

1-1 By: Shapiro S.B. No. 3
1-2 (In the Senate - Filed March 5, 2009; March 9, 2009, read
1-3 first time and referred to Committee on Education; April 24, 2009,
1-4 reported adversely, with favorable Committee Substitute by the
1-5 following vote: Yeas 8, Nays 0; April 24, 2009, sent to printer.)

1-6 COMMITTEE SUBSTITUTE FOR S.B. No. 3 By: Shapiro

1-7 A BILL TO BE ENTITLED
1-8 AN ACT

1-9 relating to public school accountability, curriculum, and
1-10 promotion requirements.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Subsections (e) and (f), Section 7.056,
1-13 Education Code, are amended to read as follows:

1-14 (e) Except as provided by Subsection (f), a school campus or
1-15 district may not receive an exemption or waiver under this section
1-16 from:

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

1-19 (2) a requirement imposed by federal law or rule,
1-20 including a requirement for special education or bilingual
1-21 education programs; or

1-22 (3) a requirement, restriction, or prohibition
1-23 relating to:

1-24 (A) essential knowledge or skills under Section
1-25 28.002 or high school [~~minimum~~] graduation requirements under
1-26 Section 28.025;

1-27 (B) public school accountability as provided by
1-28 Subchapters B, C, D, E, and J [~~G~~], Chapter 39;

1-29 (C) extracurricular activities under Section
1-30 33.081 or participation in a University Interscholastic League
1-31 area, regional, or state competition under Section 33.0812;

1-32 (D) health and safety under Chapter 38;

1-33 (E) purchasing under Subchapter B, Chapter 44;

1-34 (F) elementary school class size limits, except
1-35 as provided by Section 25.112;

1-36 (G) removal of a disruptive student from the
1-37 classroom under Subchapter A, Chapter 37;

1-38 (H) at-risk programs under Subchapter C, Chapter
1-39 29;

1-40 (I) prekindergarten programs under Subchapter E,
1-41 Chapter 29;

1-42 (J) educator rights and benefits under
1-43 Subchapters A, C, D, E, F, G, and I, Chapter 21, or under Subchapter
1-44 A, Chapter 22;

1-45 (K) special education programs under Subchapter
1-46 A, Chapter 29;

1-47 (L) bilingual education programs under
1-48 Subchapter B, Chapter 29; or

1-49 (M) the requirements for the first day of
1-50 instruction under Section 25.0811.

1-51 (f) A school district or campus that is required to develop
1-52 and implement a student achievement improvement plan under Section
1-53 39.101 [~~39.131~~] or 39.102 [~~39.132~~] may receive an exemption or
1-54 waiver under this section from any law or rule other than:

1-55 (1) a prohibition on conduct that constitutes a
1-56 criminal offense;

1-57 (2) a requirement imposed by federal law or rule;

1-58 (3) a requirement, restriction, or prohibition
1-59 imposed by state law or rule relating to:

1-60 (A) public school accountability as provided by
1-61 Subchapters B, C, D, E, and J [~~G~~], Chapter 39; or

1-62 (B) educator rights and benefits under
1-63 Subchapters A, C, D, E, F, G, and I, Chapter 21, or under Subchapter

2-1 A, Chapter 22; or
 2-2 (4) textbook selection under Chapter 31.
 2-3 SECTION 2. Subsection (d), Section 11.203, Education Code,
 2-4 is amended to read as follows:
 2-5 (d) A principal who was employed as principal at [of] a
 2-6 campus that was rated academically unacceptable during the
 2-7 preceding school year~~[, as well as any person employed to replace~~
 2-8 ~~that principal,~~] shall participate in the program and complete the
 2-9 program requirements not later than a date determined by the
 2-10 commissioner.
 2-11 SECTION 3. Subsection (b), Section 12.104, Education Code,
 2-12 is amended to read as follows:
 2-13 (b) An open-enrollment charter school is subject to:
 2-14 (1) a provision of this title establishing a criminal
 2-15 offense; and
 2-16 (2) a prohibition, restriction, or requirement, as
 2-17 applicable, imposed by this title or a rule adopted under this
 2-18 title, relating to:
 2-19 (A) the Public Education Information Management
 2-20 System (PEIMS) to the extent necessary to monitor compliance with
 2-21 this subchapter as determined by the commissioner;
 2-22 (B) criminal history records under Subchapter C,
 2-23 Chapter 22;
 2-24 (C) reading instruments and accelerated reading
 2-25 instruction programs under Section 28.006;
 2-26 (D) ~~[satisfactory performance on assessment~~
 2-27 ~~instruments and to]~~ accelerated instruction under Section 28.0211;
 2-28 (E) high school graduation requirements under
 2-29 Section 28.025;
 2-30 (F) special education programs under Subchapter
 2-31 A, Chapter 29;
 2-32 (G) bilingual education under Subchapter B,
 2-33 Chapter 29;
 2-34 (H) prekindergarten programs under Subchapter E,
 2-35 Chapter 29;
 2-36 (I) extracurricular activities under Section
 2-37 33.081;
 2-38 (J) discipline management practices or behavior
 2-39 management techniques under Section 37.0021;
 2-40 (K) health and safety under Chapter 38;
 2-41 (L) public school accountability under
 2-42 Subchapters B, C, D, E, and J ~~[G]~~, Chapter 39;
 2-43 (M) the requirement under Section 21.006 to
 2-44 report an educator's misconduct; and
 2-45 (N) intensive programs of instruction under
 2-46 Section 28.0213.
 2-47 SECTION 4. Section 28.002, Education Code, is amended by
 2-48 adding Subsections (c-1) and (c-2) to read as follows:
 2-49 (c-1) The State Board of Education may adopt rules to allow
 2-50 courses offered in the foundation curriculum or the enrichment
 2-51 curriculum to simultaneously satisfy, to the extent practicable,
 2-52 more than one required credit for the minimum, recommended, or
 2-53 advanced high school program in which the student is participating.
 2-54 (c-2) The State Board of Education shall adopt rules to
 2-55 authorize each school district to implement a program under which
 2-56 students in middle or junior high school may earn credits toward
 2-57 high school graduation in middle or junior high school for any
 2-58 course determined by board rule to qualify as a high school
 2-59 equivalent course.
 2-60 SECTION 5. The heading to Section 28.0211, Education Code,
 2-61 is amended to read as follows:
 2-62 Sec. 28.0211. STUDENT ADVANCEMENT DETERMINATION;
 2-63 [SATISFACTORY] PERFORMANCE ON ASSESSMENT INSTRUMENTS [REQUIRED];
 2-64 ACCELERATED INSTRUCTION.
 2-65 SECTION 6. Section 28.0211, Education Code, is amended by
 2-66 amending Subsections (a), (b), (c), (d), (e), (f), (g), and (i) and
 2-67 adding Subsections (c-1), (d-1), (d-2), and (d-3) to read as
 2-68 follows:
 2-69 (a) Not later than the first day of the school year, a school

3-1 district shall determine the requirements for student advancement
 3-2 from one grade level to the next. In determining whether a student
 3-3 may be promoted to the next grade level, the district shall
 3-4 consider:

3-5 (1) the recommendation of the student's teacher;
 3-6 (2) the student's grade in each subject or course;
 3-7 (3) the student's score on an assessment instrument
 3-8 administered under Section 39.023(a), (b), or (l); and

3-9 (4) any other necessary information, as determined by
 3-10 the district [Except as provided by Subsection (b) or (c), a student
 3-11 may not be promoted to:

3-12 [~~(1) the fourth grade program to which the student~~
 3-13 ~~would otherwise be assigned if the student does not perform~~
 3-14 ~~satisfactorily on the third grade reading assessment instrument~~
 3-15 ~~under Section 39.023,~~

3-16 [~~(2) the sixth grade program to which the student~~
 3-17 ~~would otherwise be assigned if the student does not perform~~
 3-18 ~~satisfactorily on the fifth grade mathematics and reading~~
 3-19 ~~assessment instruments under Section 39.023, or~~

3-20 [~~(3) the ninth grade program to which the student~~
 3-21 ~~would otherwise be assigned if the student does not perform~~
 3-22 ~~satisfactorily on the eighth grade mathematics and reading~~
 3-23 ~~assessment instruments under Section 39.023].~~

3-24 (b) A school district shall provide to a student who
 3-25 initially fails to perform satisfactorily on the third grade
 3-26 reading assessment instrument, the fifth grade mathematics and
 3-27 reading assessment instruments, or the eighth grade mathematics and
 3-28 reading assessment instruments under Section 39.023 an [assessment
 3-29 instrument specified under Subsection (a) at least two] additional
 3-30 opportunity [opportunities] to take the assessment instrument. [A
 3-31 school district may administer an alternate assessment instrument
 3-32 to a student who has failed an assessment instrument specified
 3-33 under Subsection (a) on the previous two opportunities.
 3-34 Notwithstanding any other provision of this section, a student may
 3-35 be promoted if the student performs at grade level on an alternate
 3-36 assessment instrument under this subsection that is appropriate for
 3-37 the student's grade level and approved by the commissioner.]

3-38 (c) If [Each time] a student fails to perform satisfactorily
 3-39 on a mathematics or reading [an] assessment instrument administered
 3-40 [specified] under Section 39.023(a), (b), or (l) in the third,
 3-41 fifth, or eighth grade [Subsection (a)], the school district in
 3-42 which the student attends school shall provide to the student
 3-43 accelerated instruction in the applicable subject area. If a
 3-44 student in a third, fifth, or eighth grade program fails to meet the
 3-45 requirements for student advancement from one grade level to the
 3-46 next as determined by a school district under Subsection (a), the
 3-47 district shall establish[, including reading instruction for a
 3-48 student who fails to perform satisfactorily on a reading assessment
 3-49 instrument. After a student fails to perform satisfactorily on an
 3-50 assessment instrument a second time,] a grade placement committee
 3-51 [shall be established] to prescribe the accelerated instruction the
 3-52 district shall provide to the student. If a student in a program
 3-53 other than a third, fifth, or eighth grade program fails to meet the
 3-54 requirements for student advancement from one grade level to the
 3-55 next as determined by a school district under Subsection (a), the
 3-56 district may establish a grade placement committee to prescribe the
 3-57 accelerated instruction the district shall provide to the student
 3-58 [before the student is administered the assessment instrument the
 3-59 third time]. The grade placement committee shall be composed of the
 3-60 principal or the principal's designee, the student's parent or
 3-61 guardian, and the teacher of the subject of an assessment
 3-62 instrument on which the student failed to perform satisfactorily.
 3-63 The district shall notify the parent or guardian of the time and
 3-64 place for convening the grade placement committee and the purpose
 3-65 of the committee. The accelerated instruction program provided
 3-66 under this subsection must be systematic and may not be based solely
 3-67 on assessment instrument practice skills and:

3-68 (1) for a student in a third, fifth, or eighth grade
 3-69 program:

4-1 (A) must provide for instruction in the
4-2 applicable subject area;
4-3 (B) must be approved by the student's parent or
4-4 guardian and the district; and
4-5 (C) [An accelerated instruction group
4-6 administered by a school district under this section] may not have a
4-7 ratio of more than 10 students for each teacher in an accelerated
4-8 instruction group; or
4-9 (2) for a student in a program other than a third,
4-10 fifth, or eighth grade program, be made available to the student in
4-11 the next grade level.
4-12 (c-1) A school district shall implement an accelerated
4-13 instruction program under Subsection (c) not later than the 30th
4-14 day after the first day of school of the next school year.
4-15 Accelerated instruction may occur outside of regular school hours,
4-16 including during summer school.
4-17 (d) In addition to providing accelerated instruction to a
4-18 student under Subsection (c), the school district shall notify the
4-19 student's parent or guardian of:
4-20 (1) the information collected under Subsection (a),
4-21 including if applicable, the student's failure to perform
4-22 satisfactorily on the assessment instrument;
4-23 (2) the accelerated instruction program to which the
4-24 student is assigned; and
4-25 (3) the possibility that the student might be retained
4-26 at the same grade level for the next school year;
4-27 (4) the areas requiring improvement for the student to
4-28 meet the requirements for advancement from one grade level to the
4-29 next as determined by the district under Subsection (a); and
4-30 (5) any other applicable information as determined by
4-31 the district.
4-32 (d-1) A school district shall make information provided to a
4-33 parent or guardian under Subsections (d)(1), (4), and (5) available
4-34 to the student's current teacher and the student's teacher in the
4-35 next grade level.
4-36 (d-2) The grade placement committee shall make a
4-37 determination that the student who failed to meet the requirements
4-38 for student advancement from one grade level to the next determined
4-39 by a school district under Subsection (a) be:
4-40 (1) retained at the same grade level for the next
4-41 school year; or
4-42 (2) placed in the next grade level with accelerated
4-43 instruction as provided under Subsection (c).
4-44 (d-3) A student who fails to participate in an accelerated
4-45 instruction program developed under Subsection (c)(1) may not be
4-46 promoted to the next grade level program to which the student would
4-47 otherwise be assigned if the student does not perform
4-48 satisfactorily on the applicable assessment instrument specified
4-49 under Subsection (b).
4-50 (e) A [student who, after at least three attempts, fails to
4-51 perform satisfactorily on an assessment instrument specified under
4-52 Subsection (a) shall be retained at the same grade level for the
4-53 next school year in accordance with Subsection (a). The] student's
4-54 parent or guardian may [appeal the student's retention by
4-55 submitting a] request that [to] the grade placement committee
4-56 reconsider the committee's decision under Subsection (d-2) to
4-57 retain the student [established under Subsection (e)]. The school
4-58 district shall give the parent or guardian written notice of the
4-59 opportunity to request reconsideration [appeal. The grade
4-60 placement committee may decide in favor of a student's promotion
4-61 only if the committee concludes, using standards adopted by the
4-62 board of trustees, that if promoted and given accelerated
4-63 instruction, the student is likely to perform at grade level]. A
4-64 student may not be promoted on the basis of the grade placement
4-65 committee's decision under this subsection unless that decision is
4-66 unanimous. The commissioner by rule shall establish a time line for
4-67 making the placement determination. This subsection does not
4-68 create a property interest in promotion. The decision of the grade
4-69 placement committee under this subsection is final and may not be

5-1 appealed.

