

By: Shapiro

S.B. No. 3

A BILL TO BE ENTITLED

1 AN ACT
2 relating to public school accountability, curriculum, and
3 promotion requirements.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subsection (a), Section 7.028, Education Code,
6 is amended to read as follows:

7 (a) Except as provided by Section 29.001(5), 29.010(a),
8 39.056 [~~39.074~~], or 39.057 [~~39.075~~], the agency may monitor
9 compliance with requirements applicable to a process or program
10 provided by a school district, campus, program, or school granted
11 charters under Chapter 12, including the process described by
12 Subchapter F, Chapter 11, or a program described by Subchapter B, C,
13 D, E, F, H, or I, Chapter 29, Subchapter A, Chapter 37, or Section
14 38.003, and the use of funds provided for such a program under
15 Subchapter C, Chapter 42, only as necessary to ensure:

- 16 (1) compliance with federal law and regulations;
17 (2) financial accountability, including compliance
18 with grant requirements; and
19 (3) data integrity for purposes of:
20 (A) the Public Education Information Management
21 System (PEIMS); and
22 (B) accountability under Chapter 39.

23 SECTION 2. Subsections (e) and (f), Section 7.056,
24 Education Code, are amended to read as follows:

1 (e) Except as provided by Subsection (f), a school campus or
2 district may not receive an exemption or waiver under this section
3 from:

4 (1) a prohibition on conduct that constitutes a
5 criminal offense;

6 (2) a requirement imposed by federal law or rule,
7 including a requirement for special education or bilingual
8 education programs; or

9 (3) a requirement, restriction, or prohibition
10 relating to:

11 (A) essential knowledge or skills under Section
12 28.002 or high school [~~minimum~~] graduation requirements under
13 Section 28.025;

14 (B) public school accountability as provided by
15 Subchapters B, C, D, E, and J [~~G~~], Chapter 39;

16 (C) extracurricular activities under Section
17 33.081 or participation in a University Interscholastic League
18 area, regional, or state competition under Section 33.0812;

19 (D) health and safety under Chapter 38;

20 (E) purchasing under Subchapter B, Chapter 44;

21 (F) elementary school class size limits, except
22 as provided by Section 25.112;

23 (G) removal of a disruptive student from the
24 classroom under Subchapter A, Chapter 37;

25 (H) at-risk programs under Subchapter C, Chapter
26 29;

27 (I) prekindergarten programs under Subchapter E,

1 Chapter 29;

2 (J) educator rights and benefits under
3 Subchapters A, C, D, E, F, G, and I, Chapter 21, or under Subchapter
4 A, Chapter 22;

5 (K) special education programs under Subchapter
6 A, Chapter 29;

7 (L) bilingual education programs under
8 Subchapter B, Chapter 29; or

9 (M) the requirements for the first day of
10 instruction under Section 25.0811.

11 (f) A school district or campus that is required to develop
12 and implement a student achievement improvement plan under Section
13 39.101 [~~39.131~~] or 39.102 [~~39.132~~] may receive an exemption or
14 waiver under this section from any law or rule other than:

15 (1) a prohibition on conduct that constitutes a
16 criminal offense;

17 (2) a requirement imposed by federal law or rule;

18 (3) a requirement, restriction, or prohibition
19 imposed by state law or rule relating to:

20 (A) public school accountability as provided by
21 Subchapters B, C, D, E, and J [~~G~~], Chapter 39; or

22 (B) educator rights and benefits under
23 Subchapters A, C, D, E, F, G, and I, Chapter 21, or under Subchapter
24 A, Chapter 22; or

25 (4) textbook selection under Chapter 31.

26 SECTION 3. Subsections (b) and (d), Section 8.051,
27 Education Code, are amended to read as follows:

1 (b) Each regional education service center shall annually
2 develop and submit to the commissioner for approval a plan for
3 improvement. Each plan must include the purposes and description
4 of the services the center will provide to:

5 (1) campuses that fail to satisfy any standard
6 ~~[identified as academically unacceptable based on the indicators~~
7 ~~adopted]~~ under Section 39.054(d) [~~39.051~~];

8 (2) the lowest-performing campuses in the region; and

9 (3) other campuses.

10 (d) Each regional education service center shall maintain
11 core services for purchase by school districts and campuses. The
12 core services are:

13 (1) training and assistance in teaching each subject
14 area assessed under Section 39.023;

15 (2) training and assistance in providing each program
16 that qualifies for a funding allotment under Section 42.151,
17 42.152, 42.153, or 42.156;

18 (3) assistance specifically designed for a school
19 district rated accredited-warned or accredited-probation
20 ~~[academically unacceptable]~~ under Section 39.052 [~~39.072(a)~~] or a
21 campus that fails to satisfy any standard ~~[whose performance is~~
22 ~~considered unacceptable based on the indicators adopted]~~ under
23 Section 39.054(d) [~~39.051~~];

24 (4) training and assistance to teachers,
25 administrators, members of district boards of trustees, and members
26 of site-based decision-making committees;

27 (5) assistance specifically designed for a school

1 district that is considered out of compliance with state or federal
2 special education requirements, based on the agency's most recent
3 compliance review of the district's special education programs; and

4 (6) assistance in complying with state laws and rules.

5 SECTION 4. Section 11.001, Education Code, is amended to
6 read as follows:

7 Sec. 11.001. ACCREDITATION. Each school district must be
8 accredited by the agency as provided by Subchapter C [~~D~~], Chapter
9 39.

10 SECTION 5. Subsection (d), Section 11.003, Education Code,
11 is amended to read as follows:

12 (d) The commissioner may require a district to enter into a
13 cooperative shared services arrangement for administrative
14 services if the commissioner determines:

15 (1) that the district has failed to satisfy a
16 financial accountability standard as determined by commissioner
17 rule under Subchapter D [~~E~~], Chapter 39; and

18 (2) that entering into a cooperative shared services
19 arrangement would:

20 (A) enable the district to enhance its
21 performance on the financial accountability standard identified
22 under Subdivision (1); and

23 (B) promote the efficient operation of the
24 district.

25 SECTION 6. Subsection (b), Section 11.1511, Education Code,
26 is amended to read as follows:

27 (b) The board shall:

- 1 (1) seek to establish working relationships with other
2 public entities to make effective use of community resources and to
3 serve the needs of public school students in the community;
- 4 (2) adopt a vision statement and comprehensive goals
5 for the district and the superintendent and monitor progress toward
6 those goals;
- 7 (3) establish performance goals for the district
8 concerning:
- 9 (A) the academic and fiscal performance
10 indicators under Subchapters C, D, and J [~~I~~], Chapter 39[~~7~~
11 ~~respectively~~]; and
- 12 (B) any performance indicators adopted by the
13 district;
- 14 (4) ensure that the superintendent:
- 15 (A) is accountable for achieving performance
16 results;
- 17 (B) recognizes performance accomplishments; and
- 18 (C) takes action as necessary to meet performance
19 goals;
- 20 (5) adopt a policy to establish a district- and
21 campus-level planning and decision-making process as required
22 under Section 11.251;
- 23 (6) publish an annual educational performance report
24 as required under Section 39.306 [~~39.053~~];
- 25 (7) adopt an annual budget for the district as
26 required under Section 44.004;
- 27 (8) adopt a tax rate each fiscal year as required under

1 Section 26.05, Tax Code;

2 (9) monitor district finances to ensure that the
3 superintendent is properly maintaining the district's financial
4 procedures and records;

5 (10) ensure that district fiscal accounts are audited
6 annually as required under Section 44.008;

7 (11) publish an end-of-year financial report for
8 distribution to the community;

9 (12) conduct elections as required by law;

10 (13) by rule, adopt a process through which district
11 personnel, students or the parents or guardians of students, and
12 members of the public may obtain a hearing from the district
13 administrators and the board regarding a complaint;

14 (14) make decisions relating to terminating the
15 employment of district employees employed under a contract to which
16 Chapter 21 applies, including terminating or not renewing an
17 employment contract to which that chapter applies; and

18 (15) carry out other powers and duties as provided by
19 this code or other law.

20 SECTION 7. Subsection (d), Section 11.201, Education Code,
21 is amended to read as follows:

22 (d) The duties of the superintendent include:

23 (1) assuming administrative responsibility and
24 leadership for the planning, organization, operation, supervision,
25 and evaluation of the education programs, services, and facilities
26 of the district and for the annual performance appraisal of the
27 district's staff;

1 (2) except as provided by Section 11.202, assuming
2 administrative authority and responsibility for the assignment,
3 supervision, and evaluation of all personnel of the district other
4 than the superintendent;

5 (3) overseeing compliance with the standards for
6 school facilities established by the commissioner under Section
7 46.008;

8 (4) initiating the termination or suspension of an
9 employee or the nonrenewal of an employee's term contract;

10 (5) managing the day-to-day operations of the district
11 as its administrative manager, including implementing and
12 monitoring plans, procedures, programs, and systems to achieve
13 clearly defined and desired results in major areas of district
14 operations;

15 (6) preparing and submitting to the board of trustees
16 a proposed budget as provided by Section 44.002 and rules adopted
17 under that section, and administering the budget;

18 (7) preparing recommendations for policies to be
19 adopted by the board of trustees and overseeing the implementation
20 of adopted policies;

21 (8) developing or causing to be developed appropriate
22 administrative regulations to implement policies established by
23 the board of trustees;

24 (9) providing leadership for the attainment and, if
25 necessary, improvement of student performance in the district based
26 on the indicators adopted under Sections 39.053 and 39.301 [~~Section~~
27 ~~39.051~~] and other indicators adopted by the commissioner [~~State~~

1 ~~Board of Education]~~ or the district's board of trustees;

2 (10) organizing the district's central
3 administration;

4 (11) consulting with the district-level committee as
5 required under Section 11.252(f);

6 (12) ensuring:

7 (A) adoption of a student code of conduct as
8 required under Section 37.001 and enforcement of that code of
9 conduct; and

10 (B) adoption and enforcement of other student
11 disciplinary rules and procedures as necessary;

12 (13) submitting reports as required by state or
13 federal law, rule, or regulation;

14 (14) providing joint leadership with the board of
15 trustees to ensure that the responsibilities of the board and
16 superintendent team are carried out; and

17 (15) performing any other duties assigned by action of
18 the board of trustees.

19 SECTION 8. Subsection (d), Section 11.203, Education Code,
20 is amended to read as follows:

21 (d) A principal who was employed as principal at [of] a
22 campus that failed to satisfy any standard under Section 39.054(d)
23 during the preceding school year [rated academically unacceptable,
24 as well as any person employed to replace that principal,] shall
25 participate in the program and complete the program requirements
26 not later than a date determined by the commissioner.

27 SECTION 9. Subsection (a), Section 11.252, Education Code,

1 is amended to read as follows:

2 (a) Each school district shall have a district improvement
3 plan that is developed, evaluated, and revised annually, in
4 accordance with district policy, by the superintendent with the
5 assistance of the district-level committee established under
6 Section 11.251. The purpose of the district improvement plan is to
7 guide district and campus staff in the improvement of student
8 performance for all student groups in order to attain state
9 standards in respect to the student achievement [~~academic
10 excellence~~] indicators adopted under Section 39.053 [~~39.051~~]. The
11 district improvement plan must include provisions for:

12 (1) a comprehensive needs assessment addressing
13 district student performance on the student achievement [~~academic
14 excellence~~] indicators, and other appropriate measures of
15 performance, that are disaggregated by all student groups served by
16 the district, including categories of ethnicity, socioeconomic
17 status, sex, and populations served by special programs, including
18 students in special education programs under Subchapter A, Chapter
19 29;

20 (2) measurable district performance objectives for
21 all appropriate student achievement [~~academic—excellence~~]
22 indicators for all student populations, including students in
23 special education programs under Subchapter A, Chapter 29, and
24 other measures of student performance that may be identified
25 through the comprehensive needs assessment;

26 (3) strategies for improvement of student performance
27 that include:

- 1 (A) instructional methods for addressing the
2 needs of student groups not achieving their full potential;
- 3 (B) methods for addressing the needs of students
4 for special programs, such as suicide prevention, conflict
5 resolution, violence prevention, or dyslexia treatment programs;
- 6 (C) dropout reduction;
- 7 (D) integration of technology in instructional
8 and administrative programs;
- 9 (E) discipline management;
- 10 (F) staff development for professional staff of
11 the district;
- 12 (G) career education to assist students in
13 developing the knowledge, skills, and competencies necessary for a
14 broad range of career opportunities; and
- 15 (H) accelerated education;
- 16 (4) strategies for providing to middle school, junior
17 high school, and high school students, those students' teachers and
18 counselors, and those students' parents information about:
- 19 (A) higher education admissions and financial
20 aid opportunities;
- 21 (B) the TEXAS grant program and the Teach for
22 Texas grant program established under Chapter 56;
- 23 (C) the need for students to make informed
24 curriculum choices to be prepared for success beyond high school;
25 and
- 26 (D) sources of information on higher education
27 admissions and financial aid;

1 (5) resources needed to implement identified
2 strategies;

3 (6) staff responsible for ensuring the accomplishment
4 of each strategy;

5 (7) timelines for ongoing monitoring of the
6 implementation of each improvement strategy; and

7 (8) formative evaluation criteria for determining
8 periodically whether strategies are resulting in intended
9 improvement of student performance.

10 SECTION 10. Subsections (c) and (d), Section 11.253,
11 Education Code, are amended to read as follows:

12 (c) Each school year, the principal of each school campus,
13 with the assistance of the campus-level committee, shall develop,
14 review, and revise the campus improvement plan for the purpose of
15 improving student performance for all student populations,
16 including students in special education programs under Subchapter
17 A, Chapter 29, with respect to the student achievement [~~academic~~
18 ~~excellence~~] indicators adopted under Section 39.053 [~~39.051~~] and
19 any other appropriate performance measures for special needs
20 populations.

21 (d) Each campus improvement plan must:

22 (1) assess the academic achievement for each student
23 in the school using the student achievement [~~academic excellence~~]
24 indicator system as described by Section 39.053 [~~39.051~~];

25 (2) set the campus performance objectives based on the
26 student achievement [~~academic excellence~~] indicator system,
27 including objectives for special needs populations, including

1 students in special education programs under Subchapter A, Chapter
2 29;

3 (3) identify how the campus goals will be met for each
4 student;

5 (4) determine the resources needed to implement the
6 plan;

7 (5) identify staff needed to implement the plan;

8 (6) set timelines for reaching the goals;

9 (7) measure progress toward the performance
10 objectives periodically to ensure that the plan is resulting in
11 academic improvement;

12 (8) include goals and methods for violence prevention
13 and intervention on campus; and

14 (9) provide for a program to encourage parental
15 involvement at the campus.

16 SECTION 11. Subsection (a), Section 11.255, Education Code,
17 is amended to read as follows:

18 (a) Each district-level planning and decision-making
19 committee and each campus-level planning and decision-making
20 committee for a junior, middle, or high school campus shall analyze
21 information related to dropout prevention, including:

22 (1) the results of the audit of dropout records
23 required by Section 39.308 [~~39.055~~];

24 (2) campus information related to graduation rates,
25 dropout rates, high school equivalency certificate rates, and the
26 percentage of students who remain in high school more than four
27 years after entering grade level 9;

1 (3) the number of students who enter a high school
2 equivalency certificate program and:

3 (A) do not complete the program;

4 (B) complete the program but do not take the high
5 school equivalency examination; or

6 (C) complete the program and take the high school
7 equivalency examination but do not obtain a high school equivalency
8 certificate;

9 (4) for students enrolled in grade levels 9 and 10,
10 information related to academic credit hours earned, retention
11 rates, and placements in alternative education programs and
12 expulsions under Chapter 37; and

13 (5) the results of an evaluation of each school-based
14 dropout prevention program in the district.

15 SECTION 12. Subsection (b), Section 12.013, Education Code,
16 is amended to read as follows:

17 (b) A home-rule school district is subject to:

18 (1) a provision of this title establishing a criminal
19 offense;

20 (2) a provision of this title relating to limitations
21 on liability; and

22 (3) a prohibition, restriction, or requirement, as
23 applicable, imposed by this title or a rule adopted under this
24 title, relating to:

25 (A) the Public Education Information Management
26 System (PEIMS) to the extent necessary to monitor compliance with
27 this subchapter as determined by the commissioner;

- 1 (B) educator certification under Chapter 21 and
2 educator rights under Sections 21.407, 21.408, and 22.001;
- 3 (C) criminal history records under Subchapter C,
4 Chapter 22;
- 5 (D) student admissions under Section 25.001;
- 6 (E) school attendance under Sections 25.085,
7 25.086, and 25.087;
- 8 (F) inter-district or inter-county transfers of
9 students under Subchapter B, Chapter 25;
- 10 (G) elementary class size limits under Section
11 25.112, in the case of any campus in the district that fails to
12 satisfy any standard [~~is considered academically unacceptable~~]
13 under Section 39.054(d) [~~39.132~~];
- 14 (H) high school graduation under Section 28.025;
- 15 (I) special education programs under Subchapter
16 A, Chapter 29;
- 17 (J) bilingual education under Subchapter B,
18 Chapter 29;
- 19 (K) prekindergarten programs under Subchapter E,
20 Chapter 29;
- 21 (L) safety provisions relating to the
22 transportation of students under Sections 34.002, 34.003, 34.004,
23 and 34.008;
- 24 (M) computation and distribution of state aid
25 under Chapters 31, 42, and 43;
- 26 (N) extracurricular activities under Section
27 33.081;

- 1 (O) health and safety under Chapter 38;
- 2 (P) public school accountability under
- 3 Subchapters B, C, D, E, and J [~~G~~], Chapter 39;
- 4 (Q) equalized wealth under Chapter 41;
- 5 (R) a bond or other obligation or tax rate under
- 6 Chapters 42, 43, and 45; and
- 7 (S) purchasing under Chapter 44.

8 SECTION 13. Subsection (b), Section 12.056, Education Code,
9 is amended to read as follows:

10 (b) A campus or program for which a charter is granted under
11 this subchapter is subject to:

12 (1) a provision of this title establishing a criminal
13 offense; and

14 (2) a prohibition, restriction, or requirement, as
15 applicable, imposed by this title or a rule adopted under this
16 title, relating to:

17 (A) the Public Education Information Management
18 System (PEIMS) to the extent necessary to monitor compliance with
19 this subchapter as determined by the commissioner;

20 (B) criminal history records under Subchapter C,
21 Chapter 22;

22 (C) high school graduation under Section 28.025;

23 (D) special education programs under Subchapter
24 A, Chapter 29;

25 (E) bilingual education under Subchapter B,
26 Chapter 29;

27 (F) prekindergarten programs under Subchapter E,

1 Chapter 29;

2 (G) extracurricular activities under Section
3 33.081;

4 (H) health and safety under Chapter 38; and

5 (I) public school accountability under
6 Subchapters B, C, E [~~D~~], and J [~~G~~], Chapter 39.

7 SECTION 14. Subdivision (5), Section 12.1012, Education
8 Code, is amended to read as follows:

9 (5) "Management services" means services related to
10 the management or operation of an open-enrollment charter school,
11 including:

12 (A) planning, operating, supervising, and
13 evaluating the school's educational programs, services, and
14 facilities;

15 (B) making recommendations to the governing body
16 of the school relating to the selection of school personnel;

17 (C) managing the school's day-to-day operations
18 as its administrative manager;

19 (D) preparing and submitting to the governing
20 body of the school a proposed budget;

21 (E) recommending policies to be adopted by the
22 governing body of the school, developing appropriate procedures to
23 implement policies adopted by the governing body of the school, and
24 overseeing the implementation of adopted policies; and

25 (F) providing leadership for the attainment of
26 student performance at the school based on the indicators adopted
27 under Sections 39.053 and 39.301 [~~Section 39.051~~] or by the

1 governing body of the school.

2 SECTION 15. Subsection (b), Section 12.104, Education Code,
3 is amended to read as follows:

4 (b) An open-enrollment charter school is subject to:

5 (1) a provision of this title establishing a criminal
6 offense; and

7 (2) a prohibition, restriction, or requirement, as
8 applicable, imposed by this title or a rule adopted under this
9 title, relating to:

10 (A) the Public Education Information Management
11 System (PEIMS) to the extent necessary to monitor compliance with
12 this subchapter as determined by the commissioner;

13 (B) criminal history records under Subchapter C,
14 Chapter 22;

15 (C) reading instruments and accelerated reading
16 instruction programs under Section 28.006;

17 (D) [~~satisfactory performance on assessment~~
18 ~~instruments and to~~] accelerated instruction under Section 28.0211;

19 (E) high school graduation requirements under
20 Section 28.025;

21 (F) special education programs under Subchapter
22 A, Chapter 29;

23 (G) bilingual education under Subchapter B,
24 Chapter 29;

25 (H) prekindergarten programs under Subchapter E,
26 Chapter 29;

27 (I) extracurricular activities under Section

1 33.081;

2 (J) discipline management practices or behavior
3 management techniques under Section 37.0021;

4 (K) health and safety under Chapter 38;

5 (L) public school accountability under
6 Subchapters B, C, D, E, and J [~~G~~], Chapter 39;

7 (M) the requirement under Section 21.006 to
8 report an educator's misconduct; and

9 (N) intensive programs of instruction under
10 Section 28.0213.

11 SECTION 16. Subsection (a), Section 12.1054, Education
12 Code, is amended to read as follows:

13 (a) A member of the governing body of a charter holder, a
14 member of the governing body of an open-enrollment charter school,
15 or an officer of an open-enrollment charter school is considered to
16 be a local public official for purposes of Chapter 171, Local
17 Government Code. For purposes of that chapter:

18 (1) a member of the governing body of a charter holder
19 or a member of the governing body or officer of an open-enrollment
20 charter school is considered to have a substantial interest in a
21 business entity if a person related to the member or officer in the
22 third degree by consanguinity or affinity, as determined under
23 Chapter 573, Government Code, has a substantial interest in the
24 business entity under Section 171.002, Local Government Code;

25 (2) notwithstanding any provision of Subdivision (1)
26 [~~Section 12.1054(1)~~], an employee of an open-enrollment charter
27 school that satisfies all performance standards [~~rated as~~

1 ~~academically acceptable or higher]~~ under Section 39.054(d)
2 [~~Chapter 39~~] for at least two of the preceding three school years
3 may serve as a member of the governing body of the charter holder of
4 the governing body of the school if the employees do not constitute
5 a quorum of the governing body or any committee of the governing
6 body; however, all members shall comply with the requirements of
7 Sections 171.003-171.007, Local Government Code.

8 SECTION 17. Subsection (b), Section 12.1055, Education
9 Code, is amended to read as follows:

10 (b) Notwithstanding Subsection (a), if an open-enrollment
11 charter school satisfies all performance standards [~~is rated~~
12 ~~academically acceptable or higher]~~ under Section 39.054(d)
13 [~~Chapter 39~~] for at least two of the preceding three school years,
14 then Chapter 573, Government Code, does not apply to that school;
15 however, a member of the governing body of a charter holder or a
16 member of the governing body or officer of an open-enrollment
17 charter school shall comply with the requirements of Sections
18 171.003-171.007, Local Government Code, with respect to a personnel
19 matter concerning a person related to the member or officer within
20 the degree specified by Section 573.002, Government Code, as if the
21 personnel matter were a transaction with a business entity subject
22 to those sections, and persons defined under Sections
23 573.021-573.025, Government Code, shall not constitute a quorum of
24 the governing body or any committee of the governing body.

25 SECTION 18. Subsection (a), Section 12.1162, Education
26 Code, is amended to read as follows:

27 (a) The commissioner shall take any of the actions described

1 by Subsection (b) or by Section 39.101(a) [~~39.131(a)~~], to the
2 extent the commissioner determines necessary, if an
3 open-enrollment charter school, as determined by a report issued
4 under Section 39.058(b) [~~39.076(b)~~]:

5 (1) commits a material violation of the school's
6 charter;

7 (2) fails to satisfy generally accepted accounting
8 standards of fiscal management; or

9 (3) fails to comply with this subchapter or another
10 applicable rule or law.

11 SECTION 19. Subsection (a), Section 18.006, Education Code,
12 is amended to read as follows:

13 (a) The commissioner shall develop and implement a system of
14 accountability consistent with Chapter 39, where appropriate, to be
15 used in assigning an annual performance rating to Job Corps diploma
16 programs comparable to the ratings assigned to school districts
17 under Section 39.054 [~~39.072~~].

18 SECTION 20. Subsection (e), Section 21.354, Education Code,
19 is amended to read as follows:

20 (e) The appraisal of a principal shall include
21 consideration of the performance of a principal's campus on the
22 student achievement indicators established under Section 39.053
23 [~~39.051~~] and the campus's objectives established under Section
24 11.253, including performance gains of the campus and the
25 maintenance of those gains.

26 SECTION 21. Subsection (c), Section 21.357, Education Code,
27 is amended to read as follows:

1 (c) A performance incentive awarded to a principal under
2 this section must be distributed to the principal's school and used
3 in the manner determined by the campus-level committee established
4 under Section 11.253 in accordance with the requirements of Section
5 39.264(a) [~~39.094(a)~~].

6 SECTION 22. Subsection (b), Section 21.4541, Education
7 Code, is amended to read as follows:

8 (b) A school district or campus is eligible to participate
9 in the pilot program under this section if the district or campus
10 meets the eligibility criteria established as provided by Section
11 39.408 [~~39.358~~].

12 SECTION 23. Subsection (c), Section 21.4551, Education
13 Code, is amended to read as follows:

14 (c) The commissioner by rule shall require a teacher to
15 attend a reading academy if the teacher provides instruction in
16 reading, mathematics, science, or social studies to students at the
17 sixth, seventh, or eighth grade level at a campus that fails to
18 satisfy any standard [~~is considered academically unacceptable~~]
19 under Section 39.054(d) [~~39.132~~] on the basis of student
20 performance on the reading assessment instrument administered
21 under Section 39.023(a) to students in any grade level at the
22 campus.

23 SECTION 24. Section 28.002, Education Code, is amended by
24 adding Subsections (c-1), (c-2), and (c-3) to read as follows:

25 (c-1) The State Board of Education may adopt rules to allow
26 courses offered in the foundation curriculum or the enrichment
27 curriculum to simultaneously satisfy, to the extent practicable,

1 more than one required credit for the minimum, recommended, or
2 advanced high school program in which the student is participating.

3 (c-2) The State Board of Education shall adopt rules to
4 authorize each school district to implement a program under which
5 students in middle or junior high school may earn credits toward
6 high school graduation in middle or junior high school for any
7 course determined by board rule to qualify as a high school
8 equivalent course.

9 (c-3) The State Board of Education shall adopt rules
10 requiring students enrolled in grade levels six, seven, and eight
11 to complete a fine arts course for at least four semesters during
12 those grade levels as part of a district's fine arts curriculum.

