who have failed to perform satisfactorily on a required test; the percentage of students exempted from the assessment program or a required test, including those of limited English proficiency; the percentage of students in a special education program assessed through alternative tests; the measure of progress toward preparation for postsecondary success; and the measure of progress toward dual language proficiency. The bill removes a requirement for performance on the indicators to be based on disaggregated longitudinal student data regarding students of limited English proficiency enrolled in bilingual education or special language programs. The bill specifies that the existing requirement for a comparison of performance on student achievement indicators relating to student test results and dropout rates is to state standards and required improvement, rather than comparable improvement, and includes in the establishment of required improvement the progress necessary for a campus or district's students to meet each of the determined performance standards for the student achievement indicator, in addition to the progress necessary for the campus or district to meet state standards.

C.S.H.B. 3 requires the commissioner to annually define the state standard for the current school year for each student achievement indicator, rather than to define exemplary, recognized, and unacceptable performance for each academic excellence indicator, and to project the state standards for each indicator for the following two school years. The bill requires the commissioner to raise the state standards for the student achievement indicator periodically as necessary to reach the goal of achieving, by not later than the 2019-2020 school year, student performance in Texas, disaggregated by race, ethnicity, and socioeconomic status, that ranks nationally in the top 10 states in terms of college readiness. The bill requires the commissioner, in computing dropout and completion rates, to exempt students who are ordered by a court to attend a high school equivalency certificate program but who have not yet earned a high school equivalency certificate or who were previously reported to the state as dropouts.

C.S.H.B. 3 requires the commissioner to adopt rules to evaluate school district and campus performance, and, not later than August 8 of each year, assign each district and campus a performance rating that reflects acceptable performance, unacceptable performance, or performance eligible for distinction. The bill requires the commissioner, if a district or campus received an unacceptable performance rating for the preceding school year, to notify the district of a subsequent such designation on or before June 15 and requires the commissioner, in evaluating performance, to evaluate against state standards and consider the performance of each campus in a school district and each open-enrollment charter school on the basis of the campus's or school's performance on the adopted student achievement indicators. The bill removes provisions relating to the evaluation of school district performance and assignment of district performance ratings under SBOE rules for accreditation purposes. The bill requires consideration of the effectiveness of district programs to be based on data collected either through the Public Information Management System or through a special accreditation investigation, if applicable. The bill requires the commissioner, in evaluating district and campus performance on the student achievement indicators, to identify satisfactory performance as meeting the commissioner-determined state standard for the current school year based on student performance in the current school year or as averaged over the current school year and the preceding two school years. The

bill, for purposes of the assignment of an accredited status, requires a school district or campus to perform satisfactorily on 85 percent of the measures the commissioner determines appropriate with respect to the student achievement indicators, prohibits a district or campus from failing to perform satisfactorily on the same measure for two consecutive school years, and authorizes a district or campus to establish other performance criteria for a district or campus to obtain an exception under these provisions. The bill requires the commissioner, in determining additional criteria, to give consideration to performance on the same measure for student groups that are substantially similar in composition to all students on the same campus or district. The bill removes provisions relating to the gold performance rating program.

C.S.H.B. 3 authorizes the commissioner to change the accreditation status of a district, change the accountability rating of a district or campus, or withdraw a designation of distinction as a result of a TEA-conducted on-site investigation of a school district. The bill removes a provision limiting TEA's authority to conduct an on-site investigation, if an annual review warrants, only to campuses that demonstrate low performance on one or more of the required indicators during an annual review.

C.S.H.B. 3 adds to the circumstances under which the commissioner is required to authorize the conduct of special accreditation investigations a significant pattern of increased student dropout rates or decreased academic performance developing as the result of the promotion of students who did not perform satisfactorily on certain tests and excessive numbers of students graduating under the minimum high school program. The bill includes in the commissioner's authority based on and following the results of a special accreditation investigation the reduction of a district's or campus's accountability rating, in addition to the reduction of a district's accreditation status.

C.S.H.B. 3 requires the commissioner, in consultation with the comptroller of public accounts, to develop and implement a separate financial accountability rating system for open-enrollment charter schools in Texas, in addition to the system for school districts. The bill prohibits the system from including a commissioner-adopted uniform indicator of financial management performance or any other performance measure that requires a school district to spend any specified percentage of district operating funds for instructional purposes or that lowers the financial management performance rating of a school district for failure to spend any specified percentage of district operating funds for instructional purposes.

C.S.H.B. 3 requires the comptroller to identify school districts and campuses that use resource allocation practices that contribute to high academic achievement and cost-effective operations and, in doing so, to evaluate existing academic accountability and financial data by integrating the data, to rank the results of such an evaluation to identify the relative performance of districts and campuses, and to identify potential areas for district and campus improvement.

C.S.H.B. 3 requires TEA to develop a review process to anticipate the future financial solvency of each school district, requires the review process to analyze district revenues and expenditures for the preceding school year and projected revenues and expenditures for the current school year and the following five school years, and enumerates several factors to be considered in the analysis. The bill requires TEA to consult school district and open-enrollment charter school financial officers in developing the review process and to develop a computer software template for school districts to use in submitting information to TEA for the review. The bill requires each district to update information to the template within the period prescribed by the commissioner and requires the commissioner to adopt rules to allow a district to enter estimates of critical data into the template before the district adopts its budget. The bill requires the template to be capable of importing, to the extent practicable, data a district has previously submitted to TEA; to include an entry space that allows a district to enter information explaining any data irregularity; and to provide alerts for a student-to-staff ratio that is significantly outside the norm, a rapid depletion of the district general fund balance, and a significant discrepancy between actual budget figures and projected revenues and expenditures. The bill requires such an alert to be

developed to notify TEA immediately on the occurrence of an alert-worthy condition and requires TEA, following an alert, to notify immediately the affected school district regarding the condition.

