

By: Shapiro

S.B. No. 3

A BILL TO BE ENTITLED

AN ACT

1
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. Sections 7.056(e) and (f), Education Code, are
6 amended to read as follows:

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

10 (1) a prohibition on conduct that constitutes a
11 criminal offense;

12 (2) a requirement imposed by federal law or rule,
13 including a requirement for special education or bilingual
14 education programs; or

15 (3) a requirement, restriction, or prohibition
16 relating to:

17 (A) curriculum essential knowledge or skills
18 under Section 28.002 or high school ~~[minimum]~~ graduation
19 requirements under Section 28.025;

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

22 (C) extracurricular activities under Section
23 33.081 or participation in a University Interscholastic League
24 area, regional, or state competition under Section 33.0812;

- 1 (D) health and safety under Chapter 38;
- 2 (E) purchasing under Subchapter B, Chapter 44;
- 3 (F) elementary school class size limits, except
- 4 as provided by Section 25.112;
- 5 (G) removal of a disruptive student from the
- 6 classroom under Subchapter A, Chapter 37;
- 7 (H) at-risk programs under Subchapter C, Chapter
- 8 29;
- 9 (I) prekindergarten programs under Subchapter E,
- 10 Chapter 29;
- 11 (J) educator rights and benefits under
- 12 Subchapters A, C, D, E, F, G, and I, Chapter 21, or under Subchapter
- 13 A, Chapter 22;
- 14 (K) special education programs under Subchapter
- 15 A, Chapter 29;
- 16 (L) bilingual education programs under
- 17 Subchapter B, Chapter 29; or
- 18 (M) the requirements for the first day of
- 19 instruction under Section 25.0811.

20 (f) A school district or campus that is required to develop
21 and implement a student achievement improvement plan under Section
22 39.101 [~~39.131~~] or 39.102 [~~39.132~~] may receive an exemption or
23 waiver under this section from any law or rule other than:

- 24 (1) a prohibition on conduct that constitutes a
- 25 criminal offense;
- 26 (2) a requirement imposed by federal law or rule;
- 27 (3) a requirement, restriction, or prohibition

1 imposed by state law or rule relating to:

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

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

7 (4) textbook selection under Chapter 31.

8 SECTION 2. Section 7.062(e), Education Code, is amended to
9 read as follows:

10 (e) The rules must:

11 (1) limit the amount of assistance provided through a
12 grant to not more than:

13 (A) for a construction project, \$200 per square
14 foot of the science laboratory to be constructed; or

15 (B) for a renovation project, \$100 per square
16 foot of the science laboratory to be renovated;

17 (2) require a school district to demonstrate, as a
18 condition of eligibility for a grant, that the existing district
19 science laboratories are insufficient in number to comply with the
20 curriculum requirements imposed for the Texas Diploma
21 [~~recommended~~] and advanced high school programs under Section
22 28.025(b-1)(1); and

23 (3) provide for ranking school districts that apply
24 for grants on the basis of wealth per student and giving priority in
25 the award of grants to districts with low wealth per student.

26 SECTION 3. Section 12.104(b), Education Code, is amended to
27 read as follows:

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

2 (1) a provision of this title establishing a criminal
3 offense; and

4 (2) a prohibition, restriction, or requirement, as
5 applicable, imposed by this title or a rule adopted under this
6 title, relating to:

7 (A) the Public Education Information Management
8 System (PEIMS) to the extent necessary to monitor compliance with
9 this subchapter as determined by the commissioner;

10 (B) criminal history records under Subchapter C,
11 Chapter 22;

12 (C) reading instruments and accelerated reading
13 instruction programs under Section 28.006;

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

16 (E) high school graduation requirements under
17 Section 28.025;

18 (F) special education programs under Subchapter
19 A, Chapter 29;

20 (G) bilingual education under Subchapter B,
21 Chapter 29;

22 (H) prekindergarten programs under Subchapter E,
23 Chapter 29;

24 (I) extracurricular activities under Section
25 33.081;

26 (J) discipline management practices or behavior
27 management techniques under Section 37.0021;

- 1 (K) health and safety under Chapter 38;
- 2 (L) public school accountability under
- 3 Subchapters B, C, D, E, and J [~~G~~], Chapter 39;
- 4 (M) the requirement under Section 21.006 to
- 5 report an educator's misconduct; and
- 6 (N) intensive programs of instruction under
- 7 Section 28.0213.

8 SECTION 4. Section 28.002, Education Code, is amended by
9 adding Subsections (c-1) and (c-2) to read as follows:

10 (c-1) The State Board of Education shall adopt rules to
11 allow courses offered in the foundation curriculum or the
12 enrichment curriculum to simultaneously satisfy, to the extent
13 practicable, more than one required credit for the standard, Texas
14 Diploma, or advanced high school program in which the student is
15 participating.

16 (c-2) The State Board of Education shall adopt rules to
17 authorize each school district to implement a program under which
18 students in middle or junior high school may earn credits toward
19 high school graduation in middle or junior high school for any
20 course determined by board rule to qualify as a high school
21 equivalent course.

22 SECTION 5. Section 28.014(b), Education Code, is amended to
23 read as follows:

24 (b) A student who successfully completes a course developed
25 under this section may use the credit earned in the course toward
26 satisfying the applicable mathematics or science curriculum
27 requirement for the Texas Diploma [~~recommended~~] or advanced high

1 school program under Section 28.025.

2 SECTION 6. The heading to Section 28.0211, Education Code,
3 is amended to read as follows:

4 Sec. 28.0211. STUDENT ADVANCEMENT DETERMINATION;
5 ~~[SATISFACTORY]~~ PERFORMANCE ON ASSESSMENT INSTRUMENTS ~~[REQUIRED]~~;
6 ACCELERATED INSTRUCTION.

7 SECTION 7. Section 28.0211, Education Code, is amended by
8 amending Subsections (a), (b), (c), (d), (e), (f), (g), and (i) and
9 adding Subsections (c-1), (d-1), (d-2), and (d-3) to read as
10 follows:

11 (a) Not later than the first day of the school year, a school
12 district shall determine the requirements for student advancement
13 from one grade level to the next. In determining whether a student
14 may be promoted to the next grade level, the district shall
15 consider:

16 (1) the student's score on an assessment instrument
17 administered under Section 39.023(a), (b), or (1);

18 (2) the recommendation of the student's teacher;

19 (3) the student's grade in each subject or course; and

20 (4) any other necessary information, as determined by
21 the district. ~~[Except as provided by Subsection (b) or (c), a~~
22 student may not be promoted to:

23 ~~[(1) the fourth grade program to which the student~~
24 ~~would otherwise be assigned if the student does not perform~~
25 ~~satisfactorily on the third grade reading assessment instrument~~
26 ~~under Section 39.023;~~

27 ~~[(2) the sixth grade program to which the student~~

1 ~~would otherwise be assigned if the student does not perform~~
2 ~~satisfactorily on the fifth grade mathematics and reading~~
3 ~~assessment instruments under Section 39.023, or~~

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

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

22 (c) If ~~[Each time]~~ a student fails to perform satisfactorily
23 on a mathematics or reading ~~[an]~~ assessment instrument administered
24 ~~[specified]~~ under Section 39.023(a), (b), or (1) ~~[Subsection (a)]~~,
25 the school district ~~[in which the student attends school]~~ shall
26 establish ~~[provide to the student accelerated instruction in the~~
27 ~~applicable subject area, including reading instruction for a~~

1 ~~student who fails to perform satisfactorily on a reading assessment~~
2 ~~instrument. After a student fails to perform satisfactorily on an~~
3 ~~assessment instrument a second time,~~] a grade placement committee
4 [~~shall be established~~] to prescribe the accelerated instruction the
5 district shall provide to the student [~~before the student is~~
6 ~~administered the assessment instrument the third time~~]. The grade
7 placement committee shall be composed of the principal or the
8 principal's designee, the student's parent or guardian, and the
9 teacher of the subject of an assessment instrument on which the
10 student failed to perform satisfactorily. The district shall
11 notify the parent or guardian of the time and place for convening
12 the grade placement committee and the purpose of the committee. The
13 accelerated instruction program provided under this subsection
14 must be systematic and may not be based solely on assessment
15 instrument practice skills and:

16 (1) for a student in a third, fifth, or eighth grade
17 program:

18 (A) must provide for instruction in the
19 applicable subject area;

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

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

26 (2) for a student in a program other than a third,
27 fifth, or eighth grade program, be made available to the student's

1 parent or guardian and the student's teacher in the next grade
2 level.

3 (c-1) A school district shall implement an accelerated
4 instruction program under Subsection (c) not later than the 30th
5 day after the first day of school of the next school year.
6 Accelerated instruction may occur outside of regular school hours,
7 including during summer school.

8 (d) In addition to providing accelerated instruction to a
9 student under Subsection (c), the district shall notify the
10 student's parent or guardian of:

11 (1) the student's failure to perform satisfactorily on
12 the assessment instrument;

13 (2) the accelerated instruction program to which the
14 student is assigned; ~~and~~

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

17 (4) the information collected under Subsection (a);

18 (5) the areas requiring improvement to perform
19 satisfactorily on a mathematics or reading assessment instrument
20 specified under Section 39.023(a), (b), or (1); and

21 (6) any other applicable information as determined by
22 the district.

23 (d-1) A school district shall make information provided to a
24 parent or guardian under Subsections (d)(4), (5), and (6) available
25 to the student's current teacher and the student's teacher in the
26 next grade level.

27 (d-2) After considering the information specified under

1 Subsection (a), the grade placement committee shall make a
2 determination that the student who failed a mathematics or reading
3 assessment instrument administered under Section 39.023(a), (b),
4 or (1) be:

5 (1) retained at the same grade level for the next
6 school year; or

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

9 (d-3) A student who fails to participate in an accelerated
10 instruction program developed under Subsection (c)(1) may not be
11 promoted to the next grade level program to which the student would
12 otherwise be assigned if the student does not perform
13 satisfactorily on the applicable assessment instrument specified
14 under Subsection (b).

15 ~~(e) A [student who, after at least three attempts, fails to~~
16 ~~perform satisfactorily on an assessment instrument specified under~~
17 ~~Subsection (a) shall be retained at the same grade level for the~~
18 ~~next school year in accordance with Subsection (a). The] student's~~
19 ~~parent or guardian may [appeal the student's retention by~~
20 ~~submitting a] request that [~~to~~] the grade placement committee~~
21 ~~reconsider the committee's decision under Subsection (d-2) to~~
22 ~~retain the student [established under Subsection (c)].~~ The school
23 district shall give the parent or guardian written notice of the
24 opportunity to request reconsideration [~~appeal. The grade~~
25 ~~placement committee may decide in favor of a student's promotion~~
26 ~~only if the committee concludes, using standards adopted by the~~
27 ~~board of trustees, that if promoted and given accelerated~~

1 ~~instruction, the student is likely to perform at grade level]~~. A
2 student may not be promoted on the basis of the grade placement
3 committee's decision under this subsection unless that decision is
4 unanimous. The commissioner by rule shall establish a time line for
5 making the placement determination. This subsection does not
6 create a property interest in promotion. The decision of the grade
7 placement committee under this subsection is final and may not be
8 appealed.

9 (f) An accelerated instruction program under Subsection (c)
10 ~~[A school district shall provide to a student who, after three~~
11 ~~attempts, has failed to perform satisfactorily on an assessment~~
12 ~~instrument specified under Subsection (a) accelerated instruction~~
13 ~~during the next school year as prescribed by an educational plan~~
14 ~~developed for the student by the student's grade placement~~
15 ~~committee established under Subsection (c). The district shall~~
16 ~~provide that accelerated instruction regardless of whether the~~
17 ~~student has been promoted or retained. The educational plan]~~ must
18 be designed to enable the student to perform at the appropriate
19 grade level by the conclusion of the school year. During the school
20 year, the student shall be monitored to ensure that the student is
21 progressing in accordance with the program ~~[plan]~~. The district
22 shall administer to the student the assessment instrument for the
23 grade level in which the student is placed at the time the district
24 regularly administers the assessment instruments for that school
25 year.

26 (g) This section does not preclude the retention at a grade
27 level, in accordance with state law or school district policy, of a

1 student who performs satisfactorily on an assessment instrument
2 administered [~~specified~~] under Section 39.023 [~~Subsection (a)~~].

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

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

11 (2) whether the student will be promoted or retained
12 under this section.

13 SECTION 8. Section 28.025, Education Code, is amended by
14 amending Subsections (a), (b), (b-1), (e), and (g) and adding
15 Subsections (b-3) and (e-1) to read as follows:

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

1 required under the enrichment curriculum for a student
2 participating in the standard, Texas Diploma, or advanced high
3 school program.

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

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

14 (1) except as provided by Subsection (b-2), the
15 curriculum requirements for the Texas Diploma [~~recommended~~] and
16 advanced high school programs under Subsection (a) include a
17 requirement that students successfully complete:

18 (A) four courses in each subject of the
19 foundation curriculum under Section 28.002(a)(1);

20 (B) two courses in a language other than English
21 under Section 28.002(a)(2)(A); and

22 (C) eight elective courses; [and]

23 (2) one or more courses offered in the required
24 curriculum for the Texas Diploma [~~recommended~~] and advanced high
25 school programs include a research writing component; and

26 (3) the curriculum requirements for the standard high
27 school program under Subsection (a) include a requirement that

1 students successfully complete:

2 (A) four courses in English language arts;

3 (B) three courses in mathematics;

4 (C) two courses in science;

5 (D) three courses in social studies;

6 (E) one additional course in either science or
7 social studies; and

8 (F) nine elective courses.

9 (b-3) Notwithstanding Section 5.09, Chapter 5 (H.B. 1),
10 79th Legislature, 3rd Called Session, 2006, the curriculum
11 requirements for the Texas Diploma and advanced high school
12 programs under Section 28.025(b-1) apply to students entering the
13 ninth grade beginning with the 2011-2012 school year. This
14 subsection expires September 1, 2015.

15 (e) Each school district shall report the academic
16 achievement record of students who have completed a standard, Texas
17 Diploma [~~minimum, recommended~~], or advanced high school program on
18 transcript forms adopted by the State Board of Education. The
19 transcript forms adopted by the board must be designed to clearly
20 differentiate between each of the high school programs and identify
21 whether a student received a diploma or a certificate of coursework
22 completion.

23 (e-1) A school district shall provide an endorsement of
24 college readiness on the transcript of a student who has completed a
25 Texas Diploma or advanced high school program and has demonstrated
26 the performance standard for college readiness as provided by
27 Section 39.024 on the Algebra II and English III end-of-course

1 assessment instruments. A district shall provide an endorsement of
2 postsecondary readiness on the transcript of a student who has
3 completed a Texas Diploma or advanced high school program and has
4 demonstrated the alternate performance standard as provided under
5 Section 39.0243. The State Board of Education shall adopt rules as
6 necessary to administer this subsection.

7 (g) If a student, other than a student permitted to take
8 courses under the standard [~~minimum~~] high school program as
9 provided by Subsection (b), is unable to complete the Texas Diploma
10 [~~recommended~~] or advanced high school program solely because
11 necessary courses were unavailable to the student at the
12 appropriate times in the student's high school career as a result of
13 course scheduling, lack of enrollment capacity, or another cause
14 not within the student's control, the school district shall
15 indicate that fact on the student's transcript form described by
16 Subsection (e).

17 SECTION 9. Section 29.094(c), Education Code, is amended to
18 read as follows:

19 (c) A campus may apply to the commissioner to participate in
20 the pilot program. The commissioner may select for participation
21 in the pilot program only campuses that have failed to improve
22 student performance in reading according to standards established
23 by the commissioner. The standards established by the commissioner
24 for purposes of this subsection must be based on reading
25 performance standards considered [~~required~~] for student promotion
26 under Section 28.0211.

27 SECTION 10. Section 29.096(e), Education Code, is amended

1 to read as follows:

2 (e) The commissioner shall establish minimum standards for
3 a local collaborative agreement, including a requirement that the
4 agreement must be signed by an authorized school district or
5 open-enrollment charter school officer and an authorized
6 representative of each of the other participating entities that is
7 a partner in the collaboration. The program must:

8 (1) limit participation in the program to students
9 authorized to participate by a parent or other person standing in
10 parental relationship;

11 (2) have as a primary goal graduation from high school
12 under at least the Texas Diploma [~~recommended~~] high school program;

13 (3) provide for local businesses or other employers to
14 offer paid employment or internship opportunities and advanced
15 career and vocational training;

16 (4) include an outreach component and a lead
17 educational staff member to identify and involve eligible students
18 and public and private entities in participating in the program;

19 (5) serve a population of students of which at least 50
20 percent are identified as students at risk of dropping out of
21 school, as described by Section 29.081(d);

22 (6) allocate not more than 15 percent of grant funds
23 and matching funds, as determined by the commissioner, to
24 administrative expenses;

25 (7) include matching funds from any of the
26 participating entities; and

27 (8) include any other requirements as determined by

1 the council.