5-2 (f) An accelerated instruction program under Subsection (c)
 5-3 [A school district shall provide to a student who, after three
 5-4 attempts, has failed to perform satisfactorily on an assessment
 5-5 instrument specified under Subsection (a) accelerated instruction
 5-6 during the next school year as prescribed by an educational plan
 5-7 developed for the student by the student's grade placement
 5-8 committee established under Subsection (c). The district shall
 5-9 provide that accelerated instruction regardless of whether the
 5-10 student has been promoted or retained. The educational plan] must
 5-11 be designed to enable the student to perform at the appropriate
 5-12 grade level by the conclusion of the school year. During the school
 5-13 year, the student shall be monitored to ensure that the student is
 5-14 progressing in accordance with the program ~~[plan]~~. The district
 5-15 shall administer to the student the assessment instrument for the
 5-16 grade level in which the student is placed at the time the district
 5-17 regularly administers the assessment instruments for that school
 5-18 year.

5-19 (g) This section does not preclude the retention at a grade
 5-20 level, in accordance with state law or school district policy, of a
 5-21 student who performs satisfactorily on an assessment instrument
 5-22 administered ~~[specified]~~ under Section 39.023 ~~[Subsection (a)]~~.

5-23 (i) The admission, review, and dismissal committee of a
 5-24 student who participates in a district's special education program
 5-25 under Subchapter B, Chapter 29, and who does not perform
 5-26 satisfactorily on a mathematics or reading ~~[an]~~ assessment
 5-27 instrument ~~[specified under Subsection (a) and]~~ administered under
 5-28 Section 39.023(a) or (b) shall determine:

5-29 (1) the manner in which the student will participate
 5-30 in an accelerated instruction program under this section; and

5-31 (2) whether the student will be promoted or retained
 5-32 under this section.

5-33 SECTION 7. Section 28.025, Education Code, is amended by
 5-34 amending Subsections (a), (b), and (b-1) and adding Subsections
 5-35 (b-3), (b-4), and (b-5) to read as follows:

5-36 (a) The State Board of Education by rule shall determine
 5-37 curriculum requirements for the minimum, recommended, and advanced
 5-38 high school programs that are consistent with the required
 5-39 curriculum under Section 28.002. Subject to Subsection (b-1), the
 5-40 State Board of Education shall designate the specific courses in
 5-41 the foundation curriculum required for a student participating in
 5-42 the minimum, recommended, or advanced high school program. Except
 5-43 as provided by Subsection (b-1), the State Board of Education may
 5-44 not designate a specific course or a specific number of credits
 5-45 required for a subject in the enrichment curriculum. This
 5-46 subsection does not prohibit the State Board of Education from
 5-47 designating the total number of credits required under the
 5-48 enrichment curriculum for a student participating in the minimum,
 5-49 recommended, or advanced high school program.

5-50 (b) A school district shall ensure that each student enrolls
 5-51 in the courses necessary to complete the curriculum requirements
 5-52 identified by the State Board of Education under Subsection (a) for
 5-53 the recommended or advanced high school program unless the student,
 5-54 the student's parent or other person standing in parental relation
 5-55 to the student, and a school counselor or school administrator
 5-56 agree that the student should be permitted to take courses under the
 5-57 minimum high school program and the student:

5-58 (1) is at least 16 years of age;

5-59 (2) has completed two credits required for graduation
 5-60 in each subject of the foundation curriculum under Section
 5-61 28.002(a)(1); or

5-62 (3) has failed to be promoted to the tenth grade one or
 5-63 more times as determined by the school district.

5-64 (b-1) The State Board of Education by rule shall require
 5-65 that:

5-66 (1) except as provided by Subsection (b-2), the
 5-67 curriculum requirements for the recommended and advanced high
 5-68 school programs under Subsection (a) include a requirement that
 5-69 students successfully complete:

6-1 (A) four credits [courses] in each subject of the
 6-2 foundation curriculum under Section 28.002(a)(1);

6-3 (B) for the recommended high school program, two
 6-4 credits in the same language in a language other than English under
 6-5 Section 28.002(a)(2)(A) and, for the advanced high school program,
 6-6 three credits in the same language in a language other than English
 6-7 under Section 28.002(a)(2)(A); and

6-8 (C) eight elective credits; and

6-9 (2) one or more credits [courses] offered in the
 6-10 required curriculum for the recommended and advanced high school
 6-11 programs include a research writing component.

6-12 (b-3) In adopting rules to provide students with the option
 6-13 described by Subsection (b-1)(1), the State Board of Education must
 6-14 approve a variety of mathematics and science courses that may be
 6-15 taken by a student after completion of Algebra II and physics to
 6-16 comply with the recommended program requirements. A course
 6-17 approved under this subsection must contain substantively similar
 6-18 and rigorous academic content as a course approved under Subsection
 6-19 (b-2).

6-20 (b-4) Before a student's parent or other person standing in
 6-21 parental relation to the student may agree that the student be
 6-22 permitted to take courses under the minimum high school program as
 6-23 provided by Subsection (b), a school district must provide written
 6-24 notice to the parent or person standing in parental relation
 6-25 explaining the benefits of the recommended high school program.
 6-26 The notice shall be developed by the agency and must:

6-27 (1) be printed in English and Spanish; and

6-28 (2) require that the student's parent or person
 6-29 standing in parental relation to the student sign a confirmation of
 6-30 receipt and return the confirmation to the student's campus.

6-31 (b-5) Notwithstanding Section 5.09, Chapter 5 (H.B. 1),
 6-32 79th Legislature, 3rd Called Session, 2006, the curriculum
 6-33 requirements for the recommended and advanced high school programs
 6-34 under Subsection (b-1) apply to students entering the ninth grade
 6-35 beginning with the 2011-2012 school year. This subsection expires
 6-36 September 1, 2015.

6-37 SECTION 8. Subsection (b), Section 28.0252, Education Code,
 6-38 is amended to read as follows:

6-39 (b) If the commissioner develops a standard method under
 6-40 this section, a school district shall use the standard method to
 6-41 compute a student's high school grade point average[, except that
 6-42 to the extent of a conflict between that method and the method
 6-43 adopted under Section 51.807, the student's grade point average
 6-44 computed in accordance with the method established under Section
 6-45 51.807 shall be used in determining the student's eligibility for
 6-46 university admission under Subchapter U, Chapter 51].

6-47 SECTION 9. Subsection (c), Section 29.094, Education Code,
 6-48 is amended to read as follows:

6-49 (c) A campus may apply to the commissioner to participate in
 6-50 the pilot program. The commissioner may select for participation
 6-51 in the pilot program only campuses that have failed to improve
 6-52 student performance in reading according to standards established
 6-53 by the commissioner. The standards established by the commissioner
 6-54 for purposes of this subsection must be based on reading
 6-55 performance standards considered [~~required~~]
 6-56 for student promotion under Section 28.0211.

6-57 SECTION 10. Subsection (d), Section 29.904, Education Code,
 6-58 is amended to read as follows:

6-59 (d) A plan developed under this section:

6-60 (1) must establish clear, achievable goals for
 6-61 increasing the percentage of the school district's graduating
 6-62 seniors, particularly the graduating seniors attending a high
 6-63 school described by Subsection (a), who enroll in an institution of
 6-64 higher education for the academic year following graduation;

6-65 (2) must establish an accurate method of measuring
 6-66 progress toward the goals established under Subdivision (1) that
 6-67 may include the percentage of district high school students and the
 6-68 percentage of students attending a district high school described
 6-69 by Subsection (a) who:

- 7-1 (A) are enrolled in a course for which a student
- 7-2 may earn college credit, such as an advanced placement or
- 7-3 international baccalaureate course or a course offered through
- 7-4 concurrent enrollment in high school and at an institution of
- 7-5 higher education;
- 7-6 (B) are enrolled in courses that meet the
- 7-7 curriculum requirements for the recommended or advanced high school
- 7-8 program as determined under Section 28.025;
- 7-9 (C) have submitted a free application for federal
- 7-10 student aid (FAFSA);
- 7-11 (D) are exempt under Section 51.3062(p) or (q)
- 7-12 ~~[51.306(1) or (m)]~~ from administration of an assessment ~~[a test]~~
- 7-13 instrument under Section 51.3062 [51.306] or have performed
- 7-14 successfully on an assessment ~~[a test]~~ instrument under Section
- 7-15 51.3062 [51.306];
- 7-16 (E) graduate from high school;
- 7-17 (F) graduate from an institution of higher
- 7-18 education; and
- 7-19 (G) have taken college entrance examinations and
- 7-20 the average score of those students on the examinations;
- 7-21 (3) must cover a period of at least five years; and
- 7-22 (4) may be directed at district students at any level
- 7-23 of primary or secondary education.

7-24 SECTION 11. Subsection (b), Section 32.252, Education Code,

7-25 is amended to read as follows:
7-26 (b) The portal must serve as a single point of access to
7-27 educational resources other than student assessment data
7-28 accessible through the student assessment data portal under Section
7-29 32.258. In addition to any other purpose specified by this
7-30 subchapter or any other educational purpose, the portal may be used
7-31 to:

- 7-32 (1) alleviate inequities in access to educational
- 7-33 resources by providing access to on-line courses;
- 7-34 (2) improve student academic performance by providing
- 7-35 access to tutorial materials, instructional materials that have
- 7-36 been shown to improve academic performance, and other interactive
- 7-37 materials, including materials that assess an individual student's
- 7-38 knowledge and prepare the student for the administration of a
- 7-39 standardized assessment instrument, including an assessment
- 7-40 instrument administered under Section 39.023;
- 7-41 (3) provide school districts with access to
- 7-42 administrative software and other electronic tools designed to
- 7-43 promote administrative efficiency and intra-district
- 7-44 communication; or
- 7-45 (4) ~~[provide secure access to student assessment data;~~
- 7-46 ~~or~~
- 7-47 ~~[(5)]~~ provide links to appropriate educational
- 7-48 resources and experts available through the Internet.

7-49 SECTION 12. Section 32.258, Education Code, is amended to

7-50 read as follows:
7-51 Sec. 32.258. STUDENT ASSESSMENT DATA; DATA PORTAL.
7-52 (a) The agency shall establish and maintain a student assessment
7-53 data portal for use by school districts, teachers, parents,
7-54 students, and public institutions of higher education. The
7-55 agency shall ~~[may]~~ establish a secure, interoperable system to be
7-56 implemented through the portal under which:

- 7-57 (1) a student or the student's parent or other person
- 7-58 standing in parental relationship can easily access the student's
- 7-59 individual assessment data;
- 7-60 (2) an authorized employee of a school district,
- 7-61 including a district teacher, [districts] can readily access
- 7-62 individual [student] assessment data of district students for use
- 7-63 in developing strategies for improving student performance; and
- 7-64 (3) an authorized employee of a public institution of
- 7-65 higher education can readily access individual assessment data of
- 7-66 students applying for admission for use in developing strategies
- 7-67 for improving student performance.