C.S.H.B. 3 requires a school district, if the review process indicates a projected deficit for the district general fund within the following five school years, to provide TEA with interim financial reports, supplemented by staff and student count data, as needed, to evaluate the district's current budget status. The bill requires the district, if the interim financial data substantiates the projected deficit, to develop a financial plan and submit the plan to TEA for approval. The bill authorizes TEA to approve the plan only if TEA determines the plan will permit the district to avoid the projected insolvency. The bill requires the commissioner to assign a school district an accredited-warned status if the district fails to submit a plan, obtain TEA approval, or comply with a TEA-approved plan, or, if TEA determines in a subsequent school year, based on district-submitted financial data, that the approved plan for the district is no longer sufficient or is inappropriately implemented.

C.S.H.B. 3 requires each school district to include in the district's annual financial management report description of the data submitted using the computer software template developed above, in addition to other required report elements.

C.S.H.B. 3 establishes that, for purposes of provisions relating to accreditation interventions and sanctions, a campus is considered to have an accredited-warned status if the campus has been assigned an accreditation status lower than accredited for fewer than three school years and an accredited-probation status if the campus has been assigned an accreditation status lower than accredited for three to five school years. The bill makes numerous conforming changes in provisions relating to sanctions and interventions for districts and campuses, including open-enrollment charter schools, to reflect performance against the revised standards and describes subpar performance as insufficient performance or by its accreditation status, rather than unacceptable performance. The bill establishes that a campus is considered an accredited-warned or accredited-probation campus, rather than an academically unacceptable campus, if the campus performance is below any of the specified standards and removes the commissioner's authority to permit the campus to participate in an innovative campus redesign to improve campus performance. The bill eliminates the list of actions from which the commissioner was required to select in lieu of permitting the campus redesign and instead authorizes, rather than requires, the commissioner to order a hearing to be held before the commissioner or the commissioner's designee at which the president of the board of trustees of an accredited-warned or an accredited-probation school district, its superintendent, and the appropriate campus principal shall appear and explain the campus's lower performance, lack of improvement, and plans for improvement. The bill authorizes the commissioner, if the commissioner determines that a campus subject to interventions or sanctions has implemented substantially similar intervention measures under federal accountability requirements, to accept the substantially similar measures as compliant with these provisions.

C.S.H.B. 3 requires the campus-level planning and decision-making committee, on the commissioner's request, to revise and submit to the commissioner in an electronic format the portions of the campus improvement plan that are relevant to those areas for which a campus would not satisfy certain performance standards and requires an open-enrollment charter school whose performance merits the application of a campus improvement plan to establish a campus-level planning and decision-making committee to comply with the relevant requirements and procedures applicable to other campuses. The bill removes a requirement that the commissioner select and assign a technical assistance team to assist the campus in executing a school improvement plan. The bill requires the commissioner, if a campus performance is below any adopted standard, to assign a campus intervention team and requires a campus intervention team to conduct a targeted, rather than comprehensive, on-site needs assessment relevant to the area of insufficient performance, or, if the commissioner determines necessary, a comprehensive on-site needs assessment. The bill requires the team to recommend certain actions the team considers

appropriate but removes the enumeration of specific actions such as reallocation of resources and technical assistance, changes in school procedures or operation, staff development, intervention for individual educators, or waivers. The bill requires the team to assist the campus in submitting the targeted improvement plan to the board of trustees and to the commissioner for approval and in presenting the plan in a public hearing. The bill specifies that the team is required to use any of certain listed guidelines and procedures relevant to any area of insufficient performance in conducting a targeted on-site needs assessment and requires the team to use each of the guidelines and procedures in conducting a comprehensive on-site needs assessment. The bill requires a campus intervention team, for each year a campus is assigned an accreditation status below accredited, to assist in updating the targeted improvement plan to identify and analyze areas of growth and areas that require improvement and to submit each updated plan to the school district board of trustees, in addition continuing to work with a campus until performance standards are adequately satisfied. The bill requires a school district board of trustees, after the submission of a targeted or updated plan, to conduct a hearing for the purpose of public notification and the solicitation of public comment, authorizes the board to conduct one hearing relating to one or more campuses subject to a targeted improvement plan or an updated plan, and requires the district to submit the targeted improvement plan or any updated plan to the commissioner for approval.

C.S.H.B. 3 specifies that the commissioner is required to order the reconstitution of a campus, unless otherwise provided, if the campus has been identified as accredited-warned, rather than academically unacceptable, for two consecutive school years and the campus is considered to have an accredited-probation status. The bill authorizes the commissioner to waive the requirement for a reconstitution order for not more than one school year if the commissioner determines that, on the basis of significant improvement in student performance over the preceding two school years, the campus is likely to be assigned an accredited status for the following school year. The bill requires a campus intervention team, in a campus reconstitution, to assist the campus in submitting the updated targeted improvement plan, in addition to assisting in the development of an updated plan, obtaining commissioner-approval of the plan, and executing it. The bill requires a campus intervention team, for each year that a campus is considered to have an accredited-probation status, to assist in updating the targeted improvement plan to identify and analyze areas of growth and areas that require improvement, to submit the updated plan to the school district board of trustees, and to assist in submitting the updated plan for commissioner approval. The bill requires the commissioner, in appointing a monitor, conservator, management team, or a board of managers to ensure and oversee low-performing campuses and the implementation of an improvement plan, to consider individuals who have demonstrated success in managing campuses with student populations similar to the campus at which the individual appointed will serve.