2 SECTION 11. Section 29.904(d), Education Code, is amended
3 to read as follows:

4 (d) A plan developed under this section:

5 (1) must establish clear, achievable goals for
6 increasing the percentage of the school district's graduating
7 seniors, particularly the graduating seniors attending a high
8 school described by Subsection (a), who enroll in an institution of
9 higher education for the academic year following graduation;

10 (2) must establish an accurate method of measuring
11 progress toward the goals established under Subdivision (1) that
12 may include the percentage of district high school students and the
13 percentage of students attending a district high school described
14 by Subsection (a) who:

15 (A) are enrolled in a course for which a student
16 may earn college credit, such as an advanced placement or
17 international baccalaureate course or a course offered through
18 concurrent enrollment in high school and at an institution of
19 higher education;

20 (B) are enrolled in courses that meet the
21 curriculum requirements for the Texas Diploma [~~recommended~~] or
22 advanced high school program as determined under Section 28.025;

23 (C) have submitted a free application for federal
24 student aid (FAFSA);

25 (D) are exempt under Section 51.3062(p) or (q)
26 [~~51.306(1) or (m)~~] from administration of an assessment [~~a test~~]
27 instrument under Section 51.3062 [~~51.306~~] or have performed

1 successfully on an assessment [~~a test~~] instrument under Section
2 51.3062 [~~51.306~~];

3 (E) graduate from high school;

4 (F) graduate from an institution of higher
5 education; and

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

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

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

11 SECTION 12. Section 32.252(b), Education Code, is amended
12 to read as follows:

13 (b) The portal must serve as a single point of access to
14 educational resources, access to general student assessment data,
15 and secure access to individual student assessment data. In
16 addition to any other purpose specified by this subchapter or any
17 other educational purpose, the portal may be used 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 13. Section 32.258, Education Code, is amended to
9 read as follows:

10 Sec. 32.258. STUDENT ASSESSMENT DATA. (a) The agency shall
11 [~~may~~] establish a secure, interoperable system to be implemented
12 through the portal under which:

13 (1) a student or the student's parent or other person
14 standing in parental relationship can easily access the student's
15 individual assessment data; and

16 (2) an authorized employee of a school district,
17 including a district teacher, [~~districts~~] can readily access
18 individual [~~student~~] assessment data of district students for use
19 in developing strategies for improving student performance.

20 (b) The system established under Subsection (a) shall
21 provide a means for a student or the student's parent or other
22 person standing in parental relationship to track the student's
23 progress on assessment instrument requirements for graduation.

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

27 (d) Student assessment data provided under this section

1 must include student performance data on assessment instruments
2 over multiple years, beginning with the 2007-2008 school year,
3 including any data indicating progress in student achievement.

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

9 SECTION 14. Section 33.007(b), Education Code, is amended
10 to read as follows:

11 (b) During the first school year a student is enrolled in a
12 high school or at the high school level in an open-enrollment
13 charter school, and again during a student's senior year, a
14 counselor shall provide information about higher education to the
15 student and the student's parent or guardian. The information must
16 include information regarding:

17 (1) the importance of higher education;

18 (2) the advantages of completing the Texas Diploma
19 [~~recommended~~] or advanced high school program adopted under Section
20 28.025(a);

21 (3) the disadvantages of taking courses to prepare for
22 a high school equivalency examination relative to the benefits of
23 taking courses leading to a high school diploma;

24 (4) financial aid eligibility;

25 (5) instruction on how to apply for federal financial
26 aid;

27 (6) the center for financial aid information

1 established under Section 61.0776;

2 (7) the automatic admission of certain students to
3 general academic teaching institutions as provided by Section
4 51.803;

5 (8) the eligibility and academic performance
6 requirements for the TEXAS Grant as provided by Subchapter M,
7 Chapter 56; and

8 (9) the availability of programs in the district under
9 which a student may earn college credit, including advanced
10 placement programs, dual credit programs, joint high school and
11 college credit programs, and international baccalaureate programs.

12 SECTION 15. Section 39.023, Education Code, is amended by
13 adding Subsection (a-1) and amending Subsections (c-4), (e), and
14 (l) to read as follows:

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

18 (1) the score a student receives to provide reliable
19 information relating to a student's college readiness performance,
20 as defined by Section 39.024(a); and

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

23 (c-4) To the extent practicable and subject to Section
24 39.024, the agency shall ensure that each end-of-course assessment
25 instrument adopted under Subsection (c) is:

26 (1) developed in a manner that measures a student's
27 performance under the college readiness standards established

1 under Section 28.008; and

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

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

16 (1) The State Board of Education shall adopt rules for the
17 administration of the assessment instruments adopted under
18 Subsection (a) in Spanish to students in grades three through five
19 [~~six~~] who are of limited English proficiency, as defined by Section
20 29.052, whose primary language is Spanish, and who are not
21 otherwise exempt from the administration of an assessment
22 instrument under Section 39.027(a)(3) or (4). Each student of
23 limited English proficiency whose primary language is Spanish,
24 other than a student to whom Subsection (b) applies, may be assessed
25 using assessment instruments in Spanish under this subsection for
26 up to three years or assessment instruments in English under
27 Subsection (a). The language proficiency assessment committee

1 established under Section 29.063 shall determine which students are
2 administered assessment instruments in Spanish under this
3 subsection.

4 SECTION 16. Section 39.0233(d), Education Code, is amended
5 to read as follows:

6 (d) The questions adopted under this section may not ~~[must]~~
7 be administered in a separate section of the end-of-course
8 assessment instrument ~~[in which the questions are included]~~.

9 SECTION 17. Subchapter B, Chapter 39, Education Code, is
10 amended by amending Section 39.024 and adding Sections 39.0241,
11 39.0242, and 39.0243 to read as follows:

12 Sec. 39.024. MEASURES OF READINESS. (a) In this section:

13 (1) "College readiness" means the level of preparation
14 a student must attain in English language arts and mathematics
15 courses to enroll and succeed, without remediation, in an
16 entry-level general education course for credit in that same
17 content area at:

18 (A) a postsecondary educational institution that
19 primarily offers baccalaureate degrees and primarily serves a
20 limited geographic region; or

21 (B) a postsecondary educational institution that
22 primarily offers associate's degrees or certificates or
23 credentials other than baccalaureate or advanced degrees.

24 (2) "Skilled workforce and technical readiness" means
25 the level of preparation a student must attain in Algebra I and
26 English III courses to enroll and succeed in a workforce training,
27 certification, or other credential program at a postsecondary

1 educational institution that primarily offers associate's degrees
2 or certificates or credentials other than baccalaureate or advanced
3 degrees.

4 (b) The agency shall ensure that the end-of-course
5 assessment instruments required under Section 39.023(c) are
6 developed to be capable of, beginning with the 2011-2012 school
7 year, measuring:

8 (1) skilled workforce and technical readiness for
9 Algebra I and English III end-of-course assessment instruments; and

10 (2) college readiness for Algebra II and English III
11 end-of-course assessment instruments.

12 (c) Before the beginning of the 2011-2012 school year, the
13 agency shall gather data and conduct research studies to
14 substantiate:

15 (1) the correlation between a certain level of
16 performance by students on the Algebra I and English III
17 end-of-course assessment instruments and skilled workforce and
18 technical readiness; and

19 (2) the correlation between a certain level of
20 performance by students on the Algebra II and English III
21 end-of-course assessment instruments and college readiness.

22 (d) Studies under Subsection (c) must include an evaluation
23 of any need for remediation courses to facilitate skilled workforce
24 and technical readiness or college readiness.

25 (e) Based on the results of the studies conducted under
26 Subsection (c), the commissioner of education, in conjunction with
27 the commissioner of higher education, shall establish student

1 performance standards for:

2 (1) the Algebra I and English III end-of-course
3 assessment instruments indicating that students have attained
4 skilled workforce and technical readiness; and

5 (2) the Algebra II and English III end-of-course
6 assessment instruments indicating that students have attained
7 college readiness.

8 (f) To the extent practicable, the agency shall conduct
9 research studies similar to the studies conducted under Subsection
10 (c)(2) for the appropriate science and social studies end-of-course
11 assessment instruments.

12 (f-1) Not later than December 1, 2010, the agency shall
13 deliver to the lieutenant governor, the speaker of the house of
14 representatives, and the clerks of the standing committees of the
15 senate and the house of representatives with primary jurisdiction
16 over public education a report that includes:

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

20 (2) if feasible, recommendations for implementing
21 each standard.

22 (f-2) Subsection (f-1) and this subsection expire January
23 1, 2011.

24 (g) The agency shall continue to gather data to perform
25 studies as provided under Subsections (c) and (f) at least once
26 every two years.

27 (h) The agency shall periodically review the college

1 readiness performance standards established under this section and
2 compare the performance standards to performance standards
3 established nationally and internationally for comparable
4 assessment instruments. Following each review, the agency shall
5 deliver to the lieutenant governor, the speaker of the house of
6 representatives, and the clerks of the standing committees of the
7 senate and the house of representatives with primary jurisdiction
8 over public education a report on the results of the review
9 indicating whether the college readiness performance standards
10 established under this section are sufficiently rigorous to prepare
11 students in this state to compete academically with students
12 nationally and internationally. If the agency determines that the
13 college readiness performance standards established under this
14 section are not sufficiently rigorous, the agency shall recommend
15 changes to the college readiness performance standards.

16 Sec. 39.0241. SATISFACTORY PERFORMANCE. (a) Except as
17 otherwise provided by Subsection (b) [~~this subsection~~], the State
18 Board of Education shall determine the level of performance
19 considered to be satisfactory on the assessment instruments.

20 (a-1) Beginning with the 2011-2012 school year,
21 satisfactory performance on English language arts and mathematics
22 assessment instruments for purposes of this chapter means the
23 performance across grade levels necessary to indicate college
24 readiness, as defined by Section 39.024(a), except as:

25 (1) modified by Section 39.0242(d); or
26 (2) provided by Subsection (a-2)(2) or Section
27 39.0243.

1 (a-2) The State Board of Education shall establish:

2 (1) for the Texas Diploma and advanced high school
3 programs, the performance standard for the Algebra II and English
4 III end-of-course assessment instruments, as provided under
5 Section 39.024(b)(2);

6 (2) for the standard high school program, the
7 performance standard for the Algebra I and English III
8 end-of-course assessment instruments, as provided under Section
9 39.024(b)(1);

10 (3) except as provided by Subdivision (2), the
11 performance standard for the Algebra I and English II end-of-course
12 assessment instruments, as determined based on studies under
13 Section 39.0242 that correlate student performance on the Algebra I
14 and English II end-of-course assessment instruments with student
15 performance on the Algebra II and English III assessment
16 instruments;

17 (4) the performance standard for the English I
18 end-of-course assessment instrument, as determined based on
19 studies under Section 39.0242 that correlate student performance on
20 the English I end-of-course assessment instrument with student
21 performance on the English II assessment instrument;

22 (5) the performance standard for the grade eight
23 assessment instruments, as determined based on studies under
24 Section 39.0242 that correlate student performance on the grade
25 eight assessment instruments with student performance on the
26 Algebra I and English I end-of-course assessment instruments in the
27 same content area;

1 (6) the performance standard for the grade seven
2 assessment instruments, as determined based on studies under
3 Section 39.0242 that correlate student performance on the grade
4 seven assessment instruments with student performance on the grade
5 eight assessment instruments in the same content area;

6 (7) the performance standard for the grade six
7 assessment instruments, as determined based on studies under
8 Section 39.0242 that correlate student performance on the grade six
9 assessment instruments with student performance on the grade seven
10 assessment instruments in the same content area;

11 (8) the performance standard for the grade five
12 assessment instruments, as determined based on studies under
13 Section 39.0242 that correlate student performance on the grade
14 five assessment instruments with student performance on the grade
15 six assessment instruments in the same content area;

16 (9) the performance standard for the grade four
17 assessment instruments, as determined based on studies under
18 Section 39.0242 that correlate student performance on the grade
19 four assessment instruments with student performance on the grade
20 five assessment instruments in the same content area; and

21 (10) the performance standard for the grade three
22 assessment instruments, as determined based on studies under
23 Section 39.0242 that correlate student performance on the grade
24 three assessment instruments with student performance on the grade
25 four assessment instruments in the same content area.

26 (b) The admission, review, and dismissal committee of a
27 student being assessed under Section 39.023(b) shall determine the

1 level of performance considered to be satisfactory on the
2 assessment instruments administered to that student in accordance
3 with criteria established by agency rule.

4 (c) The agency shall develop study guides for the assessment
5 instruments administered under Sections 39.023(a) and (c). To
6 assist parents in providing assistance during the period that
7 school is recessed for summer, each school district shall
8 distribute the study guides to parents of students who do not
9 perform satisfactorily on one or more parts of an assessment
10 instrument administered under this subchapter.

11 (d) The agency shall develop and make available teacher
12 training materials and other teacher training resources to assist
13 teachers in enabling students of limited English proficiency to
14 meet state performance expectations. The teacher training
15 resources shall be designed to support intensive, individualized,
16 and accelerated instructional programs developed by school
17 districts for students of limited English proficiency.

18 (e) The commissioner shall retain a portion of the total
19 amount of funds allotted under Section 42.152(a) that the
20 commissioner considers appropriate to finance activities under
21 Subsection [~~Subsections~~] (c) and may retain a portion for
22 activities under Subsection (d) and for intensive programs of
23 instruction for students of limited English proficiency offered by
24 school districts and shall reduce each district's allotment
25 proportionately.

26 Sec. 39.0242. SATISFACTORY PERFORMANCE: RESEARCH STUDIES
27 AND IMPLEMENTATION OF STANDARD. (a) During the 2010-2011 school

1 year, the agency shall collect data through:

2 (1) the annual administration of assessment
3 instruments required under Section 39.023(a) in grades three
4 through eight; and

5 (2) the administration to appropriate students
6 throughout the state of an end-of-course assessment instrument
7 field test.

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

11 (1) the correlation between satisfactory student
12 performance on the grade three, four, five, six, or seven
13 assessment instruments with satisfactory performance on the
14 assessment instruments in the same content area for the next grade
15 level;

16 (2) the correlation between satisfactory student
17 performance on the grade eight assessment instruments with
18 satisfactory performance on the Algebra I and English I
19 end-of-course assessment instruments in the same content area;

20 (3) the correlation between satisfactory student
21 performance on the English I end-of-course assessment instrument
22 with satisfactory performance on the English II end-of-course
23 assessment instrument;

24 (4) for the standard high school program, the
25 correlation between satisfactory student performance on the
26 English II end-of-course assessment instrument with satisfactory
27 performance as determined under Section 39.024 on the English III

1 end-of-course assessment instrument; and

2 (5) for the Texas Diploma and advanced high school
3 programs, the correlation between satisfactory student performance
4 on the Algebra I and English II end-of-course assessment
5 instruments with satisfactory performance as determined under
6 Section 39.024 on the Algebra II and English III end-of-course
7 assessment instruments.

8 (c) Studies under this section must include an evaluation of
9 any need for remediation courses to facilitate skilled workforce
10 and technical readiness or college readiness.

11 (d) Based on the results of the studies conducted under this
12 section, the State Board of Education shall establish a level of
13 satisfactory performance that is more rigorous than the standard of
14 satisfactory performance established before the 2011-2012 school
15 year, but less rigorous than the level of satisfactory performance
16 identified under the studies conducted under this section as
17 indicating that students have attained college readiness. The
18 State Board of Education shall incrementally increase the level of
19 satisfactory performance during the 2012-2013 through 2016-2017
20 school years to the level identified under the studies conducted
21 under this section as indicating that students have attained
22 college readiness.

23 (e) Once the level of satisfactory performance has been
24 established at the level indicating college readiness, the agency
25 shall continue to gather data and perform studies as provided under
26 this section at least once every two years. If the data does not
27 support the correlation between student performance standards and

1 college readiness, the State Board of Education shall revise the
2 standard of performance considered to be satisfactory.

3 Sec. 39.0243. ALTERNATE PERFORMANCE STANDARD:
4 POSTSECONDARY READINESS. (a) This section applies only to a
5 student participating in a Texas Diploma or advanced high school
6 program who is administered the Algebra II and English III
7 end-of-course assessment instruments.

8 (b) Regardless of whether the student demonstrates the
9 performance standard for college readiness as provided by Section
10 39.024, the student demonstrates postsecondary readiness under
11 this section if the student earns in a curriculum course in which
12 the student is enrolled a certificate required for employment in a
13 high-demand, high-wage, high-skill occupation, as determined under
14 this section.

15 (c) The Texas Workforce Commission shall develop, in
16 consultation with the Texas Workforce Investment Council, a list of
17 high-demand, high-wage, high-skill occupations in this state that
18 have industry certifications. The Texas Workforce Commission shall
19 provide the research and technical support for developing the list
20 under this subsection.