13 SECTION 25. Subsection (j), Section 28.006, Education Code,
14 is amended to read as follows:

15 (j) No more than 15 percent of the funds certified by the
16 commissioner under Subsection (i) may be spent on indirect
17 costs. The commissioner shall evaluate the programs that fail to
18 meet the standard of performance under Section 39.301(c)(4)
19 [~~39.051(b)(8)~~] and may implement sanctions under Subchapter E [G],
20 Chapter 39. The commissioner may audit the expenditures of funds
21 appropriated for purposes of this section. The use of the funds
22 appropriated for purposes of this section shall be verified as part
23 of the district audit under Section 44.008.

24 SECTION 26. Subsection (d), Section 28.014, Education Code,
25 is amended to read as follows:

26 (d) The agency, in coordination with the Texas Higher
27 Education Coordinating Board, shall adopt a series of questions to

1 be included in an end-of-course assessment instrument administered
2 under Subsection (c) to be used for purposes of Section
3 51.3062. The questions must be developed in a manner consistent
4 with any college readiness standards adopted under Sections 39.233
5 [~~39.113~~] and 51.3062. A student's performance on a question
6 adopted under this subsection may not be used to determine the
7 student's performance on an end-of-course assessment instrument.

8 SECTION 27. The heading to Section 28.0211, Education Code,
9 is amended to read as follows:

10 Sec. 28.0211. STUDENT ADVANCEMENT DETERMINATION;
11 [~~SATISFACTORY~~] PERFORMANCE ON ASSESSMENT INSTRUMENTS [~~REQUIRED~~];
12 ACCELERATED INSTRUCTION.

13 SECTION 28. Section 28.0211, Education Code, is amended by
14 amending Subsections (a), (b), (c), (d), (e), (f), (g), (i), and (k)
15 and adding Subsections (c-1), (d-1), (d-2), and (d-3) to read as
16 follows:

17 (a) Not later than the first day of the school year, a school
18 district shall determine the requirements for student advancement
19 from one grade level to the next. In determining whether a student
20 may be promoted to the next grade level, the district shall
21 consider:

- 22 (1) the recommendation of the student's teacher;
23 (2) the student's grade in each subject or course;
24 (3) the student's score on an assessment instrument
25 administered under Section 39.023(a), (b), or (1); and
26 (4) any other necessary information, as determined by
27 the district [~~Except as provided by Subsection (b) or (c), a student~~

1 ~~may not be promoted to:~~

2 ~~[(1) the fourth grade program to which the student~~
3 ~~would otherwise be assigned if the student does not perform~~
4 ~~satisfactorily on the third grade reading assessment instrument~~
5 ~~under Section 39.023;~~

6 ~~[(2) the sixth grade program to which the student~~
7 ~~would otherwise be assigned if the student does not perform~~
8 ~~satisfactorily on the fifth grade mathematics and reading~~
9 ~~assessment instruments under Section 39.023; or~~

10 ~~[(3) the ninth grade program to which the student~~
11 ~~would otherwise be assigned if the student does not perform~~
12 ~~satisfactorily on the eighth grade mathematics and reading~~
13 ~~assessment instruments under Section 39.023].~~

14 (b) A school district shall provide to a student who
15 initially fails to perform satisfactorily on the third grade
16 reading assessment instrument, the fifth grade mathematics and
17 reading assessment instruments, or the eighth grade mathematics and
18 reading assessment instruments under Section 39.023 an ~~[assessment~~
19 ~~instrument specified under Subsection (a) at least two]~~ additional
20 opportunity ~~[opportunities]~~ to take the assessment instrument. ~~[A~~
21 ~~school district may administer an alternate assessment instrument~~
22 ~~to a student who has failed an assessment instrument specified~~
23 ~~under Subsection (a) on the previous two opportunities.~~
24 ~~Notwithstanding any other provision of this section, a student may~~
25 ~~be promoted if the student performs at grade level on an alternate~~
26 ~~assessment instrument under this subsection that is appropriate for~~
27 ~~the student's grade level and approved by the commissioner.]~~

1 (c) If ~~[Each time]~~ a student fails to perform satisfactorily
2 on a mathematics or reading ~~[an]~~ assessment instrument administered
3 ~~[specified]~~ under Section 39.023(a), (b), or (1) in the third,
4 fifth, or eighth grade ~~[Subsection (a)]~~, the school district in
5 which the student attends school shall provide to the student
6 accelerated instruction in the applicable subject area. If a
7 student in a third, fifth, or eighth grade program fails to meet the
8 requirements for student advancement from one grade level to the
9 next as determined by a school district under Subsection (a), the
10 district shall establish~~[, including reading instruction for a~~
11 ~~student who fails to perform satisfactorily on a reading assessment~~
12 ~~instrument. After a student fails to perform satisfactorily on an~~
13 ~~assessment instrument a second time,~~ a grade placement committee
14 ~~[shall be established]~~ to prescribe the accelerated instruction the
15 district shall provide to the student. If a student in a program
16 other than a third, fifth, or eighth grade program fails to meet the
17 requirements for student advancement from one grade level to the
18 next as determined by a school district under Subsection (a), the
19 district may establish a grade placement committee to prescribe the
20 accelerated instruction the district shall provide to the student
21 ~~[before the student is administered the assessment instrument the~~
22 ~~third time]~~. The grade placement committee shall be composed of the
23 principal or the principal's designee, the student's parent or
24 guardian, and the teacher of the subject of an assessment
25 instrument on which the student failed to perform satisfactorily.
26 The district shall notify the parent or guardian of the time and
27 place for convening the grade placement committee and the purpose

1 of the committee. The accelerated instruction program provided
2 under this subsection must be systematic and may not be based solely
3 on assessment instrument practice skills and:

4 (1) for a student in a third, fifth, or eighth grade
5 program:

6 (A) must provide for instruction in the
7 applicable subject area;

8 (B) must be approved by the student's parent or
9 guardian and the district; and

10 (C) [An accelerated instruction group
11 administered by a school district under this section] may not have a
12 ratio of more than 10 students for each teacher in an accelerated
13 instruction group; or

14 (2) for a student in a program other than a third,
15 fifth, or eighth grade program, be made available to the student in
16 the next grade level.

17 (c-1) A school district shall implement an accelerated
18 instruction program under Subsection (c) not later than the 30th
19 day after the first day of school of the next school year.
20 Accelerated instruction may occur outside of regular school hours,
21 including during summer school.

22 (d) In addition to providing accelerated instruction to a
23 student under Subsection (c), the school district shall notify the
24 student's parent or guardian of:

25 (1) the information collected under Subsection (a),
26 including if applicable, the student's failure to perform
27 satisfactorily on the assessment instrument;

1 (2) the accelerated instruction program to which the
2 student is assigned; [~~and~~]

3 (3) the possibility that the student might be retained
4 at the same grade level for the next school year;

5 (4) the areas requiring improvement for the student to
6 meet the requirements for advancement from one grade level to the
7 next as determined by the district under Subsection (a); and

8 (5) any other applicable information as determined by
9 the district.

10 (d-1) A school district shall make information provided to a
11 parent or guardian under Subsections (d)(1), (4), and (5) available
12 to the student's current teacher and the student's teacher in the
13 next grade level.

14 (d-2) The grade placement committee shall make a
15 determination that the student who failed to meet the requirements
16 for student advancement from one grade level to the next determined
17 by a school district under Subsection (a) be:

18 (1) retained at the same grade level for the next
19 school year; or

20 (2) placed in the next grade level with accelerated
21 instruction as provided under Subsection (c).

22 (d-3) A student who fails to participate in an accelerated
23 instruction program developed under Subsection (c)(1) may not be
24 promoted to the next grade level program to which the student would
25 otherwise be assigned if the student does not perform
26 satisfactorily on the applicable assessment instrument specified
27 under Subsection (b).

1 (e) A ~~[student who, after at least three attempts, fails to~~
2 ~~perform satisfactorily on an assessment instrument specified under~~
3 ~~Subsection (a) shall be retained at the same grade level for the~~
4 ~~next school year in accordance with Subsection (a). The]~~ student's
5 parent or guardian may ~~[appeal the student's retention by~~
6 ~~submitting a]~~ request that ~~[to]~~ the grade placement committee
7 reconsider the committee's decision under Subsection (d-2) to
8 retain the student ~~[established under Subsection (c)]~~. The school
9 district shall give the parent or guardian written notice of the
10 opportunity to request reconsideration ~~[appeal. The grade~~
11 ~~placement committee may decide in favor of a student's promotion~~
12 ~~only if the committee concludes, using standards adopted by the~~
13 ~~board of trustees, that if promoted and given accelerated~~
14 ~~instruction, the student is likely to perform at grade level]~~. A
15 student may not be promoted on the basis of the grade placement
16 committee's decision under this subsection unless that decision is
17 unanimous. The commissioner by rule shall establish a time line for
18 making the placement determination. This subsection does not
19 create a property interest in promotion. The decision of the grade
20 placement committee under this subsection is final and may not be
21 appealed.

22 (f) An accelerated instruction program under Subsection (c)
23 ~~[A school district shall provide to a student who, after three~~
24 ~~attempts, has failed to perform satisfactorily on an assessment~~
25 ~~instrument specified under Subsection (a) accelerated instruction~~
26 ~~during the next school year as prescribed by an educational plan~~
27 ~~developed for the student by the student's grade placement~~

1 ~~committee established under Subsection (c). The district shall~~
2 ~~provide that accelerated instruction regardless of whether the~~
3 ~~student has been promoted or retained. The educational plan] must~~
4 be designed to enable the student to perform at the appropriate
5 grade level by the conclusion of the school year. During the school
6 year, the student shall be monitored to ensure that the student is
7 progressing in accordance with the program [~~plan~~]. The district
8 shall administer to the student the assessment instrument for the
9 grade level in which the student is placed at the time the district
10 regularly administers the assessment instruments for that school
11 year.

12 (g) This section does not preclude the retention at a grade
13 level, in accordance with state law or school district policy, of a
14 student who performs satisfactorily on an assessment instrument
15 administered [~~specified~~] under Section 39.023 [~~Subsection (a)~~].

16 (i) The admission, review, and dismissal committee of a
17 student who participates in a district's special education program
18 under Subchapter B, Chapter 29, and who does not perform
19 satisfactorily on a mathematics or reading [~~an~~] assessment
20 instrument [~~specified under Subsection (a) and~~] administered under
21 Section 39.023(a) or (b) shall determine:

22 (1) the manner in which the student will participate
23 in an accelerated instruction program under this section; and

24 (2) whether the student will be promoted or retained
25 under this section.

26 (k) The commissioner shall adopt rules as necessary to
27 implement this section, including rules concerning when school

1 districts shall administer assessment instruments required under
2 this section and which administration of the assessment instruments
3 will be used for purposes of Section 39.053 [~~39.051~~].

4 SECTION 29. Subchapter B, Chapter 28, Education Code, is
5 amended by adding Section 28.0216 to read as follows:

6 Sec. 28.0216. DISTRICT GRADING POLICY. A school district
7 shall adopt a grading policy, including provisions for the
8 assignment of grades on class assignments and examinations, before
9 each school year. A district grading policy:

10 (1) must require a classroom teacher to assign a grade
11 that reflects the student's relative mastery of an assignment; and

12 (2) may not require a classroom teacher to assign a
13 minimum grade for an assignment without regard to the student's
14 quality of work.

15 SECTION 30. Section 28.025, Education Code, is amended by
16 amending Subsections (a), (b), and (b-1) and adding Subsections
17 (b-3), (b-4), and (b-5) to read as follows:

18 (a) The State Board of Education by rule shall determine
19 curriculum requirements for the minimum, recommended, and advanced
20 high school programs that are consistent with the required
21 curriculum under Section 28.002. Subject to Subsection (b-1), the
22 State Board of Education shall designate the specific courses in
23 the foundation curriculum required for a student participating in
24 the minimum, recommended, or advanced high school program. Except
25 as provided by Subsection (b-1), the State Board of Education may
26 not designate a specific course or a specific number of credits
27 required for a subject in the enrichment curriculum. This

1 subsection does not prohibit the State Board of Education from
2 designating the total number of credits required under the
3 enrichment curriculum for a student participating in the minimum,
4 recommended, or advanced high school program.

5 (b) A school district shall ensure that each student enrolls
6 in the courses necessary to complete the curriculum requirements
7 identified by the State Board of Education under Subsection (a) for
8 the recommended or advanced high school program unless the student,
9 the student's parent or other person standing in parental relation
10 to the student, and a school counselor or school administrator
11 agree that the student should be permitted to take courses under the
12 minimum high school program and the student:

13 (1) is at least 16 years of age;

14 (2) has completed two credits required for graduation
15 in each subject of the foundation curriculum under Section
16 28.002(a)(1); or

17 (3) has failed to be promoted to the tenth grade one or
18 more times as determined by the school district.

19 (b-1) The State Board of Education by rule shall require
20 that:

21 (1) except as provided by Subsection (b-2), the
22 curriculum requirements for the recommended and advanced high
23 school programs under Subsection (a) include a requirement that
24 students successfully complete:

25 (A) four credits [~~courses~~] in each subject of the
26 foundation curriculum under Section 28.002(a)(1), including at
27 least one-half credit in government and at least one-half credit in

1 economics to meet the social studies requirement;

2 (B) for the recommended high school program, two
3 credits in the same language in a language other than English under
4 Section 28.002(a)(2)(A) and, for the advanced high school program,
5 three credits in the same language in a language other than English
6 under Section 28.002(a)(2)(A); and

7 (C) eight elective credits; and

8 (2) one or more credits [~~courses~~] offered in the
9 required curriculum for the recommended and advanced high school
10 programs include a research writing component.

11 (b-3) In adopting rules to provide students with the option
12 described by Subsection (b-1)(1), the State Board of Education must
13 approve a variety of mathematics and science courses that may be
14 taken by a student after completion of Algebra II and physics to
15 comply with the recommended program requirements. A course
16 approved under this subsection must contain substantively similar
17 and rigorous academic content as a course approved under Subsection
18 (b-2).

19 (b-4) Before a student's parent or other person standing in
20 parental relation to the student may agree that the student be
21 permitted to take courses under the minimum high school program as
22 provided by Subsection (b), a school district must provide written
23 notice to the parent or person standing in parental relation
24 explaining the benefits of the recommended high school program.
25 The notice shall be developed by the agency and must:

26 (1) be printed in English and Spanish; and

27 (2) require that the student's parent or person

1 standing in parental relation to the student sign a confirmation of
2 receipt and return the confirmation to the student's campus.

3 (b-5) Notwithstanding Section 5.09, Chapter 5 (H.B. 1),
4 79th Legislature, 3rd Called Session, 2006, the curriculum
5 requirements for the recommended and advanced high school programs
6 under Subsection (b-1) apply to students entering the ninth grade
7 beginning with the 2011-2012 school year. This subsection expires
8 September 1, 2015.

9 SECTION 31. Subsection (b), Section 28.0252, Education
10 Code, is amended to read as follows:

11 (b) If the commissioner develops a standard method under
12 this section, a school district shall use the standard method to
13 compute a student's high school grade point average~~[, except that~~
14 ~~to the extent of a conflict between that method and the method~~
15 ~~adopted under Section 51.807, the student's grade point average~~
16 ~~computed in accordance with the method established under Section~~
17 ~~51.807 shall be used in determining the student's eligibility for~~
18 ~~university admission under Subchapter U, Chapter 51].~~

19 SECTION 32. Subsection (a), Section 29.062, Education Code,
20 is amended to read as follows:

21 (a) The legislature recognizes that compliance with this
22 subchapter is an imperative public necessity. Therefore, in
23 accordance with the policy of the state, the agency shall evaluate
24 the effectiveness of programs under this subchapter based on the
25 student achievement ~~[academic excellence]~~ indicators adopted under
26 Section 39.053 ~~[39.051(a)]~~, including the results of assessment
27 instruments. The agency may combine evaluations under this section

1 with federal accountability measures concerning students of
2 limited English proficiency.

3 SECTION 33. Subsection (c), Section 29.094, Education Code,
4 is amended to read as follows:

5 (c) A campus may apply to the commissioner to participate in
6 the pilot program. The commissioner may select for participation
7 in the pilot program only campuses that have failed to improve
8 student performance in reading according to standards established
9 by the commissioner. The standards established by the commissioner
10 for purposes of this subsection must be based on reading
11 performance standards considered [~~required~~] for student promotion
12 under Section 28.0211.

13 SECTION 34. Subdivision (1), Subsection (a), Section
14 29.095, Education Code, as added by Chapter 1058 (H.B. 2237), Acts
15 of the 80th Legislature, Regular Session, 2007, is amended to read
16 as follows:

17 (1) "Council" means the High School Completion and
18 Success Initiative Council established under Subchapter M [~~H~~],
19 Chapter 39.

20 SECTION 35. Subsection (c), Section 29.095, Education Code,
21 as added by Chapter 1058 (H.B. 2237), Acts of the 80th Legislature,
22 Regular Session, 2007, is amended to read as follows:

23 (c) The commissioner may award a grant in an amount not to
24 exceed \$5,000 in a school year to a school district on behalf of a
25 student club at a district high school campus that is eligible under
26 the criteria established under Section 39.408 [~~39.358~~]. To be
27 eligible for a grant, the student club and the club's sponsor must

1 be sanctioned by the campus and district. A grant awarded under
2 this program must be matched by other federal, state, or local
3 funds, including donations, in an amount equal to the amount of the
4 grant. A district shall seek donations or sponsorships from local
5 businesses or community organizations to raise the matching funds.
6 The commissioner may award a grant on behalf of more than one
7 student club at a campus in the same school year.

8 SECTION 36. Subsections (a) and (c), Section 29.096,
9 Education Code, are amended to read as follows:

10 (a) In this section, "council" means the High School
11 Completion and Success Initiative Council established under
12 Subchapter M [~~L~~], Chapter 39.

13 (c) A school district or open-enrollment charter school is
14 eligible to participate and receive a grant under this section
15 under the eligibility criteria established under Section 39.408
16 [~~39.358~~].

17 SECTION 37. Subdivision (1), Subsection (a), Section
18 29.097, Education Code, is amended to read as follows:

19 (1) "Council" means the High School Completion and
20 Success Initiative Council established under Subchapter M [~~L~~],
21 Chapter 39.

22 SECTION 38. Subsection (c), Section 29.097, Education Code,
23 is amended to read as follows:

24 (c) The commissioner may select for participation in the
25 pilot program only a campus that is eligible under the criteria
26 established under Section 39.408 [~~39.358~~].

27 SECTION 39. Subsection (c), Section 29.098, Education Code,

1 is amended to read as follows:

2 (c) The commissioner of education may select for
3 participation in the pilot program only a campus that is eligible
4 under the criteria established under Section 39.408 [~~39.358~~].

5 SECTION 40. Subsection (a), Section 29.202, Education Code,
6 is amended to read as follows:

7 (a) A student is eligible to receive a public education
8 grant or to attend another public school in the district in which
9 the student resides under this subchapter if the student is
10 assigned to attend a public school campus:

11 (1) at which 50 percent or more of the students did not
12 perform satisfactorily on an assessment instrument administered
13 under Section 39.023(a) or (c) in any two of the preceding three
14 years; or

15 (2) that [~~was~~], at any time in the preceding three
16 years, failed to satisfy any standard [~~considered academically~~
17 ~~unacceptable~~] under Section 39.054(d) [~~39.132~~].

18 SECTION 41. Subsection (d), Section 29.904, Education Code,
19 is amended to read as follows:

20 (d) A plan developed under this section:

21 (1) must establish clear, achievable goals for
22 increasing the percentage of the school district's graduating
23 seniors, particularly the graduating seniors attending a high
24 school described by Subsection (a), who enroll in an institution of
25 higher education for the academic year following graduation;

26 (2) must establish an accurate method of measuring
27 progress toward the goals established under Subdivision (1) that

1 may include the percentage of district high school students and the
2 percentage of students attending a district high school described
3 by Subsection (a) who:

4 (A) are enrolled in a course for which a student
5 may earn college credit, such as an advanced placement or
6 international baccalaureate course or a course offered through
7 concurrent enrollment in high school and at an institution of
8 higher education;

9 (B) are enrolled in courses that meet the
10 curriculum requirements for the recommended or advanced high school
11 program as determined under Section 28.025;

12 (C) have submitted a free application for federal
13 student aid (FAFSA);

14 (D) are exempt under Section 51.3062(p) or (q)
15 [~~51.306(1) or (m)~~] from administration of an assessment [~~a test~~]
16 instrument under Section 51.3062 [~~51.306~~] or have performed
17 successfully on an assessment [~~a test~~] instrument under Section
18 51.3062 [~~51.306~~];

19 (E) graduate from high school;

20 (F) graduate from an institution of higher
21 education; and

22 (G) have taken college entrance examinations and
23 the average score of those students on the examinations;

24 (3) must cover a period of at least five years; and

25 (4) may be directed at district students at any level
26 of primary or secondary education.

27 SECTION 42. Subsection (e), Section 29.906, Education Code,

1 is amended to read as follows:

2 (e) The agency shall:

3 (1) maintain a list of character education programs
4 that school districts have implemented that meet the criteria under
5 Subsection (b);

6 (2) based on data reported by districts, annually
7 designate as a Character Plus School each school that provides a
8 character education program that:

9 (A) meets the criteria prescribed by Subsection
10 (b); and

11 (B) is approved by the committee selected under
12 Subsection (c); and

13 (3) include in the report required under Section
14 39.332 [~~39.182~~]:

15 (A) based on data reported by districts, the
16 impact of character education programs on student discipline and
17 academic achievement; and

18 (B) other reported data relating to character
19 education programs the agency considers appropriate for inclusion.

20 SECTION 43. Subsections (a) and (c), Section 29.918,
21 Education Code, are amended to read as follows:

22 (a) Notwithstanding Section 39.234 [~~39.114~~] or 42.152, a
23 school district or open-enrollment charter school with a high
24 dropout rate, as determined by the commissioner, must submit a plan
25 to the commissioner describing the manner in which the district or
26 charter school intends to use the compensatory education allotment
27 under Section 42.152 and the high school allotment under Section

1 42.2516(b)(3) for developing and implementing research-based
2 strategies for dropout prevention. The district or charter school
3 shall submit the plan not later than December 1 of each school year
4 preceding the school year in which the district or charter school
5 will receive the compensatory education allotment or high school
6 allotment to which the plan applies.

7 (c) The commissioner shall adopt rules to administer this
8 section. The commissioner may impose interventions or sanctions
9 under Section 39.101 [~~39.131~~] or 39.103 [~~39.1321~~] if a school
10 district or open-enrollment charter school fails to timely comply
11 with this section.

12 SECTION 44. Section 30A.101, Education Code, is amended to
13 read as follows:

14 Sec. 30A.101. ELIGIBILITY TO ACT AS PROVIDER SCHOOL
15 DISTRICT OR SCHOOL. (a) A school district is eligible to act as a
16 provider school district under this chapter only if the district is
17 rated accredited [~~academically acceptable or higher~~] under Section
18 39.052 [~~39.072~~].

19 (b) An open-enrollment charter school is eligible to act as
20 a provider school under this chapter only if the school satisfies
21 all performance standards [~~is rated recognized or higher~~] under
22 Section 39.054(d) [~~39.072~~], and may serve as a provider school
23 only:

24 (1) to a student within the school district in which
25 the school is located or within its service area, whichever is
26 smaller; or

27 (2) to another student in the state through an

1 agreement with the administering authority under Section 30A.153.

2 SECTION 45. Subsection (a), Section 32.157, Education Code,
3 is amended to read as follows:

4 (a) After the expiration of the pilot project, the agency
5 may review the pilot project based on the annual reports the agency
6 receives from the board of trustees of participating school
7 districts. The agency may include the review of the pilot project
8 in the comprehensive annual report required under Section 39.332
9 [~~39.182~~] that covers the 2010-2011 school year.

10 SECTION 46. Subsection (b), Section 32.252, Education Code,
11 is amended to read as follows:

12 (b) The portal must serve as a single point of access to
13 educational resources other than student assessment data
14 accessible through the student assessment data portal under Section
15 32.258. In addition to any other purpose specified by this
16 subchapter or any other educational purpose, the portal may be used
17 to:

18 (1) alleviate inequities in access to educational
19 resources by providing access to on-line courses;

20 (2) improve student academic performance by providing
21 access to tutorial materials, instructional materials that have
22 been shown to improve academic performance, and other interactive
23 materials, including materials that assess an individual student's
24 knowledge and prepare the student for the administration of a
25 standardized assessment instrument, including an assessment
26 instrument administered under Section 39.023;

27 (3) provide school districts with access to

1 administrative software and other electronic tools designed to
2 promote administrative efficiency and intra-district
3 communication; or

4 (4) [~~provide secure access to student assessment data,~~
5 ~~or~~

6 [~~(5)~~] provide links to appropriate educational
7 resources and experts available through the Internet.

8 SECTION 47. Section 32.258, Education Code, is amended to
9 read as follows:

10 Sec. 32.258. STUDENT ASSESSMENT DATA; DATA PORTAL.

11 (a) The agency shall establish and maintain a student assessment
12 data portal for use by school districts, teachers, parents,
13 students, and public institutions of higher education. The
14 agency shall [~~may~~] establish a secure, interoperable system to be
15 implemented through the portal under which:

16 (1) a student or the student's parent or other person
17 standing in parental relationship can easily access the student's
18 individual assessment data;

19 (2) an authorized employee of a school district,
20 including a district teacher, [~~districts~~] can readily access
21 individual [~~student~~] assessment data of district students for use
22 in developing strategies for improving student performance; and

23 (3) an authorized employee of a public institution of
24 higher education can readily access individual assessment data of
25 students applying for admission for use in developing strategies
26 for improving student performance.

27 (b) The system established under Subsection (a) shall

1 provide a means for a student or the student's parent or other
2 person standing in parental relationship to track the student's
3 progress on assessment instrument requirements for graduation.

4 (c) The agency shall establish an interoperable system to be
5 implemented through the portal under which general student
6 assessment data is easily accessible to the public.

7 (d) Student assessment data provided under this section
8 must:

9 (1) be available on or before the first instructional
10 day of the school year following the year in which the data is
11 collected; and

12 (2) include student performance data on assessment
13 instruments over multiple years, beginning with the 2007-2008
14 school year, including any data indicating progress in student
15 achievement.

16 (e) Each [~~(b) In establishing the~~] system established
17 under [~~required by~~] this section must permit comparisons of[, the
18 agency shall seek to further the goal of providing school districts
19 with access to] student performance information at the classroom,
20 campus, district, and state levels [~~level~~].