C.S.H.B. 3 authorizes the commissioner, if the students enrolled at the campus fail to demonstrate substantial improvement in the areas targeted by an updated targeted plan or if the commissioner determines the campus is not fully implementing the updated plan, to order the repurposing of the campus as an alternative to ordering alternative management of the campus or campus closure. The bill requires the commission to order one of those same three sanctions if a campus is considered to have accredited-probation status for three consecutive school years after the campus' reconstitution. The bill authorizes the commissioner, in the latter case, to waive the requirement to enter an order for not more than one school year if the commissioner determines that, on the basis of significant improvement in student performance over the preceding two school years, the campus is likely to be assigned an accredited status for the following school year.

C.S.H.B. 3 requires the school district, if the commissioner orders a repurposing of a campus, to develop a comprehensive plan for repurposing the campus and to submit the plan to the board of trustees and the commissioner for approval. The bill requires the plan to include a description of a rigorous and relevant academic program for the campus and authorizes the plan to include various instructional models. The bill prohibits the commissioner from approving the

repurposing of a campus unless all of the following conditions apply: all students in the campus's assigned attendance zone in the school year immediately preceding the repurposing are provided with the opportunity to enroll in and are provided transportation on request to another campus, unless the commissioner grants an exception because there is no other campus in the district in which the students may enroll; the principal is not retained at the campus; and at least 75 percent of the teachers employed at the campus in the school year immediately preceding the repurposing of the campus are not retained at the campus, unless the commissioner or the commissioner's designee grants an exception, at the request of a school district, for a teacher who provides instruction in a subject other than a subject for which a statewide standardized test or end-of-course test is administered who demonstrates to the commissioner satisfactory performance or for a teacher who provides instruction in a subject for which such a test is administered if the district demonstrates that the students of the teacher demonstrated satisfactory performance or improved academic growth on that test. The bill authorizes the assignment of an educator, if the educator is not retained, to another position in the district.

C.S.H.B. 3 removes a provision in the requirement for the commissioner to solicit proposals from qualified entities to assume management of a campus subject to such a sanction that limited the commissioner to soliciting proposals from qualified nonprofit entities. The bill prohibits the commissioner, in reconstituting, repurposing, or imposing any other intervention or sanction on a campus, other than closure, from requiring that the name of the campus be changed.

C.S.H.B. 3 requires the commissioner by rule to adopt transition procedures for implementing interventions and sanctions, including a provision providing for a school year in which school districts and campuses are required only to report information as required by these provisions. The bill requires the commissioner to include a provision in the adopted procedures, except as otherwise provided, prohibiting the implementation of interventions and sanctions based on district and campus performance for the school year in which school districts and campuses are required only to report information and a provision permitting an increase in intervention or sanction measures on a district or campus based on district and campus performance for the school year in which school districts and campuses are required only to report information only if the district or campus fails to make improvement in student achievement.

C.S.H.B. 3 requires the commissioner of education to award a campus a distinction designation, not later than August 8 of each year, if the campus is ranked in the top 25 percent of campuses in Texas in annual improvement in student achievement and to award a campus a distinction designation if the campus demonstrates an ability to diminish significantly or eliminate performance differentials between student subpopulations. The bill prohibits a campus from being awarded a distinction unless the campus has acceptable performance. The bill requires the commissioner to adopt rules related to the distinction designation to ensure that a campus does not artificially diminish or eliminate performance differentials through inhibiting the achievement of the highest achieving student subpopulation. The bill requires a campus that satisfies certain criteria to be awarded a distinction designation by the commissioner for the following programs or specific categories of performance: academic achievement in English language arts, mathematics, science, or social studies; fine arts; physical education; 21st Century Workforce Development program; and second language acquisition program.

C.S.H.B. 3 requires the commissioner, by rule, to establish standards for considering campuses for distinction designations and methods for awarding those designations. The bill requires the commissioner, in adopting the rules, to establish a separate committee to develop criteria for each distinction designation in the programs and specific categories above and requires each committee established to include individuals who practice as professionals in the content area relevant to the distinction designation, individuals and educators with subject matter expertise in the content area, and community leaders, including those from the business community. The bill authorizes the governor, lieutenant governor, and the speaker of the house of representatives each to appoint one community leader to each committee established. The bill requires each committee, in developing the criteria, to identify a variety of indicators for measuring excellence

and to consider categories for distinction designations, with criteria relevant to each, based on the level of a program, whether elementary, middle or junior high, or high school, and on the student enrollment of a campus.

C.S.H.B. 3 requires the commissioner, rather than SBOE, to develop a plan for recognizing and rewarding school campuses, rather than districts and campuses, that receive a distinction designation and to develop a network for sharing proven successful practices statewide and regionally. The bill applies an existing exemption from certain requirements and prohibitions for districts and campuses rated exemplary to a school campus holding a distinction designation. The bill requires the commissioner to adopt standards to evaluate school district programs for gifted and talented students to determine whether a district operates a program for gifted and talented students in accordance with the Texas Performance Standards Project or another commissioner-approved program that meets the requirements of the state plan for the education of gifted and talented students.

C.S.H.B. 3 requires the commissioner to adopt indicators of the quality of learning on campus, similar to several of the indicators in the existing Academic Excellence Indicator System, for the purpose of preparing reports for parents and educators and to review the indicators biennially for the consideration of appropriate revisions. The bill enumerates the specific reporting indicators to be included and establishes that provisions concerning an annual audit of dropout records applies in determining school district or campus performance.

C.S.H.B. 3 requires TEA to report to each school district the comparisons of student performance made under state law and to combine, to the extent practicable, the report of comparisons with the report of the student's performance on required tests.