21 (d) The Texas Workforce Investment Council shall consider
22 the list developed under Subsection (c) and approve a list for
23 submission to the commissioner. On approval of the list, the Texas
24 Workforce Investment Council shall deliver the list to the
25 commissioner.

26 (e) The commissioner of education, after consultation with
27 the commissioner of higher education, shall consider the list

1 delivered under Subsection (d) and approve a final list of
2 high-demand, high-wage, high-skill occupations in this state that
3 have industry certifications.

4 (f) The list of high-demand, high-wage, high-skill
5 occupations in this state that have industry certifications shall
6 be reviewed and approved under the process provided by Subsections
7 (c) through (e) every four years.

8 (g) Notwithstanding any other provision of this section, a
9 student's score on the Algebra II or English III end-of-course
10 assessment instrument constitutes 15 percent of the student's grade
11 in the applicable course.

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

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

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

25 (a-2) The commissioner by rule shall determine a method by
26 which a student's satisfactory performance on an advanced placement
27 test, international baccalaureate examination, a Scholastic

1 Assessment Test (SAT) Subject Test, or another assessment
2 instrument determined by the commissioner to be at least as
3 rigorous as an end-of-course assessment instrument adopted under
4 Section 39.023(c) may be used as a factor in determining whether the
5 student satisfies the requirements of Subsection (a) [~~including~~
6 ~~the cumulative score requirement of that subsection~~].

7 (b) Each time an end-of-course assessment instrument is
8 administered, a student who failed to perform satisfactorily
9 [~~achieve a score of at least 60~~] on the assessment instrument shall
10 retake the assessment instrument. Any other student may retake an
11 end-of-course assessment instrument for any reason. A student is
12 not required to retake a course as a condition of retaking an
13 end-of-course assessment instrument.

14 (b-1) A school district shall provide each student who fails
15 to perform satisfactorily [~~achieve a score of at least 70~~] on an
16 end-of-course assessment instrument with accelerated instruction
17 in the subject assessed by the assessment instrument.

18 (b-2) The agency, in consultation with the Texas Higher
19 Education Coordinating Board, shall develop senior-level English
20 language arts and mathematics accelerated instruction courses for
21 purposes of this section. If [~~a school district determines that~~] a
22 student does not demonstrate the performance standard for college
23 readiness as provided by Section 39.024 on the Algebra II or English
24 III end-of-course assessment instrument [~~on completion of grade~~
25 ~~11, is unlikely to achieve the cumulative score requirements for~~
26 ~~one or more subjects prescribed by Subsection (a) for receiving a~~
27 ~~high school diploma~~], the district shall offer [~~require~~] the

1 student the opportunity to enroll in a [~~corresponding content-area~~
2 ~~college preparatory~~] course described by this subsection [~~for which~~
3 ~~an end-of-course assessment instrument has been adopted, if~~
4 ~~available~~]. A student who enrolls in a [~~college preparatory~~] course
5 described by this subsection shall be administered an appropriate
6 end-of-course assessment instrument [~~for the course, with the~~
7 ~~end-of-course assessment instrument scored on a scale of 40. A~~
8 ~~student may use the student's score on the end-of-course assessment~~
9 ~~instrument for the college preparatory course towards satisfying~~
10 ~~the cumulative score requirements~~] prescribed by Subsection (a).

11 (c-1) A school district may not administer an assessment
12 instrument required for graduation administered under this section
13 as this section existed before September 1, 1999. A school district
14 may administer to a student who failed to perform satisfactorily on
15 an assessment instrument described by this subsection an alternate
16 assessment instrument designated by the commissioner. The
17 commissioner shall determine the level of performance considered to
18 be satisfactory on an alternate assessment instrument. The
19 district may not administer to the student an assessment instrument
20 or a part of an assessment instrument that assesses a subject that
21 was not assessed in an assessment instrument required for
22 graduation administered under this section as this section existed
23 before September 1, 1999. The commissioner shall make available to
24 districts information necessary to administer the alternate
25 assessment instrument authorized by this subsection. The
26 commissioner's determination regarding designation of an
27 appropriate alternate assessment instrument under this subsection

1 and the performance required on the assessment instrument is final
2 and may not be appealed.

3 (f) The commissioner shall by rule adopt a transition plan
4 to implement the amendments made by Chapter 1312 (S.B. No. 1031),
5 Acts of the 80th Legislature, Regular Session, 2007, replacing
6 general subject assessment instruments administered at the high
7 school level with end-of-course assessment instruments [~~to this~~
8 ~~section and Sections 39.023(a) and (c) and 39.051(b)(5)~~]. The
9 rules must provide for the end-of-course assessment instruments
10 adopted under Section 39.023(c) to be administered beginning with
11 students entering the ninth grade during the 2011-2012 school
12 year. During the period under which the transition to
13 end-of-course assessment instruments is made:

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

22 (2) the agency may defer releasing assessment
23 instrument questions and answer keys as required by Section
24 39.023(e) to the extent necessary to develop additional assessment
25 instruments.

26 SECTION 19. Section 39.027(e), Education Code, is amended
27 to read as follows:

1 (e) The commissioner shall develop an assessment system
 2 that shall be used for evaluating the academic progress, including
 3 reading proficiency in English, of all students of limited English
 4 proficiency, as defined by Section 29.052. A student who is exempt
 5 from the administration of an assessment instrument under
 6 Subsection (a)(3) or (4) who achieves reading proficiency in
 7 English as determined by the assessment system developed under this
 8 subsection shall be administered the assessment instruments
 9 described by Sections 39.023(a) and (c). The performance under the
 10 assessment system developed under this subsection of students to
 11 whom Subsection (a)(3) or (4) applies shall be included in the
 12 ~~[academic excellence]~~ indicator systems ~~[system]~~ under Sections
 13 39.053 and 39.301, as applicable ~~[Section 39.051]~~, the performance
 14 report under Section 39.306 ~~[39.053]~~, and the comprehensive annual
 15 report under Section 39.332 ~~[39.182]~~. This information shall be
 16 provided in a manner that is disaggregated by the bilingual
 17 education or special language program, if any, in which the student
 18 is enrolled.

19 SECTION 20. Section 39.033(b), Education Code, is amended
 20 to read as follows:

21 (b) An agreement under this section must require the private
 22 school to:

23 (1) as determined appropriate by the commissioner,
 24 provide to the commissioner the information described by Sections
 25 39.053(c) and 39.301(c); ~~[Section 39.051(b)]~~ and

26 (2) ~~[to]~~ maintain confidentiality in compliance with
 27 Section 39.030.

1 SECTION 21. Section 39.034, Education Code, is amended by
2 amending Subsection (d) and adding Subsection (d-1) to read as
3 follows:

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

- 7 (1) the grade five assessment instruments;
8 (2) the grade eight assessment instruments; and
9 (3) the end-of-course assessment instruments required
10 under this subchapter for graduation.

11 (d-1) The agency shall report the necessary annual
12 improvement required under Subsection (d) to the district. Each
13 year, the report must state whether the student fell below, met, or
14 exceeded the necessary target for improvement.

15 SECTION 22. Subchapters C and D, Chapter 39, Education
16 Code, as they existed on January 1, 2009, are repealed.

17 SECTION 23. Chapter 39, Education Code, is amended by
18 adding Subchapter C to read as follows:

19 SUBCHAPTER C. ACCREDITATION

20 Sec. 39.051. ACCREDITATION STATUS. Accreditation of a
21 school district or campus is determined in accordance with this
22 subchapter. The commissioner by rule shall determine in accordance
23 with this subchapter the criteria for the following accreditation
24 statuses:

- 25 (1) accredited;
26 (2) accredited-warned; and
27 (3) accredited-probation.

1 Sec. 39.052. DETERMINATION OF ACCREDITATION STATUS. (a)

2 Following the end of each school year, the commissioner shall
3 determine the accreditation status of each school district and
4 campus.

5 (b) In determining the accreditation status of a district,
6 the commissioner:

7 (1) shall evaluate and consider:

8 (A) performance on student achievement
9 indicators described by Section 39.053(c);

10 (B) performance under the financial
11 accountability rating system developed under Subchapter D; and

12 (C) the district's current special education
13 compliance status with the agency; and

14 (2) may evaluate and consider:

15 (A) the district's compliance with statutory
16 requirements and requirements imposed by rule of the commissioner
17 or State Board of Education under specific statutory authority that
18 relate to:

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

22 (ii) the high school graduation
23 requirements under Section 28.025; or

24 (iii) an item listed under Sections
25 7.056(e)(3)(C)-(I) that applies to the district;

26 (B) the effectiveness of the district's programs
27 for special populations; and

1 (C) the effectiveness of the district's career
2 and technology program.

3 (c) In determining the accreditation status of a campus, the
4 commissioner:

5 (1) shall evaluate and consider performance on student
6 achievement indicators described by Section 39.053(c); and

7 (2) may evaluate and consider other factors the
8 commissioner considers appropriate.

9 (d) Based on a school district's performance under
10 Subsection (b) or a campus's performance under Subsection (c), the
11 commissioner shall:

12 (1) assign each district and campus an accreditation
13 status; or

14 (2) revoke the accreditation of the district or campus
15 and order closure of the district or campus under this subchapter.

16 (e) A school district's accreditation status may be raised
17 or lowered based on the district's performance or may be lowered
18 based on the performance of one or more campuses in the district
19 that is below a standard required under this subchapter.

20 (f) The commissioner shall notify a school district or
21 campus that receives an accreditation status of accredited-warned
22 or accredited-probation that the performance of the district or
23 campus is below a standard required under this subchapter. The
24 commissioner shall require the district to notify the parents of
25 students enrolled in the district and property owners in the
26 district of the accreditation status of the district or campus and
27 the implications of that accreditation status.

1 (g) A school district that is not accredited may not receive
2 funds from the agency or hold itself out as operating a public
3 school of this state.

4 (h) This chapter may not be construed to invalidate a
5 diploma awarded, course credit earned, or grade promotion granted
6 by a school district before the commissioner revoked the district's
7 accreditation.

8 Sec. 39.053. PERFORMANCE INDICATORS: STUDENT ACHIEVEMENT.

9 (a) The commissioner shall adopt a set of indicators of the quality
10 of learning and student achievement on a campus. The commissioner
11 biennially shall review the indicators for the consideration of
12 appropriate revisions.

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

19 (c) Indicators of student achievement adopted under this
20 section must include:

21 (1) the results of assessment instruments required
22 under Sections 39.023(a), (b), (c), and (l), aggregated by grade
23 level and subject area, including:

24 (A) the percentage of students who performed
25 satisfactorily, as determined under the college readiness
26 performance standards under Section 39.0241 or as determined under
27 Section 39.0243, on the assessment instruments, aggregated by grade

1 level and subject area; and

2 (B) for students who did not perform
3 satisfactorily as described by Paragraph (A), the percentage of
4 students who met the standard for annual improvement, as determined
5 by the agency under Section 39.034, on assessment instruments,
6 aggregated by grade level and subject area;

7 (2) dropout rates, including dropout rates and
8 district completion rates for grade levels 9 through 12, computed
9 in accordance with standards and definitions adopted by the
10 National Center for Education Statistics of the United States
11 Department of Education; and

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

16 (d) Performance on the student achievement indicators
17 described by Subsection (c) must be based on longitudinal student
18 data that is disaggregated by the bilingual education or special
19 language program, if any, in which students of limited English
20 proficiency, as defined by Section 29.052, are or former students
21 of limited English proficiency were enrolled. If a student
22 described by this subsection is not or was not enrolled in
23 specialized language instruction, the number and percentage of
24 those students shall be provided.

25 (e) Performance on the student achievement indicator
26 described by Subsection (c)(1) shall be compared to state
27 standards, required improvement, and comparable improvement. The

1 state standard shall be established by the commissioner. Required
2 improvement is the progress necessary for the campus or district to
3 meet state standards and for its students to meet college readiness
4 performance standards as determined under Section 39.0241 or the
5 alternate performance standard established under Section 39.0243.
6 Comparable improvement is derived by measuring campuses and
7 districts against a profile developed from a total state student
8 performance database that exhibits substantial equivalence to the
9 characteristics of students served by the campus or district,
10 including past academic performance, socioeconomic status,
11 ethnicity, and limited English proficiency.

12 (f) Annually, the commissioner shall define the state
13 standard for the current school year for each student achievement
14 indicator described by Subsection (c) for accreditation and shall
15 project the state standards for each indicator for accreditation
16 for the following two school years. The commissioner shall
17 periodically raise the state standards for the student achievement
18 indicator described by Subsection (c)(1)(A) for accreditation as
19 necessary to reach the goal of achieving, by not later than the
20 2019-2020 school year, student performance in this state,
21 disaggregated by race, ethnicity, and socioeconomic status, that
22 ranks nationally in the top 10 states in terms of college readiness.

23 (g) In defining the required state standard for
24 accreditation for the indicator described by Subsection (c)(2), the
25 commissioner may not consider as a dropout a student whose failure
26 to attend school results from:

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

1 (2) as applicable:

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

5 (B) conviction of and sentencing for an offense
6 under the Penal Code.

7 (h) Each school district shall cooperate with the agency in
8 determining whether a student is a dropout for purposes of
9 accreditation and evaluating performance by school districts and
10 campuses under this chapter.

11 (i) The commissioner by rule shall adopt accountability
12 measures to be used in assessing the progress of students who have
13 failed to perform satisfactorily as described by Subsection
14 (c)(1)(A) in the preceding school year on an assessment instrument
15 required under Section 39.023(a), (c), or (l).

16 Sec. 39.054. METHODS AND STANDARDS FOR EVALUATING
17 PERFORMANCE. (a) The commissioner shall adopt rules to evaluate
18 school district and campus performance.

19 (b) In evaluating performance, the commissioner shall
20 evaluate against state standards and consider the performance of
21 each campus in a school district and each open-enrollment charter
22 school on the basis of the campus's or school's performance on the
23 student achievement indicators adopted under Section 39.053(c).
24 Any consideration of the effectiveness of district programs under
25 Section 39.052(b)(2)(B) or (C) must be based on data collected
26 through the Public Education Information Management System (PEIMS)
27 for purposes of accountability under this chapter and include the

1 results of assessment instruments required under Section 39.023.

2 (c) In evaluating school district and campus performance on
3 the student achievement indicator adopted under Section
4 39.053(c)(1), the commissioner shall identify satisfactory
5 performance as meeting the state standard determined by the
6 commissioner under Section 39.053(f) for the current school year
7 based on:

- 8 (1) student performance in the current school year; or
9 (2) student performance as averaged over the current
10 school year and the preceding two school years.

11 (d) Each annual accreditation review under Section 39.052
12 shall include an analysis of the student achievement indicators
13 adopted under Section 39.053(c) to determine school district and
14 campus performance in relation to:

- 15 (1) standards established for each indicator;
16 (2) required improvement as defined under Section
17 39.053(e); and
18 (3) comparable improvement as defined by Section
19 39.053(e).

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

1 district or campus is the one to which the student is regularly
2 assigned.

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

19 Sec. 39.056. ON-SITE INVESTIGATIONS. (a) The commissioner
20 may:

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

26 (2) as a result of the investigation, change the
27 accreditation status of a district or campus or withdraw a

1 distinction designation under Subchapter G.

2 (b) The commissioner shall determine the frequency of
3 on-site investigations by the agency according to annual
4 comprehensive analyses of student performance and equity in
5 relation to the student achievement indicators adopted under
6 Section 39.053.

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

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

15 (2) obtaining information from teachers in a manner
16 that prevents a district or campus from screening the information.

17 (d) The agency shall give written notice to the
18 superintendent and the board of trustees of a school district of any
19 impending investigation of the district's or campus's
20 accreditation.

21 (e) If an annual accreditation review under Section 39.052
22 indicates low performance on one or more of the indicators adopted
23 under Section 39.053(c) of one or more campuses in a school
24 district, the agency may conduct an on-site evaluation of those
25 campuses only.

26 (f) The investigators shall report orally and in writing to
27 the board of trustees of the school district and, as appropriate, to

1 campus administrators and shall make recommendations concerning
2 any necessary improvements or sources of aid such as regional
3 education service centers.

4 Sec. 39.057. SPECIAL ACCREDITATION INVESTIGATIONS. (a)
5 The commissioner shall authorize special accreditation
6 investigations to be conducted:

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

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

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

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

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

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

26 (7) when excessive numbers of students in special
27 education programs under Subchapter A, Chapter 29, are assessed

1 through assessment instruments developed or adopted under Section
2 39.023(b);

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

8 (9) when a significant pattern of increased student
9 dropout rates or decreased academic performance develops as the
10 result of the promotion of students who did not perform
11 satisfactorily on assessment instruments administered under
12 Section 39.023(a), (c), or (l); or

13 (10) as the commissioner otherwise determines
14 necessary.