21 SECTION 48. Section 39.023, Education Code, is amended by
22 adding Subsection (a-1) and amending Subsections (c-4) and (e) to
23 read as follows:

24 (a-1) The agency shall develop assessment instruments
25 required under Subsection (a) in a manner that allows, to the extent
26 practicable:

27 (1) the score a student receives to provide reliable

1 information relating to a student's satisfactory performance for
2 each performance standard under Section 39.0241; and

3 (2) an appropriate range of performances to serve as a
4 valid indication of growth in student achievement.

5 (c-4) To the extent practicable and subject to Section
6 39.024, the agency shall ensure that each end-of-course assessment
7 instrument adopted under Subsection (c) is:

8 (1) developed in a manner that measures a student's
9 performance under the college readiness standards established
10 under Section 28.008; and

11 (2) validated by national postsecondary education
12 experts for college readiness content and performance standards.

13 (e) Under rules adopted by the State Board of Education,
14 every third year, the agency shall release the questions and answer
15 keys to each assessment instrument administered under Subsection
16 (a), (b), (c), (d), or (1), excluding any assessment instrument
17 administered to a student for the purpose of retaking the
18 assessment instrument, after the last time the instrument is
19 administered for that school year. To ensure a valid bank of
20 questions for use each year, the agency is not required to release a
21 question that is being field-tested and was not used to compute the
22 student's score on the instrument. The agency shall also release,
23 under board rule, each question that is no longer being
24 field-tested and that was not used to compute a student's score.

25 SECTION 49. Subsection (d), Section 39.0233, Education
26 Code, is amended to read as follows:

27 (d) The questions adopted under this section may not [~~must~~]

1 be administered in a separate section of the end-of-course
2 assessment instrument [~~in which the questions are included~~].

3 SECTION 50. Subchapter B, Chapter 39, Education Code, is
4 amended by amending Section 39.024 and adding Sections 39.0241 and
5 39.0242 to read as follows:

6 Sec. 39.024. MEASURE OF COLLEGE READINESS. (a) In this
7 section, "college readiness" means the level of preparation a
8 student must attain in English language arts and mathematics
9 courses to enroll and succeed, without remediation, in an
10 entry-level general education course for credit in that same
11 content area at:

12 (1) a postsecondary educational institution that
13 primarily offers baccalaureate degrees and primarily serves a
14 limited geographic region; or

15 (2) a postsecondary educational institution that
16 primarily offers associate degrees or certificates or credentials
17 other than baccalaureate or advanced degrees.

18 (b) The agency shall ensure that the Algebra II and English
19 III end-of-course assessment instruments required under Section
20 39.023(c) are developed to be capable of, beginning with the
21 2011-2012 school year, measuring college readiness.

22 (c) Before the beginning of the 2011-2012 school year, the
23 agency shall gather data and conduct research studies to
24 substantiate the correlation between a certain level of performance
25 by students on the Algebra II and English III end-of-course
26 assessment instruments and college readiness.

27 (d) Studies under Subsection (c) must include an evaluation

1 of any need for remediation courses to facilitate college
2 readiness.

3 (e) Based on the results of the studies conducted under
4 Subsection (c), the commissioner of education, in conjunction with
5 the commissioner of higher education, shall establish student
6 performance standards for the Algebra II and English III
7 end-of-course assessment instruments indicating that students have
8 attained college readiness.

9 (f) To the extent practicable, the agency, in conjunction
10 with the Texas Higher Education Coordinating Board, shall conduct
11 research studies similar to the studies conducted under Subsection
12 (c) for the appropriate science and social studies end-of-course
13 assessment instruments. If the commissioner of education, in
14 conjunction with the commissioner of higher education, determines
15 that the research studies conducted under this subsection
16 substantiate a correlation between a certain level of performance
17 by students on science and social studies end-of-course assessment
18 instruments and college readiness, the commissioner of education,
19 in conjunction with the commissioner of higher education, as soon
20 as practicable, may establish student performance standards for the
21 science and social studies end-of-course assessment instruments
22 indicating that students have attained college readiness.

23 (f-1) Not later than December 1, 2012, the agency shall
24 deliver to the lieutenant governor, the speaker of the house of
25 representatives, and the clerks of the standing committees of the
26 senate and the house of representatives with primary jurisdiction
27 over public education a report that includes:

1 (1) an analysis of the feasibility of establishing
2 college readiness performance standards for science and social
3 studies end-of-course assessment instruments; and

4 (2) a summary of any implementation procedures adopted
5 for each standard.

6 (f-2) Subsection (f-1) and this subsection expire January
7 1, 2013.

8 (g) The agency shall continue to gather data to perform
9 studies as provided under Subsections (c) and (f) at least once
10 every three years.

11 (h) The agency and the Texas Higher Education Coordinating
12 Board jointly shall periodically review the college readiness
13 performance standards established under this section and compare
14 the performance standards to performance standards established
15 nationally and internationally for comparable assessment
16 instruments. Following each review, the agency and the Texas
17 Higher Education Coordinating Board shall deliver to the lieutenant
18 governor, the speaker of the house of representatives, and the
19 clerks of the standing committees of the senate and the house of
20 representatives with primary jurisdiction over public education
21 and higher education a joint report on the results of the review
22 indicating whether the college readiness performance standards
23 established under this section are sufficiently rigorous to prepare
24 students in this state to compete academically with students
25 nationally and internationally. If the agency and the Texas Higher
26 Education Coordinating Board determine that the college readiness
27 performance standards established under this section are not

1 sufficiently rigorous, the agency and board jointly shall recommend
2 changes to the college readiness performance standards.

3 (i) The agency shall gather data and conduct research to
4 substantiate any correlation between a certain level of performance
5 by students on end-of-course assessment instruments and success in:

6 (1) military service; or

7 (2) a workforce training, certification, or other
8 credential program at a postsecondary educational institution that
9 primarily offers associate degrees or certificates or credentials
10 other than baccalaureate or advanced degrees.

11 Sec. 39.0241. [SATISFACTORY] PERFORMANCE STANDARDS.

12 (a) Except as otherwise provided by Subsection (b) [~~this~~
13 ~~subsection~~], the commissioner [~~State Board of Education~~] shall
14 determine the level of performance considered to be satisfactory on
15 the assessment instruments.

16 (a-1) The commissioner of education, in conjunction with
17 the commissioner of higher education, shall determine the level of
18 performance necessary to indicate college readiness, as defined by
19 Section 39.024(a).

20 (a-2) For the purpose of establishing performance across
21 grade levels, the commissioner shall establish:

22 (1) the performance standards for the Algebra II and
23 English III end-of-course assessment instruments, as provided
24 under Section 39.024(b) and under Subsection (a);

25 (2) the performance standards for the Algebra I and
26 English II end-of-course assessment instruments, as determined
27 based on studies under Section 39.0242 that correlate student

1 performance on the Algebra I and English II end-of-course
2 assessment instruments with student performance on the Algebra II
3 and English III assessment instruments;

4 (3) the performance standards for the English I
5 end-of-course assessment instrument, as determined based on
6 studies under Section 39.0242 that correlate student performance on
7 the English I end-of-course assessment instrument with student
8 performance on the English II assessment instrument;

9 (4) the performance standards for the grade eight
10 assessment instruments, as determined based on studies under
11 Section 39.0242 that correlate student performance on the grade
12 eight assessment instruments with student performance on the
13 Algebra I and English I end-of-course assessment instruments in the
14 same content area;

15 (5) the performance standards for the grade seven
16 assessment instruments, as determined based on studies under
17 Section 39.0242 that correlate student performance on the grade
18 seven assessment instruments with student performance on the grade
19 eight assessment instruments in the same content area;

20 (6) the performance standards for the grade six
21 assessment instruments, as determined based on studies under
22 Section 39.0242 that correlate student performance on the grade six
23 assessment instruments with student performance on the grade seven
24 assessment instruments in the same content area;

25 (7) the performance standards for the grade five
26 assessment instruments, as determined based on studies under
27 Section 39.0242 that correlate student performance on the grade

1 five assessment instruments with student performance on the grade
2 six assessment instruments in the same content area;

3 (8) the performance standards for the grade four
4 assessment instruments, as determined based on studies under
5 Section 39.0242 that correlate student performance on the grade
6 four assessment instruments with student performance on the grade
7 five assessment instruments in the same content area; and

8 (9) the performance standards for the grade three
9 assessment instruments, as determined based on studies under
10 Section 39.0242 that correlate student performance on the grade
11 three assessment instruments with student performance on the grade
12 four assessment instruments in the same content area.

13 (b) The admission, review, and dismissal committee of a
14 student being assessed under Section 39.023(b) shall determine the
15 level of performance considered to be satisfactory on the
16 assessment instruments administered to that student in accordance
17 with criteria established by agency rule.

18 (c) The agency shall develop study guides for the assessment
19 instruments administered under Sections 39.023(a) and (c). To
20 assist parents in providing assistance during the period that
21 school is recessed for summer, each school district shall make
22 available [~~distribute~~] the study guides to parents of students who
23 do not perform satisfactorily on one or more parts of an assessment
24 instrument administered under this subchapter.

25 (d) The agency shall develop and make available teacher
26 training materials and other teacher training resources to assist
27 teachers in enabling students of limited English proficiency to

1 meet state performance expectations. The teacher training
2 resources shall be designed to support intensive, individualized,
3 and accelerated instructional programs developed by school
4 districts for students of limited English proficiency.

5 (e) The commissioner shall retain a portion of the total
6 amount of funds allotted under Section 42.152(a) that the
7 commissioner considers appropriate to finance activities under
8 Subsection [~~Subsections~~] (c) and may retain a portion for
9 activities under Subsection (d) and for intensive programs of
10 instruction for students of limited English proficiency offered by
11 school districts and shall reduce each district's allotment
12 proportionately.

13 Sec. 39.0242. PERFORMANCE STANDARDS: RESEARCH STUDIES AND
14 IMPLEMENTATION OF STANDARDS. (a) During the 2009-2010 and
15 2010-2011 school years, the agency shall collect data through:

16 (1) the annual administration of assessment
17 instruments required under Section 39.023(a) in grades three
18 through eight; and

19 (2) the administration to a sufficiently large sample
20 of students throughout the state of end-of-course assessment
21 instruments required under Section 39.023(c) for the purpose of
22 setting performance standards.

23 (b) Before the beginning of the 2011-2012 school year, the
24 agency shall analyze the data collected under Subsection (a) to
25 substantiate:

26 (1) the correlation between satisfactory student
27 performance for each performance standard under Section 39.0241 on

1 the grade three, four, five, six, or seven assessment instruments
2 with satisfactory performance under the same performance standard
3 on the assessment instruments in the same content area for the next
4 grade level;

5 (2) the correlation between satisfactory student
6 performance for each performance standard under Section 39.0241 on
7 the grade eight assessment instruments with satisfactory
8 performance under the same performance standard on the Algebra I
9 and English I end-of-course assessment instruments in the same
10 content area;

11 (3) the correlation between satisfactory student
12 performance for each performance standard under Section 39.0241 on
13 the English I end-of-course assessment instrument with
14 satisfactory performance under the same performance standard on the
15 English II end-of-course assessment instrument;

16 (4) the correlation between satisfactory student
17 performance for each performance standard under Section 39.0241 on
18 the English II end-of-course assessment instrument with
19 satisfactory performance under the same performance standard on the
20 English III end-of-course assessment instrument; and

21 (5) the correlation between satisfactory student
22 performance for each performance standard under Section 39.0241 on
23 the Algebra I end-of-course assessment instrument with
24 satisfactory performance under the same performance standard on the
25 Algebra II end-of-course assessment instrument.

26 (c) Studies under this section must include an evaluation of
27 any need for remediation courses to facilitate college readiness.

1 (d) The agency shall continue to gather data and perform
2 studies as provided under this section at least once every three
3 years. If the data do not support the correlation between student
4 performance standards and college readiness, the commissioner of
5 education, in collaboration with the commissioner of higher
6 education, shall revise the standard of performance considered to
7 be satisfactory.

8 (e) Based on the data collected and studies performed
9 periodically under Subsection (d), the commissioner shall increase
10 the rigor of the performance standard established under Section
11 39.0241(a) as the commissioner determines necessary.

12 SECTION 51. Section 39.025, Education Code, is amended by
13 amending Subsections (a), (a-1), (b), (b-1), (b-2), and (f) and
14 adding Subsections (a-2) and (c-1) to read as follows:

15 (a) The commissioner shall adopt rules requiring a student
16 participating in the recommended or advanced high school program to
17 be administered each end-of-course assessment instrument listed in
18 Section 39.023(c) and requiring a student participating in the
19 minimum high school program to be administered an end-of-course
20 assessment instrument listed in Section 39.023(c) only for Algebra
21 I and English III and any other [a] course in which the student is
22 enrolled and for which an end-of-course assessment instrument is
23 administered. Except as otherwise provided by this section, a [A]
24 student is required to perform satisfactorily under either
25 performance standard under Section 39.0241 on two of the three
26 end-of-course assessment instruments [achieve,] in each subject in
27 which the student is required to take end-of-course assessment

1 instruments [~~in the foundation curriculum under Section~~
2 ~~28.002(a)(1), a cumulative score that is at least equal to the~~
3 ~~product of the number of end-of-course assessment instruments~~
4 ~~administered to the student in that subject and 70, with each~~
5 ~~end-of-course assessment instrument scored on a scale of 100. A~~
6 ~~student must achieve a score of at least 60 on an end-of-course~~
7 ~~assessment instrument for the score to count towards the student's~~
8 ~~cumulative score]. Except as provided under Subsection (a-2), a
9 student participating in the minimum high school program must
10 perform satisfactorily on the Algebra I and English III
11 end-of-course assessment instruments and a student participating
12 in the recommended or advanced high school program must perform
13 satisfactorily on the Algebra II and English III end-of-course
14 assessment instruments. A student who performs satisfactorily on
15 the Algebra II and English III end-of-course assessment instruments
16 under the college readiness performance standard, as determined
17 under Section 39.024, is not required to comply with the
18 requirement to perform satisfactorily on two of three end-of-course
19 assessment instruments in those subjects [~~For purposes of this~~
20 ~~subsection, a student's cumulative score is determined using the~~
21 ~~student's highest score on each end-of-course assessment~~
22 ~~instrument administered to the student]. A student may not receive
23 a high school diploma until the student has performed
24 satisfactorily on the end-of-course assessment instruments in the
25 manner provided under this subsection. [~~This subsection does not~~
26 ~~require a student to demonstrate readiness to enroll in an~~
27 ~~institution of higher education.]~~~~~~

1 (a-1) The student's score on an end-of-course assessment
2 instrument constitutes 15 percent of the student's grade in the
3 course for which the assessment instrument is administered.

4 (a-2) The commissioner by rule shall determine a method by
5 which a student's satisfactory performance on an advanced placement
6 test, international baccalaureate examination, a Scholastic
7 Assessment Test (SAT) Subject Test, or another assessment
8 instrument determined by the commissioner to be at least as
9 rigorous as an end-of-course assessment instrument adopted under
10 Section 39.023(c) may be used as a factor in determining whether the
11 student satisfies the requirements of Subsection (a) [~~, including~~
12 ~~the cumulative score requirement of that subsection~~]. The
13 commissioner by rule may determine a method by which a student's
14 satisfactory performance on a Preliminary Scholastic Assessment
15 Test (PSAT) assessment or a preliminary American College Test (ACT)
16 assessment may be used as a factor in determining whether the
17 student satisfies the requirements of Subsection (a).

18 (b) Each time an end-of-course assessment instrument is
19 administered, a student who failed to perform satisfactorily
20 [~~achieve a score of at least 60~~] on the assessment instrument as
21 determined by the commissioner under Section 39.0241(a) shall
22 retake the assessment instrument. A student who fails to perform
23 satisfactorily on an Algebra II or English III end-of-course
24 assessment instrument under the college readiness performance
25 standard, as determined under Section 39.024(b), may retake the
26 assessment instrument [~~Any other student may retake an~~
27 ~~end-of-course assessment instrument for any reason~~]. A student is

1 not required to retake a course as a condition of retaking an
2 end-of-course assessment instrument.

3 (b-1) A school district shall provide each student who fails
4 to perform satisfactorily as determined by the commissioner under
5 Section 39.0241(a) [~~achieve a score of at least 70~~] on an
6 end-of-course assessment instrument with accelerated instruction
7 in the subject assessed by the assessment instrument.

8 (b-2) The agency, in collaboration with the Texas Higher
9 Education Coordinating Board, shall develop senior-level English
10 language arts and mathematics accelerated instruction courses for
11 purposes of this section. If [~~a school district determines that~~] a
12 student does not demonstrate the performance standard for college
13 readiness as provided by Section 39.024(b) on the Algebra II or
14 English III end-of-course assessment instrument [~~, on completion of~~
15 ~~grade 11, is unlikely to achieve the cumulative score requirements~~
16 ~~for one or more subjects prescribed by Subsection (a) for receiving~~
17 ~~a high school diploma~~], the district shall offer [~~require~~] the
18 student the opportunity to enroll in a [~~corresponding content-area~~
19 ~~college preparatory~~] course described by this subsection [~~for which~~
20 ~~an end-of-course assessment instrument has been adopted, if~~
21 ~~available~~]. A student who enrolls in a [~~college preparatory~~]
22 course described by this subsection shall be administered an
23 appropriate end-of-course assessment instrument [~~for the course,~~
24 ~~with the end-of-course assessment instrument scored on a scale of~~
25 ~~40. A student may use the student's score on the end-of-course~~
26 ~~assessment instrument for the college preparatory course towards~~
27 ~~satisfying the cumulative score requirements~~] prescribed by

1 Subsection (a).

2 (c-1) A school district may not administer an assessment
3 instrument required for graduation administered under this section
4 as this section existed before September 1, 1999. A school district
5 may administer to a student who failed to perform satisfactorily on
6 an assessment instrument described by this subsection an alternate
7 assessment instrument selected from a list of assessment
8 instruments approved by the commissioner. The commissioner shall
9 determine the level of performance considered to be satisfactory on
10 an alternate assessment instrument. The district may not
11 administer to the student an assessment instrument or a part of an
12 assessment instrument that assesses a subject that was not assessed
13 in an assessment instrument required for graduation administered
14 under this section as this section existed before September 1,
15 1999. The commissioner shall make available to districts
16 information necessary to administer the alternate assessment
17 instrument authorized by this subsection. The determination of the
18 commissioner regarding the list of approved alternate assessment
19 instruments under this subsection and the performance required on
20 the assessment instruments are final and may not be appealed.

21 (f) The commissioner shall by rule adopt a transition plan
22 to implement the amendments made by Chapter 1312 (S.B. No. 1031),
23 Acts of the 80th Legislature, Regular Session, 2007, replacing
24 general subject assessment instruments administered at the high
25 school level with end-of-course assessment instruments [~~to this~~
26 ~~section and Sections 39.023(a) and (c) and 39.051(b)(5)]. The
27 rules must provide for the end-of-course assessment instruments~~

1 adopted under Section 39.023(c) to be administered beginning with
2 students entering the ninth grade during the 2011-2012 school year.
3 During the period under which the transition to end-of-course
4 assessment instruments is made:

5 (1) for students entering a grade above the ninth
6 grade during the 2011-2012 school year, the commissioner shall
7 retain, administer, and use for purposes of district accreditation
8 and other campus and district accountability measures ~~[ratings]~~
9 under this chapter ~~[Subchapter D]~~ the assessment instruments
10 required by Section 39.023(a) or (c), as that section existed
11 before amendment by Chapter 1312 (S.B. No. 1031), Acts of the 80th
12 Legislature, Regular Session, 2007;

13 (2) a student subject to Subdivision (1) may not
14 receive a high school diploma unless the student has performed
15 satisfactorily on the English language arts, mathematics, science,
16 and social studies assessment instruments administered under
17 Section 39.023(c), as that section existed before amendment by
18 Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature, Regular
19 Session, 2007; and

20 (3) ~~(2)~~ the agency may defer releasing assessment
21 instrument questions and answer keys as required by Section
22 39.023(e) to the extent necessary to develop additional assessment
23 instruments.

24 SECTION 52. Section 39.0261, Education Code, is amended by
25 adding Subsection (a-1) to read as follows:

26 (a-1) As part of the assessment program under Section
27 39.022, the commissioner by rule shall develop a plan for

1 implementing college preparation assessment instruments under this
2 section beginning with eighth grade assessment instruments under
3 Subsection (a)(1) in the 2010-2011 school year.

4 SECTION 53. Section 39.027, Education Code, is amended by
5 amending Subsections (a) and (e) and adding Subsections (a-1) and
6 (a-2) to read as follows:

7 (a) A student may be administered an accommodated or
8 alternative assessment instrument or may be granted an exemption
9 ~~[exempted]~~ from or a postponement of the administration of an
10 assessment instrument under:

11 (1) Section 39.023(a) or (b) if the student is
12 eligible for a special education program under Section 29.003 and
13 the student's individualized education program does not include
14 instruction in the essential knowledge and skills under Section
15 28.002 at any grade level;

16 (2) Section 39.023(c) or (d) if the student is
17 eligible for a special education program under Section 29.003 and:

18 (A) the student's individualized education
19 program does not include instruction in the essential knowledge and
20 skills under Section 28.002 at any grade level; or

21 (B) the assessment instrument, even with
22 allowable modifications, would not provide an appropriate measure
23 of the student's achievement as determined by the student's
24 admission, review, and dismissal committee;

25 (3) Section 39.023(a), (b), (c), or (l) for a period of
26 up to three years ~~[one year]~~ after initial enrollment in a school in
27 the United States if the student is an immigrant and a student of

1 limited English proficiency, as defined by Section 29.052, who, as
2 a result of inadequate schooling outside of the United States,
3 lacks the necessary foundation in the essential knowledge and
4 skills of the curriculum [~~and has not demonstrated proficiency in~~
5 ~~English as determined by the assessment system under Subsection~~
6 ~~(e)]; or~~

7 (4) Section 39.023(a), (b), (c), or (1) for a period of
8 up to five [~~two~~] years, if the student is a student of limited
9 English proficiency, as defined by Section 29.052, whose initial
10 enrollment in a school in the United States was as an unschooled
11 asylee or refugee [~~in addition to the exemption period authorized~~
12 ~~by Subdivision (3) if the student has received an exemption under~~
13 ~~Subdivision (3) and:~~

14 [~~(A) is a recent unschooled immigrant; or~~
15 [~~(B) is in a grade for which no assessment~~
16 ~~instrument in the primary language of the student is available]].~~

17 (a-1) The language proficiency assessment committee
18 established under Section 29.063 shall determine whether a student
19 meets the criteria under Subsection (a)(3) or (4). The
20 commissioner by rule shall develop procedures under which the
21 language proficiency assessment committee makes a determination
22 under this subsection. In adopting rules under this subsection,
23 the commissioner shall:

24 (1) consider the end-of-course requirements for
25 graduation for students; and

26 (2) ensure that the language proficiency assessment
27 committee requires students to be administered assessment

1 instruments under this section at the earliest practical date.

2 (a-2) For purposes of this section, "unschooled asylee or
3 refugee" means a student who:

4 (1) initially enrolled in a school in the United
5 States as:

6 (A) an asylee as defined by 45 C.F.R. Section
7 400.41; or

8 (B) a refugee as defined by 8 U.S.C. Section
9 1101;

10 (2) has a visa issued by the United States Department
11 of State with a Form I-94 Arrival/Departure record, or a successor
12 document, issued by the United States Citizenship and Immigration
13 Services that is stamped with "Asylee," "Refugee," or "Asylum"; and

14 (3) has had little or no formal schooling outside of
15 the United States and lacks even rudimentary literacy skills.

16 (e) The commissioner shall develop an assessment system
17 that shall be used for evaluating the academic progress, including
18 reading proficiency in English, of all students of limited English
19 proficiency, as defined by Section 29.052. A student who is exempt
20 from the administration of an assessment instrument under
21 Subsection (a)(3) or (4) who achieves reading proficiency in
22 English as determined by the assessment system developed under this
23 subsection shall be administered the assessment instruments
24 described by Sections 39.023(a) and (c). The performance under the
25 assessment system developed under this subsection of students to
26 whom Subsection (a)(3) or (4) applies shall be included in the
27 [~~academic excellence~~] indicator system under Section 39.301, as

1 applicable [~~Section 39.051~~], the performance report under Section
2 39.306 [~~39.053~~], and the comprehensive annual report under Section
3 39.332 [~~39.182~~]. This information shall be provided in a manner
4 that is disaggregated by the bilingual education or special
5 language program, if any, in which the student is enrolled.

6 SECTION 54. Subsection (b), Section 39.033, Education Code,
7 is amended to read as follows:

8 (b) An agreement under this section must require the private
9 school to:

10 (1) as determined appropriate by the commissioner,
11 provide to the commissioner the information described by Sections
12 39.053(c) and 39.301(c); [~~Section 39.051(b)~~] and

13 (2) [~~to~~] maintain confidentiality in compliance with
14 Section 39.030.

15 SECTION 55. Section 39.034, Education Code, is amended by
16 amending Subsection (d) and adding Subsection (d-1) to read as
17 follows:

18 (d) The agency shall determine the necessary annual
19 improvement required each year for a student to be prepared to
20 perform satisfactorily on, as applicable:

21 (1) the grade five assessment instruments;

22 (2) the grade eight assessment instruments; and

23 (3) the end-of-course assessment instruments required
24 under this subchapter for graduation.

25 (d-1) The agency shall report the necessary annual
26 improvement required under Subsection (d) to the district. Each
27 year, the report must state whether the student fell below, met, or

1 exceeded the necessary target for improvement.

2 SECTION 56. Subchapters C through L, Chapter 39, Education
3 Code, as amended by Section 2.25, Chapter 396 (S.B. 4), and Section
4 4, Chapter 931 (H.B. 2307), Acts of the 76th Legislature, Regular
5 Session, 1999, are amended to read as follows:

6 SUBCHAPTER C. ACCREDITATION [~~PERFORMANCE INDICATORS~~
7 [~~SUBCHAPTER D. ACCREDITATION STATUS~~]

8 Sec. 39.051 [~~39.071~~]. ACCREDITATION STATUS.

9 [~~(a)~~] Accreditation of a school district is determined in
10 accordance with this subchapter [~~section~~]. The commissioner by
11 rule shall determine in accordance with this subchapter the
12 criteria for [~~define~~] the following accreditation statuses:

- 13 (1) accredited;
14 (2) accredited-warned; and
15 (3) accredited-probation.

16 Sec. 39.052. DETERMINATION OF ACCREDITATION STATUS.

17 (a) Not later than August 8 of each [~~(b) Each~~] year, the
18 commissioner shall determine the accreditation status of each
19 school district.