C.S.H.B. 3 requires the school district a student attends to provide a record of the comparisons provided to the district in a written notice to the student's parent or guardian and to include in the notice, for a student who failed to perform satisfactorily as determined under either performance standard on a statewide standardized test, specific information relating to access to online educational resources at the appropriate test content level, including educational resources via the education internet portal and questions and answers released from previous tests.

C.S.H.B. 3 requires each school district to prepare a report of the comparison of student performance provided to the district and to provide the report to each teacher for all students who were assessed on a required test and were provided instruction by that teacher in the subject for which the test was administered.

C.S.H.B. 3 requires TEA to prepare and distribute campus report cards to each district and requires the inclusion, where applicable, of information on the student achievement indicators and reporting indicators adopted under the bill's provisions. The bill includes in the annual campus and district performance report, TEA's comprehensive annual report, and a notice in a student's grade report information indicating the district's accreditation status, and identifying each district campus awarded a distinction designation or considered an accredited-warned or accredited-probation campus. The bill requires the commissioner, rather than SBOE, by rule to authorize the combination of the performance report with other reports and financial statements and to restrict the number and length of the reports that school districts, employees, and campuses are required to prepare.

C.S.H.B. 3 exempts a student who has completed a recommended or advanced high school program and demonstrated the performance standard for college readiness on the Algebra II and English III end-of-course tests from the requirements imposed on each institution of higher education under the success initiative to test the academic skills of each entering undergraduate student to determine the student's readiness to enroll in freshman-level academic coursework. The bill requires the commissioner of higher education by rule to establish the period for which

such an exemption is valid.

C.S.H.B. 3 reenacts Section 51.807, Education Code, as amended by Chapters 941 (H.B. 3826) and 1369 (H.B. 3851), Acts of the 80th Legislature, Regular Session, 2007, relating to the coordinating board's rules on the operation of admissions programs. The bill establishes that, to the extent of any conflict, this reenactment prevails over another Act of the 81st Legislature, Regular Session, 2009, relating to nonsubstantive additions to and corrections in enacted codes.

C.S.H.B. 3 authorizes the commissioner of higher education, in consultation with the comptroller and the Texas Workforce Commission (TWC), to award a grant in an amount not to exceed \$1 million to an institution of higher education to develop advanced mathematics and science courses to prepare high school students for employment in a high-demand occupation. The bill requires the commissioner of higher education, the comptroller, and TWC to determine jointly what is considered a high-demand occupation for purposes of these provisions. The bill requires an institution of higher education to work with at least one independent school district and a business entity in developing a career and technical education course and requires such a course to provide content that enables a student to develop the relevant and critical skills needed to be prepared for employment or additional training in a high-demand occupation, to incorporate college and career readiness skills as part of the curriculum, to be offered for dual credit, and to satisfy a mathematics or science requirement under the recommended or advanced high school program. The bill requires an institution of higher education periodically to review and revise the curriculum for a career and technical education course to accommodate changes in industry standards for the high-demand occupation.

C.S.H.B. 3 requires the commissioner of higher education, in consultation with the comptroller and TWC, to establish application criteria for a grant and, in making an award, to give priority to certain courses. The bill requires courses for which a grant is awarded to be reviewed by the commissioner of higher education, in consultation with the comptroller and TWC, once every four years to determine whether the course is being used and whether it prepares students with the skills necessary for employment in the high-demand occupation.

C.S.H.B. 3 requires an institution of higher education awarded a grant to obtain a contribution matching the state grant from one or more business entities in the industry for which students taking courses are training. The bill prohibits the total amount of state grants, in any state fiscal biennium, from exceeding \$10 million and requires the commissioner of higher education to administer these provisions using available appropriations and gifts, grants, and donations made for career and technical education.

C.S.H.B. 3 repeals provisions requiring TEA to ensure required tests are capable of being administered by computer; requiring a school district to provide each student who fails to achieve a specified score on an end-of-course test with accelerated instruction in the test subject; prohibiting a company or organization from distributing to, selling to, or grading for the same school district the same form of test for more than three school years; prohibiting a school district from using the same form of test for more than three years; setting forth penalties and procedures for a company or organization that fails to comply; and requiring TEA to deliver a report of a measure of annual improvement in student achievement from one school year to the next to each school district, and the subsequent distribution of those comparison reports to teachers and parents.

C.S.H.B. 3 requires TEA, not later than January 1, 2010, to prepare a transition plan containing a detailed description of the process the commissioner will use to implement the bill's provisions and to consult with stakeholders in public primary and secondary education in developing the plan. The bill makes its provisions applicable beginning with the 2009-2010 school year, with the following exceptions. The bill makes provisions relating to the exemption of certain students in computing dropout and completion rates for the determination of student performance indicators and provisions relating to the release of question and answer keys to certain required

tests immediately applicable, and all other provisions concerning accreditation as amended applicable beginning with the 2011-2012 school year. The bill makes provisions relating to accreditation interventions and sanctions applicable as provided by the commissioner-adopted transition plan but authorizes the commissioner to apply immediately any exceptions to interventions and sanctions under the bill's provisions to interventions and sanctions under current law.

C.S.H.B. 3 repeals the following sections in the Education Code:

- Section 39.0234
- Section 39.025(b-1)
- Sections 39.032(a), (b), and (d)
- Sections 39.034(e), (f), and (g)

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 3 removes provisions in the original replacing references in law to the minimum high school program with references to the standard high school program and replacing references in law to the recommended high school program with references to the Texas Diploma high school program and making conforming changes. The substitute adds a provision not in the original specifying that a principal who was employed as a principal at a campus that was rated academically unacceptable during the preceding school year is required to participate in the school leadership pilot program and making this requirement applicable to a principal employed at a school that is rated academically unacceptable during the 2008-2009 school year, and, in that added provision, striking a statutory requirement that any person employed to replace that principal participate in the program and complete its requirements.