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

19 (c) The commissioner may authorize special accreditation
20 investigations to be conducted in response to repeated complaints
21 submitted to the agency concerning imposition of excessive
22 paperwork requirements on classroom teachers.

23 (d) Based on the results of a special accreditation
24 investigation, the commissioner may:

25 (1) take appropriate action under Subchapter E;

26 (2) lower the school district's or campus's
27 accreditation status; or

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

2 (e) Regardless of whether the commissioner lowers the
3 school district's or campus's accreditation status under Subsection
4 (d), the commissioner may take action under Sections 39.101(a)(1)
5 through (8) or 39.102(1) through (7) if the commissioner determines
6 that the action is necessary to improve any area of a district's or
7 campus's performance, including the district's financial
8 accounting practices.

9 Sec. 39.058. CONDUCT OF INVESTIGATIONS. (a) The agency
10 shall adopt written procedures for conducting on-site
11 investigations under this subchapter. The agency shall make the
12 procedures available to the complainant, the alleged violator, and
13 the public. Agency staff must be trained in the procedures and must
14 follow the procedures in conducting the investigation.

15 (b) After completing an investigation, the agency shall
16 present preliminary findings to any person the agency finds has
17 violated a law, rule, or policy. Before issuing a report with its
18 final findings, the agency must provide a person the agency finds
19 has violated a law, rule, or policy an opportunity for an informal
20 review by the commissioner or a designated hearing examiner.

21 SECTION 24. Subchapter I, Chapter 39, Education Code, is
22 redesignated as Subchapter D, Chapter 39, Education Code, and the
23 sections in the redesignated subchapter, Sections 39.201, 39.202,
24 39.203, and 39.204, are redesignated as Sections 39.081, 39.082,
25 39.083, and 39.084, Education Code, respectively.

26 SECTION 25. Subchapter I, Chapter 39, Education Code,
27 redesignated by this Act as Subchapter D, Chapter 39, Education

1 Code, is amended by adding Sections 39.0821, 39.0822, and 39.0823
2 to read as follows:

3 Sec. 39.0821. COMPTROLLER REVIEW OF RESOURCE ALLOCATION
4 PRACTICES. The comptroller shall identify school districts and
5 campuses that use resource allocation practices that contribute to
6 high academic achievement and cost-effective operations. In
7 identifying districts and campuses under this section, the
8 comptroller shall:

9 (1) evaluate existing academic accountability and
10 financial data by integrating the data;

11 (2) rank the results of the evaluation under
12 Subdivision (1) to identify the relative performance of districts
13 and campuses; and

14 (3) identify potential areas for district and campus
15 improvement.

16 Sec. 39.0822. FINANCIAL SOLVENCY REVIEW REQUIRED. (a) The
17 agency shall develop a review process to anticipate the future
18 financial solvency of each school district. The review process
19 shall analyze:

20 (1) district revenues and expenditures for the
21 preceding school year; and

22 (2) projected district revenues and expenditures for
23 the current school year and the following five school years.

24 (b) In analyzing the information under Subsection (a), the
25 review process developed must consider, for the preceding school
26 year, the current school year, and the following five years, as
27 appropriate:

- 1 (1) student-to-staff ratios relative to expenditures,
2 including average staff salaries;
3 (2) the rate of depletion of the district general fund
4 balance;
5 (3) the number of students enrolled in the district;
6 (4) the adopted tax rate of the district;
7 (5) any independent audit report prepared for the
8 district; and
9 (6) actual financial data for the district for the
10 month of September.

11 (c) The agency shall consult school district financial
12 officers in developing the review process under this section.

13 (d) The agency shall develop a computer software template
14 for school districts to use in submitting information to the agency
15 for purposes of this section. Each district shall update
16 information to the template within the period prescribed by the
17 commissioner. The commissioner shall adopt rules under this
18 subsection to allow a district to enter estimates of critical data
19 into the template before the district adopts its budget. The
20 template must:

21 (1) be capable of importing, to the extent
22 practicable, data a district has previously submitted to the
23 agency;

24 (2) include an entry space that allows a district to
25 enter information explaining any irregularity in data submitted;
26 and

27 (3) provide alerts for:

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

3 (B) a rapid depletion of the district general
4 fund balance; and

5 (C) a significant discrepancy between actual
6 budget figures and projected revenues and expenditures.

7 (e) An alert in the template developed under Subsection (d)
8 must be developed to notify the agency immediately on the
9 occurrence of a condition described by Subsection (d)(3). After
10 the agency is alerted, the agency shall immediately notify the
11 affected school district regarding the condition triggering the
12 alert.

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

19 (b) If the interim financial data provided under Subsection
20 (a) substantiates the projected deficit, the school district shall
21 develop a financial plan and submit the plan to the agency for
22 approval. The agency may approve the plan only if the agency
23 determines the plan will permit the district to avoid the projected
24 insolvency.

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

27 (1) the district fails to submit a plan as provided by

1 Subsection (b);

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

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

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

10 SECTION 26. Section 39.203(b), Education Code,
11 redesignated by this Act as Section 39.083(b), Education Code, is
12 amended to read as follows:

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

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

18 (A) state-established standards; and

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

21 (2) a description of the data submitted using the
22 computer software template developed under Section 39.0822; and

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

25 SECTION 27. Subchapter G, Chapter 39, Education Code, is
26 redesignated as Subchapter E, Chapter 39, Education Code, and the
27 sections in the redesignated subchapter, Sections 39.131, 39.132,

1 39.1321, 39.1322, 39.1323, 39.1324, 39.1327, 39.133, 39.1331,
2 39.134, 39.135, 39.136, 39.137, and 39.138, Education Code, are
3 redesignated as Sections 39.101, 39.102, 39.103, 39.104, 39.105,
4 39.106, 39.107, 39.108, 39.109, 39.110, 39.111, 39.112, 39.113, and
5 39.114, Education Code, respectively.

6 SECTION 28. The heading to Subchapter G, Chapter 39,
7 Education Code, redesignated by this Act as Subchapter E, Chapter
8 39, Education Code, is amended to read as follows:

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

10 SECTION 29. Section 39.131, Education Code, redesignated by
11 this Act as Section 39.101, Education Code, is amended to read as
12 follows:

13 Sec. 39.101 [~~39.131~~]. INTERVENTIONS AND SANCTIONS FOR
14 DISTRICTS. (a) If a school district does not satisfy the
15 accreditation criteria under Section 39.052 [~~39.071, the academic~~
16 ~~performance standards under Section 39.072,~~] or any financial
17 accountability standard as determined by commissioner rule, the
18 commissioner shall take any of the following actions to the extent
19 the commissioner determines necessary:

20 (1) issue public notice of the deficiency to the board
21 of trustees;

22 (2) order a hearing conducted by the board of trustees
23 of the district for the purpose of notifying the public of the
24 insufficient [~~unacceptable~~] performance, the improvements in
25 performance expected by the agency, and the sanctions that may be
26 imposed under this section if the performance does not improve;

27 (3) order the preparation of a student achievement

1 improvement plan that addresses each student achievement [~~academic~~
2 ~~excellence~~] indicator under Section 39.053(c) for which the
3 district's performance is insufficient [~~unacceptable~~], the
4 submission of the plan to the commissioner for approval, and
5 implementation of the plan;

6 (4) order a hearing to be held before the commissioner
7 or the commissioner's designee at which the president of the board
8 of trustees of the district and the superintendent shall appear and
9 explain the district's low performance, lack of improvement, and
10 plans for improvement;

11 (5) arrange an on-site investigation of the district;

12 (6) appoint an agency monitor to participate in and
13 report to the agency on the activities of the board of trustees or
14 the superintendent;

15 (7) appoint a conservator to oversee the operations of
16 the district;

17 (8) appoint a management team to direct the operations
18 of the district in areas of insufficient [~~unacceptable~~] performance
19 or require the district to obtain certain services under a contract
20 with another person;

21 (9) if a district has a current accreditation status
22 of accredited-warned or accredited-probation, fails to satisfy any
23 standard under Section 39.054(d) [~~is rated academically~~
24 ~~unacceptable~~], or fails to satisfy financial accountability
25 standards as determined by commissioner rule, appoint a board of
26 managers to exercise the powers and duties of the board of trustees;

27 (10) if for two consecutive school years, including

1 the [~~current~~] school year for which performance is currently
2 determined, a district has received an accreditation status of
3 accredited-warned or accredited-probation, has failed to satisfy
4 any standard under Section 39.054(d) [~~been rated academically~~
5 ~~unacceptable~~], or has failed to satisfy financial accountability
6 standards as determined by commissioner rule, revoke the district's
7 accreditation and:

8 (A) order closure of the district and annex the
9 district to one or more adjoining districts under Section 13.054;
10 or

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

14 (11) if a district has failed to satisfy any standard
15 under Section 39.054(d) [~~been rated academically unacceptable~~] for
16 two consecutive school years, including the [~~current~~] school year
17 for which performance is currently determined, due to the
18 district's dropout rates, impose sanctions designed to improve high
19 school completion rates, including:

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

22 (B) restructuring the district or appropriate
23 school campuses to improve identification of and service to
24 students who are at risk of dropping out of school, as defined by
25 Section 29.081;

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

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

4 (b) This subsection applies regardless of whether a
5 district has satisfied the accreditation criteria. If for two
6 consecutive school years, including the ~~[current]~~ school year for
7 which the accreditation status is currently determined, a district
8 has had a conservator or management team assigned, the commissioner
9 may appoint a board of managers, a majority of whom must be
10 residents of the district, to exercise the powers and duties of the
11 board of trustees.

12 SECTION 30. Section 39.132, Education Code, redesignated by
13 this Act as Section 39.102, Education Code, is amended to read as
14 follows:

15 Sec. 39.102 ~~[39.132]~~. INTERVENTIONS AND SANCTIONS FOR
16 LOW-PERFORMING ~~[ACADEMICALLY UNACCEPTABLE]~~ CAMPUSES. If a campus
17 performance is below any standard under Section 39.054(d)
18 ~~[39.073(b)]~~, the campus is considered a low-performing ~~[an~~
19 ~~academically unacceptable]~~ campus. The commissioner may permit
20 the campus to participate in an innovative redesign of the campus to
21 improve campus performance or shall take any of the other following
22 actions, to the extent the commissioner determines necessary:

23 (1) issue public notice of the deficiency to the board
24 of trustees;

25 (2) order a hearing conducted by the board of trustees
26 at the campus for the purpose of:

27 (A) notifying the public of the insufficient

1 ~~[unacceptable]~~ performance, the improvements in performance
2 expected by the agency, and the sanctions that may be imposed under
3 this section if the performance does not improve within a
4 designated period of time; and

5 (B) soliciting public comment on the initial
6 steps being taken to improve performance;

7 (3) order the preparation of a report regarding the
8 parental involvement program at the campus and a plan describing
9 strategies for improving parental involvement at the campus;

10 (4) order the preparation of a report regarding the
11 effectiveness of the district- and campus-level planning and
12 decision-making committees established under Subchapter F, Chapter
13 11, and a plan describing strategies for improving the
14 effectiveness of those committees;

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

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

26 (7) appoint a campus intervention team under Section
27 39.104 ~~[39.1322]~~.

1 SECTION 31. The heading to Section 39.1321, Education Code,
2 redesignated by this Act as Section 39.103, Education Code, is
3 amended to read as follows:

4 Sec. 39.103 [~~39.1321~~]. INTERVENTIONS AND SANCTIONS FOR
5 CHARTER SCHOOLS.

6 SECTION 32. Sections 39.1321(a), (b), and (d), Education
7 Code, redesignated by this Act as Section 39.103(a), (b), and (d),
8 Education Code, are amended to read as follows:

9 (a) Interventions and sanctions [~~Sanctions~~] authorized
10 under this chapter for a school district or campus apply in the same
11 manner to an open-enrollment charter school.

12 (b) The commissioner shall adopt rules to implement
13 procedures to impose any intervention or sanction provision under
14 this chapter as those provisions relate to open-enrollment charter
15 schools.

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

22 SECTION 33. Sections 39.1322(a) and (b), Education Code,
23 redesignated by this Act as Sections 39.104(a) and (b), Education
24 Code, are amended to read as follows:

25 (a) If a campus performance satisfies performance standards
26 under Section 39.054(d) [~~is rated academically acceptable~~] for the
27 current school year but would not satisfy performance standards

1 under Section 39.054(d) [~~be rated as academically unacceptable~~] if
 2 the [~~performance~~] standards to be used for the following school
 3 year were applied to the current school year, the commissioner
 4 shall select and assign a technical assistance team to assist the
 5 campus in executing a school improvement plan and any other school
 6 improvement strategies the commissioner determines
 7 appropriate. The commissioner may waive the requirement to assign
 8 a technical assistance team under this subsection if the
 9 improvement in performance standards among all student groups,
 10 including special populations, over the preceding three years
 11 indicates that the campus is likely to satisfy performance
 12 standards under Section 39.054(d) [~~be rated academically~~
 13 ~~acceptable~~] in the following school year.

14 (b) If a campus has been identified as a low-performing
 15 campus [~~academically unacceptable~~] under Section 39.102 [~~39.132~~],
 16 the commissioner shall appoint a campus intervention team.

17 SECTION 34. Sections 39.1323(a), (b), (e), and (f),
 18 Education Code, redesignated by this Act as Sections 39.105(a),
 19 (b), (e), and (f), Education Code, are amended to read as follows:

20 (a) A campus intervention team shall:

21 (1) conduct a comprehensive on-site needs assessment
 22 [~~evaluation~~] of the campus as provided by Subsection (b) [~~to~~
 23 ~~determine the cause for the campus's low performance and lack of~~
 24 ~~progress~~];

25 (2) recommend appropriate actions as provided by
 26 Subsection (c) [~~, including reallocation of resources and technical~~
 27 ~~assistance, changes in school procedures or operations, staff~~

1 ~~development for instructional and administrative staff,~~
2 ~~intervention for individual administrators or teachers, waivers~~
3 ~~from state statute or rule, or other actions the team considers~~
4 ~~appropriate];~~

5 (3) assist in the development of a school improvement
6 plan for student achievement; and

7 (4) assist the commissioner in monitoring the progress
8 of the campus in implementing the school improvement plan for
9 improvement of student achievement.

10 (b) A [~~campus intervention team assigned under Section~~
11 ~~39.1322 to a campus shall conduct a]~~ comprehensive on-site needs
12 assessment of the campus under Subsection (a) must [~~to~~] determine
13 the causal factors resulting in the campus's low performance and
14 lack of progress. The team shall use the following guidelines and
15 procedures in conducting the comprehensive needs assessment of the
16 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 school improvement plan under
19 Subsection (d).

20 (e) A campus intervention team [~~appointed under Section~~
21 ~~39.1322(b)~~]:

22 (1) shall continue to work with a campus until:

23 (A) the campus satisfies all performance
24 standards under Section 39.054(d) [~~is rated academically~~
25 ~~acceptable~~] for a two-year period; or

26 (B) the campus satisfies all performance
27 standards under Section 39.054(d) [~~is rated academically~~

1 ~~acceptable~~] for a one-year period and the commissioner determines
2 that the campus is operating and will continue to operate in a
3 manner that improves student achievement; and

4 (2) may continually update the school improvement
5 plan, with approval from the commissioner, to meet the needs of the
6 campus.

7 (f) Notwithstanding any other provision of this subchapter,
8 if the commissioner determines that a campus for which an
9 intervention is ordered under Section 39.104(b) [~~39.1322(b)~~] is not
10 fully implementing the campus intervention team's recommendations
11 or school improvement plan, the commissioner may order the
12 reconstitution of the campus.

13 SECTION 35. The heading to Section 39.1324, Education Code,
14 redesignated by this Act as Section 39.106, Education Code, is
15 amended to read as follows:

16 Sec. 39.106 [~~39.1324~~]. MANDATORY INTERVENTIONS AND
17 SANCTIONS.

18 SECTION 36. Sections 39.1324(a), (d), (e), and (f),
19 Education Code, redesignated by this Act as Sections 39.106(a),
20 (d), (e), and (f), Education Code, are amended to read as follows:

21 (a) If a campus has been identified as a low-performing
22 campus under Section 39.102 [~~academically unacceptable~~] for two
23 consecutive school years, including the [~~current~~] school year for
24 which the performance is currently determined, the commissioner
25 shall order the reconstitution of the campus and assign a campus
26 intervention team. In reconstituting the campus, a campus
27 intervention team shall assist the campus in:

- 1 (1) developing a school improvement plan;
2 (2) obtaining approval of the plan from the
3 commissioner; and
4 (3) executing the plan on approval by the
5 commissioner.

6 (d) Notwithstanding any other provision of this subchapter,
7 if the commissioner determines that a campus subject to Subsection
8 (a) is not fully implementing the school improvement plan, the
9 commissioner may pursue alternative management of the campus under
10 Section 39.107 [~~39.1327~~] or may order closure of the campus.