20 (b) In determining the accreditation status of a school
21 district, the commissioner:

- 22 (1) shall evaluate and consider:
23 (A) [the] performance on student achievement
24 indicators described by Section 39.053(c);
25 (B) whether a significant pattern of decreased
26 academic performance has developed as a result of the promotion in
27 the preceding two school years of students who did not perform

1 satisfactorily as determined by the commissioner under Section
2 39.0241(a) on assessment instruments administered under Section
3 39.023(a), (c), or (1) [of the district under:

4 [(A) the academic accountability system under
5 Section 39.072]; and

6 (C) performance under [(B)] the financial
7 accountability rating system developed under Subchapter D [±]; and

8 (2) may evaluate and consider:

9 (A) the district's compliance with statutory
10 requirements and requirements imposed by rule of the commissioner
11 or State Board of Education under specific statutory authority that
12 relate to:

13 (i) reporting data through the Public
14 Education Information Management System (PEIMS) or other reports
15 required by state or federal law or court order;

16 (ii) the high school graduation
17 requirements under Section 28.025; or

18 (iii) an item listed under Sections
19 7.056(e)(3)(C)-(I) that applies to the district;

20 (B) the effectiveness of the district's programs
21 for special populations; and

22 (C) the effectiveness of the district's career
23 and technology program.

24 (c) Based on a school district's performance under
25 Subsection (b), the commissioner shall:

26 (1) assign each [~~a~~] district an accreditation status;

27 or

1 (2) revoke the accreditation of the district and order
2 closure of the district under this subchapter.

3 (d) A school district's accreditation status may be raised
4 or lowered based on the district's performance or may be lowered
5 based on the performance of one or more campuses in the district
6 that is below a standard required under this subchapter.

7 (e) [~~(d)~~ The commissioner shall notify a school district
8 that receives an accreditation status of accredited-warned or
9 accredited-probation or a campus that performs below a standard
10 required under this subchapter that the performance of the district
11 or campus is below a standard required under this subchapter. If
12 the district received an accreditation status of accredited-warned
13 or accredited-probation for the preceding school year or if any
14 campus performed below a standard required under this subchapter in
15 the preceding school year, the commissioner shall notify the
16 district or campus of a subsequent such designation on or before
17 June 15 [~~section~~]. The commissioner shall require the district to
18 notify the parents of students enrolled in the district and
19 property owners in the district of the district's accreditation
20 status and the implications of that accreditation status.

21 (f) [~~(e)~~ A school district that is not accredited may not
22 receive funds from the agency or hold itself out as operating a
23 public school of this state.

24 (g) [~~(f)~~ This chapter may not be construed to invalidate a
25 diploma awarded, course credit earned, or grade promotion granted
26 by a school district before the commissioner revoked the district's
27 accreditation.

1 Sec. 39.053. PERFORMANCE INDICATORS: STUDENT ACHIEVEMENT.

2 (a) The commissioner shall adopt a set of indicators of the
3 quality of learning and student achievement. The commissioner
4 biennially shall review the indicators for the consideration of
5 appropriate revisions.

6 ~~[Sec. 39.051. ACADEMIC EXCELLENCE INDICATORS. (a) The~~
7 ~~State Board of Education shall adopt a set of indicators of the~~
8 ~~quality of learning on a campus. The State Board of Education~~
9 ~~biennially shall review the indicators for the consideration of~~
10 ~~appropriate revisions.]~~

11 (b) Performance on the student achievement indicators
12 adopted under this section shall be compared to state-established
13 standards. The degree of change from one school year to the next in
14 performance on each indicator adopted under this section shall also
15 be considered. The indicators must be based on information that is
16 disaggregated by race, ethnicity, ~~[gender,~~ and socioeconomic
17 status.

18 (c) Indicators of student achievement adopted under this
19 section ~~[and]~~ must include:

20 (1) the results of assessment instruments required
21 under Sections 39.023(a), (c), and (l), including the results of
22 assessment instruments required for graduation retaken by a
23 student, aggregated across ~~[by]~~ grade levels by ~~[level and]~~ subject
24 area, including:

25 (A) for the performance standard determined by
26 the commissioner under Section 39.0241(a):

27 (i) the percentage of students who

1 performed satisfactorily on the assessment instruments, aggregated
2 across grade levels by subject area; and

3 (ii) for students who did not perform
4 satisfactorily, the percentage of students who met the standard for
5 annual improvement, as determined by the agency under Section
6 39.034, on the assessment instruments, aggregated across grade
7 levels by subject area; and

8 (B) for the college readiness performance
9 standard as determined under Section 39.0241:

10 (i) the percentage of students who
11 performed satisfactorily on the assessment instruments, aggregated
12 across grade levels by subject area; and

13 (ii) for students who did not perform
14 satisfactorily, the percentage of students who met the standard for
15 annual improvement, as determined by the agency under Section
16 39.034, on the assessment instruments, aggregated across grade
17 levels by subject area;

18 (2) dropout rates, including dropout rates and
19 district completion rates for grade levels 9 through 12, computed
20 in accordance with standards and definitions adopted by the
21 National Center for Education Statistics of the United States
22 Department of Education; and

23 (3) high school graduation rates, computed in
24 accordance with standards and definitions adopted in compliance
25 with the No Child Left Behind Act of 2001 (20 U.S.C. Section 6301 et
26 seq.).

27 (d) For purposes of Subsection (c), the commissioner by rule

1 shall determine the period within which a student must retake an
2 assessment instrument for that assessment instrument to be
3 considered in determining the accreditation status of the district.

4 (e) [(Pub. L. No. 107-110),

5 [(4) student attendance rates,

6 [(5) the percentage of graduating students who attain
7 scores on the questions developed for end-of-course assessment
8 instruments under Section 39.0233(a) that are equivalent to a
9 passing score on the assessment instrument required under Section
10 51.3062,

11 [(6) the percentage of graduating students who meet
12 the course requirements established for the recommended high school
13 program by State Board of Education rule,

14 [(7) the results of the Scholastic Assessment Test
15 (SAT), the American College Test (ACT), articulated postsecondary
16 degree programs described by Section 61.852, and certified
17 workforce training programs described by Chapter 311, Labor Code,

18 [(8) the percentage of students, aggregated by grade
19 level, provided accelerated instruction under Section 28.0211(c),
20 the results of assessments administered under that section, the
21 percentage of students promoted through the grade placement
22 committee process under Section 28.0211, the subject of the
23 assessment instrument on which each student failed to perform
24 satisfactorily, and the performance of those students in the school
25 year following that promotion on the assessment instruments
26 required under Section 39.023,

27 [(9) for students who have failed to perform

1 ~~satisfactorily on an assessment instrument required under Section~~
2 ~~39.023(a) or (c), the numerical progress of those students grouped~~
3 ~~by percentage on subsequent assessment instruments required under~~
4 ~~those sections, aggregated by grade level and subject area,~~

5 ~~[(10) the percentage of students exempted, by~~
6 ~~exemption category, from the assessment program generally~~
7 ~~applicable under this chapter,~~

8 ~~[(11) the percentage of students of limited English~~
9 ~~proficiency exempted from the administration of an assessment~~
10 ~~instrument under Sections 39.027(a)(3) and (4),~~

11 ~~[(12) the percentage of students in a special~~
12 ~~education program under Subchapter A, Chapter 29, assessed through~~
13 ~~assessment instruments developed or adopted under Section~~
14 ~~39.023(b),~~

15 ~~[(13) the measure of progress toward preparation for~~
16 ~~postsecondary success, and~~

17 ~~[(14) the measure of progress toward dual language~~
18 ~~proficiency under Section 39.034(b), for students of limited~~
19 ~~English proficiency, as defined by Section 29.052.~~

20 ~~[(b-1) Performance on the indicators described by~~
21 ~~Subsections (b)(1), (2), (3), (8), (9), and (14) must be based on~~
22 ~~longitudinal student data that is disaggregated by the bilingual~~
23 ~~education or special language program, if any, in which students of~~
24 ~~limited English proficiency, as defined by Section 29.052, are or~~
25 ~~former students of limited English proficiency were enrolled. If a~~
26 ~~student described by this subsection is not or was not enrolled in~~
27 ~~specialized language instruction, the number and percentage of~~

1 ~~those students shall be provided.~~

2 ~~[(c)]~~ Performance on the student achievement indicators
 3 ~~[indicator]~~ under Subsections (c)(1) and (2) ~~[Subsection (b)(1)]~~
 4 shall be compared to state standards and~~[r]~~ required improvement~~[r~~
 5 ~~and comparable improvement]~~. The state standard shall be
 6 established by the commissioner. Required improvement is ~~[defined~~
 7 ~~as]~~ the progress necessary for the campus or district to meet state
 8 standards and, for the student achievement indicator under
 9 Subsection (c)(1), for its students to meet each of the performance
 10 standards as determined under Section 39.0241.

11 ~~(f)~~ ~~[exit requirements as defined by the commissioner.~~
 12 ~~Comparable improvement is derived by measuring campuses and~~
 13 ~~districts against a profile developed from a total state student~~
 14 ~~performance database which exhibits substantial equivalence to the~~
 15 ~~characteristics of students served by the campus or district,~~
 16 ~~including past academic performance, socioeconomic status,~~
 17 ~~ethnicity, and limited English proficiency.~~

18 ~~[(d)]~~ Annually, the commissioner shall define the state
 19 standard for the current school year for each student achievement
 20 ~~[exemplary, recognized, and unacceptable performance for each~~
 21 ~~academic excellence]~~ indicator described by Subsection (c)
 22 ~~[included under Subsections (b)(1) through (7)]~~ and shall project
 23 the state standards for each ~~[of those levels of performance for~~
 24 ~~succeeding years. For the]~~ indicator for the following two school
 25 ~~[under Subsection (b)(8), the commissioner shall define exemplary,~~
 26 ~~recognized, and unacceptable performance based on student~~
 27 ~~performance for the period covering both the current and preceding~~

1 ~~academic~~] years.

2 (g) In defining the required state standard [~~exemplary,~~
3 ~~recognized, and unacceptable performance~~] for the indicator
4 described by Subsection (c)(2) [~~indicators under Subsections~~
5 ~~(b)(2) and (4)~~], the commissioner may not consider as a dropout [~~or~~
6 ~~as~~] a student [~~who has failed to attend school a student~~] whose
7 failure to attend school results from:

8 (1) the student's expulsion under Section 37.007; and

9 (2) as applicable:

10 (A) adjudication as having engaged in delinquent
11 conduct or conduct indicating a need for supervision, as defined by
12 Section 51.03, Family Code; or

13 (B) conviction of and sentencing for an offense
14 under the Penal Code.

15 (g-1) In computing dropout and completion rates under
16 Subsection (c)(2), the commissioner shall:

17 (1) exclude students who are ordered by a court to
18 attend a high school equivalency certificate program but who have
19 not yet earned a high school equivalency certificate;

20 (2) exclude students who were previously reported to
21 the state as dropouts;

22 (3) exclude students in attendance who are not in
23 membership for purposes of average daily attendance;

24 (4) exclude students whose initial enrollment in a
25 school in the United States in grades 7 through 12 was as unschooled
26 refugees or asylees as defined by Section 39.027(a-2);

27 (5) exclude students who are in the district

1 exclusively as a function of having been detained at a county
2 detention facility but are otherwise not students of the district
3 in which the facility is located;

4 (6) exclude students who return to school at any point
5 up through the fourth Friday in October each year; and

6 (7) exclude students who are incarcerated in state
7 jails and federal penitentiaries as adults and as persons certified
8 to stand trial as adults.

9 (h) [~~e~~] Each school district shall cooperate with the
10 agency in determining whether a student is a dropout for purposes of
11 accreditation and evaluating performance by school districts and
12 campuses under this chapter [~~section~~].

13 (i) [~~f~~] ~~The indicator under Subsection (b)(1) must include~~
14 ~~the results of assessment instruments required under Section~~
15 ~~39.023(b).~~

16 [~~g~~] The commissioner by rule shall adopt accountability
17 measures to be used in assessing the progress of students who have
18 failed to perform satisfactorily as determined by the commissioner
19 under Section 39.0241(a) or under the college readiness standard as
20 determined under Section 39.0241 in the preceding school year on an
21 assessment instrument required under Section 39.023(a), (c), or
22 (1).

23 Sec. 39.054. METHODS AND STANDARDS FOR EVALUATING
24 PERFORMANCE. (a) The commissioner shall adopt rules consistent
25 with this section to evaluate school district and campus
26 performance and assign each district and campus a performance
27 rating that reflects satisfactory performance, unsatisfactory

1 performance, or performance eligible for distinction under
2 Subchapter G.

3 (a-1) A campus is considered academically accredited if the
4 campus is assigned a satisfactory performance rating under this
5 section.

6 (b) In evaluating performance, the commissioner shall
7 evaluate against state standards and consider the performance of
8 each campus in a school district and each open-enrollment charter
9 school on the basis of:

10 (1) the campus's or school's performance on the
11 student achievement indicators adopted under Section 39.053(c);
12 and

13 (2) whether a significant pattern of decreased
14 academic performance has developed as a result of the promotion in
15 the preceding two school years of students who did not perform
16 satisfactorily as determined by the commissioner under Section
17 39.0241(a) on assessment instruments administered under Section
18 39.023(a), (c), or (l).

19 (b-1) [39.072. ACCREDITATION STANDARDS. (a) The State
20 Board of Education shall adopt rules to evaluate the performance of
21 school districts and to assign to each district a performance
22 rating as follows:

23 [(1) exemplary (meets or exceeds state exemplary
24 standards),

25 [(2) recognized (meets or exceeds required
26 improvement and within 10 percent of state exemplary standards),

27 [(3) academically acceptable (below the exemplary and

1 ~~recognized standards but exceeds the academically unacceptable~~
2 ~~standards); or~~

3 ~~[(4) academically unacceptable (below the state~~
4 ~~clearly unacceptable performance standard and does not meet~~
5 ~~required improvement)].~~

6 ~~[(b) The academic excellence indicators adopted under~~
7 ~~Sections 39.051(b)(1) through (8) and the district's current~~
8 ~~special education compliance status with the agency shall be the~~
9 ~~main considerations of the agency in the rating of the district~~
10 ~~under this section. Additional criteria in the rules may include~~
11 ~~consideration of:~~

12 ~~[(1) compliance with statutory requirements and~~
13 ~~requirements imposed by rule of the State Board of Education under~~
14 ~~specific statutory authority that relate to:~~

15 ~~[(A) reporting data through the Public Education~~
16 ~~Information Management System (PEIMS);~~

17 ~~[(B) the high school graduation requirements~~
18 ~~under Section 28.025; or~~

19 ~~[(C) an item listed in Sections~~
20 ~~7.056(e)(3)(C)-(I) that applies to the district;~~

21 ~~[(2) the effectiveness of the district's programs for~~
22 ~~special populations; and~~

23 ~~[(3) the effectiveness of the district's career and~~
24 ~~technology programs.~~

25 ~~[(c) The agency shall evaluate against state standards and~~
26 ~~shall, not later than August 1 of each year, report the performance~~
27 ~~of each campus in a district and each open-enrollment charter~~

1 ~~school on the basis of the campus's performance on the indicators~~
2 ~~adopted under Sections 39.051(b)(1) through (8).]~~ Consideration of
3 the effectiveness of district programs under Section
4 39.052(b)(2)(B) or (C):

5 (1) [Subsection (b)(2) or (3)] must:

6 (A) be based on data collected through the Public
7 Education Information Management System (PEIMS) for purposes of
8 accountability under this chapter; and

9 (B) include the results of assessments required
10 under Section 39.023; and

11 (2) may be based on the results of a special
12 accreditation investigation conducted under Section 39.057.

13 (c) In evaluating school district and campus performance on
14 the student achievement indicators adopted under Sections
15 39.053(c)(1) and (2), the commissioner shall identify satisfactory
16 performance as meeting the state standard determined by the
17 commissioner under Section 39.053(f) for the current school year
18 based on:

19 (1) student performance in the current school year; or

20 (2) student performance as averaged over the current
21 school year and the preceding two school years.

22 ~~(d) [Notwithstanding any other provision of this code, for~~
23 ~~purposes of determining the performance of a school district under~~
24 ~~this chapter, including the accreditation status of the district, a~~
25 ~~student confined by court order in a residential program or~~
26 ~~facility operated by or under contract with the Texas Youth~~
27 ~~Commission, Texas Juvenile Probation Commission, or any other~~

1 ~~governmental entity, including a juvenile board, is not considered~~
2 ~~to be a student of the school district in which the program or~~
3 ~~facility is physically located. The performance of such a student~~
4 ~~on an assessment instrument or other academic excellence indicator~~
5 ~~adopted under Section 39.051 shall be determined, reported, and~~
6 ~~considered separately from the performance of students attending a~~
7 ~~school of the district in which the program or facility is~~
8 ~~physically located.~~

9 ~~[Sec. 39.0721. GOLD PERFORMANCE RATING PROGRAM. (a) In~~
10 ~~addition to district and campus performance ratings reported under~~
11 ~~Section 39.072, the commissioner shall develop a gold performance~~
12 ~~rating program based on enhanced performance. The agency shall~~
13 ~~administer the program.~~

14 ~~[(b) Under the gold performance rating program, a district~~
15 ~~or campus rated exemplary under Section 39.072 is eligible for an~~
16 ~~exemplary gold rating, a district or campus rated recognized is~~
17 ~~eligible for a recognized gold rating, and a district or campus~~
18 ~~rated academically acceptable is eligible for an academically~~
19 ~~acceptable gold rating.~~

20 ~~[(c) The performance standards on which a gold performance~~
21 ~~rating is based should include:~~

22 ~~[(1) student proficiency on:~~

23 ~~[(A) assessment instruments administered under~~
24 ~~Sections 39.023(a), (c), and (1), and~~

25 ~~[(B) other measures of proficiency determined by~~
26 ~~the commissioner,~~

27 ~~[(2) student performance on one or more nationally~~

1 ~~recognized norm-referenced assessment instruments;~~

2 ~~[(3) improvement in student performance;~~

3 ~~[(4) in the case of middle or junior high school~~
4 ~~campuses, student proficiency in mathematics, including algebra,~~
5 ~~and~~

6 ~~[(5) in the case of high school campuses:~~

7 ~~[(A) the extent to which graduating students are~~
8 ~~academically prepared to attend institutions of higher education;~~

9 ~~[(B) the percentage of students who take advanced~~
10 ~~placement tests and student performance on those tests; and~~

11 ~~[(C) the percentage of students who take and~~
12 ~~successfully complete advanced academic courses or college-level~~
13 ~~course work offered through dual credit programs provided under~~
14 ~~agreements between high schools and institutions of higher~~
15 ~~education.~~

16 ~~[(d) The commissioner may adopt rules as necessary to~~
17 ~~implement and administer this section.~~

18 ~~[Sec. 39.073. DETERMINING ACCREDITATION STATUS. (a) The~~
19 ~~agency shall annually review the performance of each district and~~
20 ~~campus on the indicators adopted under Sections 39.051(b)(1)~~
21 ~~through (8) and determine if a change in the accreditation status of~~
22 ~~the district is warranted. The commissioner may determine how all~~
23 ~~indicators adopted under Section 39.051(b) may be used to determine~~
24 ~~accountability ratings and to select districts and campuses for~~
25 ~~acknowledgment.~~

26 ~~[(b)]~~ Each annual performance review under this section
27 shall include an analysis of the student achievement indicators

1 adopted under Section 39.053(c) [~~Sections 39.051(b)(1) through~~
2 ~~(8)~~] to determine school district and campus performance in
3 relation to:

- 4 (1) standards established for each indicator; and
5 (2) required improvement as defined under Section
6 39.053(e).

7 (d-1) The commissioner by rule may adopt a method of
8 evaluation by which a district or campus is not assigned an
9 unsatisfactory performance rating solely because the district or
10 campus fails to satisfy the minimum performance standards on 15
11 percent or fewer of the measures of evaluation the commissioner
12 determines appropriate with respect to the student achievement
13 indicators adopted under Section 39.053(c). Under the method of
14 evaluation adopted by the commissioner under this subsection, the
15 commissioner:

16 (1) may grant an exception under this subsection to a
17 district or campus only if the performance of the district or campus
18 is within five percentage points of the minimum performance
19 standard established by the commissioner for the measure of
20 evaluation;

21 (2) may not grant an exception under this subsection
22 if a district or campus fails to satisfy the minimum performance
23 standard on the same measure of evaluation for two consecutive
24 school years; and

25 (3) may establish other performance criteria for a
26 district or campus to obtain an exception under this subsection
27 [~~39.051(c); and~~

1 ~~[(3) comparable improvement as defined by Section~~
2 ~~39.051(c)].~~

3 ~~[(c) A district's accreditation rating may be raised or~~
4 ~~lowered based on the district's performance or may be lowered based~~
5 ~~on the unacceptable performance of one or more campuses in the~~
6 ~~district.]~~

7 ~~[(d) The commissioner shall notify a district that is rated~~
8 ~~academically unacceptable that the performance of the district or a~~
9 ~~campus in the district is below each standard under Subsection (b)~~
10 ~~and shall require the district to notify property owners and~~
11 ~~parents in the district of the lowered accreditation rating and its~~
12 ~~implication.]~~

13 ~~(e) [In determining a district's accreditation rating, the~~
14 ~~agency shall consider:~~

15 ~~[(1) the district's current special education~~
16 ~~compliance status with the agency; and~~

17 ~~[(2) the progress of students who have failed to~~
18 ~~perform satisfactorily in the preceding school year on an~~
19 ~~assessment instrument required under Section 39.023(a), (c), or~~
20 ~~(1).]~~

21 ~~[(f)]~~ In the computation of dropout rates under Section
22 39.053(c)(2) ~~[39.051(b)(2)]~~, a student who is released from a
23 juvenile pre-adjudication secure detention facility or juvenile
24 post-adjudication secure correctional facility and fails to enroll
25 in school or a student who leaves a residential treatment center
26 after receiving treatment for fewer than 85 days and fails to enroll
27 in school may not be considered to have dropped out from the ~~[campus~~

1 ~~or~~] school district or campus serving the facility or center unless
2 that district or campus [~~or district~~] is the one to which the
3 student is regularly assigned. The commissioner may not limit the
4 number of students excluded from being counted as dropouts under
5 this subsection.

6 Sec. 39.055. STUDENT ORDERED BY A JUVENILE COURT NOT
7 CONSIDERED FOR ACCOUNTABILITY PURPOSES. Notwithstanding any other
8 provision of this code, for purposes of determining the performance
9 of a school district or campus under this chapter, a student ordered
10 by a juvenile court into a residential program or facility operated
11 by or under contract with the Texas Youth Commission, the Texas
12 Juvenile Probation Commission, a juvenile board, or any other
13 governmental entity is not considered to be a student of the school
14 district in which the program or facility is physically located.
15 The performance of such a student on an assessment instrument or
16 other student achievement indicator adopted under Section 39.053 or
17 reporting indicator adopted under Section 39.301 shall be
18 determined, reported, and considered separately from the
19 performance of students attending a school of the district in which
20 the program or facility is physically located.

21 Sec. 39.056 [~~39.074~~]. ON-SITE INVESTIGATIONS. (a) The
22 commissioner may:

23 (1) direct the agency to conduct on-site
24 investigations of a school district at any time to answer any
25 questions concerning a program, including special education,
26 required by federal law or for which the district receives federal
27 funds; and

1 (2) [~~raise or lower the performance rating~~] as a
2 result of the investigation, change the accreditation status of a
3 district or accountability rating of a district or campus or
4 withdraw a distinction designation under Subchapter G.

5 (b) The commissioner shall determine the frequency of
6 on-site investigations by the agency according to annual
7 comprehensive analyses of student performance and equity in
8 relation to the student achievement [~~academic excellence~~]
9 indicators adopted under Section 39.053 [~~39.051~~].

10 (c) In making an on-site [~~accreditation~~] investigation, the
11 investigators shall obtain information from administrators,
12 teachers, and parents of students enrolled in the school district.
13 The investigation may not be closed until information is obtained
14 from each of those sources. The State Board of Education shall
15 adopt rules for:

16 (1) obtaining information from parents and using that
17 information in the investigator's report; and

18 (2) obtaining information from teachers in a manner
19 that prevents a [~~campus or~~] district or campus from screening the
20 information.

21 (d) The agency shall give written notice to the
22 superintendent and the board of trustees of a school district of any
23 impending investigation of the district's accreditation.

24 (e) [~~If an annual review indicates low performance on one or~~
25 ~~more of the indicators under Sections 39.051(b)(1) through (8) of~~
26 ~~one or more campuses in a district, the agency may conduct an~~
27 ~~on-site evaluation of those campuses only.~~

1 ~~[(f)]~~ The investigators shall report orally and in writing
2 to the board of trustees of the school district and, as appropriate,
3 to campus administrators and shall make recommendations concerning
4 any necessary improvements or sources of aid such as regional
5 education service centers.

6 Sec. 39.057 [~~39.075~~]. SPECIAL ACCREDITATION INVESTIGATIONS.

7 (a) The commissioner shall authorize special accreditation
8 investigations to be conducted:

9 (1) when excessive numbers of absences of students
10 eligible to be tested on state assessment instruments are
11 determined;

12 (2) when excessive numbers of allowable exemptions
13 from the required state assessment instruments are determined;

14 (3) in response to complaints submitted to the agency
15 with respect to alleged violations of civil rights or other
16 requirements imposed on the state by federal law or court order;

17 (4) in response to established compliance reviews of
18 the district's financial accounting practices and state and federal
19 program requirements;

20 (5) when extraordinary numbers of student placements
21 in disciplinary alternative education programs, other than
22 placements under Sections 37.006 and 37.007, are determined;

23 (6) in response to an allegation involving a conflict
24 between members of the board of trustees or between the board and
25 the district administration if it appears that the conflict
26 involves a violation of a role or duty of the board members or the
27 administration clearly defined by this code;

1 (7) when excessive numbers of students in special
2 education programs under Subchapter A, Chapter 29, are assessed
3 through assessment instruments developed or adopted under Section
4 39.023(b);

5 (8) in response to an allegation regarding or an
6 analysis using a statistical method result indicating a possible
7 violation of an assessment instrument security procedure
8 established under Section 39.0301, including for the purpose of
9 investigating or auditing a school district under that section;
10 [~~or~~]

11 (9) when excessive numbers of students graduate under
12 the minimum high school program;

13 (10) when excessive numbers of students eligible to
14 enroll fail to complete an Algebra II course or any other course
15 determined by the commissioner as distinguishing between students
16 participating in the recommended high school program from students
17 participating in the minimum high school program; or

18 (11) as the commissioner otherwise determines
19 necessary.