C.S.H.B. 3 differs from the original by specifying that, if a student fails to perform satisfactorily on a specified required test, the school district is required to prescribe accelerated instruction for the student, rather than establishing a grade placement committee to prescribe the accelerated instruction to be provided to the student. The substitute adds a provision not in the original that strikes from current law a statutory requirement that the school district establish a grade placement committee after a student fails to perform satisfactorily on a standardized test a second time. The substitute removes language included in the original specifying that the accelerated program to provide for instruction in the applicable subject area must be for a student in a third, fifth, or eighth grade program, and instead includes the requirement without specifying grade levels. The substitute differs from the original by requiring the accelerated instruction program to be developed in consultation with the student's parent or guardian and the district, rather than approved by the student's parent or guardian and the district, as in the original. The substitute removes provisions included in the original requiring an accelerated instruction program to be implemented not later than the 30th day after the first day of school of the next school year and authorizing accelerated instruction to occur outside of regular school hours.

C.S.H.B. 3 differs from the original by requiring the district's notification to the parent or guardian of a student who fails to perform satisfactorily to include areas where the student needs to improve to meet the district-determined requirements for advancement from one grade level to the next, rather than areas where the student needs to improve on a statewide standardized mathematics or reading test as in the original. The substitute clarifies that a grade placement committee, which a district is required to establish for a student if the student fails to meet the requirements for advancement from grades three, five, or eight, is required to make a

determination regarding the student's placement if the student has failed to meet the requirements for advancement from grade level three, five, or eight, whereas the original requires a grade placement committee to make a determination for a student who failed a required mathematics or reading test.

C.S.H.B. 3 differs from the original by prohibiting the State Board of Education (SBOE), except as otherwise provided, from designating a specific course or a specific number of credits in the enrichment curriculum as requirements for the recommended program, whereas the original prohibits SBOE from designating a specific course or a specific number of credits required for an enrichment curriculum subject, but expressly does not prohibit SBOE from designating the total number of credits required under the enrichment curriculum for a student participating in the one of the three tiered high school programs. The substitute adds a provision not included in the original specifying that a student be at least 16 years of age, have completed the credits necessary for the tenth grade under the recommended or advanced high school program, or have failed to be promoted to the tenth grade one or more times for the student to be permitted to take courses under the minimum high school program. The substitute adds a provision not in the original including in the curriculum requirements for the recommended and advanced high school programs a requirement for successful completion of at least one-half credit in government and at least one-half credit in economics to meet the social studies requirement in the foundation curriculum, and removes a provision in the original requiring the curriculum requirements for the minimum high school program, which is renamed as the standard curriculum in the original, to include a requirement for successful completion of four courses in English language arts, three in mathematics, two in science, three in social studies, one additional course in either science or social studies, and nine elective courses. The substitute differs from the original by replacing references to courses with references to credits for purposes of establishing high school curriculum requirements.

C.S.H.B. 3 removes a provision included in the original requiring a school district to provide an endorsement of college readiness on the transcript of a student who has completed a recommended (Texas Diploma) or advanced program and has demonstrated the performance standard for college readiness on the Algebra II and English III end-of-course tests and to provide an endorsement of postsecondary readiness on the transcript of a student who has completed a recommended (Texas Diploma) or advanced high school program and has demonstrated the alternate performance standard, and requiring SBOE to adopt rules as necessary to administer the requirements.

C.S.H.B. 3 differs from the original by adding a provision authorizing a student to comply with the curriculum requirements under the minimum, recommended, or advanced program for a mathematics or science course by successfully completing a career and technical course approved for that purpose by SBOE. The substitute differs from the original by striking in current law a statutory prohibition against using the career and technical course option for more than two courses, whereas the original does not amend this section of current law. The substitute adds a provision establishing that a student's substitution of a career and technical course does not affect requirements relating to end-of-course tests otherwise applicable to the student, and requiring the student to comply with those requirements in the same manner as if the course substitution had not occurred. The substitute adds provisions not in the original requiring SBOE, in adopting rules to provide students with the course substitution option, to approve a variety of mathematics and science courses that may be taken by a student after completion of Algebra II and physics to comply with the recommended program requirements; prohibiting SBOE from limiting the courses approved for that purpose; requiring a school district, before a student's parent or guardian may agree that the student be permitted to take courses under the minimum high school program, to provide written notice developed by the Texas Education Agency (TEA) and printed in English and Spanish to the parent or guardian explaining the benefits of the recommended high school program; and requiring that the student's parent or guardian sign a confirmation of receipt and return the confirmation to the student's campus.

C.S.H.B. 3 adds a provision not in the original that strikes current law that provides a statutory exception to the use of the standard method developed by the commissioner of education for computing a student's high school grade point average in the case of a conflict between that method and the method established under rules of the Texas Higher Education Coordinating Board for purposes of ensuring a uniform standard for college admissions.

C.S.H.B. 3 adds provisions not included in the original authorizing a school district, in accordance with SBOE rules, to seek SBOE approval to offer one or more career and technical courses, including career and technical courses offered as alternatives to mathematics or science courses otherwise required under each of the three high school programs; making such approval effective for a period of three school years; and authorizing renewals of that approval for an unlimited number of periods.