11 (e) If a campus is identified as a low-performing campus
12 under Section 39.102 [~~considered an academically unacceptable~~
13 ~~campus~~] for the subsequent school year after the campus is
14 reconstituted under this section, the commissioner shall review the
15 progress of the campus and may order closure of the campus or pursue
16 alternative management under Section 39.107 [~~39.1327~~].

17 (f) If a campus is identified as a low-performing campus
18 under Section 39.102 [~~considered academically unacceptable~~] for
19 two consecutive school years after the campus is reconstituted
20 under Subsection (a), the commissioner shall order closure of the
21 campus or pursue alternative management under Section 39.107
22 [~~39.1327~~].

23 SECTION 37. The heading to Section 39.1327, Education Code,
24 redesignated by this Act as Section 39.107, Education Code, is
25 amended to read as follows:

26 Sec. 39.107 [~~39.1327~~]. MANAGEMENT OF CERTAIN LOW-PERFORMING
27 [~~ACADEMICALLY UNACCEPTABLE~~] CAMPUSES.

1 SECTION 38. Sections 39.1327(a), (b), (c), (d), (e), and
2 (f), Education Code, redesignated by this Act as Sections
3 39.107(a), (b), (c), (d), (e), and (f), Education Code, are amended
4 to read as follows:

5 (a) A campus may be subject to this section if the campus has
6 been identified as a low-performing campus under Section 39.102
7 [~~academically unacceptable under Section 39.132~~] and the
8 commissioner orders alternative management under Section 39.106(d)
9 [~~39.1324(d)~~], (e), or (f).

10 (b) The commissioner shall solicit proposals from qualified
11 nonprofit or for profit entities to assume management of a campus
12 subject to this section or may appoint to assume management of a
13 campus subject to this section a school district other than the
14 district in which the campus is located that is located in the
15 boundaries of the same regional education service center as the
16 campus is located. A district appointed under this section shall
17 assume management of a campus subject to this section in the same
18 manner provided by this section for a qualified [~~nonprofit~~] entity
19 or in accordance with commissioner rule.

20 (c) If the commissioner determines that the basis for
21 identifying a campus as a low-performing campus [~~academically~~
22 ~~unacceptable~~] is limited to a specific condition that may be
23 remedied with targeted technical assistance, the commissioner may:

24 (1) provide the campus a one-year waiver under this
25 section; and

26 (2) require the district to contract for the
27 appropriate technical assistance.

1 (d) The commissioner may annually solicit proposals under
2 this section for the management of a campus subject to this
3 section. The commissioner shall notify a qualified [~~nonprofit~~]
4 entity that has been approved as a provider under this
5 section. The district must execute a contract with an approved
6 provider and relinquish control of the campus before January 1 of
7 the school year.

8 (e) To qualify for consideration as a managing entity under
9 this section, the entity must submit a proposal that provides
10 information relating to the entity's management and leadership team
11 that will participate in management of the campus under
12 consideration, including information relating to individuals that
13 have:

14 (1) documented success in whole school interventions
15 that increased the educational and performance levels of students
16 in low-performing [~~academically unacceptable~~] campuses;

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

19 (3) a proven ability to apply research-based school
20 intervention strategies;

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

23 (5) any other experience or qualifications the
24 commissioner determines necessary.

25 (f) In selecting a managing entity under this section, the
26 commissioner shall give preference to a qualified [~~nonprofit~~]
27 entity that:

- 1 (1) meets any qualifications under this section; and
2 (2) has documented success in educating students from
3 similar demographic groups and with similar educational needs as
4 the students who attend the campus that is to be operated by a
5 managing entity under this section.

6 SECTION 39. Section 39.133, Education Code, redesignated by
7 this Act as Section 39.108, Education Code, is amended to read as
8 follows:

9 Sec. 39.108 [~~39.133~~]. ANNUAL REVIEW. The commissioner
10 shall review annually the performance of a district or campus
11 subject to this subchapter to determine the appropriate actions to
12 be implemented under this subchapter. The commissioner must review
13 at least annually the performance of a district for which the
14 accreditation status [~~rating~~] has been lowered due to insufficient
15 [~~unacceptable~~] student performance and may not raise the
16 accreditation status [~~rating~~] until the district has demonstrated
17 improved student performance. If the review reveals a lack of
18 improvement, the commissioner shall increase the level of state
19 intervention and sanction unless the commissioner finds good cause
20 for maintaining the current status.

21 SECTION 40. Section 39.1331, Education Code, redesignated
22 by this Act as Section 39.109, Education Code, is amended to read as
23 follows:

24 Sec. 39.109 [~~39.1331~~]. ACQUISITION OF PROFESSIONAL
25 SERVICES. In addition to other interventions and sanctions
26 authorized under Sections 39.101 [~~39.131~~] and 39.102 [~~39.132~~], the
27 commissioner may order a school district or campus to acquire

1 professional services at the expense of the district or campus to
2 address the applicable financial, assessment, data quality,
3 program, or governance deficiency. The commissioner's order may
4 require the district or campus to:

5 (1) select an external auditor, data quality expert,
6 professional authorized to monitor district assessment instrument
7 administration, or curriculum or program expert; or

8 (2) provide for the appropriate training of district
9 staff or board of trustees members in the case of a district, or
10 campus staff, in the case of a campus.

11 SECTION 41. Section 39.134, Education Code, redesignated by
12 this Act as Section 39.110, Education Code, is amended to read as
13 follows:

14 Sec. 39.110 [~~39.134~~]. COSTS PAID BY DISTRICT. The costs of
15 providing a monitor, conservator, management team, campus
16 intervention team, technical assistance team, managing entity
17 under Section 39.107 [~~39.1327~~], or service provider under Section
18 39.109 [~~39.1331~~] shall be paid by the district. If the district
19 fails or refuses to pay the costs in a timely manner, the
20 commissioner may:

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

23 (2) recover the amount of the costs in the manner
24 provided for recovery of an overallocation of state funds under
25 Section 42.258.

26 SECTION 42. Section 39.135(c), Education Code,
27 redesignated by this Act as Section 39.111(c), Education Code, is

1 amended to read as follows:

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

6 (1) may direct an action to be taken by the principal
7 of a campus, the superintendent of the district, or the board of
8 trustees of the district;

9 (2) may approve or disapprove any action of the
10 principal of a campus, the superintendent of the district, or the
11 board of trustees of the district;

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

15 (4) may not change the number of or method of selecting
16 the board of trustees;

17 (5) may not set a tax rate for the district; and

18 (6) may not adopt a budget for the district that
19 provides for spending a different amount, exclusive of required
20 debt service, from that previously adopted by the board of
21 trustees.

22 SECTION 43. Subchapter K, Chapter 39, Education Code, is
23 redesignated as Subchapter F, Chapter 39, Education Code, and the
24 sections in the redesignated subchapter, Sections 39.301 and
25 39.302, are redesignated as Sections 39.151 and 39.152, Education
26 Code.

27 SECTION 44. The heading to Subchapter K, Chapter 39,

1 Education Code, redesignated by this Act as Subchapter F, Chapter
2 39, Education Code, is amended to read as follows:

3 SUBCHAPTER F [~~K~~]. PROCEDURES FOR CHALLENGE OF ACCREDITATION
4 STATUS, ACCOUNTABILITY DETERMINATION, INTERVENTION, [RATING] OR
5 SANCTION

6 SECTION 45. The heading to Section 39.301, Chapter 39,
7 Education Code, redesignated by this Act as Section 39.151,
8 Education Code, is amended to read as follows:

9 Sec. 39.151 [~~39.301~~]. REVIEW BY COMMISSIONER:
10 ACCREDITATION STATUS OR ACCOUNTABILITY DETERMINATION [~~RATINGS~~].

11 SECTION 46. Sections 39.301(a), (b), and (e), Chapter 39,
12 Education Code, redesignated by this Act as Sections 39.151(a),
13 (b), and (e), Education Code, are amended to read as follows:

14 (a) The commissioner by rule shall provide a process for a
15 school district or open-enrollment charter school to challenge an
16 agency decision made under this chapter relating to an
17 accreditation status determination or other determination made
18 under this chapter regarding the academic or financial performance
19 of [accountability rating that affects] the district or school.

20 (b) The rules under Subsection (a) must provide for the
21 commissioner to appoint a committee to make recommendations to the
22 commissioner on a challenge made to an agency decision relating to
23 an accreditation status determination, academic performance
24 determination, or financial accountability rating. The
25 commissioner may not appoint an agency employee as a member of the
26 committee.

27 (e) A school district or open-enrollment charter school may

1 not challenge an agency decision relating to an accreditation
2 status determination or other determination made under this chapter
3 regarding the academic or financial performance of the district or
4 school [~~accountability rating under this chapter~~] in another
5 proceeding if the district or school has had an opportunity to
6 challenge the decision under this section.

7 SECTION 47. Chapter 39, Education Code, is amended by
8 adding Subchapter G to read as follows:

9 SUBCHAPTER G. DISTINCTION DESIGNATIONS

10 Sec. 39.201. CAMPUS DISTINCTION DESIGNATIONS. (a) The
11 commissioner shall award a campus a distinction designation if the
12 campus is ranked in the top 25 percent of campuses in the state in
13 annual improvement in student achievement as determined under
14 Section 39.034.

15 (b) In addition to the distinction designation described by
16 Subsection (a), the commissioner shall award a campus a distinction
17 designation if the campus demonstrates an ability to significantly
18 diminish or eliminate performance differentials between student
19 subpopulations. The commissioner shall adopt rules related to the
20 distinction designation under this subsection to ensure that a
21 campus does not artificially diminish or eliminate performance
22 differentials through inhibiting the achievement of the highest
23 achieving student subpopulation.

24 (c) In addition to the distinction designations described
25 by Subsections (a) and (b), a campus that satisfies the criteria
26 developed under Section 39.202 shall be awarded a distinction
27 designation by the commissioner for the following programs or the

1 following specific categories of performance:

- 2 (1) academic achievement;
- 3 (2) fine arts;
- 4 (3) physical education;
- 5 (4) 21st Century Workforce Development program; and
- 6 (5) second language acquisition program.

7 (d) A campus may not be awarded a distinction designation
8 under this subchapter unless the campus is assigned an
9 accreditation status of accredited under Section 39.052.

10 Sec. 39.202. CAMPUS DISTINCTION DESIGNATION CRITERIA;
11 COMMITTEES. (a) The commissioner by rule shall establish:

- 12 (1) standards for considering campuses for
13 distinction designations under Section 39.201(c); and
- 14 (2) methods for awarding distinction designations to
15 campuses.

16 (b) In adopting rules under this section, the commissioner
17 shall establish a separate committee to develop criteria for each
18 distinction designation under Section 39.201(c).

19 (c) Each committee established under this section must
20 include:

- 21 (1) individuals who practice as professionals in the
22 content area relevant to the distinction designation, as
23 applicable;
- 24 (2) individuals with subject matter expertise in the
25 content area relevant to the distinction designation;
- 26 (3) educators with subject matter expertise in the
27 content area relevant to the distinction designation; and

1 (4) community leaders, including leaders from the
2 business community.

3 (d) For each committee, the governor, lieutenant governor,
4 and speaker of the house of representatives may each appoint a
5 person described by each subdivision of Subsection (c).

6 (e) In developing criteria for distinction designations
7 under this section, each committee shall:

8 (1) identify a variety of indicators for measuring
9 excellence; and

10 (2) consider categories for distinction designations,
11 with criteria relevant to each category, based on:

12 (A) the level of a program, whether elementary
13 school, middle or junior high school, or high school; and

14 (B) the student enrollment of a campus.

15 SECTION 48. Subchapter F, Chapter 39, Education Code, is
16 redesignated as Subchapter H, Chapter 39, Education Code, and the
17 sections in the redesignated subchapter, Sections 39.111, 39.112,
18 39.113, 39.114, 39.115, and 39.116, are redesignated as Sections
19 39.231, 39.232, 39.233, 39.234, 39.235, and 39.236, Education Code,
20 respectively.

21 SECTION 49. Section 39.111, Education Code, redesignated by
22 this Act as Section 39.231, Education Code, is amended to read as
23 follows:

24 Sec. 39.231 [~~39.111~~]. RECOGNITION AND REWARDS. The State
25 Board of Education shall develop a plan for recognizing and
26 rewarding school [~~districts and~~] campuses that receive a
27 distinction designation under Subchapter G and develop [~~are rated~~

1 ~~as exemplary or recognized and for developing]~~ a network for
2 sharing proven successful practices statewide and regionally. The
3 reward may be used to provide educators with summer stipends to
4 develop curricula based on the cited successful strategies. The
5 educators may copyright the curricula they develop.

6 SECTION 50. Section 39.112, Education Code, redesignated by
7 this Act as Section 39.232, Education Code, is amended to read as
8 follows:

9 Sec. 39.232 [~~39.112~~]. DISTINCTION [~~EXCELLENCE~~] EXEMPTIONS.

10 (a) Except as provided by Subsection (b), a school campus [~~or~~
11 ~~district~~] that holds a distinction designation under Section
12 39.201(a) or (c)(1) [~~is rated exemplary~~] is exempt from
13 requirements and prohibitions imposed under this code including
14 rules adopted under this code.

15 (b) A school campus [~~or district~~] is not exempt under this
16 section from:

17 (1) a prohibition on conduct that constitutes a
18 criminal offense;

19 (2) requirements imposed by federal law or rule,
20 including requirements for special education or bilingual
21 education programs; or

22 (3) a requirement, restriction, or prohibition
23 relating to:

24 (A) curriculum essential knowledge and skills
25 under Section 28.002 or high school [~~minimum~~] graduation
26 requirements under Section 28.025;

27 (B) public school accountability as provided by

1 Subchapters B, C, E [~~D~~], and J [~~G~~];

2 (C) extracurricular activities under Section
3 33.081;

4 (D) health and safety under Chapter 38;

5 (E) purchasing [~~competitive bidding~~] under
6 Subchapter B, Chapter 44;

7 (F) elementary school class size limits, except
8 as provided by Subsection (d) or Section 25.112;

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

11 (H) at risk programs under Subchapter C, Chapter
12 29;

13 (I) prekindergarten programs under Subchapter E,
14 Chapter 29;

15 (J) rights and benefits of school employees;

16 (K) special education programs under Subchapter
17 A, Chapter 29; or

18 (L) bilingual education programs under
19 Subchapter B, Chapter 29.

20 (c) The agency shall monitor and evaluate deregulation of a
21 school campus [~~or district~~] under this section and Section 7.056.

22 (d) The commissioner may exempt a [~~an exemplary~~] school
23 campus that receives a distinction designation under Section
24 39.201(a) or (c)(1) from elementary class size limits under this
25 section if the school campus submits to the commissioner a written
26 plan showing steps that will be taken to ensure that the exemption
27 from the class size limits will not be harmful to the academic

1 achievement of the students on the school campus. The commissioner
2 shall review achievement levels annually. The exemption remains in
3 effect until the commissioner determines that achievement levels of
4 the campus have declined.

5 SECTION 51. Section 39.113(a), Education Code,
6 redesignated by this Act as Section 39.233(a), Education Code, is
7 amended to read as follows:

8 (a) The agency shall:

9 (1) develop standards for evaluating the success and
10 cost-effectiveness of high school completion and success and
11 college readiness programs implemented under Section 39.234
12 [~~39.114~~];

13 (2) provide guidance for school districts and campuses
14 in establishing and improving high school completion and success
15 and college readiness programs implemented under Section 39.234
16 [~~39.114~~]; and

17 (3) develop standards for selecting and methods for
18 recognizing school districts and campuses that offer exceptional
19 high school completion and success and college readiness programs
20 under Section 39.234 [~~39.114~~].

21 SECTION 52. Section 39.114(b), Education Code,
22 redesignated by this Act as Section 39.234(b), Education Code, is
23 amended to read as follows:

24 (b) A school district may use funds allocated under Section
25 42.2516(b)(3) on any instructional program in grades six through 12
26 other than an athletic program if:

27 (1) the district's measure of progress toward college

1 readiness is determined exceptional by a standard set [~~district is~~
2 ~~recognized as exceptional~~] by the commissioner [~~under the academic~~
3 ~~accountability indicator adopted under Section 39.051(b)(13)~~]; and

4 (2) the district's completion rates for grades nine
5 through 12 [~~meet or~~] exceed completion rate standards required by
6 the commissioner to achieve a status of accredited under Section
7 39.051 [~~rating of exemplary under Section 39.072~~].

8 SECTION 53. Section 39.115(a), Education Code,
9 redesignated by this Act as Section 39.235(a), Education Code, is
10 amended to read as follows:

11 (a) From funds appropriated for that purpose, the
12 commissioner may establish a grant program under which grants are
13 awarded to secondary campuses and school districts to support:

14 (1) the implementation of innovative high school
15 improvement programs that are based on the best available research
16 regarding high school reform, dropout prevention, and preparing
17 students for postsecondary coursework or employment;

18 (2) enhancing education practices that have been
19 demonstrated by significant evidence of effectiveness; and

20 (3) the alignment of grants and programs to the
21 strategic plan adopted under Section 39.407 [~~39.357~~].