20 (b) If the agency's findings in an investigation under
21 Subsection (a)(6) indicate that the board of trustees has observed
22 a lawfully adopted policy, the agency may not substitute its
23 judgment for that of the board.

24 (c) [~~(b-1)~~] The commissioner may authorize special
25 accreditation investigations to be conducted in response to
26 repeated complaints submitted to the agency concerning imposition
27 of excessive paperwork requirements on classroom teachers.

1 (d) [~~(e)~~] Based on the results of a special accreditation
2 investigation, the commissioner may:

3 (1) take appropriate action under Subchapter E [~~G~~];

4 (2) lower the school district's accreditation status
5 or the district's or campus's accountability rating; or

6 (3) take action under both Subdivisions (1) and (2).

7 (e) [~~(c)~~ ~~Based on the results of a special accreditation~~
8 ~~investigation, the commissioner may lower the district's~~
9 ~~accreditation rating and may take appropriate action under~~
10 ~~Subchapter G.~~] Regardless of whether the commissioner lowers the

11 school district's accreditation status or the district's or
12 campus's accountability rating under Subsection (d), the
13 commissioner may take action under Sections 39.101(a)(1) through
14 (8) or Section 39.102 [~~39.131(a)(1) through (8)~~] if the
15 commissioner determines that the action is necessary to improve any
16 area of a district's or campus's performance, including the
17 district's financial accounting practices.

18 Sec. 39.058 [~~39.076~~]. CONDUCT OF INVESTIGATIONS. (a) The
19 agency shall adopt written procedures for conducting on-site
20 investigations under this subchapter. The agency shall make the
21 procedures available to the complainant, the alleged violator, and
22 the public. Agency staff must be trained in the procedures and must
23 follow the procedures in conducting the investigation.

24 (b) After completing an investigation, the agency shall
25 present preliminary findings to any person the agency finds has
26 violated a law, rule, or policy. Before issuing a report with its
27 final findings, the agency must provide a person the agency finds

1 has violated a law, rule, or policy an opportunity for an informal
2 review by the commissioner or a designated hearing examiner.

3 SUBCHAPTER D [~~±~~]. FINANCIAL ACCOUNTABILITY

4 Sec. 39.081 [~~39.201~~]. DEFINITIONS. In this subchapter:

5 (1) "Parent" includes a guardian or other person
6 having lawful control of a student.

7 (2) "System" means the financial accountability
8 rating system.

9 Sec. 39.082 [~~39.202~~]. DEVELOPMENT AND IMPLEMENTATION.

10 (a) The commissioner shall, in consultation with the comptroller,
11 develop and implement a financial accountability rating system for
12 school districts in this state that:

13 (1) distinguishes among school districts based on
14 levels of financial performance; and

15 (2) includes procedures to:

16 (A) provide additional transparency to public
17 education finance; and

18 (B) enable the commissioner and school district
19 administrators to provide meaningful financial oversight and
20 improvement.

21 (b) The system must include uniform indicators adopted by
22 the commissioner by which to measure a district's financial
23 management performance.

24 Sec. 39.0821. COMPTROLLER REVIEW OF RESOURCE ALLOCATION
25 PRACTICES. The comptroller shall identify school districts and
26 campuses that use resource allocation practices that contribute to
27 high academic achievement and cost-effective operations. In

1 identifying districts and campuses under this section, the
2 comptroller shall:

3 (1) evaluate existing academic accountability and
4 financial data by integrating the data;

5 (2) rank the results of the evaluation under
6 Subdivision (1) to identify the relative performance of districts
7 and campuses; and

8 (3) identify potential areas for district and campus
9 improvement.

10 Sec. 39.0822. FINANCIAL SOLVENCY REVIEW REQUIRED. (a) The
11 agency shall develop a review process to anticipate the future
12 financial solvency of each school district. The review process
13 shall analyze:

14 (1) district revenues and expenditures for the
15 preceding school year; and

16 (2) projected district revenues and expenditures for
17 the current school year and the following two school years.

18 (b) In analyzing the information under Subsection (a), the
19 review process developed must consider, for the preceding school
20 year, the current school year, and the following two school years,
21 as appropriate:

22 (1) student-to-staff ratios relative to expenditures,
23 including average staff salaries;

24 (2) the rate of change in the district unreserved
25 general fund balance;

26 (3) the number of students enrolled in the district;

27 (4) the adopted tax rate of the district;

1 (5) any independent audit report prepared for the
2 district; and

3 (6) actual district financial information for the
4 first quarter.

5 (c) The agency shall consult school district financial
6 officers and public finance experts in developing the review
7 process under this section.

8 (d) The agency shall develop an electronic-based program
9 for school districts to use in submitting information to the agency
10 for purposes of this section. Each district shall update
11 information for purposes of the program within the period
12 prescribed by the commissioner. The commissioner shall adopt rules
13 under this subsection to allow a district to enter estimates of
14 critical data into the program before the district adopts its
15 budget. The program must:

16 (1) be capable of importing, to the extent
17 practicable, data a district has previously submitted to the
18 agency;

19 (2) include an entry space that allows a district to
20 enter information explaining any irregularity in data submitted;
21 and

22 (3) provide alerts for:

23 (A) a student-to-staff ratio that is
24 significantly outside the norm;

25 (B) a rapid depletion of the district general
26 fund balance; and

27 (C) a significant discrepancy between actual

1 budget figures and projected revenues and expenditures.

2 (e) An alert in the program developed under Subsection (d)
3 must be developed to notify the agency immediately on the
4 occurrence of a condition described by Subsection (d)(3). After
5 the agency is alerted, the agency shall immediately notify the
6 affected school district regarding the condition triggering the
7 alert.

8 Sec. 39.0823. PROJECTED DEFICIT. (a) If the review
9 process under Section 39.0822 indicates a projected deficit for a
10 school district general fund within the following three school
11 years, the district shall provide the agency interim financial
12 reports, supplemented by staff and student count data, as needed,
13 to evaluate the district's current budget status.

14 (b) If the interim financial data provided under Subsection
15 (a) substantiates the projected deficit, the school district shall
16 develop a financial plan and submit the plan to the agency for
17 approval. The agency may approve the plan only if the agency
18 determines the plan will permit the district to avoid the projected
19 insolvency.

20 (c) The commissioner shall assign a school district an
21 accredited-warned status if:

22 (1) the district fails to submit a plan as provided by
23 Subsection (b);

24 (2) the district fails to obtain approval from the
25 agency for a plan as provided by Subsection (b);

26 (3) the district fails to comply with a plan approved
27 by the agency under Subsection (b); or

1 (4) the agency determines in a subsequent school year,
2 based on financial data submitted by the district, that the
3 approved plan for the district is no longer sufficient or is not
4 appropriately implemented.

5 Sec. 39.083 [~~39.203~~]. REPORTING. (a) The commissioner
6 shall develop, as part of the system, a reporting procedure under
7 which:

8 (1) each school district is required to prepare and
9 distribute an annual financial management report; and

10 (2) the public is provided an opportunity to comment
11 on the report at a hearing.

12 (b) The annual financial management report must include:

13 (1) a description of the district's financial
14 management performance based on a comparison, provided by the
15 agency, of the district's performance on the indicators adopted
16 under Section 39.082(b) [~~39.202(b)~~] to:

17 (A) state-established standards; and

18 (B) the district's previous performance on the
19 indicators; [~~and~~]

20 (2) a description of the data submitted using the
21 electronic-based program developed under Section 39.0822; and

22 (3) any descriptive information required by the
23 commissioner.

24 (c) The report may include:

25 (1) information concerning the district's:

26 (A) financial allocations;

27 (B) tax collections;

- 1 (C) financial strength;
- 2 (D) operating cost management;
- 3 (E) personnel management;
- 4 (F) debt management;
- 5 (G) facility acquisition and construction
- 6 management;
- 7 (H) cash management;
- 8 (I) budgetary planning;
- 9 (J) overall business management;
- 10 (K) compliance with rules; and
- 11 (L) data quality; and

12 (2) any other information the board of trustees
13 determines to be necessary or useful.

14 (d) The board of trustees of each school district shall hold
15 a public hearing on the report. The board shall give notice of the
16 hearing to owners of real property in the district and to parents of
17 district students. In addition to other notice required by law,
18 notice of the hearing must be provided:

19 (1) to a newspaper of general circulation in the
20 district; and

21 (2) through electronic mail to media serving the
22 district.

23 (e) After the hearing, the report shall be disseminated in
24 the district in the manner prescribed by the commissioner.

25 Sec. 39.084 [~~39.204~~]. RULES. The commissioner shall adopt
26 rules as necessary for the implementation and administration of
27 this subchapter.

1 SUBCHAPTER E [~~G~~]. ACCREDITATION INTERVENTIONS AND SANCTIONS

2 Sec. 39.101 [~~39.131~~]. INTERVENTIONS AND SANCTIONS FOR
3 DISTRICTS. (a) If a school district does not satisfy the
4 accreditation criteria under Section 39.052 [~~39.071~~], the
5 [~~academic~~] performance standards under Section 39.053 or 39.054
6 [~~39.072~~], or any financial accountability standard as determined by
7 commissioner rule, the commissioner shall take any of the following
8 actions to the extent the commissioner determines necessary:

9 (1) issue public notice of the deficiency to the board
10 of trustees;

11 (2) order a hearing conducted by the board of trustees
12 of the district for the purpose of notifying the public of the
13 insufficient [~~unacceptable~~] performance, the improvements in
14 performance expected by the agency, and the interventions and
15 sanctions that may be imposed under this section if the performance
16 does not improve;

17 (3) order the preparation of a student achievement
18 improvement plan that addresses each student achievement [~~academic~~
19 ~~excellence~~] indicator under Section 39.053(c) for which the
20 district's performance is insufficient [~~unacceptable~~], the
21 submission of the plan to the commissioner for approval, and
22 implementation of the plan;

23 (4) order a hearing to be held before the commissioner
24 or the commissioner's designee at which the president of the board
25 of trustees of the district and the superintendent shall appear and
26 explain the district's low performance, lack of improvement, and
27 plans for improvement;

- 1 (5) arrange an on-site investigation of the district;
- 2 (6) appoint an agency monitor to participate in and
3 report to the agency on the activities of the board of trustees or
4 the superintendent;
- 5 (7) appoint a conservator to oversee the operations of
6 the district;
- 7 (8) appoint a management team to direct the operations
8 of the district in areas of insufficient ~~[unacceptable]~~ performance
9 or require the district to obtain certain services under a contract
10 with another person;
- 11 (9) if a district has a current accreditation status
12 of accredited-warned or accredited-probation, fails to satisfy any
13 standard under Section 39.054(d) ~~[is rated academically~~
14 ~~unacceptable]~~, or fails to satisfy financial accountability
15 standards as determined by commissioner rule, appoint a board of
16 managers to exercise the powers and duties of the board of trustees;
- 17 (10) if for two consecutive school years, including
18 the ~~[current]~~ school year for which performance is currently
19 determined, a district has received an accreditation status of
20 accredited-warned or accredited-probation, has failed to satisfy
21 any standard under Section 39.054(d) ~~[been rated academically~~
22 ~~unacceptable]~~, or has failed to satisfy financial accountability
23 standards as determined by commissioner rule, revoke the district's
24 accreditation and:
- 25 (A) order closure of the district and annex the
26 district to one or more adjoining districts under Section 13.054;
27 or

1 (B) in the case of a home-rule school district or
2 open-enrollment charter school, order closure of all programs
3 operated under the district's or school's charter; or

4 (11) if a district has failed to satisfy any standard
5 under Section 39.054(d) [~~been rated academically unacceptable for~~
6 ~~two consecutive school years, including the current school year,~~]
7 due to the district's dropout rates, impose sanctions designed to
8 improve high school completion rates, including:

9 (A) ordering the development of a dropout
10 prevention plan for approval by the commissioner;

11 (B) restructuring the district or appropriate
12 school campuses to improve identification of and service to
13 students who are at risk of dropping out of school, as defined by
14 Section 29.081;

15 (C) ordering lower student-to-counselor ratios
16 on school campuses with high dropout rates; and

17 (D) ordering the use of any other intervention
18 strategy effective in reducing dropout rates, including mentor
19 programs and flexible class scheduling.

20 (b) This subsection applies regardless of whether a
21 district has satisfied the accreditation criteria. If for two
22 consecutive school years, including the [~~current~~] school year for
23 which the accreditation status is currently determined, a district
24 has had a conservator or management team assigned, the commissioner
25 may appoint a board of managers, a majority of whom must be
26 residents of the district, to exercise the powers and duties of the
27 board of trustees.

1 Sec. 39.102 [~~39.132~~]. INTERVENTIONS AND SANCTIONS FOR
2 [ACADEMICALLY UNACCEPTABLE] CAMPUSES. (a) If a campus
3 performance is below any standard under Section 39.054(d)
4 [~~39.073(b)~~], the [~~campus is considered an academically~~
5 ~~unacceptable campus. The~~] commissioner [~~may permit the campus to~~
6 ~~participate in an innovative redesign of the campus to improve~~
7 ~~campus performance or~~] shall take [~~any of the other following~~]
8 actions, to the extent the commissioner determines necessary, as
9 provided by this subchapter.

10 (b) For a campus described by Subsection (a), the
11 commissioner, to the extent the commissioner determines necessary,
12 may[+

13 ~~[(1) issue public notice of the deficiency to the~~
14 ~~board of trustees,~~

15 ~~[(2) order a hearing conducted by the board of~~
16 ~~trustees at the campus for the purpose of:~~

17 ~~[(A) notifying the public of the unacceptable~~
18 ~~performance, the improvements in performance expected by the~~
19 ~~agency, and the sanctions that may be imposed under this section if~~
20 ~~the performance does not improve within a designated period of~~
21 ~~time, and~~

22 ~~[(B) soliciting public comment on the initial~~
23 ~~steps being taken to improve performance,~~

24 ~~[(3) order the preparation of a report regarding the~~
25 ~~parental involvement program at the campus and a plan describing~~
26 ~~strategies for improving parental involvement at the campus,~~

27 ~~[(4) order the preparation of a report regarding the~~

1 ~~effectiveness of the district- and campus-level planning and~~
2 ~~decision-making committees established under Subchapter F, Chapter~~
3 ~~11, and a plan describing strategies for improving the~~
4 ~~effectiveness of those committees;~~

5 ~~[(5) order the preparation of a student improvement~~
6 ~~plan that addresses each academic excellence indicator for which~~
7 ~~the campus's performance is unacceptable, the submission of the~~
8 ~~plan to the commissioner for approval, and implementation of the~~
9 ~~plan;~~

10 ~~[(6)]~~ order a hearing to be held before the
11 commissioner or the commissioner's designee at which the president
12 of the board of trustees, the superintendent, and the campus
13 principal shall appear and explain the campus's low performance,
14 lack of improvement, and plans for improvement [~~;~~ ~~or~~

15 ~~[(7) appoint a campus intervention team under Section~~
16 ~~39.1322].~~

17 (c) Notwithstanding the provisions of this subchapter, if
18 the commissioner determines that a campus subject to interventions
19 or sanctions under this subchapter has implemented substantially
20 similar intervention measures under federal accountability
21 requirements, the commissioner may accept the substantially
22 similar intervention measures as measures in compliance with this
23 subchapter.

24 Sec. 39.103 [~~39.1321~~]. INTERVENTIONS AND SANCTIONS FOR
25 CHARTER SCHOOLS. (a) Interventions and sanctions [~~Sanctions~~]
26 authorized under this chapter for a school district or campus apply
27 in the same manner to an open-enrollment charter school.

1 (b) The commissioner shall adopt rules to implement
2 procedures to impose any intervention or sanction provision under
3 this chapter as those provisions relate to open-enrollment charter
4 schools.

5 (c) In adopting rules under this section, the commissioner
6 shall require that the charter of an open-enrollment charter
7 school:

8 (1) be automatically revoked if the charter school is
9 ordered closed under this chapter; and

10 (2) be automatically modified to remove authorization
11 for an individual campus if the campus is ordered closed under this
12 chapter.

13 (d) If interventions or sanctions are imposed on an
14 open-enrollment charter school under the procedures provided by
15 this chapter, a charter school is not entitled to an additional
16 hearing relating to the modification, placement on probation,
17 revocation, or denial of renewal of a charter as provided by
18 Subchapter D, Chapter 12.

19 Sec. 39.104 [~~39.1322~~]. [~~TECHNICAL ASSISTANCE AND~~] CAMPUS
20 IMPROVEMENT PLAN [~~INTERVENTION TEAMS~~]. (a) This section applies
21 if [~~If~~] a campus performance satisfies performance standards under
22 Section 39.054(d) [~~is rated academically acceptable~~] for the
23 current school year but would not satisfy performance standards
24 under Section 39.054(d) [~~be rated as academically unacceptable~~] if
25 the [~~performance~~] standards to be used for the following school
26 year were applied to the current school year. On request of [~~r~~] the
27 commissioner, the campus shall submit to the commissioner in an

1 electronic format the portions of the campus improvement plan
2 developed under Section 11.253 that are relevant to those areas for
3 which the campus would not satisfy performance standards [~~select~~
4 ~~and assign a technical assistance team to assist the campus in~~
5 ~~executing a school improvement plan and any other school~~
6 ~~improvement strategies the commissioner determines appropriate.~~
7 ~~The commissioner may waive the requirement to assign a technical~~
8 ~~assistance team under this subsection if the improvement in~~
9 ~~performance standards among all student groups, including special~~
10 ~~populations, over the preceding three years indicates that the~~
11 ~~campus is likely to be rated academically acceptable in the~~
12 ~~following school year].~~

13 (b) If the [a] campus to which this section applies is an
14 open-enrollment charter school, the school shall establish a
15 campus-level planning and decision-making committee as provided
16 for through procedures as much as practicable the same as those
17 provided by Sections 11.251(b)-(e) and develop a campus improvement
18 plan as provided by Section 11.253. On request of the commissioner,
19 the school shall submit to the commissioner in an electronic format
20 the portions of the campus improvement plan that are relevant to
21 those areas for which the school would not satisfy performance
22 standards [~~has been identified as academically unacceptable under~~
23 ~~Section 39.132, the commissioner shall appoint a campus~~
24 ~~intervention team.~~

25 [~~(c) To the extent practicable, the commissioner shall~~
26 ~~select and assign the technical assistance team under Subsection~~
27 ~~(a) or the campus intervention team under Subsection (b) before the~~

1 ~~first day of instruction for the school year.~~

2 ~~[(d) The commissioner may determine when the services of a~~
3 ~~technical assistance team or campus intervention team are no longer~~
4 ~~needed at a campus under this section].~~

5 Sec. 39.105 [~~39.1323~~]. CAMPUS INTERVENTION TEAM
6 [~~PROCEDURES~~]. (a) If a campus performance is below any standard
7 under Section 39.054(d), the commissioner shall assign a campus
8 intervention team. A campus intervention team shall:

9 (1) conduct:

10 (A) a targeted [comprehensive] on-site needs
11 assessment relevant to an area of insufficient performance
12 [evaluation] of the campus as provided by Subsection (b) [to
13 ~~determine the cause for the campus's low performance and lack of~~
14 ~~progress]; or~~

15 (B) if the commissioner determines necessary, a
16 comprehensive on-site needs assessment, using the procedures
17 provided by Subsection (b);

18 (2) recommend appropriate actions as provided by
19 Subsection (c) [including reallocation of resources and technical
20 assistance, changes in school procedures or operations, staff
21 development for instructional and administrative staff,
22 intervention for individual administrators or teachers, waivers
23 from state statute or rule, or other actions the team considers
24 appropriate];

25 (3) assist in the development of a targeted [school]
26 improvement plan [for student achievement]; [and]

27 (4) assist the campus in submitting the targeted

1 improvement plan to the board of trustees for approval and
2 presenting the plan in a public hearing as provided by Subsection
3 (e-1); and

4 (5) assist the commissioner in monitoring the progress
5 of the campus in implementing the targeted ~~[school]~~ improvement
6 plan ~~[for improvement of student achievement]~~.

7 (b) An ~~[A campus intervention team assigned under Section~~
8 ~~39.1322 to a campus shall conduct a comprehensive]~~ on-site needs
9 assessment of the campus under Subsection (a) must ~~[to]~~ determine
10 the contributing ~~[causal]~~ factors resulting in the campus's low
11 performance and lack of progress. The team shall use any of the
12 following guidelines and procedures relevant to any area of
13 insufficient performance in conducting a targeted on-site needs
14 assessment and shall use each of the following guidelines and
15 procedures in conducting a a ~~[the]~~ comprehensive on-site needs
16 assessment ~~[of the campus]~~:

17 (1) an assessment of the staff to determine the
18 percentage of certified teachers who are teaching in their field,
19 the number of teachers with less than three years of experience, and
20 teacher turnover rates;

21 (2) compliance with the appropriate class-size rules
22 and number of class-size waivers received;

23 (3) an assessment of the quality, quantity, and
24 appropriateness of instructional materials, including the
25 availability of technology-based instructional materials;

26 (4) a report on the parental involvement strategies
27 and the effectiveness of the strategies;

1 (5) an assessment of the extent and quality of the
2 mentoring program provided for new teachers on the campus;

3 (6) an assessment of the type and quality of the
4 professional development provided to the staff;

5 (7) a demographic analysis of the student population,
6 including student demographics, at-risk populations, and special
7 education percentages;

8 (8) a report of disciplinary incidents and school
9 safety information;

10 (9) financial and accounting practices;

11 (10) an assessment of the appropriateness of the
12 curriculum and teaching strategies; and

13 (11) any other research-based data or information
14 obtained from a data collection process that would assist the
15 campus intervention team in:

16 (A) recommending an action under Subsection (c);
17 and

18 (B) executing a targeted ~~[school]~~ improvement
19 plan under Subsection (d-1) ~~[(d)]~~.

20 (c) On completing the on-site needs assessment ~~[evaluation]~~
21 under this section, the campus intervention team shall recommend
22 actions relating to any area of insufficient performance,
23 including:

24 (1) reallocation of resources;

25 (2) technical assistance;

26 (3) changes in school procedures or operations;

27 (4) staff development for instructional and

1 administrative staff;

2 (5) intervention for individual administrators or
3 teachers;

4 (6) waivers from state statutes or rules; or

5 (7) other actions the campus intervention team
6 considers appropriate.

7 (d) The campus intervention team shall assist the campus in
8 submitting the targeted improvement plan to the commissioner for
9 approval.

10 (d-1) In executing the targeted [~~a school~~] improvement plan
11 [~~developed under Subsection (a)(3)~~], the campus intervention team
12 shall, if appropriate:

13 (1) assist the campus in implementing research-based
14 practices for curriculum development and classroom instruction,
15 including bilingual education and special education programs[~~, if~~
16 ~~appropriate,~~] and financial management; and

17 (2) provide research-based technical assistance,
18 including data analysis, academic deficiency identification,
19 intervention implementation, and budget analysis, to strengthen
20 and improve the instructional programs at the campus[~~, and~~

21 [~~(3) submit the school improvement plan to the~~
22 ~~commissioner for approval]~~.

23 (e) For each year campus performance is below any standard
24 under Section 39.054(d), a [A] campus intervention team shall
25 [appointed under Section 39.1322(b)]:

26 (1) [~~shall~~] continue to work with a campus until:

27 (A) the campus satisfies all performance

1 standards under Section 39.054(d) [~~is rated academically~~
2 ~~acceptable~~] for a two-year period; or

3 (B) the campus satisfies all performance
4 standards under Section 39.054(d) [~~is rated academically~~
5 ~~acceptable~~] for a one-year period and the commissioner determines
6 that the campus is operating and will continue to operate in a
7 manner that improves student achievement; [~~and~~]

8 (2) assist in updating the targeted improvement plan
9 to identify and analyze areas of growth and areas that require
10 improvement; and

11 (3) submit each updated plan described by Subdivision
12 (2) to the board of trustees of the school district [~~may continually~~
13 ~~update the school improvement plan, with approval from the~~
14 ~~commissioner, to meet the needs of the campus~~].

15 (e-1) After a targeted improvement plan or updated plan is
16 submitted to the board of trustees of the school district, the
17 board:

18 (1) shall conduct a hearing for the purpose of:

19 (A) notifying the public of the insufficient
20 performance, the improvements in performance expected by the
21 agency, and the intervention measures or sanctions that may be
22 imposed under this subchapter if the performance does not improve
23 within a designated period; and

24 (B) soliciting public comment on the targeted
25 improvement plan or any updated plan;

26 (2) may conduct one hearing relating to one or more
27 campuses subject to a targeted improvement plan or an updated plan;

1 and

2 (3) shall submit the targeted improvement plan or any
3 updated plan to the commissioner for approval.

4 (f) Notwithstanding any other provision of this subchapter,
5 if the commissioner determines that a campus for which an
6 intervention is ordered under Subsection (a) [~~Section 39.1322(b)~~]
7 is not fully implementing the campus intervention team's
8 recommendations or targeted [~~school~~] improvement plan or updated
9 plan, the commissioner may order the reconstitution of the campus
10 as provided by Section 39.106.

11 Sec. 39.106 [~~39.1324~~]. RECONSTITUTION, REPURPOSING,
12 ALTERNATIVE MANAGEMENT, AND CLOSURE [~~MANDATORY SANCTIONS~~].

13 (a) Unless otherwise provided under the procedures for approval of
14 an updated targeted improvement plan under Section 39.105(e-1) or
15 this subsection, after [~~If~~] a campus has been identified as below
16 any standard under Section 39.054(d) [~~academically unacceptable~~]
17 for two consecutive school years, [~~including the current school~~
18 ~~year,~~] the commissioner shall order the reconstitution of the
19 campus [~~and assign a campus intervention team~~]. In reconstituting
20 a [~~the~~] campus, a campus intervention team shall assist the campus
21 in:

22 (1) developing an updated targeted [~~a school~~]
23 improvement plan;

24 (2) submitting the updated targeted improvement plan
25 to the board of trustees of the school district for approval and
26 presenting the plan in a public hearing as provided by Section
27 39.105(e-1);

1 (3) [~~(2)~~] obtaining approval of the updated plan from
2 the commissioner; and

3 (4) [~~(3)~~] executing the plan on approval by the
4 commissioner.

5 (b) The campus intervention team shall decide which
6 educators may be retained at that campus. A principal who has been
7 employed by the campus in that capacity during the full [~~two-year~~]
8 period described by Subsection (a) may not be retained at that
9 campus unless the campus intervention team determines that:

10 (1) students enrolled at the campus have demonstrated
11 significant academic improvement; or

12 (2) retention is appropriate under Section 39.236.

13 (b-1) A teacher of a subject assessed by an assessment
14 instrument under Section 39.023 may be retained only if the campus
15 intervention team determines that a pattern exists of significant
16 academic improvement by students taught by the teacher. If an
17 educator is not retained, the educator may be assigned to another
18 position in the district.