7-68 (b) The system established under Subsection (a) shall
7-69 provide a means for a student or the student's parent or other

8-1 person standing in parental relationship to track the student's
 8-2 progress on assessment instrument requirements for graduation.

8-3 (c) The agency shall establish an interoperable system to be
 8-4 implemented through the portal under which general student
 8-5 assessment data is easily accessible to the public.

8-6 (d) Student assessment data provided under this section
 8-7 must:

8-8 (1) be available on or before the first instructional
 8-9 day of the school year following the year in which the data is
 8-10 collected; and

8-11 (2) include student performance data on assessment
 8-12 instruments over multiple years, beginning with the 2007-2008
 8-13 school year, including any data indicating progress in student
 8-14 achievement.

8-15 (e) Each [~~(b) In establishing the~~] system established
 8-16 under [~~required by~~] this section must permit comparisons of[, the
 8-17 agency shall seek to further the goal of providing school districts
 8-18 with access to] student performance information at the classroom,
 8-19 campus, district, and state levels [~~level~~].

8-20 SECTION 13. Section 39.023, Education Code, is amended by
 8-21 adding Subsection (a-1) and amending Subsections (c-4) and (e) to
 8-22 read as follows:

8-23 (a-1) The agency shall develop assessment instruments
 8-24 required under Subsection (a) in a manner that allows, to the extent
 8-25 practicable:

8-26 (1) the score a student receives to provide reliable
 8-27 information relating to a student's satisfactory performance for
 8-28 each performance standard under Section 39.0241; and

8-29 (2) an appropriate range of performances to serve as a
 8-30 valid indication of growth in student achievement.

8-31 (c-4) To the extent practicable and subject to Section
 8-32 39.024, the agency shall ensure that each end-of-course assessment
 8-33 instrument adopted under Subsection (c) is:

8-34 (1) developed in a manner that measures a student's
 8-35 performance under the college readiness standards established
 8-36 under Section 28.008; and

8-37 (2) validated by national postsecondary education
 8-38 experts for college readiness content and performance standards.

8-39 (e) Under rules adopted by the State Board of Education,
 8-40 every third year, the agency shall release the questions and answer
 8-41 keys to each assessment instrument administered under Subsection
 8-42 (a), (b), (c), (d), or (1), excluding any assessment instrument
 8-43 administered to a student for the purpose of retaking the
 8-44 assessment instrument, after the last time the instrument is
 8-45 administered for that school year. To ensure a valid bank of
 8-46 questions for use each year, the agency is not required to release a
 8-47 question that is being field-tested and was not used to compute the
 8-48 student's score on the instrument. The agency shall also release,
 8-49 under board rule, each question that is no longer being
 8-50 field-tested and that was not used to compute a student's score.

8-51 SECTION 14. Subsection (d), Section 39.0233, Education
 8-52 Code, is amended to read as follows:

8-53 (d) The questions adopted under this section may not [~~must~~]
 8-54 be administered in a separate section of the end-of-course
 8-55 assessment instrument [~~in which the questions are included~~].

8-56 SECTION 15. Subchapter B, Chapter 39, Education Code, is
 8-57 amended by amending Section 39.024 and adding Sections 39.0241 and
 8-58 39.0242 to read as follows:

8-59 Sec. 39.024. MEASURE OF COLLEGE READINESS. (a) In this
 8-60 section, "college readiness" means the level of preparation a
 8-61 student must attain in English language arts and mathematics
 8-62 courses to enroll and succeed, without remediation, in an
 8-63 entry-level general education course for credit in that same
 8-64 content area at:

8-65 (1) a postsecondary educational institution that
 8-66 primarily offers baccalaureate degrees and primarily serves a
 8-67 limited geographic region; or

8-68 (2) a postsecondary educational institution that
 8-69 primarily offers associate degrees or certificates or credentials

9-1 other than baccalaureate or advanced degrees.

9-2 (b) The agency shall ensure that the Algebra II and English
 9-3 III end-of-course assessment instruments required under Section
 9-4 39.023(c) are developed to be capable of, beginning with the
 9-5 2011-2012 school year, measuring college readiness.

9-6 (c) Before the beginning of the 2011-2012 school year, the
 9-7 agency shall gather data and conduct research studies to
 9-8 substantiate the correlation between a certain level of performance
 9-9 by students on the Algebra II and English III end-of-course
 9-10 assessment instruments and college readiness.

9-11 (d) Studies under Subsection (c) must include an evaluation
 9-12 of any need for remediation courses to facilitate college
 9-13 readiness.

9-14 (e) Based on the results of the studies conducted under
 9-15 Subsection (c), the commissioner of education, in conjunction with
 9-16 the commissioner of higher education, shall establish student
 9-17 performance standards for the Algebra II and English III
 9-18 end-of-course assessment instruments indicating that students have
 9-19 attained college readiness.

9-20 (f) To the extent practicable, the agency, in conjunction
 9-21 with the Texas Higher Education Coordinating Board, shall conduct
 9-22 research studies similar to the studies conducted under Subsection
 9-23 (c) for the appropriate science and social studies end-of-course
 9-24 assessment instruments. If the commissioner of education, in
 9-25 conjunction with the commissioner of higher education, determines
 9-26 that the research studies conducted under this subsection
 9-27 substantiate a correlation between a certain level of performance
 9-28 by students on science and social studies end-of-course assessment
 9-29 instruments and college readiness, the commissioner of education,
 9-30 in conjunction with the commissioner of higher education, as soon
 9-31 as practicable, may establish student performance standards for the
 9-32 science and social studies end-of-course assessment instruments
 9-33 indicating that students have attained college readiness.

9-34 (f-1) Not later than December 1, 2012, the agency shall
 9-35 deliver to the lieutenant governor, the speaker of the house of
 9-36 representatives, and the clerks of the standing committees of the
 9-37 senate and the house of representatives with primary jurisdiction
 9-38 over public education a report that includes:

9-39 (1) an analysis of the feasibility of establishing
 9-40 college readiness performance standards for science and social
 9-41 studies end-of-course assessment instruments; and

9-42 (2) a summary of any implementation procedures adopted
 9-43 for each standard.

9-44 (f-2) Subsection (f-1) and this subsection expire January
 9-45 1, 2013.

9-46 (g) The agency shall continue to gather data to perform
 9-47 studies as provided under Subsections (c) and (f) at least once
 9-48 every three years.

9-49 (h) The agency and the Texas Higher Education Coordinating
 9-50 Board jointly shall periodically review the college readiness
 9-51 performance standards established under this section and compare
 9-52 the performance standards to performance standards established
 9-53 nationally and internationally for comparable assessment
 9-54 instruments. Following each review, the agency and the Texas
 9-55 Higher Education Coordinating Board shall deliver to the lieutenant
 9-56 governor, the speaker of the house of representatives, and the
 9-57 clerks of the standing committees of the senate and the house of
 9-58 representatives with primary jurisdiction over public education
 9-59 and higher education a joint report on the results of the review
 9-60 indicating whether the college readiness performance standards
 9-61 established under this section are sufficiently rigorous to prepare
 9-62 students in this state to compete academically with students
 9-63 nationally and internationally. If the agency and the Texas Higher
 9-64 Education Coordinating Board determine that the college readiness
 9-65 performance standards established under this section are not
 9-66 sufficiently rigorous, the agency and board jointly shall recommend
 9-67 changes to the college readiness performance standards.

9-68 (i) The agency shall gather data and conduct research to
 9-69 substantiate any correlation between a certain level of performance

10-1 by students on end-of-course assessment instruments and success in:
 10-2 (1) military service; or
 10-3 (2) a workforce training, certification, or other
 10-4 credential program at a postsecondary educational institution that
 10-5 primarily offers associate degrees or certificates or credentials
 10-6 other than baccalaureate or advanced degrees.

10-7 Sec. 39.0241. [SATISFACTORY] PERFORMANCE STANDARDS.

10-8 (a) Except as otherwise provided by Subsection (b) [~~this~~
 10-9 ~~subsection~~], the commissioner [~~State Board of Education~~] shall
 10-10 determine the level of performance considered to be satisfactory on
 10-11 the assessment instruments.

10-12 (a-1) The commissioner of education, in conjunction with
 10-13 the commissioner of higher education, shall determine the level of
 10-14 performance necessary to indicate college readiness, as defined by
 10-15 Section 39.024(a).

10-16 (a-2) For the purpose of establishing performance across
 10-17 grade levels, the commissioner shall establish:

10-18 (1) the performance standards for the Algebra II and
 10-19 English III end-of-course assessment instruments, as provided
 10-20 under Section 39.024(b) and under Subsection (a);

10-21 (2) the performance standards for the Algebra I and
 10-22 English II end-of-course assessment instruments, as determined
 10-23 based on studies under Section 39.0242 that correlate student
 10-24 performance on the Algebra I and English II end-of-course
 10-25 assessment instruments with student performance on the Algebra II
 10-26 and English III assessment instruments;

10-27 (3) the performance standards for the English I
 10-28 end-of-course assessment instrument, as determined based on
 10-29 studies under Section 39.0242 that correlate student performance on
 10-30 the English I end-of-course assessment instrument with student
 10-31 performance on the English II assessment instrument;

10-32 (4) the performance standards for the grade eight
 10-33 assessment instruments, as determined based on studies under
 10-34 Section 39.0242 that correlate student performance on the grade
 10-35 eight assessment instruments with student performance on the
 10-36 Algebra I and English I end-of-course assessment instruments in the
 10-37 same content area;

10-38 (5) the performance standards for the grade seven
 10-39 assessment instruments, as determined based on studies under
 10-40 Section 39.0242 that correlate student performance on the grade
 10-41 seven assessment instruments with student performance on the grade
 10-42 eight assessment instruments in the same content area;

10-43 (6) the performance standards for the grade six
 10-44 assessment instruments, as determined based on studies under
 10-45 Section 39.0242 that correlate student performance on the grade six
 10-46 assessment instruments with student performance on the grade seven
 10-47 assessment instruments in the same content area;

10-48 (7) the performance standards for the grade five
 10-49 assessment instruments, as determined based on studies under
 10-50 Section 39.0242 that correlate student performance on the grade
 10-51 five assessment instruments with student performance on the grade
 10-52 six assessment instruments in the same content area;

10-53 (8) the performance standards for the grade four
 10-54 assessment instruments, as determined based on studies under
 10-55 Section 39.0242 that correlate student performance on the grade
 10-56 four assessment instruments with student performance on the grade
 10-57 five assessment instruments in the same content area; and

10-58 (9) the performance standards for the grade three
 10-59 assessment instruments, as determined based on studies under
 10-60 Section 39.0242 that correlate student performance on the grade
 10-61 three assessment instruments with student performance on the grade
 10-62 four assessment instruments in the same content area.

10-63 (b) The admission, review, and dismissal committee of a
 10-64 student being assessed under Section 39.023(b) shall determine the
 10-65 level of performance considered to be satisfactory on the
 10-66 assessment instruments administered to that student in accordance
 10-67 with criteria established by agency rule.

10-68 (c) The agency shall develop study guides for the assessment
 10-69 instruments administered under Sections 39.023(a) and (c). To

11-1 assist parents in providing assistance during the period that
 11-2 school is recessed for summer, each school district shall make
 11-3 available [~~distribute~~] the study guides to parents of students who
 11-4 do not perform satisfactorily on one or more parts of an assessment
 11-5 instrument administered under this subchapter.

11-6 (d) The agency shall develop and make available teacher
 11-7 training materials and other teacher training resources to assist
 11-8 teachers in enabling students of limited English proficiency to
 11-9 meet state performance expectations. The teacher training
 11-10 resources shall be designed to support intensive, individualized,
 11-11 and accelerated instructional programs developed by school
 11-12 districts for students of limited English proficiency.

11-13 (e) The commissioner shall retain a portion of the total
 11-14 amount of funds allotted under Section 42.152(a) that the
 11-15 commissioner considers appropriate to finance activities under
 11-16 Subsection [~~Subsections~~] (c) and may retain a portion for
 11-17 activities under Subsection (d) and for intensive programs of
 11-18 instruction for students of limited English proficiency offered by
 11-19 school districts and shall reduce each district's allotment
 11-20 proportionately.