22 SECTION 54. Section 39.116, Education Code, redesignated by
23 this Act as Section 39.236, Education Code, is amended to read as
24 follows:

25 Sec. 39.236 [~~39.116~~]. INITIATIVE FOR RETAINING QUALITY
26 EDUCATORS. Notwithstanding Section 39.106(b) [~~39.1324(b)~~], a
27 school district, to assist in preventing dropouts and disruptions

1 that may result from certain mandatory sanctions, may retain at a
2 campus a principal who has been employed at the campus as a
3 principal during the two-year period described by Section 39.106(a)
4 [~~39.1324(a)~~] if the students enrolled at the campus have
5 demonstrated a pattern of significant academic improvement.

6 SECTION 55. Subchapter E, Chapter 39, Education Code, is
7 redesignated as Subchapter I, Chapter 39, Education Code, and the
8 sections in the redesignated subchapter, Sections 39.091, 39.092,
9 39.093, 39.094, 39.095, and 39.096, are redesignated as Sections
10 39.261, 39.262, 39.263, 39.264, 39.265, and 39.266, Education Code,
11 respectively.

12 SECTION 56. Section 39.093, Education Code, redesignated by
13 this Act as Section 39.263, Education Code, is amended by amending
14 Subsection (a) and adding Subsection (a-1) to read as follows:

15 (a) The criteria that the commissioner shall use to select
16 successful schools and districts must be related to the goals in
17 Section 4.002 and must include:

18 (1) for districts and campuses, consideration of
19 performance on the student achievement [~~academic excellence~~]
20 indicators adopted under Section 39.053(c); and

21 (2) for campuses, consideration of the distinction
22 designation criteria prescribed by or developed under Subchapter G
23 [~~39.051~~].

24 (a-1) For purposes of selecting schools and districts under
25 Section 39.262(a) [~~39.092(a)~~], each school's performance shall be
26 compared to state standards and to its previous performance.

27 SECTION 57. Chapter 39, Education Code, is amended by

1 adding Subchapter J to read as follows:

2 SUBCHAPTER J. PARENT AND EDUCATOR REPORTS

3 Sec. 39.301. ADDITIONAL PERFORMANCE INDICATORS: REPORTING.

4 (a) In addition to the indicators adopted under Section 39.053, the
5 commissioner shall adopt indicators of the quality of learning on a
6 campus for the purpose of preparing reports under this chapter. The
7 commissioner biennially shall review the indicators for the
8 consideration of appropriate revisions.

9 (b) Performance on the indicators adopted under this
10 section shall be evaluated in the same manner provided for
11 evaluation of the student achievement indicators under Section
12 39.053(b).

13 (c) Indicators for reporting purposes must include:

14 (1) the percentage of graduating students who meet the
15 course requirements established for the Texas Diploma high school
16 program by State Board of Education rule;

17 (2) the results of the Scholastic Assessment Test
18 (SAT), the American College Test (ACT), articulated postsecondary
19 degree programs described by Section 61.852, and certified
20 workforce training programs described by Chapter 311, Labor Code;

21 (3) for students who have failed to perform
22 satisfactorily, as determined under the college readiness
23 performance standard under Section 39.0241, on an assessment
24 instrument required under Section 39.023(a) or (c), the numerical
25 progress of those students grouped by percentage on subsequent
26 assessment instruments required under those sections, aggregated
27 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, and the performance of those students in the school
8 year following that promotion on the assessment instruments
9 required under Section 39.023;

10 (5) the percentage of students exempted, by exemption
11 category, from the assessment program generally applicable under
12 this chapter;

13 (6) the percentage of students of limited English
14 proficiency exempted from the administration of an assessment
15 instrument under Sections 39.027(a)(3) and (4);

16 (7) the percentage of students in a special education
17 program under Subchapter A, Chapter 29, assessed through assessment
18 instruments developed or adopted under Section 39.023(b);

19 (8) the measure of progress toward college readiness;
20 and

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 (d) Performance on the indicators described by Subsections
25 (c)(3), (4), and (9) must be based on longitudinal student data that
26 is disaggregated by the bilingual education or special language
27 program, if any, in which students of limited English proficiency,

1 as defined by Section 29.052, are or former students of limited
2 English proficiency were enrolled. If a student described by this
3 subsection is not or was not enrolled in specialized language
4 instruction, the number and percentage of those students shall be
5 provided.

6 (e) Section 39.055 applies in determining the performance
7 of a school district or campus on an indicator described by
8 Subsection (c).

9 Sec. 39.302. REPORT TO DISTRICT: COMPARISONS FOR ANNUAL
10 PERFORMANCE ASSESSMENT. (a) The agency shall report to each school
11 district the comparisons of student performance made under Section
12 39.034.

13 (b) To the extent practicable, the agency shall combine the
14 report of comparisons with the report of the student's performance
15 on assessment instruments under Section 39.023.

16 Sec. 39.303. REPORT TO PARENTS. (a) The school district a
17 student attends shall provide a record of the comparisons made
18 under Section 39.034 and provided to the district under Section
19 39.302 in a written notice to the student's parent or other person
20 standing in parental relationship.

21 (b) For a student who failed to perform satisfactorily as
22 determined under the college readiness performance standard under
23 Section 39.0241 on an assessment instrument administered under
24 Section 39.023(a), (c), or (l), the school district shall include
25 in the notice specific information relating to access to online
26 educational resources at the appropriate assessment instrument
27 content level, including educational resources described by

1 Section 32.252(b)(2) and assessment instruments questions and
2 answers released under Section 39.023(e).

3 Sec. 39.304. TEACHER REPORT CARD. Each school district
4 shall prepare a report of the comparisons made under Section 39.034
5 and provided to the district under 39.302 and provide the report to
6 each teacher for all students who:

7 (1) were assessed on an assessment instrument under
8 Section 39.023; and

9 (2) were provided instruction by that teacher in the
10 subject for which the assessment instrument was administered under
11 Section 39.023.

12 Sec. 39.305. CAMPUS REPORT CARD. (a) The agency shall, not
13 later than August 1 of each year, report the performance of each
14 campus in a school district on the basis of the campus's performance
15 on the indicators described by Section 39.053(c).

16 (b) Each school year, the agency shall prepare and
17 distribute to each school district a report card for each campus.
18 The campus report cards must be based on the most current data
19 available disaggregated by student groups. Campus performance must
20 be compared to previous campus and district performance, current
21 district performance, state-established standards, and comparable
22 campus group performance.

23 (c) The report card shall include the following
24 information:

25 (1) where applicable, the student achievement
26 indicators described by Section 39.053(c) and the reporting
27 indicators described by Sections 39.301(c)(1) through (4);

1 (2) average class size by grade level and subject;

2 (3) the administrative and instructional costs per
3 student, computed in a manner consistent with Section 44.0071; and

4 (4) the district's instructional expenditures ratio
5 and instructional employees ratio computed under Section 44.0071,
6 and the statewide average of those ratios, as determined by the
7 commissioner.

8 (d) The commissioner shall adopt rules requiring
9 dissemination of the information required under Subsection (c)(4)
10 and appropriate class size and student performance portions of
11 campus report cards annually to the parent of or other person
12 standing in parental relationship to each student at the campus. On
13 written request, the school district shall provide a copy of a
14 campus report card to any other party.

15 Sec. 39.306. PERFORMANCE REPORT. (a) Each board of
16 trustees shall publish an annual report describing the educational
17 performance of the school district and of each campus in the
18 district that includes uniform student performance and descriptive
19 information as determined under rules adopted by the commissioner.
20 The annual report must also include:

21 (1) campus performance objectives established under
22 Section 11.253 and the progress of each campus toward those
23 objectives, which shall be available to the public;

24 (2) information indicating the district's
25 accreditation status and identifying each district campus awarded a
26 distinction designation under Subchapter G or considered a
27 low-performing campus under Section 39.102;

1 (3) the district's current special education
2 compliance status with the agency;

3 (4) a statement of the number, rate, and type of
4 violent or criminal incidents that occurred on each district
5 campus, to the extent permitted under the Family Educational Rights
6 and Privacy Act of 1974 (20 U.S.C. Section 1232g);

7 (5) information concerning school violence prevention
8 and violence intervention policies and procedures that the district
9 is using to protect students;

10 (6) the findings that result from evaluations
11 conducted under the Safe and Drug-Free Schools and Communities Act
12 of 1994 (20 U.S.C. Section 7101 et seq.); and

13 (7) information received under Section 51.403(e) for
14 each high school campus in the district, presented in a form
15 determined by the commissioner.

16 (b) Supplemental information to be included in the report
17 shall be determined by the board of trustees. Performance
18 information in the annual report on the indicators described by
19 Sections 39.053 and 39.301 and descriptive information required by
20 this section shall be provided by the agency.

21 (c) The board of trustees shall hold a hearing for public
22 discussion of the report. The board of trustees shall give notice
23 of the hearing to property owners in the school district and parents
24 of and other persons standing in parental relation to a district
25 student. The notification must include notice to a newspaper of
26 general circulation in the district and notice to electronic media
27 serving the district. After the hearing the report shall be widely

1 disseminated within the district in a manner to be determined under
2 rules adopted by the commissioner.

3 (d) The report must also include a comparison provided by
4 the agency of:

5 (1) the performance of each campus to its previous
6 performance and to state-established standards;

7 (2) the performance of each school district to its
8 previous performance and to state-established standards; and

9 (3) the performance of each campus or district to
10 comparable campus group or district performance.

11 (e) The report may include the following information:

12 (1) student information, including total enrollment,
13 enrollment by ethnicity, socioeconomic status, and grade groupings
14 and retention rates;

15 (2) financial information, including revenues and
16 expenditures;

17 (3) staff information, including number and type of
18 staff by sex, ethnicity, years of experience, and highest degree
19 held, teacher and administrator salaries, and teacher turnover;

20 (4) program information, including student enrollment
21 by program, teachers by program, and instructional operating
22 expenditures by program; and

23 (5) the number of students placed in a disciplinary
24 alternative education program under Chapter 37.

25 (f) The State Board of Education by rule shall authorize the
26 combination of this report with other reports and financial
27 statements and shall restrict the number and length of reports that

1 school districts, district employees, and school campuses are
2 required to prepare.

3 (g) The report must include a statement of the amount, if
4 any, of the school district's unencumbered surplus fund balance as
5 of the last day of the preceding fiscal year and the percentage of
6 the preceding year's budget that the surplus represents.

7 Sec. 39.307. USES OF PERFORMANCE REPORT. The information
8 required to be reported under Section 39.306 shall be:

9 (1) the subject of public hearings or meetings
10 required under Sections 11.252, 11.253, and 39.306;

11 (2) a primary consideration in school district and
12 campus planning; and

13 (3) a primary consideration of:

14 (A) the State Board of Education in the
15 evaluation of the performance of the commissioner;

16 (B) the commissioner in the evaluation of the
17 performance of the directors of the regional education service
18 centers;

19 (C) the board of trustees of a school district in
20 the evaluation of the performance of the superintendent of the
21 district; and

22 (D) the superintendent in the evaluation of the
23 performance of the district's campus principals.

24 Sec. 39.308. ANNUAL AUDIT OF DROPOUT RECORDS; REPORT. (a)
25 The commissioner shall develop a process for auditing school
26 district dropout records electronically. The commissioner shall
27 also develop a system and standards for review of the audit or use

1 systems already available at the agency. The system must be
2 designed to identify districts that are at high risk of having
3 inaccurate dropout records and that, as a result, require on-site
4 monitoring of dropout records.

5 (b) If the electronic audit of a district's dropout records
6 indicates that a district is not at high risk of having inaccurate
7 dropout records, the district may not be subject to on-site
8 monitoring under this section.

9 (c) If the risk-based system indicates that a district is at
10 high risk of having inaccurate dropout records, the district is
11 entitled to an opportunity to respond to the commissioner's
12 determination before on-site monitoring may be conducted. The
13 district must respond not later than the 30th day after the date the
14 commissioner notifies the district of the commissioner's
15 determination. If the district's response does not change the
16 commissioner's determination that the district is at high risk of
17 having inaccurate dropout records or if the district does not
18 respond in a timely manner, the commissioner shall order agency
19 staff to conduct on-site monitoring of the district's dropout
20 records.

21 (d) The commissioner shall notify the board of trustees of a
22 school district of any objection the commissioner has to the
23 district's dropout data, any violation of sound accounting
24 practices or of a law or rule revealed by the data, or any
25 recommendation by the commissioner concerning the data. If the
26 data reflect that a penal law has been violated, the commissioner
27 shall notify the county attorney, district attorney, or criminal

1 district attorney, as appropriate, and the attorney general.

2 (e) The commissioner is entitled to access to all district
3 records the commissioner considers necessary or appropriate for the
4 review, analysis, or approval of district dropout data.

5 SECTION 58. Subchapter H, Chapter 39, Education Code, is
6 redesignated as Subchapter K, Chapter 39, Education Code, and the
7 sections in the redesignated subchapter, Sections 39.181, 39.182,
8 39.183, 39.184, and 39.185, are redesignated as Sections 39.331,
9 39.332, 39.333, 39.334, and 39.335, Education Code, respectively.

10 SECTION 59. Section 39.182, Education Code, redesignated by
11 this Act as Section 39.332, Education Code, is amended to read as
12 follows:

13 Sec. 39.332 [~~39.182~~]. COMPREHENSIVE ANNUAL REPORT.

14 (a) Not later than December 1 of each year, the agency shall
15 prepare and deliver to the governor, the lieutenant governor, the
16 speaker of the house of representatives, each member of the
17 legislature, the Legislative Budget Board, and the clerks of the
18 standing committees of the senate and house of representatives with
19 primary jurisdiction over the public school system a comprehensive
20 report covering the preceding school year and containing the
21 information described by Subsection (b).

22 (b) [÷] (1) The report must contain an evaluation of the
23 achievements of the state educational program in relation to the
24 statutory goals for the public education system under Section
25 4.002. [÷]

26 (2) The report must contain an evaluation of the
27 status of education in the state as reflected by:

1 (A) the student achievement [~~academic~~
2 ~~excellence~~] indicators described by [~~adopted under~~] Section 39.053
3 [~~39.051~~]; and

4 (B) the reporting indicators described by
5 Section 39.301.