19 (b-2) For each year the performance of a campus is below any
20 standard under Section 39.054(d) after the second consecutive
21 school year the performance of the campus is below any standard
22 under Section 39.054(d), a campus intervention team shall:

23 (1) assist in updating the targeted improvement plan
24 to identify and analyze areas of growth and areas that require
25 improvement;

26 (2) submit the updated plan to the board of trustees of
27 the school district; and

1 (3) assist in submitting the updated plan to the
2 commissioner for approval.

3 (c) A campus subject to Subsection (a) shall implement the
4 updated targeted [school] improvement plan as approved by the
5 commissioner. The commissioner may appoint a monitor, conservator,
6 management team, or [a] board of managers to the district to ensure
7 and oversee district-level support to low-performing campuses and
8 the implementation of the updated targeted [school] improvement
9 plan. In making appointments under this subsection, the
10 commissioner shall consider individuals who have demonstrated
11 success in managing campuses with student populations from similar
12 demographic groups and with similar educational needs as the
13 student population the campus at which the individual appointed
14 will serve.

15 (d) ~~If [Notwithstanding any other provision of this~~
16 ~~subchapter, if]~~ the commissioner determines that the [a] campus
17 [subject to Subsection (a)] is not fully implementing the updated
18 targeted [school] improvement plan or if the students enrolled at
19 the campus fail to demonstrate substantial improvement in the areas
20 targeted by the updated plan, the commissioner may order:

21 (1) repurposing of the campus under this section;

22 (2) [pursue] alternative management of the campus
23 under this section; [Section 39.1327] or

24 (3) [may order] closure of the campus.

25 (e) ~~[If a campus is considered an academically unacceptable~~
26 ~~campus for the subsequent school year after the campus is~~
27 ~~reconstituted under this section, the commissioner shall review the~~

1 ~~progress of the campus and may order closure of the campus or pursue~~
2 ~~alternative management under Section 39.1327.~~

3 ~~[(f)]~~ If the performance of a campus is below any standard
4 under Section 39.054(d) ~~[considered academically unacceptable]~~ for
5 three ~~[two]~~ consecutive school years after the campus is
6 reconstituted under Subsection (a), the commissioner shall order:

7 (1) repurposing of the campus under this section;

8 (2) alternative management of the campus under this
9 section; or

10 (3) closure of the campus ~~[or pursue alternative~~
11 ~~management under Section 39.1327]~~.

12 (f) If the commissioner orders repurposing of a campus, the
13 school district shall develop a comprehensive plan for repurposing
14 the campus and submit the plan to the board of trustees for
15 approval, using the procedures described by Section 39.105(e-1),
16 and to the commissioner for approval. The plan must include a
17 description of a rigorous and relevant academic program for the
18 campus. The plan may include various instructional models. The
19 commissioner may not approve the repurposing of a campus unless:

20 (1) all students in the assigned attendance zone of
21 the campus in the school year immediately preceding the repurposing
22 of the campus are provided with the opportunity to enroll in and are
23 provided transportation on request to another school, which may
24 include another school on the same campus, unless the commissioner
25 grants an exception because there is no other school in the district
26 in which the students may enroll;

27 (2) the principal is not retained at the campus,

1 unless the commissioner determines that students enrolled at the
2 campus have demonstrated significant academic improvement; and

3 (3) at least 75 percent of the teachers employed at the
4 campus in the school year immediately preceding the repurposing of
5 the campus are not retained at the campus, unless the commissioner
6 or the commissioner's designee grants an exception, at the request
7 of a school district, for:

8 (A) a teacher who provides instruction in a
9 subject other than a subject for which an assessment instrument is
10 administered under Section 39.023(a) or (c) who demonstrates to the
11 commissioner satisfactory performance; or

12 (B) a teacher who provides instruction in a
13 subject for which an assessment instrument is administered under
14 Section 39.023(a) or (c) if the district demonstrates that the
15 students of the teacher demonstrated satisfactory performance or
16 improved academic growth on that assessment instrument.

17 (g) If an educator is not retained under Subsection (f), the
18 educator may be assigned to another position in the district.

19 (h) If the commissioner orders alternative management under
20 this section, the [~~Sec. 39.1327. MANAGEMENT OF CERTAIN~~
21 ~~ACADEMICALLY UNACCEPTABLE CAMPUSES. (a) A campus may be subject~~
22 ~~to this section if the campus has been identified as academically~~
23 ~~unacceptable under Section 39.132 and the commissioner orders~~
24 ~~alternative management under Section 39.1324(d), (e), or (f).~~

25 ~~[(b) The]~~ commissioner shall solicit proposals from
26 qualified ~~[nonprofit]~~ entities to assume management of a campus
27 subject to this section or may appoint to assume management of a

1 campus subject to this section a school district other than the
2 district in which the campus is located that is located in the
3 boundaries of the same regional education service center as the
4 campus is located. A district appointed under this section shall
5 assume management of a campus subject to this section in the same
6 manner provided by this section for a qualified [~~nonprofit~~] entity
7 or in accordance with commissioner rule.

8 (i) [~~(e)~~] If the commissioner determines that the basis for
9 the unsatisfactory performance of [~~identifying~~] a campus for more
10 than two consecutive school years [~~as academically unacceptable~~] is
11 limited to a specific condition that may be remedied with targeted
12 technical assistance, the commissioner may[+]

13 [~~(1) provide the campus a one-year waiver under this~~
14 ~~section; and~~

15 [~~(2)~~] require the district to contract for the
16 appropriate technical assistance.

17 (j) [~~(d)~~] The commissioner may annually solicit proposals
18 under this section for the management of a campus subject to this
19 section. The commissioner shall notify a qualified [~~nonprofit~~]
20 entity that has been approved as a provider under this section. The
21 district must execute a contract with an approved provider and
22 relinquish control of the campus before January 1 of the school
23 year.

24 (k) [~~(e)~~] To qualify for consideration as a managing entity
25 under this section, the entity must submit a proposal that provides
26 information relating to the entity's management and leadership team
27 that will participate in management of the campus under

1 consideration, including information relating to individuals that
2 have:

3 (1) documented success in whole school interventions
4 that increased the educational and performance levels of students
5 in [~~academically unacceptable~~] campuses in which the campus
6 performance was below any standard under Section 39.054(d);

7 (2) a proven record of effectiveness with programs
8 assisting low-performing students;

9 (3) a proven ability to apply research-based school
10 intervention strategies;

11 (4) a proven record of financial ability to perform
12 under the management contract; and

13 (5) any other experience or qualifications the
14 commissioner determines necessary.

15 (1) [~~(f)~~] In selecting a managing entity under this
16 section, the commissioner shall give preference to a qualified
17 [~~nonprofit~~] entity that:

18 (1) meets any qualifications under this section; and

19 (2) has documented success in educating students from
20 similar demographic groups and with similar educational needs as
21 the students who attend the campus that is to be operated by a
22 managing entity under this section.

23 (m) [~~(g)~~] The school district may negotiate the term of a
24 management contract for not more than five years with an option to
25 renew the contract. The management contract must include a
26 provision describing the district's responsibilities in supporting
27 the operation of the campus. The commissioner shall approve the

1 contract before the contract is executed and, as appropriate, may
2 require the district, as a term of the contract, to support the
3 campus in the same manner as the district was required to support
4 the campus before the execution of the management contract.

5 (n) [~~(h)~~] A management contract under this section shall
6 include provisions approved by the commissioner that require the
7 managing entity to demonstrate improvement in campus performance,
8 including negotiated performance measures. The performance
9 measures must be consistent with the priorities of this chapter.
10 The commissioner shall evaluate a managing entity's performance on
11 the first and second anniversaries of the date of the management
12 contract. If the evaluation fails to demonstrate improvement as
13 negotiated under the contract by the first anniversary of the date
14 of the management contract, the district may terminate the
15 management contract, with the commissioner's consent, for
16 nonperformance or breach of contract and select another provider
17 from an approved list provided by the commissioner. If the
18 evaluation fails to demonstrate significant improvement, as
19 determined by the commissioner, by the second anniversary of the
20 date of the management contract, the district shall terminate the
21 management contract and select another provider from an approved
22 list provided by the commissioner or resume operation of the campus
23 if approved by the commissioner. If the commissioner approves the
24 district's operation of the campus, the commissioner shall assign a
25 technical assistance team to assist the campus.

26 (o) [~~(i)~~] Notwithstanding any other provision of this code,
27 the funding for a campus operated by a managing entity must be not

1 less than the funding of the other campuses in the district on a per
2 student basis so that the managing entity receives at least the same
3 funding the campus would otherwise have received.

4 (p) [~~(j)~~] Each campus operated by a managing entity under
5 this section is subject to this chapter in the same manner as any
6 other campus in the district.

7 (q) [~~(k)~~] The commissioner may adopt rules necessary to
8 implement this section.

9 (r) [~~(l)~~] With respect to the management of a campus under
10 this section:

11 (1) a managing entity is considered to be a
12 governmental body for purposes of Chapters 551 and 552, Government
13 Code; and

14 (2) any requirement in Chapter 551 or 552, Government
15 Code, that applies to a school district or the board of trustees of
16 a school district applies to a managing entity.

17 Sec. 39.107 [~~39.133~~]. ANNUAL REVIEW. The commissioner
18 shall review annually the performance of a district or campus
19 subject to this subchapter to determine the appropriate actions to
20 be implemented under this subchapter. The commissioner must review
21 at least annually the performance of a district for which the
22 accreditation status or rating has been lowered due to insufficient
23 [~~unacceptable~~] student performance and may not raise the
24 accreditation status or rating until the district has demonstrated
25 improved student performance. If the review reveals a lack of
26 improvement, the commissioner shall increase the level of state
27 intervention and sanction unless the commissioner finds good cause

1 for maintaining the current status.

2 Sec. 39.108 [~~39.1331~~]. ACQUISITION OF PROFESSIONAL
3 SERVICES. In addition to other interventions and sanctions
4 authorized under this subchapter [~~Sections 39.131 and 39.132~~], the
5 commissioner may order a school district or campus to acquire
6 professional services at the expense of the district or campus to
7 address the applicable financial, assessment, data quality,
8 program, performance, or governance deficiency. The
9 commissioner's order may require the district or campus to:

10 (1) select or be assigned an external auditor, data
11 quality expert, professional authorized to monitor district
12 assessment instrument administration, or curriculum or program
13 expert; or

14 (2) provide for or participate in the appropriate
15 training of district staff or board of trustees members in the case
16 of a district, or campus staff, in the case of a campus.

17 Sec. 39.109 [~~39.134~~]. COSTS PAID BY DISTRICT. The costs of
18 providing a monitor, conservator, management team, campus
19 intervention team, technical assistance team, managing entity, or
20 service provider under this subchapter [~~Section 39.1327, or service~~
21 ~~provider under Section 39.1331~~] shall be paid by the district. If
22 the district fails or refuses to pay the costs in a timely manner,
23 the commissioner may:

24 (1) pay the costs using amounts withheld from any
25 funds to which the district is otherwise entitled; or

26 (2) recover the amount of the costs in the manner
27 provided for recovery of an overallocation of state funds under

1 Section 42.258.

2 Sec. 39.110 [~~39.135~~]. CONSERVATOR OR MANAGEMENT TEAM.

3 (a) The commissioner shall clearly define the powers and duties of
4 a conservator or management team appointed to oversee the
5 operations of the district.

6 (b) At least every 90 days, the commissioner shall review
7 the need for the conservator or management team and shall remove the
8 conservator or management team unless the commissioner determines
9 that continued appointment is necessary for effective governance of
10 the district or delivery of instructional services.

11 (c) A conservator or management team, if directed by the
12 commissioner, shall prepare a plan for the implementation of action
13 under Section 39.101(a)(9) [~~39.131(a)(9)~~] or (10). The conservator
14 or management team:

15 (1) may direct an action to be taken by the principal
16 of a campus, the superintendent of the district, or the board of
17 trustees of the district;

18 (2) may approve or disapprove any action of the
19 principal of a campus, the superintendent of the district, or the
20 board of trustees of the district;

21 (3) may not take any action concerning a district
22 election, including ordering or canceling an election or altering
23 the date of or the polling places for an election;

24 (4) may not change the number of or method of selecting
25 the board of trustees;

26 (5) may not set a tax rate for the district; and

27 (6) may not adopt a budget for the district that

1 provides for spending a different amount, exclusive of required
2 debt service, from that previously adopted by the board of
3 trustees.

4 Sec. 39.111 [~~39.136~~]. BOARD OF MANAGERS. (a) A board of
5 managers may exercise all of the powers and duties assigned to a
6 board of trustees of a school district by law, rule, or regulation.
7 This subchapter applies to a district governed by a board of
8 managers in the same manner that this subchapter applies to any
9 other district.

10 (b) If the commissioner appoints a board of managers to
11 govern a district, the powers of the board of trustees of the
12 district are suspended for the period of the appointment and the
13 commissioner shall appoint a district superintendent.
14 Notwithstanding any other provision of this code, the board of
15 managers may amend the budget of the district.

16 (c) If the commissioner appoints a board of managers to
17 govern a campus, the powers of the board of trustees of the district
18 in relation to the campus are suspended for the period of the
19 appointment and the commissioner shall appoint a campus principal.
20 Notwithstanding any other provision of this code, the board of
21 managers may submit to the commissioner for approval amendments to
22 the budget of the district for the benefit of the campus. If the
23 commissioner approves the amendments, the board of trustees of the
24 district shall adopt the amendments.

25 (d) A conservator or a member of a management team appointed
26 to serve on a board of managers may continue to be compensated as
27 determined by the commissioner.

1 (e) At the direction of the commissioner but not later than
2 the second anniversary of the date the board of managers of a
3 district was appointed, the board of managers shall order an
4 election of members of the district board of trustees. The election
5 must be held on a uniform election date on which an election of
6 district trustees may be held under Section 41.001, Election Code,
7 that is at least 180 days after the date the election was ordered.
8 On qualification of members for office, the board of trustees
9 assumes all of the powers and duties assigned to a board of trustees
10 by law, rule, or regulation.

11 Sec. 39.112 [~~39.137~~]. [~~SPECIAL~~] CAMPUS INTERVENTION TEAM.
12 A [~~special~~] campus intervention team appointed under this
13 subchapter may consist of teachers, principals, other educational
14 professionals, and superintendents recognized for excellence in
15 their roles and appointed by the commissioner to serve as members of
16 a team.

17 Sec. 39.113 [~~39.138~~]. IMMUNITY FROM CIVIL LIABILITY. An
18 employee, volunteer, or contractor acting on behalf of the
19 commissioner under this subchapter is immune from civil liability
20 to the same extent as a professional employee of a school district
21 under Section 22.051.

22 Sec. 39.114. CAMPUS NAME CHANGE PROHIBITED. In
23 reconstituting, repurposing, or imposing any other intervention or
24 sanction on a campus under this subchapter, other than closure, the
25 commissioner may not require that the name of the campus be changed.

26 Sec. 39.115. TRANSITIONAL INTERVENTIONS AND SANCTIONS.
27 (a) During the period of transition to the accreditation system

1 established under S.B. No. 3, Acts of the 81st Legislature, Regular
2 Session, 2009, to be implemented in August 2014, the commissioner
3 may suspend assignment of accreditation statuses and performance
4 ratings for the 2011-2012 school year and, with respect to the
5 college readiness indicators under Section 39.053(c)(1)(B), for
6 the 2012-2013 school year.

7 (b) During the 2011-2012 school year and, with respect to
8 the college readiness indicators under Section 39.053(c)(1)(B),
9 the 2012-2013 school year, the commissioner shall continue to
10 implement interventions and sanctions for those districts and
11 campuses identified as having unsatisfactory performance in the
12 2010-2011 school year in accordance with the performance standards
13 applicable during the 2010-2011 school year and may increase or
14 decrease the level of interventions and sanctions based on an
15 evaluation of the district's or campus's performance.

16 (c) For purposes of determining multiple years of
17 unsatisfactory performance and required district and campus
18 interventions and sanctions under this subchapter, the performance
19 ratings and accreditation statuses issued in the 2010-2011 and
20 2012-2013 school years and, with respect to the college readiness
21 indicators under Section 39.053(c)(1)(B), the 2013-2014 school
22 year shall be considered consecutive.

23 (d) This section expires September 1, 2015.

24 SUBCHAPTER F [~~*~~]. PROCEDURES FOR CHALLENGE OF ACCOUNTABILITY

25 DETERMINATION [~~RATING OR SANCTION~~]

26 Sec. 39.151 [~~39.301~~]. REVIEW BY COMMISSIONER:

27 ACCOUNTABILITY DETERMINATION [~~RATINGS~~]. (a) The commissioner by

1 rule shall provide a process for a school district or
2 open-enrollment charter school to challenge an agency decision made
3 under this chapter relating to an academic or financial
4 accountability rating that affects the district or school.

5 (b) The rules under Subsection (a) must provide for the
6 commissioner to appoint a committee to make recommendations to the
7 commissioner on a challenge made to an agency decision relating to
8 an academic performance rating or determination or financial
9 accountability rating. The commissioner may not appoint an agency
10 employee as a member of the committee.

11 (c) The commissioner may limit a challenge under this
12 section to a written submission of any issue identified by the
13 school district or open-enrollment charter school challenging the
14 agency decision.

15 (d) The commissioner shall make a final decision under this
16 section after considering the recommendation of the committee
17 described by Subsection (b). The commissioner's decision may not
18 be appealed under Section 7.057 or other law.

19 (e) A school district or open-enrollment charter school may
20 not challenge an agency decision relating to an academic or
21 financial accountability rating under this chapter in another
22 proceeding if the district or school has had an opportunity to
23 challenge the decision under this section.

24 Sec. 39.152 [~~39.302~~]. REVIEW BY STATE OFFICE OF
25 ADMINISTRATIVE HEARINGS: SANCTIONS. (a) A school district or
26 open-enrollment charter school that intends to challenge a decision
27 by the commissioner under this chapter to close the district or a

1 district campus or the charter school or to pursue alternative
2 management of a district campus or the charter school must appeal
3 the decision under the procedures provided for a contested case
4 under Chapter 2001, Government Code.

5 (b) A challenge to a decision under this section is under
6 the substantial evidence rule as provided by Subchapter G, Chapter
7 2001, Government Code.

8 (c) Notwithstanding other law:

9 (1) the State Office of Administrative Hearings shall
10 provide an expedited review of a challenge under this section;

11 (2) the administrative law judge shall issue a final
12 order not later than the 30th day after the date on which the
13 hearing is finally closed; and

14 (3) the decision of the administrative law judge is
15 final and may not be appealed.

16 SUBCHAPTER G. DISTINCTION DESIGNATIONS

17 Sec. 39.201. ELIGIBILITY INDICATOR FOR DISTINCTION
18 DESIGNATION. (a) A district or campus is eligible for a
19 distinction designation under this subchapter if:

20 (1) the district or campus attains a minimum
21 percentage, as determined by the commissioner, of:

22 (A) students who performed satisfactorily, as
23 determined under the college readiness performance standard under
24 Section 39.0241, on assessment instruments required under Section
25 39.023(a), (b), (c), or (l), aggregated across grade levels by
26 subject area; or

27 (B) students who met the standard for annual

1 improvement, as determined by the agency under Section 39.034, on
2 assessment instruments required under Section 39.023(a), (b), (c),
3 or (1), aggregated across grade levels by subject area, for
4 students who did not perform satisfactorily as described by
5 Paragraph (A); or

6 (2) the district or campus demonstrates a significant
7 increase as compared to the preceding school year, as determined by
8 the commissioner, in the percentage of students who performed
9 satisfactorily as described by Subdivision (1)(A) or who met the
10 standard for annual improvement as described by Subdivision (1)(B).

11 (b) The commissioner shall periodically raise the minimum
12 percentage for the eligibility for the distinction designation
13 described by Subsection (a)(1) as necessary to reach the goal of
14 achieving, by not later than the 2019-2020 school year, student
15 performance in this state, disaggregated by race, ethnicity, and
16 socioeconomic status, that ranks nationally in the top 10 states in
17 terms of college readiness.

18 (c) If college readiness performance standards are adopted
19 for science and social studies end-of-course assessment
20 instruments under Section 39.024(f), those performance standards
21 and assessment instruments apply in determining district or campus
22 eligibility under this section.

23 Sec. 39.202. ACADEMIC EXCELLENCE DISTINCTION DESIGNATION
24 FOR DISTRICTS AND CAMPUSES. (a) The commissioner shall award a
25 district or campus an academic excellence distinction designation
26 if the district or campus attains percentages of students under
27 Sections 39.201(a)(1) and (2) higher than the percentages

1 determined by the commissioner under Sections 39.201(a)(1) and (2).

2 (b) The commissioner by rule shall establish a recognized
3 and exemplary rating for the academic distinction designation under
4 this section. In establishing the recognized and exemplary
5 ratings, the commissioner shall adopt criteria for the ratings,
6 including the percentages of students under Sections 39.201(a)(1)
7 and (2). The commissioner may consider the level of increased
8 performance from school year to school year as a factor.

9 (c) The commissioner shall investigate types and amounts of
10 monetary and nonmonetary awards available to motivate districts and
11 campuses to increase the number of students who perform
12 satisfactorily, as determined under the college readiness
13 performance standard under Section 39.0241. Not later than
14 November 30, 2010, the commissioner shall provide a report based on
15 the investigation under this subsection to the governor, the
16 lieutenant governor, the speaker of the house, and the presiding
17 officers of the standing committees with primary jurisdiction over
18 public education and appropriations. The report must include
19 strategies for increasing student performance in this state to a
20 level that ranks in the top 10 states in terms of college readiness.

21 Sec. 39.203. CAMPUS DISTINCTION DESIGNATIONS. (a) The
22 commissioner shall award a campus a distinction designation if the
23 campus is ranked in the top 25 percent of campuses eligible under
24 Section 39.201 in annual improvement in student achievement, as
25 determined under Section 39.034, in English language arts,
26 mathematics, science, or social studies.

27 (b) In addition to the distinction designation described by

1 Subsection (a), the commissioner shall award a campus a distinction
2 designation if the campus demonstrates an ability to significantly
3 diminish or eliminate performance differentials between student
4 subpopulations and is ranked in the top 25 percent of campuses
5 eligible under Section 39.201 under the performance criteria
6 described by this subsection. The commissioner shall adopt rules
7 related to the distinction designation under this subsection to
8 ensure that a campus does not artificially diminish or eliminate
9 performance differentials through inhibiting the achievement of
10 the highest achieving student subpopulation.

11 (c) In addition to the distinction designations described
12 by Subsections (a) and (b), a campus that satisfies the criteria
13 developed under Section 39.204 shall be awarded a distinction
14 designation by the commissioner for the following programs or the
15 following specific categories of performance:

16 (1) academic achievement in English language arts,
17 mathematics, science, or social studies;

18 (2) fine arts;

19 (3) physical education;

20 (4) 21st Century Workforce Development program; and

21 (5) second language acquisition program.

22 (d) A campus may not be awarded a distinction designation
23 under this subchapter unless the campus is eligible under Section
24 39.201 and satisfies all performance standards under Section
25 39.054(d).

26 Sec. 39.204. CAMPUS DISTINCTION DESIGNATION CRITERIA;
27 COMMITTEES. (a) The commissioner by rule shall establish:

1 (1) standards for considering campuses for
2 distinction designations under Section 39.203(c); and

3 (2) methods for awarding distinction designations to
4 campuses.

5 (b) In adopting rules under this section, the commissioner
6 shall establish a separate committee to develop criteria for each
7 distinction designation under Section 39.203(c).

8 (c) Each committee established under this section must
9 include:

10 (1) individuals who practice as professionals in the
11 content area relevant to the distinction designation, as
12 applicable;

13 (2) individuals with subject matter expertise in the
14 content area relevant to the distinction designation;

15 (3) educators with subject matter expertise in the
16 content area relevant to the distinction designation; and

17 (4) community leaders, including leaders from the
18 business community.

19 (d) For each committee, the governor, lieutenant governor,
20 and speaker of the house of representatives may each appoint a
21 person described by each subdivision of Subsection (c).

22 (e) In developing criteria for distinction designations
23 under this section, each committee shall:

24 (1) identify a variety of indicators for measuring
25 excellence; and

26 (2) consider categories for distinction designations,
27 with criteria relevant to each category, based on:

1 (A) the level of a program, whether elementary
2 school, middle or junior high school, or high school; and

3 (B) the student enrollment of a campus.

4 SUBCHAPTER H [~~F~~]. ADDITIONAL REWARDS

5 Sec. 39.231 [~~39.111~~]. RECOGNITION AND REWARDS. The State
6 Board of Education shall develop a plan for recognizing and
7 rewarding school districts and campuses that are rated as exemplary
8 or recognized under Subchapter G and for developing a network for
9 sharing proven successful practices statewide and regionally. The
10 reward may be used to provide educators with summer stipends to
11 develop curricula based on the cited successful strategies. The
12 educators may copyright the curricula they develop.

13 Sec. 39.232 [~~39.112~~]. EXCELLENCE EXEMPTIONS. (a) Except
14 as provided by Subsection (b), a school campus or district that is
15 rated exemplary under Subchapter G is exempt from requirements and
16 prohibitions imposed under this code including rules adopted under
17 this code.

18 (b) A school campus or district is not exempt under this
19 section from:

20 (1) a prohibition on conduct that constitutes a
21 criminal offense;

22 (2) requirements imposed by federal law or rule,
23 including requirements for special education or bilingual
24 education programs; or

25 (3) a requirement, restriction, or prohibition
26 relating to:

27 (A) curriculum essential knowledge and skills

1 under Section 28.002 or high school [~~minimum~~] graduation
2 requirements under Section 28.025;

3 (B) public school accountability as provided by
4 Subchapters B, C, D, E, and J [~~G~~];

5 (C) extracurricular activities under Section
6 33.081;

7 (D) health and safety under Chapter 38;

8 (E) purchasing [~~competitive bidding~~] under
9 Subchapter B, Chapter 44;

10 (F) elementary school class size limits, except
11 as provided by Subsection (d) or Section 25.112;

12 (G) removal of a disruptive student from the
13 classroom under Subchapter A, Chapter 37;

14 (H) at risk programs under Subchapter C, Chapter
15 29;

16 (I) prekindergarten programs under Subchapter E,
17 Chapter 29;

18 (J) rights and benefits of school employees;

19 (K) special education programs under Subchapter
20 A, Chapter 29; or

21 (L) bilingual education programs under
22 Subchapter B, Chapter 29.

23 (c) The agency shall monitor and evaluate deregulation of a
24 school campus or district under this section and Section 7.056.