11-21 Sec. 39.0242. PERFORMANCE STANDARDS: RESEARCH STUDIES AND
 11-22 IMPLEMENTATION OF STANDARDS. (a) During the 2010-2011 school
 11-23 year, the agency shall collect data through:

11-24 (1) the annual administration of assessment
 11-25 instruments required under Section 39.023(a) in grades three
 11-26 through eight; and

11-27 (2) the administration to appropriate students
 11-28 throughout the state of an end-of-course assessment instrument
 11-29 field test.

11-30 (b) Before the beginning of the 2011-2012 school year, the
 11-31 agency shall analyze the data collected under Subsection (a) to
 11-32 substantiate:

11-33 (1) the correlation between satisfactory student
 11-34 performance for each performance standard under Section 39.0241 on
 11-35 the grade three, four, five, six, or seven assessment instruments
 11-36 with satisfactory performance under the same performance standard
 11-37 on the assessment instruments in the same content area for the next
 11-38 grade level;

11-39 (2) the correlation between satisfactory student
 11-40 performance for each performance standard under Section 39.0241 on
 11-41 the grade eight assessment instruments with satisfactory
 11-42 performance under the same performance standard on the Algebra I
 11-43 and English I end-of-course assessment instruments in the same
 11-44 content area;

11-45 (3) the correlation between satisfactory student
 11-46 performance for each performance standard under Section 39.0241 on
 11-47 the English I end-of-course assessment instrument with
 11-48 satisfactory performance under the same performance standard on the
 11-49 English II end-of-course assessment instrument;

11-50 (4) the correlation between satisfactory student
 11-51 performance for each performance standard under Section 39.0241 on
 11-52 the English II end-of-course assessment instrument with
 11-53 satisfactory performance under the same performance standard on the
 11-54 English III end-of-course assessment instrument; and

11-55 (5) the correlation between satisfactory student
 11-56 performance for each performance standard under Section 39.0241 on
 11-57 the Algebra I end-of-course assessment instrument with
 11-58 satisfactory performance under the same performance standard on the
 11-59 Algebra II end-of-course assessment instrument.

11-60 (c) Studies under this section must include an evaluation of
 11-61 any need for remediation courses to facilitate college readiness.

11-62 (d) The agency shall continue to gather data and perform
 11-63 studies as provided under this section at least once every three
 11-64 years. If the data do not support the correlation between student
 11-65 performance standards and college readiness, the commissioner of
 11-66 education, in collaboration with the commissioner of higher
 11-67 education, shall revise the standard of performance considered to
 11-68 be satisfactory.

11-69 (e) Based on the data collected and studies performed

12-1 periodically under Subsection (d), the commissioner shall increase
 12-2 the rigor of the performance standard established under Section
 12-3 39.0241(a) as the commissioner determines necessary.

12-4 SECTION 16. Section 39.025, Education Code, is amended by
 12-5 amending Subsections (a), (a-1), (b), (b-1), (b-2), and (f) and
 12-6 adding Subsections (a-2) and (c-1) to read as follows:

12-7 (a) The commissioner shall adopt rules requiring a student
 12-8 participating in the recommended or advanced high school program to
 12-9 be administered each end-of-course assessment instrument listed in
 12-10 Section 39.023(c) and requiring a student participating in the
 12-11 minimum high school program to be administered an end-of-course
 12-12 assessment instrument listed in Section 39.023(c) only for Algebra
 12-13 I and English III and any other [a] course in which the student is
 12-14 enrolled and for which an end-of-course assessment instrument is
 12-15 administered. Except as otherwise provided by this section, a [A]
 12-16 student is required to perform satisfactorily under either
 12-17 performance standard under Section 39.0241 on two of the three
 12-18 end-of-course assessment instruments [achieve,] in each subject in
 12-19 which the student is required to take end-of-course assessment
 12-20 instruments [in the foundation curriculum under Section
 12-21 28.002(a)(1), a cumulative score that is at least equal to the
 12-22 product of the number of end-of-course assessment instruments
 12-23 administered to the student in that subject and 70, with each
 12-24 end-of-course assessment instrument scored on a scale of 100. A
 12-25 student must achieve a score of at least 60 on an end-of-course
 12-26 assessment instrument for the score to count towards the student's
 12-27 cumulative score]. Except as provided under Subsection (a-2), a
 12-28 student participating in the minimum high school program must
 12-29 perform satisfactorily on the Algebra I and English III
 12-30 end-of-course assessment instruments and a student participating
 12-31 in the recommended or advanced high school program must perform
 12-32 satisfactorily on the Algebra II and English III end-of-course
 12-33 assessment instruments. A student who performs satisfactorily on
 12-34 the Algebra II and English III end-of-course assessment instruments
 12-35 under the college readiness performance standard, as determined
 12-36 under Section 39.024, is not required to comply with the
 12-37 requirement to perform satisfactorily on two of three end-of-course
 12-38 assessment instruments in those subjects [For purposes of this
 12-39 subsection, a student's cumulative score is determined using the
 12-40 student's highest score on each end-of-course assessment
 12-41 instrument administered to the student]. A student may not receive
 12-42 a high school diploma until the student has performed
 12-43 satisfactorily on the end-of-course assessment instruments in the
 12-44 manner provided under this subsection. [This subsection does not
 12-45 require a student to demonstrate readiness to enroll in an
 12-46 institution of higher education.]

12-47 (a-1) The student's score on an end-of-course assessment
 12-48 instrument constitutes 15 percent of the student's grade in the
 12-49 course for which the assessment instrument is administered.

12-50 (a-2) The commissioner by rule shall determine a method by
 12-51 which a student's satisfactory performance on an advanced placement
 12-52 test, international baccalaureate examination, a Scholastic
 12-53 Assessment Test (SAT) Subject Test, or another assessment
 12-54 instrument determined by the commissioner to be at least as
 12-55 rigorous as an end-of-course assessment instrument adopted under
 12-56 Section 39.023(c) may be used as a factor in determining whether the
 12-57 student satisfies the requirements of Subsection (a) [including
 12-58 the cumulative score requirement of that subsection]. The
 12-59 commissioner by rule may determine a method by which a student's
 12-60 satisfactory performance on a Preliminary Scholastic Assessment
 12-61 Test (PSAT) assessment or a preliminary American College Test (ACT)
 12-62 assessment may be used as a factor in determining whether the
 12-63 student satisfies the requirements of Subsection (a).

12-64 (b) Each time an end-of-course assessment instrument is
 12-65 administered, a student who failed to perform satisfactorily
 12-66 [achieve a score of at least 60] on the assessment instrument as
 12-67 determined by the commissioner under Section 39.0241(a) shall
 12-68 retake the assessment instrument. A student who fails to perform
 12-69 satisfactorily on an Algebra II or English III end-of-course

13-1 ~~assessment instrument under the college readiness performance~~
 13-2 ~~standard, as determined under Section 39.024(b), may retake the~~
 13-3 ~~assessment instrument [Any other student may retake an~~
 13-4 ~~end-of-course assessment instrument for any reason]. A student is~~
 13-5 not required to retake a course as a condition of retaking an
 13-6 end-of-course assessment instrument.

13-7 (b-1) A school district shall provide each student who fails
 13-8 to ~~perform satisfactorily as determined by the commissioner under~~
 13-9 ~~Section 39.0241(a) [achieve a score of at least 70] on an~~
 13-10 ~~end-of-course assessment instrument with accelerated instruction~~
 13-11 ~~in the subject assessed by the assessment instrument.~~

13-12 (b-2) ~~The agency, in collaboration with the Texas Higher~~
 13-13 ~~Education Coordinating Board, shall develop senior-level English~~
 13-14 ~~language arts and mathematics accelerated instruction courses for~~
 13-15 ~~purposes of this section. If [a school district determines that] a~~
 13-16 ~~student does not demonstrate the performance standard for college~~
 13-17 ~~readiness as provided by Section 39.024(b) on the Algebra II or~~
 13-18 ~~English III end-of-course assessment instrument[, on completion of~~
 13-19 ~~grade 11, is unlikely to achieve the cumulative score requirements~~
 13-20 ~~for one or more subjects prescribed by Subsection (a) for receiving~~
 13-21 ~~a high school diploma], the district shall offer [require] the~~
 13-22 ~~student the opportunity to enroll in a [corresponding content-area~~
 13-23 ~~college preparatory] course described by this subsection [for which~~
 13-24 ~~an end-of-course assessment instrument has been adopted, if~~
 13-25 ~~available]. A student who enrolls in a [college preparatory]~~
 13-26 ~~course described by this subsection shall be administered an~~
 13-27 ~~appropriate end-of-course assessment instrument [for the course,~~
 13-28 ~~with the end-of-course assessment instrument scored on a scale of~~
 13-29 ~~40. A student may use the student's score on the end-of-course~~
 13-30 ~~assessment instrument for the college preparatory course towards~~
 13-31 ~~satisfying the cumulative score requirements] prescribed by~~
 13-32 ~~Subsection (a).~~

13-33 (c-1) A school district may not administer an assessment
 13-34 instrument required for graduation administered under this section
 13-35 as this section existed before September 1, 1999. A school district
 13-36 may administer to a student who failed to perform satisfactorily on
 13-37 an assessment instrument described by this subsection an alternate
 13-38 assessment instrument selected from a list of assessment
 13-39 instruments approved by the commissioner. The commissioner shall
 13-40 determine the level of performance considered to be satisfactory on
 13-41 an alternate assessment instrument. The district may not
 13-42 administer to the student an assessment instrument or a part of an
 13-43 assessment instrument that assesses a subject that was not assessed
 13-44 in an assessment instrument required for graduation administered
 13-45 under this section as this section existed before September 1,
 13-46 1999. The commissioner shall make available to districts
 13-47 information necessary to administer the alternate assessment
 13-48 instrument authorized by this subsection. The determination of the
 13-49 commissioner regarding the list of approved alternate assessment
 13-50 instruments under this subsection and the performance required on
 13-51 the assessment instruments are final and may not be appealed.

13-52 (f) The commissioner shall by rule adopt a transition plan
 13-53 to implement the amendments made by Chapter 1312 (S.B. No. 1031),
 13-54 Acts of the 80th Legislature, Regular Session, 2007, replacing
 13-55 general subject assessment instruments administered at the high
 13-56 school level with end-of-course assessment instruments [~~to this~~
 13-57 ~~section and Sections 39.023(a) and (c) and 39.051(b)(5)]. The~~
 13-58 rules must provide for the end-of-course assessment instruments
 13-59 adopted under Section 39.023(c) to be administered beginning with
 13-60 students entering the ninth grade during the 2011-2012 school year.
 13-61 During the period under which the transition to end-of-course
 13-62 assessment instruments is made:

13-63 (1) for students entering a grade above the ninth
 13-64 grade during the 2011-2012 school year, the commissioner shall
 13-65 retain, administer, and use for purposes of district accreditation
 13-66 and other campus and district accountability measures [~~ratings]~~
 13-67 ~~under this chapter [Subchapter D] the assessment instruments~~
 13-68 ~~required by Section 39.023(a) or (c), as that section existed~~
 13-69 ~~before amendment by Chapter 1312 (S.B. No. 1031), Acts of the 80th~~

14-1 Legislature, Regular Session, 2007;

14-2 (2) a student subject to Subdivision (1) may not
 14-3 receive a high school diploma unless the student has performed
 14-4 satisfactorily on the English language arts, mathematics, science,
 14-5 and social studies assessment instruments administered under
 14-6 Section 39.023(c), as that section existed before amendment by
 14-7 Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature, Regular
 14-8 Session, 2007; and

14-9 (3) [~~2~~] the agency may defer releasing assessment
 14-10 instrument questions and answer keys as required by Section
 14-11 39.023(e) to the extent necessary to develop additional assessment
 14-12 instruments.

14-13 SECTION 17. Section 39.0261, Education Code, is amended by
 14-14 adding Subsection (a-1) to read as follows:

14-15 (a-1) As part of the assessment program under Section
 14-16 39.022, the commissioner by rule shall develop a plan for
 14-17 implementing college preparation assessment instruments under this
 14-18 section beginning with eighth grade assessment instruments under
 14-19 Subsection (a)(1) in the 2010-2011 school year.