C.S.H.B. 3 requires TEA to establish and maintain a student assessment data portal, separate from the general purpose education Internet portal, for use by school districts, teachers, parents, students, and public institutions of higher education and includes the accessibility of appropriate student data to an authorized employee of a public institution of higher education in the required system implemented through the portal, whereas the original requires secure access to student assessment data through the general purpose education Internet portal. The substitute expands a provision also included in the original that requires student test data to be updated before the beginning of each school year, to require the data to include current student assessment data. The substitute adds a provision not in the original authorizing the commissioner of education to adopt rules as necessary to administer the public school accountability system and differs from the original by requiring TEA to develop required tests in a manner that allows, to the extent practicable, the score a student receives to provide reliable information relating to a student's satisfactory performance for each performance standard, rather than to a student's college readiness performance as in the original.

C.S.H.B. 3 differs from the original by defining "college readiness" as the level of preparation a student must attain in English language arts and mathematics courses to enroll and succeed, without remediation, in an entry-level general education course for credit in that same content area for a baccalaureate degree or associate degree program at a postsecondary institution primarily offering associate degrees, certificates, or credentials other than degrees or at a general academic teaching institution, other than a research institution, as categorized under the Texas Higher Education Coordinating Board's accountability system, rather than at a postsecondary educational institution that primarily offers bachelor's degrees and primarily serves a limited geographic region as in the original. The substitute removes a provision included in the original defining "skilled workforce and technical readiness," and makes changes to conform to the removal of that standard.

C.S.H.B. 3 differs from the original by requiring TEA to ensure that the required Algebra II and English III end-of-course tests are developed to be capable of, beginning with the 2011-2012 school year, measuring college readiness, whereas the original requires TEA to ensure that the required end-of-course tests are developed to be capable of, beginning with the 2011-2012 school year, measuring skilled workforce and technical readiness for Algebra I and English III end-of-course tests and college readiness for Algebra II and English III end-of-course tests. The substitute differs from the original by requiring TEA, before the beginning of the 2012-2013 school year, rather than the 2011-2012 school year as in the original, to gather data and conduct research studies to substantiate the correlation between a certain level of performance on the Algebra II and English III end-of-course tests and college readiness and by removing a provision included in the original including the correlation between a certain level of performance by students on the Algebra I and English III end-of-course tests and skilled workforce and technical readiness in such substantiation.

C.S.H.B. 3 differs from the original, in a temporary provision requiring TEA to deliver to the legislature's presiding officers and the clerks of the senate and house committees with primary

jurisdiction over public education a report on the feasibility of establishing college readiness performance standards for science and social studies end-of-course tests, by setting a deadline of December 1, 2012, for the report and an expiration date of January 1, 2013, for the provision, whereas the original sets the report deadline at December 1, 2010, and an expiration date of January 1, 2011. The substitute differs from the original by requiring TEA to continue to gather data for these studies at least once every three years, rather than at least once every two years.

C.S.H.B. 3 adds a provision transferring from SBOE to the commissioner the requirement to determine the level of test performance considered to be satisfactory, whereas the original retains such authority with SBOE. The substitute differs from the original by establishing that, beginning with the 2012-2013 school year, rather than the 2011-2012 school year as in the original, satisfactory performance on English language arts and mathematics tests means satisfactory performance as determined by the commissioner, in addition to the performance across grade levels necessary to indicate college readiness with specific exceptions included in both the original and substitute. The substitute differs from the original by requiring the commissioner, rather than SBOE as in the original, to establish performance standards for the Algebra II and English III end-of-course tests and removes a requirement included in the original that SBOE establish the performance standard for the Algebra I and English III end-of-course tests for the minimum standard high school program.

C.S.H.B. 3 differs from the original by requiring each school district, to assist parents in providing assistance during the school summer recess, to make test study guides available to parents of students who do not perform satisfactorily on one or more parts of a standardized test, whereas the original requires each school district to distribute the study guides to parents of such students but does not refer to the commissioner's determination. The substitute differs from the original by requiring TEA, during the 2011-2012 school year, rather than the 2010-2011 school year as in the original, to collect data through the administration of required statewide standardized tests and end-of-course field tests and to analyze, before the beginning of the 2012-2013 school year, rather than the 2011-2012 school year as in the original, the data to substantiate certain grade level to grade level performance correlations.

C.S.H.B. 3 removes provisions included in the original requiring SBOE, based on the TEA studies' results, to establish a level of satisfactory performance that is more rigorous than that established before the 2011-2012 school year, but less rigorous than the level identified under these studies as indicating that students have attained college readiness, and requiring SBOE to increase incrementally the level of satisfactory performance during the 2012-2013 through 2016-2017 school years to the level identified under the studies as indicating that students have achieved college readiness. The substitute differs from the original by requiring TEA, once the college readiness level of satisfactory performance has been established, to continue to gather data and perform studies at least once every three years, rather than every two years as in the original, and by requiring the commissioner, in conjunction with the commissioner of higher education, to revise the satisfactory performance standard if the data does not support the correlation between student performance standards and college readiness, whereas the original assigns that requirement to SBOE. The substitute removes provisions included in the original establishing an alternate performance standard for postsecondary readiness, other than college readiness, applicable only to certain students who earn a certificate required for employment in certain occupations while enrolled in a curriculum course leading to such certification; requiring the Texas Workforce Commission to develop, in consultation with the Texas Workforce Investment Council, a list of high-demand, high-wage, high-skills occupations in Texas that have industry certifications; providing the research and technical support for developing the list; and setting forth a procedure for considering, approving, and periodically reviewing a final list.