6 (3) The report must contain a summary compilation of
7 overall student performance on academic skills assessment
8 instruments required by Section 39.023 with the number and
9 percentage of students exempted from the administration of those
10 instruments and the basis of the exemptions, aggregated by grade
11 level, subject area, campus, and district, with appropriate
12 interpretations and analysis, and disaggregated by race,
13 ethnicity, gender, and socioeconomic status. [+]

14 (4) The report must contain a summary compilation of
15 overall performance of students placed in a disciplinary
16 alternative education program established under Section 37.008 on
17 academic skills assessment instruments required by Section 39.023
18 with the number of those students exempted from the administration
19 of those instruments and the basis of the exemptions, aggregated by
20 district, grade level, and subject area, with appropriate
21 interpretations and analysis, and disaggregated by race,
22 ethnicity, gender, and socioeconomic status. [+]

23 (5) The report must contain a summary compilation of
24 overall performance of students at risk of dropping out of school,
25 as defined by Section 29.081(d), on academic skills assessment
26 instruments required by Section 39.023 with the number of those
27 students exempted from the administration of those instruments and

1 the basis of the exemptions, aggregated by district, grade level,
2 and subject area, with appropriate interpretations and analysis,
3 and disaggregated by race, ethnicity, gender, and socioeconomic
4 status. [†]

5 (6) The report must contain an evaluation of the
6 correlation between student grades and student performance on
7 academic skills assessment instruments required by Section
8 39.023. [†]

9 (7) The report must contain a statement of the dropout
10 rate of students in grade levels 7 through 12, expressed in the
11 aggregate and by grade level, and a statement of the completion
12 rates of students for grade levels 9 through 12. [†]

13 (8) The report must contain a statement of:

14 (A) the completion rate of students who enter
15 grade level 9 and graduate not more than four years later;

16 (B) the completion rate of students who enter
17 grade level 9 and graduate, including students who require more
18 than four years to graduate;

19 (C) the completion rate of students who enter
20 grade level 9 and not more than four years later receive a high
21 school equivalency certificate;

22 (D) the completion rate of students who enter
23 grade level 9 and receive a high school equivalency certificate,
24 including students who require more than four years to receive a
25 certificate; and

26 (E) the number and percentage of all students who
27 have not been accounted for under Paragraph (A), (B), (C), or

1 (D) +

2 (9) The report must contain a statement of the
3 projected cross-sectional and longitudinal dropout rates for grade
4 levels 9 through 12 for the next five years, assuming no state
5 action is taken to reduce the dropout rate. +

6 (10) The report must contain a description of a
7 systematic, measurable plan for reducing the projected
8 cross-sectional and longitudinal dropout rates to five percent or
9 less for the 1997-1998 school year. +

10 (11) The report must contain a summary of the
11 information required by Section 29.083 regarding grade level
12 retention of students and information concerning:

13 (A) the number and percentage of students
14 retained; and

15 (B) the performance of retained students on
16 assessment instruments required under Section 39.023(a). +

17 (12) The report must contain information, aggregated
18 by district type and disaggregated by race, ethnicity, gender, and
19 socioeconomic status, on:

20 (A) the number of students placed in a
21 disciplinary alternative education program established under
22 Section 37.008;

23 (B) the average length of a student's placement
24 in a disciplinary alternative education program established under
25 Section 37.008;

26 (C) the academic performance of students on
27 assessment instruments required under Section 39.023(a) during the

1 year preceding and during the year following placement in a
2 disciplinary alternative education program; and

3 (D) the dropout rates of students who have been
4 placed in a disciplinary alternative education program established
5 under Section 37.008.[+]

6 (13) The report must contain a list of each school
7 district or campus that does not satisfy performance standards,
8 with an explanation of the actions taken by the commissioner to
9 improve student performance in the district or campus and an
10 evaluation of the results of those actions.[+]

11 (14) The report must contain an evaluation of the
12 status of the curriculum taught in public schools, with
13 recommendations for legislative changes necessary to improve or
14 modify the curriculum required by Section 28.002.[+]

15 (15) The report must contain a description of all
16 funds received by and each activity and expenditure of the
17 agency.[+]

18 (16) The report must contain a summary and analysis of
19 the instructional expenditures ratios and instructional employees
20 ratios of school districts computed under Section 44.0071.[+]

21 (17) The report must contain a summary of the effect
22 of deregulation, including exemptions and waivers granted under
23 Section 7.056 or 39.232. [~~39.112~~]

24 (18) The report must contain a statement of the total
25 number and length of reports that school districts and school
26 district employees must submit to the agency, identifying which
27 reports are required by federal statute or rule, state statute, or

1 agency rule, and a summary of the agency's efforts to reduce overall
2 reporting requirements. [†]

3 (19) The report must contain a list of each school
4 district that is not in compliance with state special education
5 requirements, including:

6 (A) the period for which the district has not
7 been in compliance;

8 (B) the manner in which the agency considered the
9 district's failure to comply in determining the district's
10 accreditation status; and

11 (C) an explanation of the actions taken by the
12 commissioner to ensure compliance and an evaluation of the results
13 of those actions. [†]

14 (20) The report must contain a comparison of the
15 performance of open-enrollment charter schools and school
16 districts on the student achievement [~~academic excellence~~]
17 indicators described by Section 39.053(c), the reporting
18 indicators described by Section 39.301(c), [~~specified in Section~~
19 ~~39.051(b)~~] and the accountability measures adopted under Section
20 39.053(i) [~~39.051(g)~~], with a separately aggregated comparison of
21 the performance of open-enrollment charter schools predominantly
22 serving students at risk of dropping out of school, as described
23 [~~defined~~] by Section 29.081(d), with the performance of school
24 districts. [†]

25 (21) The report must contain a summary of the
26 information required by Section 38.0141 regarding student health
27 and physical activity from each school district. [†]

1 (22) The report must contain a summary compilation of
2 overall student performance under the assessment system developed
3 to evaluate the longitudinal academic progress as required by
4 Section 39.027(e), disaggregated by bilingual education or special
5 language program instructional model, if any. ~~[, and]~~

6 (23) The report must contain any additional
7 information considered important by the commissioner or the State
8 Board of Education.

9 (c) ~~[(b)]~~ In reporting the information required by
10 Subsection (b)(3) or (4) ~~[(a)(3) or (4)]~~, the agency may separately
11 aggregate the performance data of students enrolled in a special
12 education program under Subchapter A, Chapter 29.

13 (d) ~~[(b-1)]~~ In reporting the information required by
14 Subsections (b)(3), (5), and (7) ~~[(a)(3), (5), and (7)]~~, the agency
15 shall separately aggregate the longitudinal performance data of all
16 students identified as students of limited English proficiency, as
17 defined by Section 29.052, or former students of limited English
18 proficiency, disaggregated by bilingual education or special
19 language program instructional model, if any, in which the students
20 are or were enrolled.

21 (e) ~~[(e)]~~ Each report must contain the most recent data
22 available.

23 SECTION 60. Section 39.183, Education Code, redesignated by
24 this Act as Section 39.333, Education Code, is amended to read as
25 follows:

26 Sec. 39.333 ~~[39.183]~~. REGIONAL AND DISTRICT LEVEL REPORT.
27 The agency shall prepare and deliver to the governor, the

1 lieutenant governor, the speaker of the house of representatives,
2 each member of the legislature, the Legislative Budget Board, and
3 the clerks of the standing committees of the senate and house of
4 representatives with primary jurisdiction over the public school
5 system a regional and district level report covering the preceding
6 two school years and containing:

7 (1) a summary of school district compliance with the
8 student/teacher ratios and class-size limitations prescribed by
9 Sections 25.111 and 25.112, including:

10 (A) the number of campuses and classes at each
11 campus granted an exception from Section 25.112; and

12 (B) for ~~[the performance rating under Subchapter~~
13 ~~D of]~~ each campus granted an exception from Section 25.112, a
14 statement of whether the campus has been awarded a distinction
15 designation under Subchapter G or has been identified as a
16 low-performing campus under Section 39.102;

17 (2) a summary of the exemptions and waivers granted to
18 campuses and school districts under Section 7.056 or 39.232
19 ~~[39.112]~~ and a review of the effectiveness of each campus or
20 district following deregulation;

21 (3) an evaluation of the performance of the system of
22 regional education service centers based on the indicators adopted
23 under Section 8.101 and client satisfaction with services provided
24 under Subchapter B, Chapter 8;

25 (4) an evaluation of accelerated instruction programs
26 offered under Section 28.006, including an assessment of the
27 quality of such programs and the performance of students enrolled

1 in such programs; and

2 (5) the number of classes at each campus that are
3 currently being taught by individuals who are not certified in the
4 content areas of their respective classes.

5 SECTION 61. Section 39.185, Education Code, redesignated by
6 this Act as Section 39.335, Education Code, is amended to read as
7 follows:

8 Sec. 39.335 [~~39.185~~]. INTERIM REPORT. Not later than
9 December 1 of each odd-numbered year, the agency shall prepare and
10 deliver to the governor, the lieutenant governor, the speaker of
11 the house of representatives, each member of the legislature, the
12 Legislative Budget Board, and the clerks of the standing committees
13 of the senate and house of representatives with primary
14 jurisdiction over the public school system an interim report
15 containing, for the previous school year, the information required
16 by Section 39.333(2) [~~39.183(2)~~].

17 SECTION 62. Subchapter J, Chapter 39, Education Code, is
18 redesignated as Subchapter L, Chapter 39, Education Code, and
19 amended to read as follows:

20 SUBCHAPTER L [~~J~~]. NOTICE OF PERFORMANCE

21 Sec. 39.361 [~~39.251~~]. NOTICE IN STUDENT GRADE REPORT. The
22 first written notice of a student's performance that a school
23 district gives during a school year as required by Section
24 28.022(a)(2) must include [~~the following information~~]:

25 (1) a statement of whether the campus at which the
26 student is enrolled has been awarded a distinction designation
27 under Subchapter G or has been identified as a low-performing

1 campus under Section 39.102 [~~the most recent performance rating of~~
2 ~~the campus at which the student is enrolled, as determined under~~
3 ~~Section 39.072~~]; and

4 (2) an explanation of the significance of the
5 information provided under Subdivision (1) [~~a definition and~~
6 ~~explanation of each performance rating described by Section~~
7 ~~39.072(a)~~].

8 Sec. 39.362 [~~39.252~~]. NOTICE ON DISTRICT WEBSITE. Not
9 later than the 10th day after the first day of instruction of each
10 school year, a school district that maintains an Internet website
11 shall make the following information available to the public on the
12 website:

13 (1) the information contained in the most recent
14 campus report card for each campus in the district [~~, as determined~~]
15 under Section 39.305 [~~39.052~~];

16 (2) the information contained in the most recent
17 performance report for the district [~~, as determined~~] under Section
18 39.306 [~~39.053~~];

19 (3) the most recent accreditation status [~~performance~~
20 ~~rating~~] of the district [~~, as determined~~] under Section 39.052
21 [~~39.072~~]; and

22 (4) a definition and explanation of each accreditation
23 status under [~~performance rating described by~~] Section 39.051,
24 based on commissioner rule adopted under that section [~~39.072(a)~~].

25 SECTION 63. Subchapter L, Chapter 39, Education Code, is
26 redesignated as Subchapter M, Chapter 39, Education Code, and the
27 sections in the redesignated subchapter, Sections 39.351, 39.352,

1 39.353, 39.354, 39.355, 39.356, 39.357, 39.358, 39.359, 39.360,
2 39.361, 39.362, 39.363, 39.364, 39.365, and 39.366, are
3 redesignated as Sections 39.401, 39.402, 39.403, 39.404, 39.405,
4 39.406, 39.407, 39.408, 39.409, 39.410, 39.411, 39.412, 39.413,
5 39.414, 39.415, and 39.416, Education Code, respectively.

6 SECTION 64. Section 39.353, Education Code, redesignated by
7 this Act as Section 39.403, Education Code, is amended to read as
8 follows:

9 Sec. 39.403 [~~39.353~~]. TERMS. Members of the council
10 appointed under Section 39.402(b)(3) [~~39.352(b)(3)~~] serve terms of
11 two years and may be reappointed for additional terms.

12 SECTION 65. Section 39.365(b), Education Code,
13 redesignated by this Act as Section 39.415(b), Education Code, is
14 amended to read as follows:

15 (b) Not later than March 1 and September 1 of each year, the
16 commissioner of education shall prepare and deliver a progress
17 report to the presiding officers of the standing committees of each
18 house of the legislature with primary jurisdiction over public
19 education, the Legislative Budget Board, and the Governor's Office
20 of Policy and Planning on:

21 (1) the implementation of Sections 7.031, 21.4511,
22 21.4541, 21.462, 28.008(d-1), 28.0212(d), 29.095-29.098, 29.911,
23 29.917-29.919, and 39.235 [~~39.115~~] and this subchapter;

24 (2) the programs supported by grants approved under
25 this subchapter; and

26 (3) the alignment of grants and programs to the
27 strategic plan adopted under Section 39.407 [~~39.357~~].

1 SECTION 66. Section 51.3062, Education Code, is amended by
2 adding Subsection (q-1) to read as follows:

3 (q-1) A student who has completed a Texas Diploma or
4 advanced high school program as determined under Section 28.025 and
5 demonstrated the performance standard for college readiness as
6 provided by Section 39.024 on the Algebra II and English III
7 end-of-course assessment instruments is exempt from the
8 requirements of this section with respect to those content areas.
9 The commissioner of higher education by rule shall establish the
10 period for which an exemption under this subsection is valid.

11 SECTION 67. Sections 51.803(a), (b), and (d), Education
12 Code, are amended to read as follows:

13 (a) Each general academic teaching institution shall admit
14 an applicant for admission to the institution as an undergraduate
15 student if the applicant graduated with a grade point average in the
16 top 10 percent of the student's high school graduating class in one
17 of the two school years preceding the academic year for which the
18 applicant is applying for admission and:

19 (1) the applicant graduated from a public or private
20 high school in this state accredited by a generally recognized
21 accrediting organization or from a high school operated by the
22 United States Department of Defense;

23 (2) the applicant:

24 (A) successfully completed:

25 (i) at a public high school, the curriculum
26 requirements established under Section 28.025 for the Texas Diploma
27 [~~recommended~~] or advanced high school program; or

1 (ii) at a high school to which Section
2 28.025 does not apply, a curriculum that is equivalent in content
3 and rigor to the Texas Diploma [~~recommended~~] or advanced high
4 school program; or

5 (B) satisfied ACT's College Readiness Benchmarks
6 on the ACT assessment applicable to the applicant or earned on the
7 SAT assessment a score of at least 1,500 out of 2,400 or the
8 equivalent; and

9 (3) if the applicant graduated from a high school
10 operated by the United States Department of Defense, the applicant
11 is a Texas resident under Section 54.052 or is entitled to pay
12 tuition fees at the rate provided for Texas residents under Section
13 54.058(d) for the term or semester to which admitted.

14 (b) An applicant who does not satisfy the curriculum
15 requirements prescribed by Subsection (a)(2)(A)(i) or (ii) is
16 considered to have satisfied those requirements if the student
17 completed the portion of the Texas Diploma [~~recommended~~] or
18 advanced curriculum or of the curriculum equivalent in content and
19 rigor, as applicable, that was available to the student but was
20 unable to complete the remainder of the curriculum solely because
21 courses necessary to complete the remainder were unavailable to the
22 student at the appropriate times in the student's high school
23 career as a result of course scheduling, lack of enrollment
24 capacity, or another cause not within the student's control.

25 (d) For purposes of Subsection (c)(2), a student's official
26 transcript or diploma must, not later than the end of the student's
27 junior year, indicate:

1 (1) whether the student has satisfied or is on
2 schedule to satisfy the requirements of Subsection (a)(2)(A)(i) or
3 (ii), as applicable; or

4 (2) if Subsection (b) applies to the student, whether
5 the student has completed the portion of the Texas Diploma
6 [~~recommended~~] or advanced curriculum or of the curriculum
7 equivalent in content and rigor, as applicable, that was available
8 to the student.

9 SECTION 68. Section 51.807, Education Code, as amended by
10 Chapters 941 (H.B. 3826) and 1369 (H.B. 3851), Acts of the 80th
11 Legislature, Regular Session, 2007, is reenacted and amended to
12 read as follows:

13 Sec. 51.807. RULEMAKING. (a) To ensure a uniform standard
14 for admissions under this subchapter, the Texas Higher Education
15 Coordinating Board shall adopt rules establishing a standard method
16 for computing a student's high school grade point average. The
17 method established under this subsection:

18 (1) must:

19 (A) be based on a four-point scale; and

20 (B) assign additional weight for each honors
21 course, advanced placement course, international baccalaureate
22 course, or dual credit course completed by the student as the board
23 considers appropriate, taking into consideration the academic
24 rigor of each course completed by the student; and

25 (2) may result in a student having a grade point
26 average higher than 4.0 on a four-point scale as a result of the
27 assignment of additional weight for one or more courses completed

1 by a student under Subdivision (1)(B).

2 (b) The Texas Higher Education Coordinating Board, after
3 consulting with the Texas Education Agency, by rule shall establish
4 standards for determining for purposes of this subchapter:

5 (1) whether a private high school is accredited by a
6 generally recognized accrediting organization; and

7 (2) whether a person completed a high school
8 curriculum that is equivalent in content and rigor to the
9 curriculum requirements established under Section 28.025 for the
10 Texas Diploma [~~recommended~~] or advanced high school program.

11 (c) The board may adopt other rules relating to the
12 operation of admissions programs under this subchapter, including
13 rules relating to the identification of eligible students.

14 (d) The standard method established under Subsection (a)
15 for computing a student's high school grade point average applies
16 to computing the grade point average of a student applying as a
17 first-time freshman for admission to a general academic teaching
18 institution beginning with admissions for the 2009 fall semester.
19 This subsection expires January 1, 2010.

20 SECTION 69. Sections 56.203(a) and (d), Education Code, are
21 amended to read as follows:

22 (a) To be eligible for an award through the Early High
23 School Graduation Scholarship program, a person must:

24 (1) have graduated from a public high school in this
25 state:

26 (A) in not more than 41 consecutive months and
27 successfully completed the Texas Diploma [~~recommended~~] or advanced

1 high school program established under Section 28.025, if the person
2 graduated on or after September 1, 2005;

3 (B) in not more than 46 consecutive months, with
4 at least 30 hours of college credit, and successfully completed the
5 Texas Diploma [~~recommended~~] or advanced high school program
6 established under Section 28.025, if the person graduated on or
7 after September 1, 2005; or

8 (C) in not more than 36 consecutive months after
9 successfully completing the requirements for a high school diploma,
10 if the person graduated before September 1, 2005, regardless of
11 whether the person successfully completed the Texas Diploma
12 [~~recommended~~] or advanced high school program established under
13 Section 28.025;

14 (2) have attended one or more public high schools in
15 this state for the majority of time the person attended high school;
16 and

17 (3) be a citizen of the United States or otherwise
18 lawfully authorized to be present in the United States.