14-20 SECTION 18. Section 39.027, Education Code, is amended by
 14-21 amending Subsections (a) and (e) and adding Subsections (a-1) and
 14-22 (a-2) to read as follows:

14-23 (a) A student may be administered an accommodated or
 14-24 alternative assessment instrument or may be granted an exemption
 14-25 [~~exempted~~] from or a postponement of the administration of an
 14-26 assessment instrument under:

14-27 (1) Section 39.023(a) or (b) if the student is
 14-28 eligible for a special education program under Section 29.003 and
 14-29 the student's individualized education program does not include
 14-30 instruction in the essential knowledge and skills under Section
 14-31 28.002 at any grade level;

14-32 (2) Section 39.023(c) or (d) if the student is
 14-33 eligible for a special education program under Section 29.003 and:

14-34 (A) the student's individualized education
 14-35 program does not include instruction in the essential knowledge and
 14-36 skills under Section 28.002 at any grade level; or

14-37 (B) the assessment instrument, even with
 14-38 allowable modifications, would not provide an appropriate measure
 14-39 of the student's achievement as determined by the student's
 14-40 admission, review, and dismissal committee;

14-41 (3) Section 39.023(a), (b), (c), or (l) for a period of
 14-42 up to three years [~~one year~~] after initial enrollment in a school in
 14-43 the United States if the student is an immigrant and a student of
 14-44 limited English proficiency, as defined by Section 29.052, who, as
 14-45 a result of inadequate schooling outside of the United States,
 14-46 lacks the necessary foundation in the essential knowledge and
 14-47 skills of the curriculum [~~and has not demonstrated proficiency in~~
 14-48 ~~English as determined by the assessment system under Subsection~~
 14-49 ~~(e)] ; or~~

14-50 (4) Section 39.023(a), (b), (c), or (l) for a period of
 14-51 up to five [~~two~~] years, if the student is a student of limited
 14-52 English proficiency, as defined by Section 29.052, whose initial
 14-53 enrollment in a school in the United States was as an unschooled
 14-54 asylee or refugee [~~in addition to the exemption period authorized~~
 14-55 ~~by Subdivision (3) if the student has received an exemption under~~
 14-56 ~~Subdivision (3) and:~~

14-57 [~~(A) is a recent unschooled immigrant; or~~

14-58 [~~(B) is in a grade for which no assessment~~
 14-59 ~~instrument in the primary language of the student is available].~~

14-60 (a-1) The language proficiency assessment committee
 14-61 established under Section 29.063 shall determine whether a student
 14-62 meets the criteria under Subsection (a)(3) or (4). The
 14-63 commissioner by rule shall develop procedures under which the
 14-64 language proficiency assessment committee makes a determination
 14-65 under this subsection. In adopting rules under this subsection,
 14-66 the commissioner shall:

14-67 (1) consider the end-of-course requirements for
 14-68 graduation for students; and

14-69 (2) ensure that the language proficiency assessment

15-1 committee requires students to be administered assessment
15-2 instruments under this section at the earliest practical date.

15-3 (a-2) For purposes of this section, "unschooled asylee or
15-4 refugee" means a student who:

15-5 (1) initially enrolled in a school in the United
15-6 States as:

15-7 (A) an asylee as defined by 45 C.F.R. Section
15-8 400.41; or

15-9 (B) a refugee as defined by 8 U.S.C. Section
15-10 1101;

15-11 (2) has a visa issued by the United States Department
15-12 of State with a Form I-94 Arrival/Departure record, or a successor
15-13 document, issued by the United States Citizenship and Immigration
15-14 Services that is stamped with "Asylee," "Refugee," or "Asylum"; and

15-15 (3) has had little or no formal schooling outside of
15-16 the United States and lacks even rudimentary literacy skills.

15-17 (e) The commissioner shall develop an assessment system
15-18 that shall be used for evaluating the academic progress, including
15-19 reading proficiency in English, of all students of limited English
15-20 proficiency, as defined by Section 29.052. A student who is exempt
15-21 from the administration of an assessment instrument under
15-22 Subsection (a)(3) or (4) who achieves reading proficiency in
15-23 English as determined by the assessment system developed under this
15-24 subsection shall be administered the assessment instruments
15-25 described by Sections 39.023(a) and (c). The performance under the
15-26 assessment system developed under this subsection of students to
15-27 whom Subsection (a)(3) or (4) applies shall be included in the
15-28 ~~[academic excellence]~~ indicator system under Section 39.301, as
15-29 applicable [Section 39.051], the performance report under Section
15-30 39.306 [39.053], and the comprehensive annual report under Section
15-31 39.332 [39.182]. This information shall be provided in a manner
15-32 that is disaggregated by the bilingual education or special
15-33 language program, if any, in which the student is enrolled.

15-34 SECTION 19. Subsection (b), Section 39.033, Education Code,
15-35 is amended to read as follows:

15-36 (b) An agreement under this section must require the private
15-37 school to:

15-38 (1) as determined appropriate by the commissioner,
15-39 provide to the commissioner the information described by Sections
15-40 39.053(c) and 39.301(c); [Section 39.051(b)] and

15-41 (2) [to] maintain confidentiality in compliance with
15-42 Section 39.030.

15-43 SECTION 20. Section 39.034, Education Code, is amended by
15-44 amending Subsection (d) and adding Subsection (d-1) to read as
15-45 follows:

15-46 (d) The agency shall determine the necessary annual
15-47 improvement required each year for a student to be prepared to
15-48 perform satisfactorily on, as applicable:

15-49 (1) the grade five assessment instruments;

15-50 (2) the grade eight assessment instruments; and

15-51 (3) the end-of-course assessment instruments required
15-52 under this subchapter for graduation.

15-53 (d-1) The agency shall report the necessary annual
15-54 improvement required under Subsection (d) to the district. Each
15-55 year, the report must state whether the student fell below, met, or
15-56 exceeded the necessary target for improvement.

15-57 SECTION 21. Subchapters C through L, Chapter 39, Education
15-58 Code, as amended by Section 2.25, Chapter 396 (S.B. 4), and Section
15-59 4, Chapter 931 (H.B. 2307), Acts of the 76th Legislature, Regular
15-60 Session, 1999, are amended to read as follows:

15-61 SUBCHAPTER C. ACCREDITATION ~~[PERFORMANCE INDICATORS]~~

15-62 ~~[SUBCHAPTER D. ACCREDITATION STATUS]~~

15-63 Sec. 39.051 [39.071]. ACCREDITATION STATUS.

15-64 ~~[(a)]~~ Accreditation of a school district is determined in
15-65 accordance with this subchapter [section]. The commissioner by
15-66 rule shall determine in accordance with this subchapter the
15-67 criteria for [define] the following accreditation statuses:

15-68 (1) accredited;

15-69 (2) accredited-warned; and

16-1 (3) accredited-probation.

16-2 Sec. 39.052. DETERMINATION OF ACCREDITATION STATUS.

16-3 (a) Not later than August 8 of each [~~(b) Each~~] year, the
16-4 commissioner shall determine the accreditation status of each
16-5 school district.

16-6 (b) In determining the accreditation status of a school
16-7 district, the commissioner:

16-8 (1) shall evaluate and consider:

16-9 (A) [the] performance on student achievement
16-10 indicators described by Section 39.053(c);

16-11 (B) whether a significant pattern of decreased
16-12 academic performance has developed as a result of the promotion in
16-13 the preceding two school years of students who did not perform
16-14 satisfactorily as determined by the commissioner under Section
16-15 39.0241(a) on assessment instruments administered under Section
16-16 39.023(a), (c), or (l) [of the district under:

16-17 [~~(A) the academic accountability system under~~
16-18 ~~Section 39.072]; and~~

16-19 (C) performance under [~~(B)~~] the financial
16-20 accountability rating system developed under Subchapter D [~~(F)~~]; and

16-21 (2) may evaluate and consider:

16-22 (A) the district's compliance with statutory
16-23 requirements and requirements imposed by rule of the commissioner
16-24 or State Board of Education under specific statutory authority that
16-25 relate to:

16-26 (i) reporting data through the Public
16-27 Education Information Management System (PEIMS) or other reports
16-28 required by state or federal law or court order;

16-29 (ii) the high school graduation
16-30 requirements under Section 28.025; or

16-31 (iii) an item listed under Sections
16-32 7.056(e)(3)(C)-(I) that applies to the district;

16-33 (B) the effectiveness of the district's programs
16-34 for special populations; and

16-35 (C) the effectiveness of the district's career
16-36 and technology program.

16-37 (c) Based on a school district's performance under
16-38 Subsection (b), the commissioner shall:

16-39 (1) assign each [~~a~~] district an accreditation status;
16-40 or

16-41 (2) revoke the accreditation of the district and order
16-42 closure of the district under this subchapter.

16-43 (d) A school district's accreditation status may be raised
16-44 or lowered based on the district's performance or may be lowered
16-45 based on the performance of one or more campuses in the district
16-46 that is below a standard required under this subchapter.

16-47 (e) [~~(d)~~] The commissioner shall notify a school district
16-48 that receives an accreditation status of accredited-warned or
16-49 accredited-probation or a campus that performs below a standard
16-50 required under this subchapter that the performance of the district
16-51 or campus is below a standard required under this subchapter. If
16-52 the district received an accreditation status of accredited-warned
16-53 or accredited-probation for the preceding school year or if any
16-54 campus performed below a standard required under this subchapter in
16-55 the preceding school year, the commissioner shall notify the
16-56 district or campus of a subsequent such designation on or before
16-57 June 15 [~~section~~]. The commissioner shall require the district to
16-58 notify the parents of students enrolled in the district and
16-59 property owners in the district of the district's accreditation
16-60 status and the implications of that accreditation status.

16-61 (f) [~~(e)~~] A school district that is not accredited may not
16-62 receive funds from the agency or hold itself out as operating a
16-63 public school of this state.

16-64 (g) [~~(f)~~] This chapter may not be construed to invalidate a
16-65 diploma awarded, course credit earned, or grade promotion granted
16-66 by a school district before the commissioner revoked the district's
16-67 accreditation.

16-68 Sec. 39.053. PERFORMANCE INDICATORS: STUDENT ACHIEVEMENT.

16-69 (a) The commissioner shall adopt a set of indicators of the

17-1 quality of learning and student achievement. The commissioner
 17-2 biennially shall review the indicators for the consideration of
 17-3 appropriate revisions.

17-4 ~~[Sec. 39.051. ACADEMIC EXCELLENCE INDICATORS. (a) The~~
 17-5 ~~State Board of Education shall adopt a set of indicators of the~~
 17-6 ~~quality of learning on a campus. The State Board of Education~~
 17-7 ~~biennially shall review the indicators for the consideration of~~
 17-8 ~~appropriate revisions.]~~

17-9 (b) Performance on the student achievement indicators
 17-10 adopted under this section shall be compared to state-established
 17-11 standards. The degree of change from one school year to the next in
 17-12 performance on each indicator adopted under this section shall also
 17-13 be considered. The indicators must be based on information that is
 17-14 disaggregated by race, ethnicity, ~~[gender,~~ and socioeconomic
 17-15 status.

17-16 (c) Indicators of student achievement adopted under this
 17-17 section ~~and~~ must include:

17-18 (1) the results of assessment instruments required
 17-19 under Sections 39.023(a), (c), and (l), including the results of
 17-20 assessment instruments required for graduation retaken by a
 17-21 student, aggregated across ~~by~~ grade levels by ~~level and~~ subject
 17-22 area, including:

17-23 (A) for the performance standard determined by
 17-24 the commissioner under Section 39.0241(a):

17-25 (i) the percentage of students who
 17-26 performed satisfactorily on the assessment instruments, aggregated
 17-27 across grade levels by subject area; and

17-28 (ii) for students who did not perform
 17-29 satisfactorily, the percentage of students who met the standard for
 17-30 annual improvement, as determined by the agency under Section
 17-31 39.034, on the assessment instruments, aggregated across grade
 17-32 levels by subject area; and

17-33 (B) for the college readiness performance
 17-34 standard as determined under Section 39.0241:

17-35 (i) the percentage of students who
 17-36 performed satisfactorily on the assessment instruments, aggregated
 17-37 across grade levels by subject area; and

17-38 (ii) for students who did not perform
 17-39 satisfactorily, the percentage of students who met the standard for
 17-40 annual improvement, as determined by the agency under Section
 17-41 39.034, on the assessment instruments, aggregated across grade
 17-42 levels by subject area;

17-43 (2) dropout rates, including dropout rates and
 17-44 district completion rates for grade levels 9 through 12, computed
 17-45 in accordance with standards and definitions adopted by the
 17-46 National Center for Education Statistics of the United States
 17-47 Department of Education; and

17-48 (3) high school graduation rates, computed in
 17-49 accordance with standards and definitions adopted in compliance
 17-50 with the No Child Left Behind Act of 2001 (20 U.S.C. Section 6301 et
 17-51 seq.).