25 (d) The commissioner may exempt an exemplary school campus
26 under Subchapter G from elementary class size limits under this
27 section if the school campus submits to the commissioner a written

1 plan showing steps that will be taken to ensure that the exemption
2 from the class size limits will not be harmful to the academic
3 achievement of the students on the school campus. The commissioner
4 shall review achievement levels annually. The exemption remains in
5 effect until the commissioner determines that achievement levels of
6 the campus have declined.

7 Sec. 39.233 [~~39.113~~]. RECOGNITION OF HIGH SCHOOL
8 COMPLETION AND SUCCESS AND COLLEGE READINESS PROGRAMS. (a) The
9 agency shall:

10 (1) develop standards for evaluating the success and
11 cost-effectiveness of high school completion and success and
12 college readiness programs implemented under Section 39.234
13 [~~39.114~~];

14 (2) provide guidance for school districts and campuses
15 in establishing and improving high school completion and success
16 and college readiness programs implemented under Section 39.234
17 [~~39.114~~]; and

18 (3) develop standards for selecting and methods for
19 recognizing school districts and campuses that offer exceptional
20 high school completion and success and college readiness programs
21 under Section 39.234 [~~39.114~~].

22 (b) The commissioner may adopt rules for the administration
23 of this section.

24 Sec. 39.234 [~~39.114~~]. HIGH SCHOOL ALLOTMENT. (a) Except
25 as provided by Subsection (b), a school district or campus must use
26 funds allocated under Section 42.2516(b)(3) to:

27 (1) implement or administer a college readiness

1 program that provides academic support and instruction to prepare
2 underachieving students for entrance into an institution of higher
3 education;

4 (2) implement or administer a program that encourages
5 students to pursue advanced academic opportunities, including
6 early college high school programs and dual credit, advanced
7 placement, and international baccalaureate courses;

8 (3) implement or administer a program that provides
9 opportunities for students to take academically rigorous course
10 work, including four years of mathematics and four years of science
11 at the high school level;

12 (4) implement or administer a program, including
13 online course support and professional development, that aligns the
14 curriculum for grades six through 12 with postsecondary curriculum
15 and expectations; or

16 (5) implement or administer other high school
17 completion and success initiatives in grades six through 12
18 approved by the commissioner.

19 (b) A school district may use funds allocated under Section
20 42.2516(b)(3) on any instructional program in grades six through 12
21 other than an athletic program if:

22 (1) the district's measure of progress toward college
23 readiness is determined exceptional by a standard set [~~district is~~
24 ~~recognized as exceptional~~] by the commissioner [~~under the academic~~
25 ~~accountability indicator adopted under Section 39.051(b)(13)~~]; and

26 (2) the district's completion rates for grades nine
27 through 12 [~~meet or~~] exceed completion rate standards required by

1 the commissioner to achieve a status of accredited under Section
2 39.051 [~~rating of exemplary under Section 39.072~~].

3 (b-1) Subsection (b) applies beginning with the 2008-2009
4 school year. This subsection expires September 1, 2009.

5 (c) An open-enrollment charter school is entitled to an
6 allotment under this section in the same manner as a school
7 district.

8 (d) The commissioner shall adopt rules to administer this
9 section, including rules related to the permissible use of funds
10 allocated under this section to an open-enrollment charter school.

11 Sec. 39.235 [~~39.115~~]. HIGH SCHOOL INNOVATION GRANT
12 INITIATIVE. (a) From funds appropriated for that purpose, the
13 commissioner may establish a grant program under which grants are
14 awarded to secondary campuses and school districts to support:

15 (1) the implementation of innovative high school
16 improvement programs that are based on the best available research
17 regarding high school reform, dropout prevention, and preparing
18 students for postsecondary coursework or employment;

19 (2) enhancing education practices that have been
20 demonstrated by significant evidence of effectiveness; and

21 (3) the alignment of grants and programs to the
22 strategic plan adopted under Section 39.407 [~~39.357~~].

23 (b) Before awarding a grant under this section, the
24 commissioner may require a campus or school district to:

25 (1) obtain local matching funds; or

26 (2) meet other conditions, including developing a
27 personal graduation plan under Section 28.0212 for each student

1 enrolled at the campus or in a district high school.

2 (c) The commissioner may:

3 (1) accept gifts, grants, or donations from a private
4 foundation to implement a grant program under this section; and

5 (2) coordinate gifts, grants, or donations with other
6 available funding to implement a grant program under this section.

7 (d) The commissioner may use funds appropriated under this
8 section to support technical assistance services for school
9 districts and open-enrollment charter schools to implement a high
10 school improvement program under this section.

11 Sec. 39.236 [~~39.116~~]. INITIATIVE FOR RETAINING QUALITY
12 EDUCATORS. Notwithstanding Section 39.106(b) [~~39.1324(b)~~], a
13 school district, to assist in preventing dropouts and disruptions
14 that may result from certain mandatory sanctions, may retain at a
15 campus a principal who has been employed at the campus as a
16 principal during the [~~two-year~~] period described by Section
17 39.106(a) [~~39.1324(a)~~] if the students enrolled at the campus have
18 demonstrated a pattern of significant academic improvement.

19 SUBCHAPTER I [~~E~~]. SUCCESSFUL SCHOOL AWARDS

20 Sec. 39.261 [~~39.091~~]. CREATION OF SYSTEM. The Texas
21 Successful Schools Awards System is created to recognize and reward
22 those schools and school districts that demonstrate progress or
23 success in achieving the education goals of the state.

24 Sec. 39.262 [~~39.092~~]. TYPES OF AWARDS. (a) The governor
25 may present a financial award to the schools or districts that the
26 commissioner determines have demonstrated the highest levels of
27 sustained success or the greatest improvement in achieving the

1 education goals. For each student in average daily attendance,
2 each of those schools or districts is entitled to an amount set for
3 the award for which the school or district is selected by the
4 commissioner, subject to any limitation set by the commissioner on
5 the total amount that may be awarded to a school or district.

6 (b) The governor may present proclamations or certificates
7 to additional schools and districts determined to have met or
8 exceeded the education goals.

9 (c) The commissioner may establish additional categories of
10 awards and award amounts for a school or district determined to be
11 successful under Subsection (a) or (b) that are contingent on the
12 school's or district's involvement with paired, lower-performing
13 schools.

14 Sec. 39.263 [~~39.093~~]. AWARDS. (a) The criteria that the
15 commissioner shall use to select successful schools and districts
16 must be related to the goals in Section 4.002 and must include
17 consideration of performance on the student achievement [~~academic~~
18 ~~excellence~~] indicators adopted under Section 39.053(c) and
19 consideration of the distinction designation criteria prescribed
20 by or developed under Subchapter G [~~39.051~~].

21 (b) For purposes of selecting schools and districts under
22 Section 39.262(a) [~~39.092(a)~~], each school's performance shall be
23 compared to state standards and to its previous performance.

24 (c) [~~(b)~~] The commissioner shall select annually schools
25 and districts qualified to receive successful school awards for
26 their performance and report the selections to the governor and the
27 State Board of Education.

1 (d) [~~(e)~~] The agency shall notify each school district of
2 the manner in which the district or a school in the district may
3 qualify for a successful school award.

4 Sec. 39.264 [~~39.094~~]. USE OF AWARDS. (a) In determining
5 the use of a monetary award received under this subchapter, a school
6 or district shall give priority to academic enhancement purposes.
7 The award may not be used for any purpose related to athletics, and
8 it may not be used to substitute for or replace funds already in the
9 regular budget for a school or district.

10 (b) The campus-level committee established under Section
11 11.253 shall determine the use of the funds awarded to a school
12 under this subchapter. The professional staff of the district
13 shall determine the use of the funds awarded to the school district
14 under this subchapter.

15 Sec. 39.265 [~~39.095~~]. FUNDING. The award system may be
16 funded by donations, grants, or legislative appropriations. The
17 commissioner may solicit and receive grants and donations for the
18 purpose of making awards under this subchapter. A small portion of
19 the award funds may be used by the commissioner to pay for the costs
20 associated with sponsoring a ceremony to recognize or present
21 awards to schools or districts under this subchapter. The
22 donations, grants, or legislative appropriations shall be
23 accounted for and distributed by the agency. The awards are subject
24 to audit requirements established by the State Board of Education.

25 Sec. 39.266 [~~39.096~~]. CONFIDENTIALITY. All information
26 and reports received by the commissioner under this subchapter from
27 schools or school districts deemed confidential under Chapter 552,

1 Government Code, are confidential and may not be disclosed in any
2 public or private proceeding.

3 SUBCHAPTER J. PARENT AND EDUCATOR REPORTS

4 Sec. 39.301. ADDITIONAL PERFORMANCE INDICATORS:

5 REPORTING. (a) In addition to the indicators adopted under
6 Section 39.053, the commissioner shall adopt indicators of the
7 quality of learning for the purpose of preparing reports under this
8 chapter. The commissioner biennially shall review the indicators
9 for the consideration of appropriate revisions.

10 (b) Performance on the indicators adopted under this
11 section shall be evaluated in the same manner provided for
12 evaluation of the student achievement indicators under Section
13 39.053(b).

14 (c) Indicators for reporting purposes must include:

15 (1) the percentage of graduating students who meet the
16 course requirements established for the recommended high school
17 program by State Board of Education rule;

18 (2) the results of the Scholastic Assessment Test
19 (SAT), the American College Test (ACT), articulated postsecondary
20 degree programs described by Section 61.852, and certified
21 workforce training programs described by Chapter 311, Labor Code;

22 (3) for students who have failed to perform
23 satisfactorily, under each performance standard under Section
24 39.0241, on an assessment instrument required under Section
25 39.023(a) or (c), the numerical progress of those students grouped
26 by percentage on subsequent assessment instruments required under
27 those sections, aggregated by grade level and subject area;

1 (4) the percentage of students, aggregated by grade
2 level, provided accelerated instruction under Section 28.0211(c),
3 the results of assessment instruments administered under that
4 section, the percentage of students promoted through the grade
5 placement committee process under Section 28.0211, the subject of
6 the assessment instrument on which each student failed to perform
7 satisfactorily under each performance standard under Section
8 39.0241, and the performance of those students in the school year
9 following that promotion on the assessment instruments required
10 under Section 39.023;

11 (5) the percentage of students exempted, by exemption
12 category, from the assessment program generally applicable under
13 this chapter;

14 (6) the percentage of students of limited English
15 proficiency exempted from the administration of an assessment
16 instrument under Sections 39.027(a)(3) and (4);

17 (7) the percentage of students in a special education
18 program under Subchapter A, Chapter 29, assessed through assessment
19 instruments developed or adopted under Section 39.023(b);

20 (8) the measure of progress toward college readiness;

21 (9) the measure of progress toward dual language
22 proficiency under Section 39.034(b), for students of limited
23 English proficiency, as defined by Section 29.052;

24 (10) the percentage of students who enroll and begin
25 instruction at an institution of higher education in the school
26 year following high school graduation; and

27 (11) the percentage of students who successfully

1 complete the first year of instruction at an institution of higher
2 education without needing a developmental education course.

3 (d) Performance on the indicators described by Section
4 39.053(c) and Subsections (c)(3), (4), and (9) must be based on
5 longitudinal student data that is disaggregated by the bilingual
6 education or special language program, if any, in which students of
7 limited English proficiency, as defined by Section 29.052, are or
8 former students of limited English proficiency were enrolled. If a
9 student described by this subsection is not or was not enrolled in
10 specialized language instruction, the number and percentage of
11 those students shall be provided.

12 (e) Section 39.055 applies in evaluating indicators
13 described by Subsection (c).

14 Sec. 39.302. REPORT TO DISTRICT: COMPARISONS FOR ANNUAL
15 PERFORMANCE ASSESSMENT. (a) The agency shall report to each
16 school district the comparisons of student performance made under
17 Section 39.034.

18 (b) To the extent practicable, the agency shall combine the
19 report of comparisons with the report of the student's performance
20 on assessment instruments under Section 39.023.

21 Sec. 39.303. REPORT TO PARENTS. (a) The school district a
22 student attends shall provide a record of the comparisons made
23 under Section 39.034 and provided to the district under Section
24 39.302 in a written notice to the student's parent or other person
25 standing in parental relationship.

26 (b) For a student who failed to perform satisfactorily as
27 determined by the commissioner under Section 39.0241(a) on an

1 assessment instrument administered under Section 39.023(a), (c),
2 or (1), the school district shall include in the notice specific
3 information relating to access to online educational resources at
4 the appropriate assessment instrument content level, including
5 educational resources described by Section 32.252(b)(2) and
6 assessment instruments questions and answers released under
7 Section 39.023(e).

8 Sec. 39.304. TEACHER REPORT CARD. Each school district
9 shall prepare a report of the comparisons made under Section 39.034
10 and provided to the district under Section 39.302 and provide the
11 report at the beginning of the school year to each teacher for
12 incoming students who were assessed on an assessment instrument
13 under Section 39.023.

14 Sec. 39.305 [39.052]. CAMPUS REPORT CARD. (a) Each school
15 year, the agency shall prepare and distribute to each school
16 district a report card for each campus. The campus report cards
17 must be based on the most current data available disaggregated by
18 student groups. Campus performance must be compared to previous
19 campus and district performance, current district performance, and
20 state established standards[, and comparable campus group
21 performance].

22 (b) The report card shall include the following
23 information:

24 (1) where applicable, the student achievement
25 indicators described by Section 39.053(c) and the reporting
26 indicators described by Sections 39.301(c)(1) through (4)
27 [academic excellence indicators adopted under Sections

1 ~~39.051(b)(1) through (10)]~~;

2 (2) average class size by grade level and subject;

3 (3) the administrative and instructional costs per
4 student, computed in a manner consistent with Section 44.0071; and

5 (4) the district's instructional expenditures ratio
6 and instructional employees ratio computed under Section 44.0071,
7 and the statewide average of those ratios, as determined by the
8 commissioner.

9 (c) The commissioner shall adopt rules requiring
10 dissemination of the information required under Subsection (b)(4)
11 and appropriate class size and student performance portions of
12 campus report cards annually to the parent, guardian, conservator,
13 or other person having lawful control of each student at the campus.
14 On written request, the school district shall provide a copy of a
15 campus report card to any other party.

16 Sec. 39.306 [~~39.053~~]. PERFORMANCE REPORT. (a) Each board
17 of trustees shall publish an annual report describing the
18 educational performance of the district and of each campus in the
19 district that includes uniform student performance and descriptive
20 information as determined under rules adopted by the commissioner.
21 The annual report must also include:

22 (1) campus performance objectives established under
23 Section 11.253 and the progress of each campus toward those
24 objectives, which shall be available to the public;

25 (2) information indicating the district's
26 accreditation status and identifying each district campus awarded a
27 distinction designation under Subchapter G or considered a

1 low-performing campus under Subchapter E [~~the performance rating~~
2 ~~for the district as provided under Section 39.072(a) and the~~
3 ~~performance rating of each campus in the district as provided under~~
4 ~~Section 39.072(c)];~~

5 (3) the district's current special education
6 compliance status with the agency;

7 (4) a statement of the number, rate, and type of
8 violent or criminal incidents that occurred on each district
9 campus, to the extent permitted under the Family Educational Rights
10 and Privacy Act of 1974 (20 U.S.C. Section 1232g);

11 (5) information concerning school violence prevention
12 and violence intervention policies and procedures that the district
13 is using to protect students; [~~and~~]

14 (6) the findings that result from evaluations
15 conducted under the Safe and Drug-Free Schools and Communities Act
16 of 1994 (20 U.S.C. Section 7101 et seq.) [~~and its subsequent~~
17 ~~amendments~~]; and

18 (7) information received under Section 51.403(e) for
19 each high school campus in the district, presented in a form
20 determined by the commissioner.

21 (b) Supplemental information to be included in the reports
22 shall be determined by the board of trustees. Performance
23 information in the annual reports on the indicators described by
24 Sections 39.053 and 39.301 [~~established under Section 39.051~~] and
25 descriptive information required by this section shall be provided
26 by the agency.

27 (c) The board of trustees shall hold a hearing for public

1 discussion of the report. The board of trustees shall give notice
2 of the hearing to property owners in the district and parents of and
3 other persons standing in parental relation to~~[, guardians,~~
4 ~~conservators, and other persons having lawful control of]~~ a
5 district student. The notification must include notice to a
6 newspaper of general circulation in the district and notice to
7 electronic media serving the district. After the hearing the
8 report shall be widely disseminated within the district in a manner
9 to be determined under rules adopted by the commissioner.

10 (d) The report must also include a comparison provided by
11 the agency of:

12 (1) the performance of each campus to its previous
13 performance and to state-established standards; and

14 (2) the performance of each district to its previous
15 performance and to state-established standards~~[, and~~

16 ~~[(3) the performance of each campus or district to~~
17 ~~comparable improvement].~~

18 (e) The report may include the following information:

19 (1) student information, including total enrollment,
20 enrollment by ethnicity, socioeconomic status, and grade groupings
21 and retention rates;

22 (2) financial information, including revenues and
23 expenditures;

24 (3) staff information, including number and type of
25 staff by sex ~~[gender]~~, ethnicity, years of experience, and highest
26 degree held, teacher and administrator salaries, and teacher
27 turnover;

1 (4) program information, including student enrollment
2 by program, teachers by program, and instructional operating
3 expenditures by program; and

4 (5) the number of students placed in a disciplinary
5 alternative education program under Chapter 37.

6 (f) The commissioner [~~State Board of Education~~] by rule
7 shall authorize the combination of this report with other reports
8 and financial statements and shall restrict the number and length
9 of reports that school districts, school district employees, and
10 school campuses are required to prepare.

11 (g) The report must include a statement of the amount, if
12 any, of the school district's unencumbered surplus fund balance as
13 of the last day of the preceding fiscal year and the percentage of
14 the preceding year's budget that the surplus represents.

15 Sec. 39.307 [~~39.054~~]. USES OF PERFORMANCE REPORT. The
16 information required to be reported under Section 39.306 [~~39.053~~]
17 shall be:

18 (1) the subject of public hearings or meetings
19 required under Sections 11.252, 11.253, and 39.306 [~~39.053~~];

20 (2) a primary consideration in school district and
21 campus planning; and

22 (3) a primary consideration of:

23 (A) the State Board of Education in the
24 evaluation of the performance of the commissioner;

25 (B) the commissioner in the evaluation of the
26 performance of the directors of the regional education service
27 centers;

1 (C) the board of trustees of a school district in
2 the evaluation of the performance of the superintendent of the
3 district; and

4 (D) the superintendent in the evaluation of the
5 performance of the district's campus principals.

6 Sec. 39.308 [~~39.055~~]. ANNUAL AUDIT OF DROPOUT RECORDS;
7 REPORT. (a) The commissioner shall develop a process for auditing
8 school district dropout records electronically. The commissioner
9 shall also develop a system and standards for review of the audit or
10 use systems already available at the agency. The system must be
11 designed to identify districts that are at high risk of having
12 inaccurate dropout records and that, as a result, require on-site
13 monitoring of dropout records.

14 (b) If the electronic audit of a school district's dropout
15 records indicates that a district is not at high risk of having
16 inaccurate dropout records, the district may not be subject to
17 on-site monitoring under this subsection.

18 (c) If the risk-based system indicates that a school
19 district is at high risk of having inaccurate dropout records, the
20 district is entitled to an opportunity to respond to the
21 commissioner's determination before on-site monitoring may be
22 conducted. The district must respond not later than the 30th day
23 after the date the commissioner notifies the district of the
24 commissioner's determination. If the district's response does not
25 change the commissioner's determination that the district is at
26 high risk of having inaccurate dropout records or if the district
27 does not respond in a timely manner, the commissioner shall order

1 agency staff to conduct on-site monitoring of the district's
2 dropout records.

3 (d) [~~(e)~~] The commissioner shall notify the board of
4 trustees of a school district of any objection the commissioner has
5 to the district's dropout data, any violation of sound accounting
6 practices or of a law or rule revealed by the data, or any
7 recommendation by the commissioner concerning the data. If the
8 data reflect that a penal law has been violated, the commissioner
9 shall notify the county attorney, district attorney, or criminal
10 district attorney, as appropriate, and the attorney general.

11 (e) The commissioner is entitled to access to all district
12 records the commissioner considers necessary or appropriate for the
13 review, analysis, or approval of district dropout data.

14 SUBCHAPTER K [~~H~~]. REPORTS BY TEXAS EDUCATION AGENCY

15 Sec. 39.331 [~~39.181~~]. GENERAL REQUIREMENTS. (a) Each
16 report required by this subchapter must:

17 (1) unless otherwise specified, contain summary
18 information and analysis only, with an indication that the agency
19 will provide the data underlying the report on request;

20 (2) specify a person at the agency who may be contacted
21 for additional information regarding the report and provide the
22 person's telephone number; and

23 (3) identify other sources of related information,
24 indicating the level of detail and format of information that may be
25 obtained, including the availability of any information on the
26 Texas Education Network.

27 (b) Each component of a report required by this subchapter

1 must:

2 (1) identify the substantive goal underlying the
3 information required to be reported;

4 (2) analyze the progress made and longitudinal trends
5 in achieving the underlying substantive goal;

6 (3) offer recommendations for improved progress in
7 achieving the underlying substantive goal; and

8 (4) identify the relationship of the information
9 required to be reported to state education goals.

10 (c) Unless otherwise provided, each report required by this
11 subchapter is due not later than December 1 of each even-numbered
12 year.

13 (d) Subsections (a) and (b) apply to any report required by
14 statute that the agency or the State Board of Education must prepare
15 and deliver to the governor, lieutenant governor, speaker of the
16 house of representatives, or legislature.

17 (e) Unless otherwise provided by law, any report required by
18 statute that the agency or the State Board of Education must prepare
19 and deliver to the governor, lieutenant governor, speaker of the
20 house of representatives, or legislature may be combined, at the
21 discretion of the commissioner, with a report required by this
22 subchapter.

23 Sec. 39.332 [~~39.182~~]. COMPREHENSIVE ANNUAL REPORT.

24 (a) Not later than December 1 of each year, the agency shall
25 prepare and deliver to the governor, the lieutenant governor, the
26 speaker of the house of representatives, each member of the
27 legislature, the Legislative Budget Board, and the clerks of the

1 standing committees of the senate and house of representatives with
2 primary jurisdiction over the public school system a comprehensive
3 report covering the preceding school year and containing the
4 information described by Subsection (b).[+]

5 (b)(1) The report must contain an evaluation of the
6 achievements of the state educational program in relation to the
7 statutory goals for the public education system under Section
8 4.002.[+]

9 (2) The report must contain an evaluation of the
10 status of education in the state as reflected by:

11 (A) the student achievement [~~academic~~
12 ~~excellence~~] indicators described by [~~adopted under~~] Section 39.053
13 [~~39.051~~]; and

14 (B) the reporting indicators described by
15 Section 39.301.

16 (3) The report must contain a summary compilation of
17 overall student performance on academic skills assessment
18 instruments required by Section 39.023 with the number and
19 percentage of students exempted from the administration of those
20 instruments and the basis of the exemptions, aggregated by grade
21 level, subject area, campus, and district, with appropriate
22 interpretations and analysis, and disaggregated by race,
23 ethnicity, gender, and socioeconomic status.[+]

24 (4) The report must contain a summary compilation of
25 overall performance of students placed in a disciplinary
26 alternative education program established under Section 37.008 on
27 academic skills assessment instruments required by Section 39.023

1 with the number of those students exempted from the administration
2 of those instruments and the basis of the exemptions, aggregated by
3 district, grade level, and subject area, with appropriate
4 interpretations and analysis, and disaggregated by race,
5 ethnicity, gender, and socioeconomic status. [†]

6 (5) The report must contain a summary compilation of
7 overall performance of students at risk of dropping out of school,
8 as defined by Section 29.081(d), on academic skills assessment
9 instruments required by Section 39.023 with the number of those
10 students exempted from the administration of those instruments and
11 the basis of the exemptions, aggregated by district, grade level,
12 and subject area, with appropriate interpretations and analysis,
13 and disaggregated by race, ethnicity, gender, and socioeconomic
14 status. [†]

15 (6) The report must contain an evaluation of the
16 correlation between student grades and student performance on
17 academic skills assessment instruments required by Section
18 39.023. [†]

19 (7) The report must contain a statement of the dropout
20 rate of students in grade levels 7 through 12, expressed in the
21 aggregate and by grade level, and a statement of the completion
22 rates of students for grade levels 9 through 12. [†]

23 (8) The report must contain a statement of:

24 (A) the completion rate of students who enter
25 grade level 9 and graduate not more than four years later;

26 (B) the completion rate of students who enter
27 grade level 9 and graduate, including students who require more

1 than four years to graduate;

2 (C) the completion rate of students who enter
3 grade level 9 and not more than four years later receive a high
4 school equivalency certificate;

5 (D) the completion rate of students who enter
6 grade level 9 and receive a high school equivalency certificate,
7 including students who require more than four years to receive a
8 certificate; and

9 (E) the number and percentage of all students who
10 have not been accounted for under Paragraph (A), (B), (C), or
11 (D).[+]

12 (9) The report must contain a statement of the
13 projected cross-sectional and longitudinal dropout rates for grade
14 levels 9 through 12 for the next five years, assuming no state
15 action is taken to reduce the dropout rate.[+]

16 (10) The report must contain a description of a
17 systematic, measurable plan for reducing the projected
18 cross-sectional and longitudinal dropout rates to five percent or
19 less for the 1997-1998 school year.[+]

20 (11) The report must contain a summary of the
21 information required by Section 29.083 regarding grade level
22 retention of students and information concerning:

23 (A) the number and percentage of students
24 retained; and

25 (B) the performance of retained students on
26 assessment instruments required under Section 39.023(a).[+]

27 (12) The report must contain information, aggregated

1 by district type and disaggregated by race, ethnicity, gender, and
2 socioeconomic status, on:

3 (A) the number of students placed in a
4 disciplinary alternative education program established under
5 Section 37.008;

6 (B) the average length of a student's placement
7 in a disciplinary alternative education program established under
8 Section 37.008;

9 (C) the academic performance of students on
10 assessment instruments required under Section 39.023(a) during the
11 year preceding and during the year following placement in a
12 disciplinary alternative education program; and

13 (D) the dropout rates of students who have been
14 placed in a disciplinary alternative education program established
15 under Section 37.008. [✚]

16 (13) The report must contain a list of each school
17 district or campus that does not satisfy performance standards,
18 with an explanation of the actions taken by the commissioner to
19 improve student performance in the district or campus and an
20 evaluation of the results of those actions. [✚]

21 (14) The report must contain an evaluation of the
22 status of the curriculum taught in public schools, with
23 recommendations for legislative changes necessary to improve or
24 modify the curriculum required by Section 28.002. [✚]

25 (15) The report must contain a description of all
26 funds received by and each activity and expenditure of the
27 agency. [✚]

1 (16) The report must contain a summary and analysis of
2 the instructional expenditures ratios and instructional employees
3 ratios of school districts computed under Section 44.0071.[+]

4 (17) The report must contain a summary of the effect of
5 deregulation, including exemptions and waivers granted under
6 Section 7.056 or 39.232. [~~39.112~~]

7 (18) The report must contain a statement of the total
8 number and length of reports that school districts and school
9 district employees must submit to the agency, identifying which
10 reports are required by federal statute or rule, state statute, or
11 agency rule, and a summary of the agency's efforts to reduce overall
12 reporting requirements.[+]

13 (19) The report must contain a list of each school
14 district that is not in compliance with state special education
15 requirements, including:

16 (A) the period for which the district has not
17 been in compliance;

18 (B) the manner in which the agency considered the
19 district's failure to comply in determining the district's
20 accreditation status; and

21 (C) an explanation of the actions taken by the
22 commissioner to ensure compliance and an evaluation of the results
23 of those actions.[+]

24 (20) The report must contain a comparison of the
25 performance of open-enrollment charter schools and school
26 districts on the student achievement [~~academic excellence~~]
27 indicators described by Section 39.053(c), the reporting

1 indicators described by Section 39.301(c), [~~specified in Section~~
 2 ~~39.051(b)~~] and the accountability measures adopted under Section
 3 39.053(i) [~~39.051(g)~~], with a separately aggregated comparison of
 4 the performance of open-enrollment charter schools predominantly
 5 serving students at risk of dropping out of school, as described
 6 [~~defined~~] by Section 29.081(d), with the performance of school
 7 districts. [~~+~~]

8 (21) The report must contain a summary of the
 9 information required by Section 38.0141 regarding student health
 10 and physical activity from each school district. [~~+~~]

11 (22) The report must contain a summary compilation of
 12 overall student performance under the assessment system developed
 13 to evaluate the longitudinal academic progress as required by
 14 Section 39.027(e), disaggregated by bilingual education or special
 15 language program instructional model, if any. [~~+~~ and]

16 (23) The report must contain any additional
 17 information considered important by the commissioner or the State
 18 Board of Education.