C.S.H.B. 3 removes a provision included in the original specifying that a student's score on an end-of-course test constitutes 15 percent of the student's grade in the course for which the test is administered. The substitute adds provisions not in the original specifying that a student who fails to perform satisfactorily on a test required for graduation is to retake the test, authorizing a

student who performs satisfactorily on an Algebra II or English III end-of-course test but who fails to perform satisfactorily under the college readiness standard to retake the test, and removing the permission of any other student to retake an end-of course test for any reason. The substitute adds provisions not in the original prohibiting a student entering a grade above the ninth grade during the 2011-2012 school year from receiving a high school diploma unless the student has performed satisfactorily on each required test under state law as the law existed before amendment by Chapter 1312 (S.B. 1031), Acts of the 80th Legislature, Regular Session, 2007; exempting a student from the administration of a statewide standardized test, an end-of-course test, or a Spanish version of a statewide standardized test for a period of up to four years, in addition to existing applicable exemption periods, if the student's initial enrollment in a school in the United States was as an unschooled asylee or refugee. The substitute defines "unschooled asylee or refugee" for the purpose of that exemption.

C.S.H.B. 3 adds provisions not in the original increasing from six years to eight years the maximum age for data used to compute state and national test norms of averages, establishing that the eight-year limitation on data to compute norms does not apply if only data older than eight years is available for a test, and authorizing the commissioner by rule to limit the exception based on the type of test.

C.S.H.B. 3 sets forth new requirements and procedures regarding accreditation status and student performance indicators by amending existing statutory language, whereas the original establishes the same requirements and procedures by adding new language. The substitute removes a statutory requirement for performance on certain indicators to be based on disaggregated longitudinal student data regarding students of limited English proficiency enrolled in bilingual education or special language programs, whereas the original incorporates that provision in new language. The substitute adds a provision not included in the original requiring the commissioner, in computing dropout and completion rates, to exempt students who are ordered by a court to attend a high school equivalency certificate program but who have not yet earned a high school equivalency certificate or who were previously reported to the state as dropouts.

C.S.H.B. 3 adds provisions not included in the original requiring the commissioner to adopt rules to evaluate school district and campus performance and, not later than August 8 of each year, assign each district and campus a performance rating that reflects acceptable performance, unacceptable performance, or performance eligible for distinction; requiring the commissioner, if a district or campus received an unacceptable performance rating for the preceding school year, to notify the district of a subsequent such designation on or before June 15; and requiring consideration of the effectiveness of district programs to be based on data collected through a special accreditation investigation, if applicable, as well as on data collected through the Public Education Information Management System.

C.S.H.B. 3 adds provisions not in the original, for purposes of the assignment of an accredited status, requiring a school district or campus to perform satisfactorily on 85 percent of the measures the commissioner determines appropriate with respect to the student achievement indicators, prohibiting a district or campus from failing to perform satisfactorily on the same measure for two consecutive school years, and authorizing a district or campus to establish other performance criteria for a district or campus to obtain an exception under these provisions. The substitute adds provisions not in the original requiring the commissioner, in determining additional criteria, to give consideration to performance on the same measure for student groups that are substantially similar in composition to all students on the same campus or district, and removing provisions relating to the gold performance rating program.

C.S.H.B. 3 differs from the original by removing the statutory provision that limits TEA's authority to conduct an on-site evaluation only of those campuses that demonstrate low performance on one or more of the required indicators during an annual review, and adding as grounds requiring the commissioner to authorize special accreditation investigations excessive numbers of students graduating under the minimum high school program. The substitute adds a

provision not in the original authorizing the commissioner, based on and following the results of a special accreditation investigation, to reduce a district's or campus's accountability rating.

C.S.H.B. 3 adds a provision not included in the original prohibiting the financial accountability rating system from including a commissioner-adopted uniform indicator or any other performance measure that requires a school district to spend any specified minimum percentage of district operating funds for instructional purposes or that lowers the financial management performance rating of a school district for failure to spend any specified minimum percentage of district operating funds for instructional purposes. The substitute differs from the original by including open-enrollment charter schools in the financial accountability system.

C.S.H.B. 3 adds a provision not included in the original establishing that, for provisions relating to accreditation interventions and sanctions, a campus is considered to have an accredited-warned status if the campus has been assigned an accreditation status lower than accredited for fewer than three school years, and an accredited-probation status if the campus has been assigned an accreditation status lower than accredited for three to five school years. The substitute strikes language in current law retained in the original imposing sanctions based on a failure to satisfy any standard for two consecutive years, including in that two-year period the school year for which performance is currently determined.

C.S.H.B. 3 differs from the original by eliminating the list of actions that are retained in the original, from which the commissioner is required to select in lieu of permitting a campus to participate in a campus redesign to improve campus performance and instead authorizing the commissioner to order a hearing to be held before the commissioner or the commissioner's designee at which the president of the board of trustees of an accredited-warned or an accredited-probation school district, its superintendent, and the appropriate campus principal shall appear and explain the campus's lower performance, lack of improvement, and plans for improvement. The original contains the above hearing provision as an available commissioner action. The substitute adds a provision not in the original authorizing the commissioner, if the commissioner determines that a campus subject to interventions or sanctions has implemented substantially similar intervention measures under federal accountability requirements, to accept the substantially similar measures as compliant.

C.S.H.B. 3 adds provisions not in the original requiring the campus-level committee for a campus whose performance satisfies performance standards applicable for the current school year but would not satisfy performance standards to be used for the following school year if they were applied to the current school year, on request of the commissioner, to revise and submit to the commissioner in an electronic format the portions of the campus improvement plan that are relevant to those areas for which the campus would not satisfy performance standards. The substitute adds a provision not in the original requiring such a campus, if it is an open-enrollment charter school, to establish a campus-level planning and decision-making committee and apply the same requirements as above. The substitute removes existing statutory provisions requiring the selection and assignment of a technical assistance team or a campus intervention team in such circumstances, whereas the original retains those existing provisions.