17-52 (d) For purposes of Subsection (c), the commissioner by rule
 17-53 shall determine the period within which a student must retake an
 17-54 assessment instrument for that assessment instrument to be
 17-55 considered in determining the accreditation status of the district.

17-56 (e) ~~[(Pub. L. No. 107-110),~~

17-57 ~~[(4) student attendance rates,~~

17-58 ~~[(5) the percentage of graduating students who attain~~
 17-59 ~~scores on the questions developed for end-of-course assessment~~
 17-60 ~~instruments under Section 39.0233(a) that are equivalent to a~~
 17-61 ~~passing score on the assessment instrument required under Section~~
 17-62 ~~51.3062,~~

17-63 ~~[(6) the percentage of graduating students who meet~~
 17-64 ~~the course requirements established for the recommended high school~~
 17-65 ~~program by State Board of Education rule,~~

17-66 ~~[(7) the results of the Scholastic Assessment Test~~
 17-67 ~~(SAT), the American College Test (ACT), articulated postsecondary~~
 17-68 ~~degree programs described by Section 61.852, and certified~~
 17-69 ~~workforce training programs described by Chapter 311, Labor Code,~~

18-1 ~~[(8) the percentage of students, aggregated by grade~~
 18-2 ~~level, provided accelerated instruction under Section 28.0211(c),~~
 18-3 ~~the results of assessments administered under that section, the~~
 18-4 ~~percentage of students promoted through the grade placement~~
 18-5 ~~committee process under Section 28.0211, the subject of the~~
 18-6 ~~assessment instrument on which each student failed to perform~~
 18-7 ~~satisfactorily, and the performance of those students in the school~~
 18-8 ~~year following that promotion on the assessment instruments~~
 18-9 ~~required under Section 39.023;~~

18-10 ~~[(9) for students who have failed to perform~~
 18-11 ~~satisfactorily on an assessment instrument required under Section~~
 18-12 ~~39.023(a) or (c), the numerical progress of those students grouped~~
 18-13 ~~by percentage on subsequent assessment instruments required under~~
 18-14 ~~those sections, aggregated by grade level and subject area;~~

18-15 ~~[(10) the percentage of students exempted, by~~
 18-16 ~~exemption category, from the assessment program generally~~
 18-17 ~~applicable under this chapter;~~

18-18 ~~[(11) the percentage of students of limited English~~
 18-19 ~~proficiency exempted from the administration of an assessment~~
 18-20 ~~instrument under Sections 39.027(a)(3) and (4);~~

18-21 ~~[(12) the percentage of students in a special~~
 18-22 ~~education program under Subchapter A, Chapter 29, assessed through~~
 18-23 ~~assessment instruments developed or adopted under Section~~
 18-24 ~~39.023(b);~~

18-25 ~~[(13) the measure of progress toward preparation for~~
 18-26 ~~postsecondary success; and~~

18-27 ~~[(14) the measure of progress toward dual language~~
 18-28 ~~proficiency under Section 39.034(b), for students of limited~~
 18-29 ~~English proficiency, as defined by Section 29.052.~~

18-30 ~~[(b-1) Performance on the indicators described by~~
 18-31 ~~Subsections (b)(1), (2), (3), (8), (9), and (14) must be based on~~
 18-32 ~~longitudinal student data that is disaggregated by the bilingual~~
 18-33 ~~education or special language program, if any, in which students of~~
 18-34 ~~limited English proficiency, as defined by Section 29.052, are or~~
 18-35 ~~former students of limited English proficiency were enrolled. If a~~
 18-36 ~~student described by this subsection is not or was not enrolled in~~
 18-37 ~~specialized language instruction, the number and percentage of~~
 18-38 ~~those students shall be provided.~~

18-39 ~~[(c)] Performance on the student achievement indicators~~
 18-40 ~~[indicator] under Subsections (c)(1) and (2) [Subsection (b)(1)]~~
 18-41 ~~shall be compared to state standards and [7] required improvement [7~~
 18-42 ~~and comparable improvement]. The state standard shall be~~
 18-43 ~~established by the commissioner. Required improvement is [defined~~
 18-44 ~~as] the progress necessary for the campus or district to meet state~~
 18-45 ~~standards and, for the student achievement indicator under~~
 18-46 ~~Subsection (c)(1), for its students to meet each of the performance~~
 18-47 ~~standards as determined under Section 39.0241.~~

18-48 ~~(f) [exit requirements as defined by the commissioner.~~
 18-49 ~~Comparable improvement is derived by measuring campuses and~~
 18-50 ~~districts against a profile developed from a total state student~~
 18-51 ~~performance database which exhibits substantial equivalence to the~~
 18-52 ~~characteristics of students served by the campus or district,~~
 18-53 ~~including past academic performance, socioeconomic status,~~
 18-54 ~~ethnicity, and limited English proficiency.~~

18-55 ~~[(d)] Annually, the commissioner shall define the state~~
 18-56 ~~standard for the current school year for each student achievement~~
 18-57 ~~[exemplary, recognized, and unacceptable performance for each~~
 18-58 ~~academic excellence] indicator described by Subsection (c)~~
 18-59 ~~[included under Subsections (b)(1) through (7)] and shall project~~
 18-60 ~~the state standards for each [of those levels of performance for~~
 18-61 ~~succeeding years. For the] indicator for the following two school~~
 18-62 ~~[under Subsection (b)(8), the commissioner shall define exemplary,~~
 18-63 ~~recognized, and unacceptable performance based on student~~
 18-64 ~~performance for the period covering both the current and preceding~~
 18-65 ~~academic] years.~~

18-66 ~~(g) In defining the required state standard [exemplary,~~
 18-67 ~~recognized, and unacceptable performance] for the indicator~~
 18-68 ~~described by Subsection (c)(2) [indicators under Subsections~~
 18-69 ~~(b)(2) and (4)], the commissioner may not consider as a dropout [or~~

19-1 ~~as]~~ a student ~~[who has failed to attend school a student]~~ whose
 19-2 failure to attend school results from:

19-3 (1) the student's expulsion under Section 37.007; and

19-4 (2) as applicable:

19-5 (A) adjudication as having engaged in delinquent
 19-6 conduct or conduct indicating a need for supervision, as defined by
 19-7 Section 51.03, Family Code; or

19-8 (B) conviction of and sentencing for an offense
 19-9 under the Penal Code.

19-10 (g-1) In computing dropout and completion rates under
 19-11 Subsection (c)(2), the commissioner shall:

19-12 (1) exclude students who are ordered by a court to
 19-13 attend a high school equivalency certificate program but who have
 19-14 not yet earned a high school equivalency certificate;

19-15 (2) exclude students who were previously reported to
 19-16 the state as dropouts; and

19-17 (3) exclude students in attendance who are not in
 19-18 membership for purposes of average daily attendance;

19-19 (4) exclude students who first enrolled in U.S.
 19-20 schools in grades 7 through 12 as unschooled refugees or asylees per
 19-21 Section 39.027(a-2);

19-22 (5) exclude students who are in the district
 19-23 exclusively as a function of having been detained at a county
 19-24 detention facility but are otherwise nonstudents of the district in
 19-25 which the facility is located; and

19-26 (6) exclude students who return to school at any point
 19-27 up through the fourth Friday in October each year.

19-28 (h) [~~e~~] Each school district shall cooperate with the
 19-29 agency in determining whether a student is a dropout for purposes of
 19-30 accreditation and evaluating performance by school districts and
 19-31 campuses under this chapter [section].

19-32 (i) [~~f~~] The indicator under Subsection (b)(1) must include
 19-33 the results of assessment instruments required under Section
 19-34 39.023(b).

19-35 [~~g~~] The commissioner by rule shall adopt accountability
 19-36 measures to be used in assessing the progress of students who have
 19-37 failed to perform satisfactorily as determined by the commissioner
 19-38 under Section 39.0241(a) or under the college readiness standard as
 19-39 determined under Section 39.0241 in the preceding school year on an
 19-40 assessment instrument required under Section 39.023(a), (c), or
 19-41 (l).

19-42 Sec. 39.054. METHODS AND STANDARDS FOR EVALUATING
 19-43 PERFORMANCE. (a) The commissioner shall adopt rules consistent
 19-44 with this section to evaluate school district and campus
 19-45 performance and assign each district and campus a performance
 19-46 rating that reflects satisfactory performance, unsatisfactory
 19-47 performance, or performance eligible for distinction under
 19-48 Subchapter G.

19-49 (a-1) A campus is considered academically accredited if the
 19-50 campus is assigned a satisfactory performance rating under this
 19-51 section.

19-52 (b) In evaluating performance, the commissioner shall
 19-53 evaluate against state standards and consider the performance of
 19-54 each campus in a school district and each open-enrollment charter
 19-55 school on the basis of:

19-56 (1) the campus's or school's performance on the
 19-57 student achievement indicators adopted under Section 39.053(c);
 19-58 and

19-59 (2) whether a significant pattern of decreased
 19-60 academic performance has developed as a result of the promotion in
 19-61 the preceding two school years of students who did not perform
 19-62 satisfactorily as determined by the commissioner under Section
 19-63 39.0241(a) on assessment instruments administered under Section
 19-64 39.023(a), (c), or (l).

19-65 (b-1) [~~39.072. ACCREDITATION STANDARDS. (a) The State~~
 19-66 Board of Education shall adopt rules to evaluate the performance of
 19-67 school districts and to assign to each district a performance
 19-68 rating as follows:

19-69 (1) exemplary (meets or exceeds state exemplary

standards),

~~[(2) recognized (meets or exceeds required improvement and within 10 percent of state exemplary standards);~~

~~[(3) academically acceptable (below the exemplary and recognized standards but exceeds the academically unacceptable standards); or~~

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

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

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

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

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

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

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

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

~~[(c) The agency shall evaluate against state standards and shall, not later than August 1 of each year, report the performance of each campus in a district and each open-enrollment charter school on the basis of the campus's performance on the indicators adopted under Sections 39.051(b)(1) through (8).] Consideration of the effectiveness of district programs under Section 39.052(b)(2)(B) or (C):~~

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

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

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

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

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

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

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

~~(d) [Notwithstanding any other provision of this code, for purposes of determining the performance of a school district under this chapter, including the accreditation status of the district, a student confined by court order in a residential program or facility operated by or under contract with the Texas Youth Commission, Texas Juvenile Probation Commission, or any other governmental entity, including a juvenile board, is not considered to be a student of the school district in which the program or facility is physically located. The performance of such a student on an assessment instrument or other academic excellence indicator adopted under Section 39.051 shall be determined, reported, and considered separately from the performance of students attending a school of the district in which the program or facility is physically located.~~

~~[Sec. 39.0721. GOLD PERFORMANCE RATING PROGRAM. (a) In addition to district and campus performance ratings reported under Section 39.072, the commissioner shall develop a gold performance~~

21-1 ~~rating program based on enhanced performance. The agency shall~~
21-2 ~~administer the program.~~

21-3 ~~[(b) Under the gold performance rating program, a district~~
21-4 ~~or campus rated exemplary under Section 39.072 is eligible for an~~
21-5 ~~exemplary gold rating, a district or campus rated recognized is~~
21-6 ~~eligible for a recognized gold rating, and a district or campus~~
21-7 ~~rated academically acceptable is eligible for an academically~~
21-8 ~~acceptable gold rating.~~

21-9 ~~[(c) The performance standards on which a gold performance~~
21-10 ~~rating is based should include:~~

21-11 ~~[(1) student proficiency on:~~
21-12 ~~[(A) assessment instruments administered under~~
21-13 ~~Sections 39.023(a), (c), and (1); and~~

21-14 ~~[(B) other measures of proficiency determined by~~
21-15 ~~the commissioner;~~

21-16 ~~[(2) student performance on one or more nationally~~
21-17 ~~recognized norm-referenced assessment instruments;~~

21-18 ~~[(3) improvement in student performance;~~

21-19 ~~[(4) in the case of middle or junior high school~~
21-20 ~~campuses, student proficiency in mathematics, including algebra,~~
21-21 ~~and~~

21-22 ~~[(5) in the case of high school campuses:~~

21-23 ~~[(A) the extent to which graduating students are~~
21-24 ~~academically prepared to attend institutions of higher education;~~

21-25 ~~[(B) the percentage of students who take advanced~~
21-26 ~~placement tests and student performance on those tests; and~~

21-27 ~~[(C) the percentage of students who take and~~
21-28 ~~successfully complete advanced academic courses or college-level~~
21-29 ~~course work offered through dual credit programs provided under~~
21-30 ~~agreements between high schools and institutions of higher~~
21-31 ~~education.~~