19 (c) [~~(b)~~] In reporting the information required by
 20 Subsection (b)(3) or (4) [~~(a)(3) or (4)~~], the agency may separately
 21 aggregate the performance data of students enrolled in a special
 22 education program under Subchapter A, Chapter 29.

23 (d) [~~(b-1)~~] In reporting the information required by
 24 Subsections (b)(3), (5), and (7) [~~(a)(3), (5), and (7)~~], the agency
 25 shall separately aggregate the longitudinal performance data of all
 26 students identified as students of limited English proficiency, as
 27 defined by Section 29.052, or former students of limited English

1 proficiency, disaggregated by bilingual education or special
2 language program instructional model, if any, in which the students
3 are or were enrolled.

4 (e) [~~(c)~~] Each report must contain the most recent data
5 available.

6 Sec. 39.333 [~~39.183~~]. REGIONAL AND DISTRICT LEVEL REPORT.
7 The agency shall prepare and deliver to the governor, the
8 lieutenant governor, the speaker of the house of representatives,
9 each member of the legislature, the Legislative Budget Board, and
10 the clerks of the standing committees of the senate and house of
11 representatives with primary jurisdiction over the public school
12 system a regional and district level report covering the preceding
13 two school years and containing:

14 (1) a summary of school district compliance with the
15 student/teacher ratios and class-size limitations prescribed by
16 Sections 25.111 and 25.112, including:

17 (A) the number of campuses and classes at each
18 campus granted an exception from Section 25.112; and

19 (B) for [~~the performance rating under Subchapter~~
20 ~~D of~~] each campus granted an exception from Section 25.112, a
21 statement of whether the campus has been awarded a distinction
22 designation under Subchapter G or has been identified as a
23 low-performing campus under Subchapter E;

24 (2) a summary of the exemptions and waivers granted to
25 campuses and school districts under Section 7.056 or 39.232
26 [~~39.112~~] and a review of the effectiveness of each campus or
27 district following deregulation;

1 (3) an evaluation of the performance of the system of
2 regional education service centers based on the indicators adopted
3 under Section 8.101 and client satisfaction with services provided
4 under Subchapter B, Chapter 8;

5 (4) an evaluation of accelerated instruction programs
6 offered under Section 28.006, including an assessment of the
7 quality of such programs and the performance of students enrolled
8 in such programs; and

9 (5) the number of classes at each campus that are
10 currently being taught by individuals who are not certified in the
11 content areas of their respective classes.

12 Sec. 39.334 [~~39.184~~]. TECHNOLOGY REPORT. The agency shall
13 prepare and deliver to the governor, the lieutenant governor, the
14 speaker of the house of representatives, each member of the
15 legislature, the Legislative Budget Board, and the clerks of the
16 standing committees of the senate and house of representatives with
17 primary jurisdiction over the public school system a technology
18 report covering the preceding two school years and containing
19 information on the status of the implementation of and revisions to
20 the long-range technology plan required by Section 32.001,
21 including the equity of the distribution and use of technology in
22 public schools.

23 Sec. 39.335 [~~39.185~~]. INTERIM REPORT. Not later than
24 December 1 of each odd-numbered year, the agency shall prepare and
25 deliver to the governor, the lieutenant governor, the speaker of
26 the house of representatives, each member of the legislature, the
27 Legislative Budget Board, and the clerks of the standing committees

1 of the senate and house of representatives with primary
2 jurisdiction over the public school system an interim report
3 containing, for the previous school year, the information required
4 by Section 39.333(2) [~~39.183(2)~~].

5 SUBCHAPTER L [~~J~~]. NOTICE OF PERFORMANCE

6 Sec. 39.361 [~~39.251~~]. NOTICE IN STUDENT GRADE REPORT. The
7 first written notice of a student's performance that a school
8 district gives during a school year as required by Section
9 28.022(a)(2) must include [~~the following information~~]:

10 (1) a statement of whether the campus at which the
11 student is enrolled has been awarded a distinction designation
12 under Subchapter G or has been identified as a low-performing
13 campus under Subchapter E [~~the most recent performance rating of~~
14 ~~the campus at which the student is enrolled, as determined under~~
15 ~~Section 39.072~~]; and

16 (2) an explanation of the significance of the
17 information provided under Subdivision (1) [~~a definition and~~
18 ~~explanation of each performance rating described by Section~~
19 ~~39.072(a)~~].

20 Sec. 39.362 [~~39.252~~]. NOTICE ON DISTRICT WEBSITE. Not
21 later than the 10th day after the first day of instruction of each
22 school year, a school district that maintains an Internet website
23 shall make the following information available to the public on the
24 website:

25 (1) the information contained in the most recent
26 campus report card for each campus in the district [~~as determined~~]
27 under Section 39.305 [~~39.052~~];

1 (2) the information contained in the most recent
2 performance report for the district [~~as determined~~] under Section
3 39.306 [~~39.053~~];

4 (3) the most recent accreditation status [~~performance~~
5 ~~rating~~] of the district [~~as determined~~] under Section 39.052
6 [~~39.072~~]; and

7 (4) a definition and explanation of each accreditation
8 status under [~~performance rating described by~~] Section 39.051,
9 based on commissioner rule adopted under that section [~~39.072(a)~~].

10 SUBCHAPTER M [~~L~~]. HIGH SCHOOL COMPLETION AND SUCCESS INITIATIVE

11 Sec. 39.401 [~~39.351~~]. DEFINITION. In this subchapter,
12 "council" means the High School Completion and Success Initiative
13 Council.

14 Sec. 39.402 [~~39.352~~]. HIGH SCHOOL COMPLETION AND SUCCESS
15 INITIATIVE COUNCIL. (a) The High School Completion and Success
16 Initiative Council is established to identify strategic priorities
17 for and make recommendations to improve the effectiveness,
18 coordination, and alignment of high school completion and college
19 and workforce readiness efforts.

20 (b) The council is composed of:

- 21 (1) the commissioner of education;
22 (2) the commissioner of higher education; and
23 (3) seven members appointed by the commissioner of
24 education.

25 (c) In making appointments required by Subsection (b)(3),
26 the commissioner of education shall appoint:

- 27 (1) three members from a list of nominations provided

1 by the governor;

2 (2) two members from a list of nominations provided by
3 the lieutenant governor; and

4 (3) two members from a list of nominations provided by
5 the speaker of the house of representatives.

6 (d) In making nominations under Subsection (c), the
7 governor, lieutenant governor, and speaker of the house of
8 representatives shall nominate persons who have distinguished
9 experience in:

10 (1) developing and implementing high school reform
11 strategies; and

12 (2) promoting college and workforce readiness.

13 Sec. 39.403 [~~39.353~~]. TERMS. Members of the council
14 appointed under Section 39.402(b)(3) [~~39.352(b)(3)~~] serve terms of
15 two years and may be reappointed for additional terms.

16 Sec. 39.404 [~~39.354~~]. PRESIDING OFFICER. The commissioner
17 of education serves as the presiding officer of the council.

18 Sec. 39.405 [~~39.355~~]. COMPENSATION AND REIMBURSEMENT. A
19 member of the council is not entitled to compensation for service on
20 the council but is entitled to reimbursement for actual and
21 necessary expenses incurred in performing council duties.

22 Sec. 39.406 [~~39.356~~]. COUNCIL STAFF AND FUNDING.
23 (a) Except as otherwise provided, staff members of the agency,
24 with the assistance of the Texas Higher Education Coordinating
25 Board, shall provide administrative support for the council.

26 (b) Funding for the administrative and operational expenses
27 of the council shall be provided by appropriation to the agency for

1 that purpose and by gifts, grants, and donations solicited and
2 accepted by the agency for that purpose.

3 Sec. 39.407 [~~39.357~~]. STRATEGIC PLAN. (a) The council
4 shall adopt a strategic plan under this subchapter to:

5 (1) specify strategies to identify, support, and
6 expand programs to improve high school completion rates and college
7 and workforce readiness;

8 (2) establish specific goals with which to measure the
9 success of the strategies identified under Subdivision (1) in
10 improving high school completion rates and college and workforce
11 readiness;

12 (3) identify strategies for alignment and
13 coordination of federal and other funding sources that may be
14 pursued for high school reform, dropout prevention, and preparation
15 of students for postsecondary coursework or employment; and

16 (4) identify key objectives for appropriate research
17 and program evaluation conducted as provided by this subchapter.

18 (b) The commissioner of education and the commissioner of
19 higher education shall adopt rules as necessary to administer the
20 strategic plan adopted by the council under this section.

21 (c) The commissioner of education or the commissioner of
22 higher education may not, in a manner inconsistent with the
23 strategic plan, spend money, award a grant, or enter into a contract
24 in connection with a program relating to high school success and
25 completion.

26 Sec. 39.408 [~~39.358~~]. ELIGIBILITY CRITERIA FOR CERTAIN
27 GRANT PROGRAMS. A school district or campus is eligible to

1 participate in programs under Sections 21.4541, 29.095, 29.096,
2 29.097, and 29.098 if the district or campus exhibited during each
3 of the three preceding school years characteristics that strongly
4 correlate with high dropout rates.

5 Sec. 39.409 [~~39.359~~]. PRIVATE FOUNDATION PARTNERSHIPS.

6 (a) The commissioner of education or the commissioner of higher
7 education, as appropriate, and the council may coordinate with
8 private foundations that have made a substantial investment in the
9 improvement of high schools in this state to maximize the impact of
10 public and private investments.

11 (b) A private foundation is not required to obtain the
12 approval of the appropriate commissioner or the council under
13 Subsection (a) before allocating resources to a school in this
14 state.

15 Sec. 39.410 [~~39.360~~]. GRANT PROGRAM EVALUATION. (a) The

16 commissioner of education shall annually set aside not more than
17 five percent of the funds appropriated for high school completion
18 and success to contract for the evaluation of programs supported by
19 grants approved under this subchapter. In awarding a contract
20 under this subsection, the commissioner shall consider centers for
21 education research established under Section 1.005.

22 (b) A person who receives a grant approved under this
23 subchapter must consent to an evaluation under this section as a
24 condition of receiving the grant.

25 (c) The commissioner shall ensure that an evaluation
26 conducted under this section includes an assessment of whether
27 student achievement has improved. Results of the evaluation shall

1 be provided through the online clearinghouse of information
2 relating to the best practices of campuses and school districts
3 established under Section 7.009.

4 Sec. 39.411 [~~39.361~~]. COUNCIL RECOMMENDATIONS. (a) Based
5 on the strategic plan adopted under this subchapter [~~section~~], the
6 council shall make recommendations to the commissioner of education
7 or the commissioner of higher education, as applicable, for the use
8 of federal and state funds appropriated or received for high school
9 reform, college readiness, and dropout prevention, including
10 grants awarded under Sections 21.4511, 21.4541, 29.095-29.098,
11 29.917, 29.919, and 39.235 [~~39.115~~].

12 (b) The council shall include recommendations under this
13 section for:

- 14 (1) key elements of program design;
15 (2) criteria for awarding grants and evaluating
16 programs;
17 (3) program funding priorities; and
18 (4) program evaluation as provided by this subchapter.

19 (c) The commissioner of education or the commissioner of
20 higher education, as applicable, shall consider the council's
21 recommendations and based on those recommendations may award grants
22 to school districts, open-enrollment charter schools, institutions
23 of higher education, regional education service centers, and
24 nonprofit organizations to meet the goals of the council's
25 strategic plan.

26 (d) The commissioner of education or the commissioner of
27 higher education, as applicable:

1 (1) is not required under this section to allocate
2 funds to a program or initiative recommended by the council; and

3 (2) may not initiate a program funded under this
4 section that does not conform to the recommended use of funds as
5 provided under Subsections (a) and (b).

6 Sec. 39.412 [~~39.362~~]. FUNDING PROVIDED TO SCHOOL
7 DISTRICTS. From funds appropriated, the commissioner of education
8 may provide funding to school districts to permit a school district
9 to obtain technical assistance in preparing a grant proposal for a
10 grant program administered under this subchapter.

11 Sec. 39.413 [~~39.363~~]. FUNDING FOR CERTAIN PROGRAMS.
12 (a) From funds appropriated, the Texas Higher Education
13 Coordinating Board shall allocate \$8.75 million each year to
14 establish mathematics, science, and technology teacher preparation
15 academies under Section 21.462 and implement and administer the
16 program under Section 29.098.

17 (b) The Texas Higher Education Coordinating Board shall
18 establish mathematics, science, and technology teacher preparation
19 academies under Section 21.462 and implement and administer the
20 program under Section 29.098 in a manner consistent with the goals
21 of this subchapter and the goals in "Closing the Gaps," the state's
22 master plan for higher education.

23 Sec. 39.414 [~~39.364~~]. PRIVATE FUNDING. The commissioner of
24 education or the commissioner of higher education, as appropriate,
25 may accept gifts, grants, or donations to fund a grant administered
26 under this subchapter.

27 Sec. 39.415 [~~39.365~~]. REPORTS. (a) Not later than

1 December 1 of each even-numbered year, the agency shall prepare and
2 deliver a report to the legislature that recommends any statutory
3 changes the council considers appropriate to promote high school
4 completion and college and workforce readiness.

5 (b) Not later than March 1 and September 1 of each year, the
6 commissioner of education shall prepare and deliver a progress
7 report to the presiding officers of the standing committees of each
8 house of the legislature with primary jurisdiction over public
9 education, the Legislative Budget Board, and the Governor's Office
10 of Policy and Planning on:

11 (1) the implementation of Sections 7.031, 21.4511,
12 21.4541, 21.462, 28.008(d-1), 28.0212(d), 29.095-29.098, 29.911,
13 29.917-29.919, and 39.235 [~~39.115~~] and this subchapter;

14 (2) the programs supported by grants approved under
15 this subchapter; and

16 (3) the alignment of grants and programs to the
17 strategic plan adopted under Section 39.407 [~~39.357~~].

18 Sec. 39.416 [~~39.366~~]. RULES. The commissioner of education
19 and the commissioner of higher education shall adopt rules as
20 necessary to administer this subchapter and any programs under the
21 authority of the commissioner of education or the commissioner of
22 higher education and the council under this subchapter.

23 SECTION 57. Subsection (b), Section 42.002, Education Code,
24 is amended to read as follows:

25 (b) The Foundation School Program consists of:

26 (1) two tiers that in combination provide for:

27 (A) sufficient financing for all school

1 districts to provide a basic program of education that is rated
2 accredited [~~academically acceptable or higher~~] under Section
3 39.052 [~~39.072~~] and meets other applicable legal standards; and

4 (B) substantially equal access to funds to
5 provide an enriched program; and

6 (2) a facilities component as provided by Chapter 46.

7 SECTION 58. Section 51.3062, Education Code, is amended by
8 adding Subsections (i-1) and (q-1) to read as follows:

9 (i-1) The commissioner of higher education may by rule
10 require an institution of higher education to adopt uniform
11 standards for the placement of a student under this section.

12 (q-1) A student who has completed a recommended or advanced
13 high school program as determined under Section 28.025 and
14 demonstrated the performance standard for college readiness as
15 provided by Section 39.024 on the Algebra II and English III
16 end-of-course assessment instruments is exempt from the
17 requirements of this section with respect to those content areas.
18 The commissioner of higher education by rule shall establish the
19 period for which an exemption under this subsection is valid.

20 SECTION 59. Section 51.807, Education Code, as amended by
21 Chapters 941 (H.B. 3826) and 1369 (H.B. 3851), Acts of the 80th
22 Legislature, Regular Session, 2007, is reenacted to read as
23 follows:

24 Sec. 51.807. RULEMAKING. (a) The Texas Higher Education
25 Coordinating Board may adopt rules relating to the operation of
26 admissions programs under this subchapter, including rules
27 relating to the identification of eligible students.

1 (b) The Texas Higher Education Coordinating Board, after
2 consulting with the Texas Education Agency, by rule shall establish
3 standards for determining for purposes of this subchapter:

4 (1) whether a private high school is accredited by a
5 generally recognized accrediting organization; and

6 (2) whether a person completed a high school
7 curriculum that is equivalent in content and rigor to the
8 curriculum requirements established under Section 28.025 for the
9 recommended or advanced high school program.

10 SECTION 60. Chapter 61, Education Code, is amended by
11 adding Subchapter T-1 to read as follows:

12 SUBCHAPTER T-1. CAREER AND TECHNICAL EDUCATION

13 Sec. 61.861. DEVELOPMENT OF MATHEMATICS AND SCIENCE COURSES
14 FOR HIGH-DEMAND OCCUPATIONS. (a) The commissioner of higher
15 education and the commissioner of education, in consultation with
16 the comptroller and the Texas Workforce Commission, may award a
17 grant in an amount not to exceed \$1 million to an institution of
18 higher education to develop advanced mathematics and science
19 courses to prepare high school students for employment in a
20 high-demand occupation. The commissioner of higher education, the
21 commissioner of education, the comptroller, and the Texas Workforce
22 Commission shall jointly determine what is considered a high-demand
23 occupation for purposes of this subchapter.

24 (b) An institution of higher education shall work in
25 partnership with at least one independent school district and a
26 business entity in developing a course for purposes of this
27 section.

1 (c) A course developed for purposes of this section must:

2 (1) provide content that enables a student to develop
3 the relevant and critical skills needed to be prepared for
4 employment or additional training in a high-demand occupation;

5 (2) incorporate college and career readiness skills as
6 part of the curriculum;

7 (3) be offered for dual credit; and

8 (4) satisfy a mathematics or science requirement under
9 the recommended or advanced high school program as determined under
10 Section 28.025.

11 (d) An institution of higher education shall periodically
12 review and revise the curriculum for a course developed for
13 purposes of this section to accommodate changes in industry
14 standards for the high-demand occupation.

15 Sec. 61.862. GRANT APPLICATION CRITERIA. The commissioner
16 of higher education and the commissioner of education, in
17 consultation with the comptroller and the Texas Workforce
18 Commission, shall establish application criteria for a grant under
19 this subchapter and in making an award shall give priority to
20 courses that:

21 (1) will prepare students for high-demand, high-wage,
22 and high-skill occupations and further postsecondary study;

23 (2) may be transferred as college credit to multiple
24 institutions of higher education; and

25 (3) are developed as part of a sequence of courses that
26 includes statewide availability of the instructional materials and
27 training for the courses at a nominal cost to public educational

1 institutions in this state.

2 Sec. 61.863. USE OF FUNDS. An institution of higher
3 education may use funds awarded under this section to develop, in
4 connection with a course described by Section 61.861:

5 (1) curriculum;

6 (2) assessments;

7 (3) instructional materials, including
8 technology-based supplemental materials; or

9 (4) professional development programs for secondary
10 grade-level teachers teaching a course described by Section 61.861.

11 Sec. 61.864. REVIEW OF COURSES. Courses developed for
12 which a grant is awarded under this subchapter shall be reviewed by
13 the commissioner of higher education and the commissioner of
14 education, in consultation with the comptroller and the Texas
15 Workforce Commission, once every four years to determine whether
16 the course:

17 (1) is being used by public educational institutions
18 in this state;

19 (2) prepares high school students with the skills
20 necessary for employment in the high-demand occupation and further
21 postsecondary study; and

22 (3) satisfies a mathematics or science requirement for
23 the recommended or advanced high school program as determined under
24 Section 28.025.

25 Sec. 61.865. MATCHING CONTRIBUTION REQUIRED. An
26 institution of higher education awarded a grant under this
27 subchapter must obtain from one or more business entities in the

1 industry for which students taking courses developed under Section
2 61.861 are training, in a total amount equal to the amount of the
3 state grant:

- 4 (1) gifts, grants, or donations of funds; or
5 (2) contributions of property that may be used in
6 providing the courses.

7 Sec. 61.866. LIMITATION ON TOTAL AMOUNT OF GRANTS. In any
8 state fiscal biennium, the total amount of grants awarded under
9 this subchapter may not exceed \$10 million.

10 Sec. 61.867. FUNDING OF GRANTS. The commissioner of higher
11 education shall administer this section using available
12 appropriations and gifts, grants, and donations made for the
13 purposes of this subchapter.

14 SECTION 61. Subsection (c), Section 302.006, Labor Code, is
15 amended to read as follows:

16 (c) To be eligible to receive a scholarship awarded under
17 this section, a person must:

18 (1) be employed in a child-care facility, as defined
19 by Section 42.002, Human Resources Code;

20 (2) intend to obtain a credential, certificate, or
21 degree specified in Subsection (b);

22 (3) agree to work for at least 18 additional months in
23 a child-care facility, as defined by Section 42.002, Human
24 Resources Code, that accepts federal Child Care Development Fund
25 subsidies and that, at the time the person begins to fulfill the
26 work requirement imposed by this subdivision, is located:

27 (A) within the attendance zone of a public school

1 campus considered low-performing under Section 39.102 [~~39.132~~],
2 Education Code; or

3 (B) in an economically disadvantaged community,
4 as determined by the commission; and

5 (4) satisfy any other requirements adopted by the
6 commission.

7 SECTION 62. The following provisions of the Education Code
8 are repealed:

9 (1) Subsections (e), (f), and (g), Section 39.034; and

10 (2) Section 44.011.

11 SECTION 63. (a) Not later than December 1, 2010, the Texas
12 Education Agency shall prepare and deliver to the governor, the
13 lieutenant governor, the speaker of the house of representatives,
14 each member of the legislature, the clerks of the standing
15 committees of the senate and the house of representatives with
16 primary jurisdiction over public education, and the Legislative
17 Budget Board a transition plan containing the information described
18 by Subsections (b) and (c) of this section.

19 (b) The transition plan referred to in Subsection (a) of
20 this section must contain a detailed description of the process the
21 commissioner of education will use to develop and implement this
22 Act, including:

23 (1) the timeline;

24 (2) the means by which public school educators who are
25 representative of this state and other stakeholders, including
26 parents of public primary and secondary school students, and
27 business and community leaders, will be included in the process to

1 develop and implement this Act, in accordance with Subdivision
2 (11), Subsection (b), Section 7.055, Education Code;

3 (3) the resources required to implement this Act,
4 including resources that may be required by districts and campuses;

5 (4) the scope and sequence of tasks that must be
6 accomplished to implement this Act; and

7 (5) the use of the standard rulemaking process to
8 adopt any procedures necessary to implement this Act.

9 (c) Except as provided by this subsection, the transition
10 plan referred to in Subsection (a) of this section must provide for
11 the implementation during the 2011-2012 school year of changes made
12 by this Act to the accreditation and academic accountability
13 system. The assignment of accreditation statuses and any other
14 academic accountability designations under this Act must be
15 implemented beginning with the 2012-2013 school year.

16 (d) In conjunction with the transition plan prepared and
17 delivered under this section, the commissioner of education shall
18 provide for an equivalence of a performance rating, accreditation
19 status, distinction designation, or performance indicator, as
20 applicable, for each statutory performance rating or performance
21 indicator that is superseded by this Act.

22 SECTION 64. To the extent of any conflict, the reenactment
23 by this Act of Section 51.807, Education Code, prevails over
24 another Act of the 81st Legislature, Regular Session, 2009,
25 relating to nonsubstantive additions to and corrections in enacted
26 codes.

27 SECTION 65. (a) Except as provided by Subsections (b) and

1 (c) of this section, this Act applies beginning with the 2009-2010
2 school year.

3 (b) Subsection (c-3), Section 28.002, Education Code, as
4 added by this Act, applies beginning with the 2011-2012 school
5 year.

6 (c) Subchapter E, Chapter 39, Education Code, as amended by
7 this Act, applies as provided by the transition plan adopted by the
8 commissioner of education under Section 39.115, Education Code, as
9 added by this Act.

10 SECTION 66. Notwithstanding any other provision of this
11 Act, the commissioner of education may immediately apply any
12 provisions related to interventions and sanctions under Subchapter
13 E, Chapter 39, Education Code, as amended by this Act, to
14 interventions and sanctions under Subchapter G, Chapter 39,
15 Education Code, as that law existed prior to amendment by this Act.

16 SECTION 67. This Act does not make an appropriation. This
17 Act takes effect only if a specific appropriation for the
18 implementation of the Act is provided in a general appropriations
19 act of the 81st Legislature.

20 SECTION 68. Except as provided by Section 67 of this Act,
21 this Act takes effect immediately if it receives a vote of
22 two-thirds of all the members elected to each house, as provided by
23 Section 39, Article III, Texas Constitution. If this Act does not
24 receive the vote necessary for immediate effect, this Act takes
25 effect September 1, 2009, except as provided by Section 67 of this
26 Act.