C.S.H.B. 3 differs from the original by setting forth specific protocol concerning a campus improvement plan and a campus intervention team assigned to a campus that fails to meet certain performance standards, including an intervention team's conduct of a targeted on-site needs assessment and an updated targeted on-site needs assessment and assistance to a campus in developing, submitting to the school board and the commissioner for approval, and executing a targeted improvement plan, in addition to similar requirements regarding a comprehensive on-site needs assessment, and the guidelines required to be used for each. The substitute differs from the original by amending existing statutory language relating to mandatory sanctions to set forth procedures for the reconstitution, repurposing, alternative management, and closure of an underperforming campus. The substitute adds provisions not included in the original authorizing the commissioner to waive the requirement to issue a repurposing, alternative management, or

campus closure order for not more than one school year if the commissioner determines that, on the basis of significant improvement in student performance over the preceding two school years, the campus is likely to be assigned an accredited status for the following school year; requiring the school district, if the commissioner orders a repurposing, to develop a comprehensive plan for repurposing the campus and submit the plan to the board of trustees and the commissioner for approval, using certain procedures; requiring the plan to include a description of a rigorous and relevant academic program for the campus; and authorizing the plan to include various instructional models.

C.S.H.B. 3 adds a provision not included in the original prohibiting the commissioner from approving the repurposing of a campus unless specific preconditions are met, including providing students in the school's attendance zone the opportunity to enroll in and the transportation to attend another school and the reassignment of educators and administrators at the campus. The substitute adds provisions not included in the original prohibiting the commissioner, in reconstituting, repurposing, or imposing any other intervention or sanction on a campus, other than closure, from requiring that the name of the campus be changed; requiring the commissioner by rule to adopt transition procedures for implementing interventions and sanctions; and requiring the commissioner to include provisions in the adopted procedures that prohibit the implementation of interventions and sanctions based on district and campus performance for the school year in which school districts and campuses are required only to report information and that permit an increase in intervention or sanction measures on a district or campus based on district and campus performance for the school year in which school districts and campuses are required only to report information only if the district or campus fails to make improvement in student achievement.

C.S.H.B. 3 adds provisions not included in the original requiring the commissioner to award a campus a distinction designation not later than August 8 of each year and prohibiting a campus from being awarded a distinction unless the campus has acceptable performance. The substitute differs from the original in the provision listing specific categories in which a campus may earn a distinction designation, by specifying that the academic achievement category of performance for which a distinction designation is awarded is in the fields of English language arts, mathematics, science, or social studies. The substitute removes a provision in the original prohibiting a campus from being awarded a distinction designation unless the campus is assigned an accreditation status of accredited.

C.S.H.B. 3 differs from the original by requiring the commissioner to develop a plan for recognizing and rewarding school campuses that receive a distinction designation and to develop a network for sharing proven successful practices statewide and regionally, whereas the original leaves with the SBOE its existing duty to develop a plan for recognizing and rewarding school districts and campuses and makes that duty applicable to the recognition of and rewarding of campuses under these provisions. The substitute adds a provision not included in the original requiring the commissioner to adopt standards to evaluate school district programs for gifted and talented students to determine whether a district operates a program for gifted and talented students in accordance with the Texas Performance Standards Project or another commissioner-approved program that meets the requirements of the state plan for the education of gifted and talented students.

C.S.H.B. 3 removes a provision in the original requiring performance on the indicators of the quality of learning on a campus to be evaluated in the same manner as those indicators for student achievement. The substitute differs from the original by including among the indicators under this provision that are used for reporting purposes two indicators not in the original relating to the percentage of students who are not educationally disadvantaged and to the percentage of students who enroll and begin instruction at an institution of higher education in the school year following graduation and by removing an indicator in the original relating to the percentage of students exempted, by exemption category, from the assessment program generally applicable under the bill's provisions.

C.S.H.B. 3 differs from the original by removing the annual deadline by which TEA is required to report the performance of each campus in a school district on the basis of the campus's performance on the adopted achievement and reporting indicators. The substitute differs from the original by requiring the commissioner by rule to authorize the combination of a school district's annual district and campus performance report with other reports and financial statements the district is required to submit to TEA, whereas the original assigns this requirement to SBOE. The substitute differs from the original by requiring TEA's comprehensive annual report to contain a description of a systematic, measurable plan for reducing the projected cross-sectional and longitudinal dropout rates to five percent or less for the 2017-2018 school year, whereas the original does not update the statutory specification of the 1997-1998 school year. The substitute differs from the original, in the reenactment of a provision regarding the coordinating board's rulemaking authority with respect to college admissions, by specifying that the coordinating board's rulemaking authority encompasses the adoption of rules relating to the identification of eligible students and omitting rulemaking authority in the original with respect to the development of a standard method for calculating a college applicant's high school grade point average.

C.S.H.B. 3 differs from the original by repealing provisions requiring TEA to ensure required tests are capable of being administered by computer; requiring a school district to provide each student who fails to achieve a specified score on an end-of-course test with accelerated instruction in the test subject; prohibiting a company or organization from distributing to, selling to, or grading for the same school district the same form of test for more than three school years; prohibiting a school district from using the same form of test for more than three years; setting forth penalties and procedures for a company or organization that fails to comply; and requiring TEA to deliver a report of a measure of annual improvement in student achievement from one school year to the next to each school district, and the subsequent distribution of those comparison reports to teachers and parents.

C.S.H.B. 3 adds provisions not included in the original requiring TEA, not later than January 1, 2010, to prepare a transition plan containing a detailed description of the process the commissioner of education will use to implement the bill's provisions, and requiring TEA, in developing the transition plan, to consult with stakeholders in public primary and secondary education. The substitute differs from the original by specifying the first school year in which certain of the bill's provisions apply.