21-32 ~~[(d) The commissioner may adopt rules as necessary to~~
21-33 ~~implement and administer this section.~~

21-34 ~~[Sec. 39.073. DETERMINING ACCREDITATION STATUS. (a) The~~
21-35 ~~agency shall annually review the performance of each district and~~
21-36 ~~campus on the indicators adopted under Sections 39.051(b)(1)~~
21-37 ~~through (8) and determine if a change in the accreditation status of~~
21-38 ~~the district is warranted. The commissioner may determine how all~~
21-39 ~~indicators adopted under Section 39.051(b) may be used to determine~~
21-40 ~~accountability ratings and to select districts and campuses for~~
21-41 ~~acknowledgment.~~

21-42 ~~[(b)] Each annual performance review under this section~~
21-43 ~~shall include an analysis of the student achievement indicators~~
21-44 ~~adopted under Section 39.053(c) [Sections 39.051(b)(1) through~~
21-45 ~~(8)] to determine school district and campus performance in~~
21-46 ~~relation to:~~

21-47 ~~(1) standards established for each indicator; and~~

21-48 ~~(2) required improvement as defined under Section~~
21-49 ~~39.053(e).~~

21-50 ~~(d-1) The commissioner by rule may adopt a method of~~
21-51 ~~evaluation by which a district or campus is not assigned an~~
21-52 ~~unsatisfactory performance rating solely because the district or~~
21-53 ~~campus fails to satisfy the minimum performance standards on 15~~
21-54 ~~percent or fewer of the measures of evaluation the commissioner~~
21-55 ~~determines appropriate with respect to the student achievement~~
21-56 ~~indicators adopted under Section 39.053(c). Under the method of~~
21-57 ~~evaluation adopted by the commissioner under this subsection, the~~
21-58 ~~commissioner:~~

21-59 ~~(1) may grant an exception under this subsection to a~~
21-60 ~~district or campus only if the performance of the district or campus~~
21-61 ~~is within five percentage points of the minimum performance~~
21-62 ~~standard established by the commissioner for the measure of~~
21-63 ~~evaluation;~~

21-64 ~~(2) may not grant an exception under this subsection~~
21-65 ~~if a district or campus fails to satisfy the minimum performance~~
21-66 ~~standard on the same measure of evaluation for two consecutive~~
21-67 ~~school years; and~~

21-68 ~~(3) may establish other performance criteria for a~~
21-69 ~~district or campus to obtain an exception under this subsection~~

22-1 ~~[39.051(c), and~~
 22-2 ~~[(3) comparable improvement as defined by Section~~
 22-3 ~~39.051(c)].~~

22-4 ~~[(c) A district's accreditation rating may be raised or~~
 22-5 ~~lowered based on the district's performance or may be lowered based~~
 22-6 ~~on the unacceptable performance of one or more campuses in the~~
 22-7 ~~district.~~

22-8 ~~[(d) The commissioner shall notify a district that is rated~~
 22-9 ~~academically unacceptable that the performance of the district or a~~
 22-10 ~~campus in the district is below each standard under Subsection (b)~~
 22-11 ~~and shall require the district to notify property owners and~~
 22-12 ~~parents in the district of the lowered accreditation rating and its~~
 22-13 ~~implication.]~~

22-14 (e) ~~[In determining a district's accreditation rating, the~~
 22-15 ~~agency shall consider:~~

22-16 ~~[(1) the district's current special education~~
 22-17 ~~compliance status with the agency; and~~

22-18 ~~[(2) the progress of students who have failed to~~
 22-19 ~~perform satisfactorily in the preceding school year on an~~
 22-20 ~~assessment instrument required under Section 39.023(a), (c), or~~
 22-21 ~~(1).]~~

22-22 ~~[(f)]~~ In the computation of dropout rates under Section
 22-23 39.053(c)(2) ~~[39.051(b)(2)]~~, a student who is released from a
 22-24 juvenile pre-adjudication secure detention facility or juvenile
 22-25 post-adjudication secure correctional facility and fails to enroll
 22-26 in school or a student who leaves a residential treatment center
 22-27 after receiving treatment for fewer than 85 days and fails to enroll
 22-28 in school may not be considered to have dropped out from the ~~[campus~~
 22-29 ~~or]~~ school district or campus serving the facility or center unless
 22-30 that district or campus ~~[or district]~~ is the one to which the
 22-31 student is regularly assigned. The commissioner may not limit the
 22-32 number of students excluded from being counted as dropouts under
 22-33 the provision of this section.

22-34 Sec. 39.055. STUDENT ORDERED BY A JUVENILE COURT NOT
 22-35 CONSIDERED FOR ACCOUNTABILITY PURPOSES. Notwithstanding any other
 22-36 provision of this code, for purposes of determining the performance
 22-37 of a school district or campus under this chapter, a student ordered
 22-38 by a juvenile court into a residential program or facility operated
 22-39 by or under contract with the Texas Youth Commission, the Texas
 22-40 Juvenile Probation Commission, a juvenile board, or any other
 22-41 government entity is not considered to be a student of the school
 22-42 district in which the program or facility is physically located.
 22-43 The performance of such a student on an assessment instrument or
 22-44 other student achievement indicator adopted under Section 39.053 or
 22-45 reporting indicator adopted under Section 39.301 shall be
 22-46 determined, reported, and considered separately from the
 22-47 performance of students attending a school of the district in which
 22-48 the program or facility is physically located.

22-49 Sec. 39.056 [39.074]. ON-SITE INVESTIGATIONS. (a) The
 22-50 commissioner may:

22-51 (1) direct the agency to conduct on-site
 22-52 investigations of a school district at any time to answer any
 22-53 questions concerning a program, including special education,
 22-54 required by federal law or for which the district receives federal
 22-55 funds; and

22-56 (2) ~~[raise or lower the performance rating]~~ as a
 22-57 result of the investigation, change the accreditation status of a
 22-58 district or accountability rating of a district or campus or
 22-59 withdraw a distinction designation under Subchapter G.

22-60 (b) The commissioner shall determine the frequency of
 22-61 on-site investigations by the agency according to annual
 22-62 comprehensive analyses of student performance and equity in
 22-63 relation to the student achievement ~~[academic excellence]~~
 22-64 indicators adopted under Section 39.053 ~~[39.051]~~.

22-65 (c) In making an on-site ~~[accreditation]~~ investigation, the
 22-66 investigators shall obtain information from administrators,
 22-67 teachers, and parents of students enrolled in the school district.
 22-68 The investigation may not be closed until information is obtained
 22-69 from each of those sources. The State Board of Education shall

23-1 adopt rules for:

23-2 (1) obtaining information from parents and using that
23-3 information in the investigator's report; and

23-4 (2) obtaining information from teachers in a manner
23-5 that prevents a [~~campus or~~] district or campus from screening the
23-6 information.

23-7 (d) The agency shall give written notice to the
23-8 superintendent and the board of trustees of a school district of any
23-9 impending investigation of the district's accreditation.

23-10 (e) [~~If an annual review indicates low performance on one or~~
23-11 ~~more of the indicators under Sections 39.051(b)(1) through (8) of~~
23-12 ~~one or more campuses in a district, the agency may conduct an~~
23-13 ~~on-site evaluation of those campuses only.~~

23-14 [~~f~~] The investigators shall report orally and in writing
23-15 to the board of trustees of the school district and, as appropriate,
23-16 to campus administrators and shall make recommendations concerning
23-17 any necessary improvements or sources of aid such as regional
23-18 education service centers.

23-19 Sec. 39.057 [~~39.075~~]. SPECIAL ACCREDITATION INVESTIGATIONS.

23-20 (a) The commissioner shall authorize special accreditation
23-21 investigations to be conducted:

23-22 (1) when excessive numbers of absences of students
23-23 eligible to be tested on state assessment instruments are
23-24 determined;

23-25 (2) when excessive numbers of allowable exemptions
23-26 from the required state assessment instruments are determined;

23-27 (3) in response to complaints submitted to the agency
23-28 with respect to alleged violations of civil rights or other
23-29 requirements imposed on the state by federal law or court order;

23-30 (4) in response to established compliance reviews of
23-31 the district's financial accounting practices and state and federal
23-32 program requirements;

23-33 (5) when extraordinary numbers of student placements
23-34 in disciplinary alternative education programs, other than
23-35 placements under Sections 37.006 and 37.007, are determined;

23-36 (6) in response to an allegation involving a conflict
23-37 between members of the board of trustees or between the board and
23-38 the district administration if it appears that the conflict
23-39 involves a violation of a role or duty of the board members or the
23-40 administration clearly defined by this code;

23-41 (7) when excessive numbers of students in special
23-42 education programs under Subchapter A, Chapter 29, are assessed
23-43 through assessment instruments developed or adopted under Section
23-44 39.023(b);

23-45 (8) in response to an allegation regarding or an
23-46 analysis using a statistical method result indicating a possible
23-47 violation of an assessment instrument security procedure
23-48 established under Section 39.0301, including for the purpose of
23-49 investigating or auditing a school district under that section;
23-50 [~~e~~]

23-51 (9) when excessive numbers of students graduate under
23-52 the minimum high school program;

23-53 (10) when excessive numbers of students eligible to
23-54 enroll fail to complete an Algebra II course or any other course
23-55 determined by the commissioner as distinguishing between students
23-56 participating in the recommended high school program from students
23-57 participating in the minimum high school program; or

23-58 (11) as the commissioner otherwise determines
23-59 necessary.

23-60 (b) If the agency's findings in an investigation under
23-61 Subsection (a)(6) indicate that the board of trustees has observed
23-62 a lawfully adopted policy, the agency may not substitute its
23-63 judgment for that of the board.

23-64 (c) [~~b-1~~] The commissioner may authorize special
23-65 accreditation investigations to be conducted in response to
23-66 repeated complaints submitted to the agency concerning imposition
23-67 of excessive paperwork requirements on classroom teachers.

23-68 (d) [~~c~~] Based on the results of a special accreditation
23-69 investigation, the commissioner may:

24-1 (1) take appropriate action under Subchapter E [~~G~~];
 24-2 (2) lower the school district's accreditation status
 24-3 or the district's or campus's accountability rating; or
 24-4 (3) take action under both Subdivisions (1) and (2).
 24-5 (e) [~~(c) Based on the results of a special accreditation~~
 24-6 ~~investigation, the commissioner may lower the district's~~
 24-7 ~~accreditation rating and may take appropriate action under~~
 24-8 ~~Subchapter G.~~] Regardless of whether the commissioner lowers the
 24-9 school district's accreditation status or the district's or
 24-10 campus's accountability rating under Subsection (d), the
 24-11 commissioner may take action under Sections 39.101(a)(1) through
 24-12 (8) or Section 39.102 [~~39.131(a)(1) through (8)~~] if the
 24-13 commissioner determines that the action is necessary to improve any
 24-14 area of a district's or campus's performance, including the
 24-15 district's financial accounting practices.
 24-16 Sec. 39.058 [~~39.076~~]. CONDUCT OF INVESTIGATIONS. (a) The
 24-17 agency shall adopt written procedures for conducting on-site
 24-18 investigations under this subchapter. The agency shall make the
 24-19 procedures available to the complainant, the alleged violator, and
 24-20 the public. Agency staff must be trained in the procedures and must
 24-21 follow the procedures in conducting the investigation.
 24-22 (b) After completing an investigation, the agency shall
 24-23 present preliminary findings to any person the agency finds has
 24-24 violated a law, rule, or policy. Before issuing a report with its
 24-25 final findings, the agency must provide a person the agency finds
 24-26 has violated a law, rule, or policy an opportunity for an informal
 24-27 review by the commissioner or a designated hearing examiner.
 24-28 SUBCHAPTER D [~~F~~]. FINANCIAL ACCOUNTABILITY
 24-29 Sec. 39.081 [~~39.201~~]. DEFINITIONS. In this subchapter:
 24-30 (1) "Parent" includes a guardian or other person
 24-31 having lawful control of a student.
 24-32 (2) "System" means the financial accountability
 24-33 rating system.
 24-34 Sec. 39.082 [~~39.202~~]. DEVELOPMENT AND IMPLEMENTATION.
 24-35 (a) The commissioner shall, in consultation with the comptroller,
 24-36 develop and implement a financial accountability rating system for
 24-37 school districts in this state that:
 24-38 (1) distinguishes among school districts based on
 24-39 levels of financial performance; and
 24-40 (2) includes procedures to:
 24-41 (A) provide additional transparency to public
 24-42 education finance; and
 24-43 (B) enable the commissioner and school district
 24-44 administrators to provide meaningful financial oversight and
 24-45 improvement.
 24-46 (b) The system must include uniform indicators adopted by
 24-47 the commissioner by which to measure a district's financial
 24-48 management performance.
 24-49 Sec. 39.0821. COMPTROLLER REVIEW OF RESOURCE ALLOCATION
 24-50 PRACTICES. The comptroller shall identify school districts and
 24-51 campuses that use resource allocation practices that contribute to
 24-52 high academic achievement and cost-effective operations. In
 24-53 identifying districts and campuses under this section, the
 24-54 comptroller shall:
 24-55 (1) evaluate existing academic accountability and
 24-56 financial data by integrating the data;
 24-57 (2) rank the results of the evaluation under
 24-58 Subdivision (1) to identify the relative performance of districts
 24-59 and campuses; and
 24-60 (3) identify potential areas for district and campus
 24-61 improvement.
 24-62 Sec. 39.0822. FINANCIAL SOLVENCY REVIEW REQUIRED. (a) The
 24-63 agency shall develop a review process to anticipate the future
 24-64 financial solvency of each school district. The review process
 24-65 shall analyze:
 24-66 (1) district revenues and expenditures for the
 24-67 preceding school year; and
 24-68 (2) projected district revenues and expenditures for
 24-69 the current school year and the following two school years.