19 (d) A person who does not satisfy the curriculum
20 requirements for the Texas Diploma [~~recommended~~] or advanced high
21 school program as required to establish eligibility under
22 Subsection (a)(1)(A) or (B) is considered to have satisfied those
23 requirements if the high school from which the person graduated
24 indicates on the person's transcript that the person was unable to
25 complete the appropriate curriculum within the time prescribed by
26 that subsection solely because of a reason beyond the person's
27 control, such as lack of enrollment capacity or a shortage of

1 qualified teachers.

2 SECTION 70. Section 56.204(a), Education Code, is amended
3 to read as follows:

4 (a) An eligible person under the Early High School
5 Graduation Scholarship program is entitled to a state credit to
6 apply toward tuition or tuition and mandatory fees, as applicable,
7 at a public or private institution of higher education in this state
8 in the following amounts:

9 (1) \$2,000 to apply toward tuition and mandatory fees
10 if the person successfully completed the Texas Diploma
11 [~~recommended~~] or advanced high school program established under
12 Section 28.025 and graduated from high school on or after September
13 1, 2005, in 36 consecutive months or less and an additional \$1,000
14 to apply toward tuition and mandatory fees if the person graduated
15 with at least 15 hours of college credit;

16 (2) \$500 to apply toward tuition and mandatory fees if
17 the person successfully completed the Texas Diploma [~~recommended~~]
18 or advanced high school program established under Section 28.025
19 and graduated from high school on or after September 1, 2005, in
20 more than 36 consecutive months but not more than 41 consecutive
21 months and an additional \$1,000 to apply toward tuition and
22 mandatory fees if the person graduated with at least 30 hours of
23 college credit;

24 (3) \$1,000 to apply toward tuition and mandatory fees
25 if the person successfully completed the Texas Diploma
26 [~~recommended~~] or advanced high school program established under
27 Section 28.025 and graduated from high school on or after September

1 1, 2005, in more than 41 consecutive months but not more than 45
2 consecutive months with at least 30 hours of college credit; or

3 (4) \$1,000 to apply only toward tuition if the person
4 graduated before September 1, 2005, after successfully completing
5 the requirements for a high school diploma in not more than 36
6 consecutive months.

7 SECTION 71. Section 56.210(b), Education Code, is amended
8 to read as follows:

9 (b) The information provided under Subsection (a) must
10 include:

11 (1) the number and type of high school course credits
12 necessary to satisfy the eligibility requirements for the Early
13 High School Graduation Scholarship program; and

14 (2) the appropriate order in which those high school
15 course credits must be earned to satisfy the eligibility
16 requirements, including course credits related to the curriculum
17 for the Texas Diploma [~~recommended~~] or advanced high school
18 program.

19 SECTION 72. Sections 56.304(a), (f), and (g), Education
20 Code, are amended to read as follows:

21 (a) To be eligible initially for a TEXAS grant, a person
22 must:

23 (1) be a resident of this state as determined by
24 coordinating board rules;

25 (2) meet either of the following academic
26 requirements:

27 (A) be a graduate of a public or accredited

1 private high school in this state who graduated not earlier than the
2 1998-1999 school year and who completed the Texas Diploma
3 [~~recommended~~] or advanced high school program [~~curriculum~~]
4 established under Section [~~28.002 or~~] 28.025 or its equivalent; or

5 (B) have received an associate degree from a
6 public or private institution of higher education not earlier than
7 May 1, 2001;

8 (3) meet financial need requirements as defined by the
9 coordinating board;

10 (4) be enrolled in an undergraduate degree or
11 certificate program at an eligible institution;

12 (5) be enrolled as:

13 (A) an entering undergraduate student for at
14 least three-fourths of a full course load for an entering
15 undergraduate student, as determined by the coordinating board, not
16 later than the 16th month after the date of the person's graduation
17 from high school; or

18 (B) an entering student for at least
19 three-fourths of a full course load for an undergraduate student as
20 determined by the coordinating board, not later than the 12th month
21 after the month the person receives an associate degree from a
22 public or private institution of higher education;

23 (6) have applied for any available financial aid or
24 assistance; and

25 (7) comply with any additional nonacademic
26 requirement adopted by the coordinating board under this
27 subchapter.

1 (f) The requirement in Subsection (a)(2) that a person must
2 have completed the Texas Diploma [~~recommended~~] or advanced high
3 school program [~~curriculum~~] does not apply to a person who:

4 (1) attended a public high school in a school district
5 if that district certifies to the commissioner of education that
6 the high school did not offer all the necessary courses for a person
7 to complete all parts of the Texas Diploma [~~recommended~~] or
8 advanced high school program [~~curriculum~~]; and

9 (2) completed all courses at the high school offered
10 toward the completion of the Texas Diploma [~~recommended~~] or
11 advanced high school program [~~curriculum~~].

12 (g) Not later than March 1 of each year, the commissioner of
13 education shall provide to the coordinating board a list of all the
14 public high schools that do not offer all the courses necessary to
15 complete all parts of the Texas Diploma [~~recommended~~] or advanced
16 high school program [~~curriculum~~] as described by Subsection (f)(1).

17 SECTION 73. The heading to Section 56.3041, Education Code,
18 is amended to read as follows:

19 Sec. 56.3041. INITIAL ELIGIBILITY OF PERSON ON TRACK TO
20 COMPLETE TEXAS DIPLOMA [~~RECOMMENDED~~] OR ADVANCED PROGRAM
21 [~~CURRICULUM~~].

22 SECTION 74. Sections 56.3041(a) and (b), Education Code,
23 are amended to read as follows:

24 (a) If at the time an eligible institution awards TEXAS
25 grants to initial recipients for an academic year an applicant has
26 not completed high school or the applicant's final high school
27 transcript is not yet available to the institution, the student is

1 considered to have satisfied the requirements of Section
2 56.304(a)(2)(A) if the student's available high school transcript
3 indicates that at the time the transcript was prepared the student
4 was on schedule to graduate from high school and to complete the
5 Texas Diploma [~~recommended~~] or advanced high school program
6 [~~curriculum~~] or its equivalent, as applicable to the student, in
7 time to be eligible for a TEXAS grant for the academic year.

8 (b) The coordinating board or the eligible institution may
9 require the student to forgo or repay the amount of an initial TEXAS
10 grant awarded to the student as described by Subsection (a) if the
11 student fails to complete the Texas Diploma [~~recommended~~] or
12 advanced high school program [~~curriculum~~] or its equivalent after
13 the issuance of the available high school transcript.

14 SECTION 75. Section 56.308(b), Education Code, is amended
15 to read as follows:

16 (b) Each school district shall:

17 (1) notify its middle school students, junior high
18 school students, and high school students, those students' teachers
19 and counselors, and those students' parents of the TEXAS grant and
20 Teach for Texas grant programs, the eligibility requirements of
21 each program, the need for students to make informed curriculum
22 choices to be prepared for success beyond high school, and sources
23 of information on higher education admissions and financial aid in
24 a manner that assists the district in implementing a strategy
25 adopted by the district under Section 11.252(a)(4); and

26 (2) ensure that each student's official transcript or
27 diploma indicates whether the student has completed or is on

1 schedule to complete:

2 (A) the Texas Diploma [~~recommended~~] or advanced
3 high school program [~~curriculum~~] required for grant eligibility
4 under Section [~~28.002 or~~] 28.025; or

5 (B) for a school district covered by Section
6 56.304(f)(1), the required portion of the Texas Diploma
7 [~~recommended~~] or advanced high school program [~~curriculum~~] in the
8 manner described by Section 56.304(f)(2).

9 SECTION 76. Section 56.455, Education Code, is amended to
10 read as follows:

11 Sec. 56.455. INITIAL ELIGIBILITY FOR LOAN. To be eligible
12 initially for a Texas B-On-time loan, a person must:

13 (1) be a resident of this state under Section 54.052 or
14 be entitled, as a child of a member of the armed forces of the United
15 States, to pay tuition at the rate provided for residents of this
16 state under Section 54.058;

17 (2) meet one of the following academic requirements:

18 (A) be a graduate of a public or private high
19 school in this state who graduated not earlier than the 2002-2003
20 school year under the Texas Diploma [~~recommended~~] or advanced high
21 school program established under Section 28.025(a) or its
22 equivalent;

23 (B) be a graduate of a high school operated by the
24 United States Department of Defense who:

25 (i) graduated from that school not earlier
26 than the 2002-2003 school year; and

27 (ii) at the time of graduation from that

1 school was a dependent child of a member of the armed forces of the
2 United States; or

3 (C) have received an associate degree from an
4 eligible institution not earlier than May 1, 2005;

5 (3) be enrolled for a full course load for an
6 undergraduate student, as determined by the coordinating board, in
7 an undergraduate degree or certificate program at an eligible
8 institution;

9 (4) be eligible for federal financial aid, except that
10 a person is not required to meet any financial need requirement
11 applicable to a particular federal financial aid program; and

12 (5) comply with any additional nonacademic
13 requirement adopted by the coordinating board under this
14 subchapter.

15 SECTION 77. Section 61.792(b), Education Code, is amended
16 to read as follows:

17 (b) To qualify for a scholarship under this section, a
18 student must:

19 (1) have graduated with a grade point average in the
20 top 20 percent of the student's high school graduating class;

21 (2) have graduated from high school with a grade point
22 average of at least 3.5 on a four-point scale or the equivalent in
23 mathematics and science courses offered under the Texas Diploma
24 [~~recommended~~] or advanced high school program under Section
25 28.025(a); and

26 (3) maintain an overall grade point average of at
27 least 3.0 on a four-point scale at the general academic teaching

1 institution in which the student is enrolled.

2 SECTION 78. Section 61.852(a), Education Code, is amended
3 to read as follows:

4 (a) A tech-prep program is a program of study that:

5 (1) combines at least two years of secondary education
6 with at least two years of postsecondary education in a
7 nonduplicative, sequential course of study based on the Texas
8 Diploma [~~recommended~~] high school program adopted by the State
9 Board of Education under Section 28.025(a);

10 (2) integrates academic instruction and vocational
11 and technical instruction;

12 (3) uses work-based and worksite learning where
13 available and appropriate;

14 (4) provides technical preparation in a career field
15 such as engineering technology, applied science, a mechanical,
16 industrial, or practical art or trade, agriculture, health
17 occupations, business, or applied economics;

18 (5) builds student competence in mathematics,
19 science, reading, writing, communications, economics, and
20 workplace skills through applied, contextual academics and
21 integrated instruction in a coherent sequence of courses;

22 (6) leads to an associate degree, two-year
23 postsecondary certificate, or postsecondary two-year
24 apprenticeship with provisions, to the extent applicable, for
25 students to continue toward completion of a baccalaureate degree;
26 and

27 (7) leads to placement in appropriate employment or to

1 further education.

2 SECTION 79. Section 61.855(d), Education Code, is amended
3 to read as follows:

4 (d) A tech-prep program must:

5 (1) be implemented under an articulation agreement
6 between the participants in the consortium;

7 (2) consist of two to four years of secondary school
8 preceding graduation and:

9 (A) two or more years of higher education; or

10 (B) two or more years of apprenticeship following
11 secondary instruction;

12 (3) have a common core of required proficiency based
13 on the Texas Diploma [~~recommended~~] high school program adopted by
14 the State Board of Education under Section 28.025(a), with
15 proficiencies in mathematics, science, reading, writing,
16 communications, and technologies designed to lead to an associate's
17 degree or postsecondary certificate in a specific career field;

18 (4) include the development of tech-prep program
19 curricula for both secondary and postsecondary participants in the
20 consortium that:

21 (A) meets academic standards developed by the
22 state;

23 (B) links secondary schools and two-year
24 postsecondary institutions, and, if practicable, four-year
25 institutions of higher education through nonduplicative sequences
26 of courses in career fields, including the investigation of
27 opportunities for tech-prep students to enroll concurrently in

1 secondary and postsecondary course work;

2 (C) uses, if appropriate and available,
3 work-based or worksite learning in conjunction with business and
4 all aspects of an industry; and

5 (D) uses educational technology and distance
6 learning, as appropriate, to involve each consortium participant
7 more fully in the development and operation of programs;

8 (5) include in-service training for teachers that:

9 (A) is designed to train vocational and technical
10 teachers to effectively implement tech-prep programs;

11 (B) provides for joint training for teachers in
12 the tech-prep consortium;

13 (C) is designed to ensure that teachers and
14 administrators stay current with the needs, expectations, and
15 methods of business and of all aspects of an industry;

16 (D) focuses on training postsecondary education
17 faculty in the use of contextual and applied curricula and
18 instruction; and

19 (E) provides training in the use and application
20 of technology;

21 (6) include training programs for counselors designed
22 to enable counselors to more effectively:

23 (A) provide information to students regarding
24 tech-prep programs;

25 (B) support student progress in completing
26 tech-prep programs;

27 (C) provide information on related employment

1 opportunities;

2 (D) ensure that tech-prep students are placed in
3 appropriate employment; and

4 (E) stay current with the needs, expectations,
5 and methods of business and of all aspects of an industry;

6 (7) provide equal access to the full range of
7 tech-prep programs for individuals who are members of special
8 populations, including by the development of tech-prep program
9 services appropriate to the needs of special populations; and

10 (8) provide for preparatory services that assist
11 participants in tech-prep programs.

12 SECTION 80. Chapter 61, Education Code, is amended by
13 adding Subchapter T-1 to read as follows:

14 SUBCHAPTER T-1. CAREER AND TECHNICAL EDUCATION

15 Sec. 61.861. DEVELOPMENT OF MATHEMATICS AND SCIENCE COURSES
16 FOR HIGH-DEMAND OCCUPATIONS. (a) The commissioner of higher
17 education, in consultation with the comptroller and the Texas
18 Workforce Commission, may award a grant in an amount not to exceed
19 \$1 million to an institution of higher education to develop
20 advanced mathematics and science courses to prepare high school
21 students for employment in a high-demand occupation. The
22 commissioner of higher education, the comptroller, and the Texas
23 Workforce Commission shall jointly determine what is considered a
24 high-demand occupation for purposes of this subchapter.

25 (b) An institution of higher education shall work in
26 partnership with at least one independent school district and a
27 business entity in developing a course for purposes of this

1 section.

2 (c) A course developed for purposes of this section must:

3 (1) provide content that enables a student to develop
4 the relevant and critical skills needed to be prepared for
5 employment or additional training in a high-demand occupation;

6 (2) incorporate college and career readiness skills as
7 part of the curriculum;

8 (3) be offered for dual credit; and

9 (4) satisfy a mathematics or science requirement under
10 the Texas Diploma or advanced high school program as determined
11 under Section 28.025.

12 (d) An institution of higher education shall periodically
13 review and revise the curriculum for a course developed for
14 purposes of this section to accommodate changes in industry
15 standards for the high-demand occupation.

16 Sec. 61.862. GRANT APPLICATION CRITERIA. The commissioner
17 of higher education, in consultation with the comptroller and the
18 Texas Workforce Commission, shall establish application criteria
19 for a grant under this subchapter and in making an award, shall give
20 priority to courses that:

21 (1) will prepare students for high-demand, high-wage,
22 and high-skill occupations;

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 Subsection (a):

5 (1) curriculum;

6 (2) assessments; or

7 (3) instructional materials, including
8 technology-based supplemental materials.

9 Sec. 61.864. REVIEW OF COURSES. Courses developed for
10 which a grant is awarded under this subchapter shall be reviewed by
11 the commissioner of higher education, in consultation with the
12 comptroller and the Texas Workforce Commission, once every four
13 years to determine whether the course:

14 (1) is being used by public educational institutions
15 in this state; and

16 (2) prepares high school students with the skills
17 necessary for employment in the high-demand occupation.

18 Sec. 61.865. MATCHING CONTRIBUTION REQUIRED. An
19 institution of higher education awarded a grant under this
20 subchapter must obtain from one or more business entities in the
21 industry for which students taking courses developed under Section
22 61.861 are training, in a total amount equal to the amount of the
23 state grant:

24 (1) gifts, grants, or donations of funds; or

25 (2) contributions of property that may be used in
26 providing the courses.

27 Sec. 61.866. LIMITATION ON TOTAL AMOUNT OF GRANTS. In any

1 state fiscal biennium, the total amount of grants awarded under
2 this subchapter may not exceed \$10 million.

3 Sec. 61.867. FUNDING OF GRANTS. The commissioner of higher
4 education shall administer this section using available
5 appropriations and gifts, grants, and donations made for the
6 purposes of this subchapter.

7 SECTION 81. Sections 39.034(e), (f), and (g), Education
8 Code, are repealed.

9 SECTION 82. A reference in law to the minimum high school
10 program means the basic high school program. A reference in law to
11 the recommended high school program means the Texas Diploma high
12 school program.

13 SECTION 83. This Act applies beginning with the 2009-2010
14 school year.

15 SECTION 84. This Act takes effect immediately if it
16 receives a vote of two-thirds of all the members elected to each
17 house, as provided by Section 39, Article III, Texas Constitution.
18 If this Act does not receive the vote necessary for immediate
19 effect, this Act takes effect September 1, 2009.