25-1 (b) In analyzing the information under Subsection (a), the
 25-2 review process developed must consider, for the preceding school
 25-3 year, the current school year, and the following two school years,
 25-4 as appropriate:

25-5 (1) student-to-staff ratios relative to expenditures,
 25-6 including average staff salaries;

25-7 (2) the rate of change in the district unreserved
 25-8 general fund balance;

25-9 (3) the number of students enrolled in the district;

25-10 (4) the adopted tax rate of the district;

25-11 (5) any independent audit report prepared for the
 25-12 district; and

25-13 (6) actual district financial information for the
 25-14 first quarter.

25-15 (c) The agency shall consult school district financial
 25-16 officers and public finance experts in developing the review
 25-17 process under this section.

25-18 (d) The agency shall develop an electronic-based program
 25-19 for school districts to use in submitting information to the agency
 25-20 for purposes of this section. Each district shall update
 25-21 information for purposes of the program within the period
 25-22 prescribed by the commissioner. The commissioner shall adopt rules
 25-23 under this subsection to allow a district to enter estimates of
 25-24 critical data into the program before the district adopts its
 25-25 budget. The program must:

25-26 (1) be capable of importing, to the extent
 25-27 practicable, data a district has previously submitted to the
 25-28 agency;

25-29 (2) include an entry space that allows a district to
 25-30 enter information explaining any irregularity in data submitted;
 25-31 and

25-32 (3) provide alerts for:

25-33 (A) a student-to-staff ratio that is
 25-34 significantly outside the norm;

25-35 (B) a rapid depletion of the district general
 25-36 fund balance; and

25-37 (C) a significant discrepancy between actual
 25-38 budget figures and projected revenues and expenditures.

25-39 (e) An alert in the program developed under Subsection (d)
 25-40 must be developed to notify the agency immediately on the
 25-41 occurrence of a condition described by Subsection (d)(3). After
 25-42 the agency is alerted, the agency shall immediately notify the
 25-43 affected school district regarding the condition triggering the
 25-44 alert.

25-45 Sec. 39.0823. PROJECTED DEFICIT. (a) If the review
 25-46 process under Section 39.0822 indicates a projected deficit for a
 25-47 school district general fund within the following three school
 25-48 years, the district shall provide the agency interim financial
 25-49 reports, supplemented by staff and student count data, as needed,
 25-50 to evaluate the district's current budget status.

25-51 (b) If the interim financial data provided under Subsection
 25-52 (a) substantiates the projected deficit, the school district shall
 25-53 develop a financial plan and submit the plan to the agency for
 25-54 approval. The agency may approve the plan only if the agency
 25-55 determines the plan will permit the district to avoid the projected
 25-56 insolvency.

25-57 (c) The commissioner shall assign a school district an
 25-58 accredited-warned status if:

25-59 (1) the district fails to submit a plan as provided by
 25-60 Subsection (b);

25-61 (2) the district fails to obtain approval from the
 25-62 agency for a plan as provided by Subsection (b);

25-63 (3) the district fails to comply with a plan approved
 25-64 by the agency under Subsection (b); or

25-65 (4) the agency determines in a subsequent school year,
 25-66 based on financial data submitted by the district, that the
 25-67 approved plan for the district is no longer sufficient or is not
 25-68 appropriately implemented.

25-69 Sec. 39.083 [39.203]. REPORTING. (a) The commissioner

26-1 shall develop, as part of the system, a reporting procedure under
 26-2 which:

26-3 (1) each school district is required to prepare and
 26-4 distribute an annual financial management report; and

26-5 (2) the public is provided an opportunity to comment
 26-6 on the report at a hearing.

26-7 (b) The annual financial management report must include:

26-8 (1) a description of the district's financial
 26-9 management performance based on a comparison, provided by the
 26-10 agency, of the district's performance on the indicators adopted
 26-11 under Section 39.082(b) [~~39.202(b)~~] to:

26-12 (A) state-established standards; and

26-13 (B) the district's previous performance on the
 26-14 indicators; [~~and~~]

26-15 (2) a description of the data submitted using the
 26-16 electronic-based program developed under Section 39.0822; and

26-17 (3) any descriptive information required by the
 26-18 commissioner.

26-19 (c) The report may include:

26-20 (1) information concerning the district's:

26-21 (A) financial allocations;

26-22 (B) tax collections;

26-23 (C) financial strength;

26-24 (D) operating cost management;

26-25 (E) personnel management;

26-26 (F) debt management;

26-27 (G) facility acquisition and construction
 26-28 management;

26-29 (H) cash management;

26-30 (I) budgetary planning;

26-31 (J) overall business management;

26-32 (K) compliance with rules; and

26-33 (L) data quality; and

26-34 (2) any other information the board of trustees
 26-35 determines to be necessary or useful.

26-36 (d) The board of trustees of each school district shall hold
 26-37 a public hearing on the report. The board shall give notice of the
 26-38 hearing to owners of real property in the district and to parents of
 26-39 district students. In addition to other notice required by law,
 26-40 notice of the hearing must be provided:

26-41 (1) to a newspaper of general circulation in the
 26-42 district; and

26-43 (2) through electronic mail to media serving the
 26-44 district.

26-45 (e) After the hearing, the report shall be disseminated in
 26-46 the district in the manner prescribed by the commissioner.

26-47 Sec. 39.084 [~~39.204~~]. RULES. The commissioner shall adopt
 26-48 rules as necessary for the implementation and administration of
 26-49 this subchapter.

26-50 SUBCHAPTER E [~~G~~]. ACCREDITATION INTERVENTIONS AND SANCTIONS

26-51 Sec. 39.101 [~~39.131~~]. INTERVENTIONS AND SANCTIONS FOR
 26-52 DISTRICTS. (a) If a school district does not satisfy the
 26-53 accreditation criteria under Section 39.052 [~~39.071~~], the
 26-54 [~~academic~~] performance standards under Section 39.053 or 39.054
 26-55 [~~39.072~~], or any financial accountability standard as determined by
 26-56 commissioner rule, the commissioner shall take any of the following
 26-57 actions to the extent the commissioner determines necessary:

26-58 (1) issue public notice of the deficiency to the board
 26-59 of trustees;

26-60 (2) order a hearing conducted by the board of trustees
 26-61 of the district for the purpose of notifying the public of the
 26-62 insufficient [~~unacceptable~~] performance, the improvements in
 26-63 performance expected by the agency, and the interventions and
 26-64 sanctions that may be imposed under this section if the performance
 26-65 does not improve;

26-66 (3) order the preparation of a student achievement
 26-67 improvement plan that addresses each student achievement [~~academic~~
 26-68 ~~excellence~~] indicator under Section 39.053(c) for which the
 26-69 district's performance is insufficient [~~unacceptable~~], the

27-1 submission of the plan to the commissioner for approval, and
 27-2 implementation of the plan;

27-3 (4) order a hearing to be held before the commissioner
 27-4 or the commissioner's designee at which the president of the board
 27-5 of trustees of the district and the superintendent shall appear and
 27-6 explain the district's low performance, lack of improvement, and
 27-7 plans for improvement;

27-8 (5) arrange an on-site investigation of the district;

27-9 (6) appoint an agency monitor to participate in and
 27-10 report to the agency on the activities of the board of trustees or
 27-11 the superintendent;

27-12 (7) appoint a conservator to oversee the operations of
 27-13 the district;

27-14 (8) appoint a management team to direct the operations
 27-15 of the district in areas of insufficient ~~[unacceptable]~~ performance
 27-16 or require the district to obtain certain services under a contract
 27-17 with another person;

27-18 (9) if a district has a current accreditation status
 27-19 of accredited-warned or accredited-probation, fails to satisfy any
 27-20 standard under Section 39.054(d) ~~[is rated academically~~
 27-21 ~~unacceptable]~~, or fails to satisfy financial accountability
 27-22 standards as determined by commissioner rule, appoint a board of
 27-23 managers to exercise the powers and duties of the board of trustees;

27-24 (10) if for two consecutive school years, including
 27-25 the ~~[current]~~ school year for which performance is currently
 27-26 determined, a district has received an accreditation status of
 27-27 accredited-warned or accredited-probation, has failed to satisfy
 27-28 any standard under Section 39.054(d) ~~[been rated academically~~
 27-29 ~~unacceptable]~~, or has failed to satisfy financial accountability
 27-30 standards as determined by commissioner rule, revoke the district's
 27-31 accreditation and:

27-32 (A) order closure of the district and annex the
 27-33 district to one or more adjoining districts under Section 13.054;
 27-34 or

27-35 (B) in the case of a home-rule school district or
 27-36 open-enrollment charter school, order closure of all programs
 27-37 operated under the district's or school's charter; or

27-38 (11) if a district has failed to satisfy any standard
 27-39 under Section 39.054(d) ~~[been rated academically unacceptable for~~
 27-40 ~~two consecutive school years, including the current school year,~~
 27-41 due to the district's dropout rates, impose sanctions designed to
 27-42 improve high school completion rates, including:

27-43 (A) ordering the development of a dropout
 27-44 prevention plan for approval by the commissioner;

27-45 (B) restructuring the district or appropriate
 27-46 school campuses to improve identification of and service to
 27-47 students who are at risk of dropping out of school, as defined by
 27-48 Section 29.081;

27-49 (C) ordering lower student-to-counselor ratios
 27-50 on school campuses with high dropout rates; and

27-51 (D) ordering the use of any other intervention
 27-52 strategy effective in reducing dropout rates, including mentor
 27-53 programs and flexible class scheduling.

27-54 (b) This subsection applies regardless of whether a
 27-55 district has satisfied the accreditation criteria. If for two
 27-56 consecutive school years, including the ~~[current]~~ school year for
 27-57 which the accreditation status is currently determined, a district
 27-58 has had a conservator or management team assigned, the commissioner
 27-59 may appoint a board of managers, a majority of whom must be
 27-60 residents of the district, to exercise the powers and duties of the
 27-61 board of trustees.

27-62 Sec. 39.102 ~~[39.132]~~. INTERVENTIONS AND SANCTIONS FOR
 27-63 [ACADEMICALLY UNACCEPTABLE] CAMPUSES. (a) If a campus
 27-64 performance is below any standard under Section 39.054(d)
 27-65 ~~[39.073(b)]~~, the ~~[campus is considered an academically~~
 27-66 ~~unacceptable campus. The]~~ commissioner ~~[may permit the campus to~~
 27-67 ~~participate in an innovative redesign of the campus to improve~~
 27-68 ~~campus performance or]~~ shall take ~~[any of the other following]~~
 27-69 actions, to the extent the commissioner determines necessary, as

28-1 provided by this subchapter.

28-2 (b) For a campus described by Subsection (a), the
 28-3 commissioner, to the extent the commissioner determines necessary,
 28-4 may[+]

28-5 [~~(1) issue public notice of the deficiency to the~~
 28-6 ~~board of trustees,~~

28-7 [~~(2) order a hearing conducted by the board of~~
 28-8 ~~trustees at the campus for the purpose of:~~

28-9 [~~(A) notifying the public of the unacceptable~~
 28-10 ~~performance, the improvements in performance expected by the~~
 28-11 ~~agency, and the sanctions that may be imposed under this section if~~
 28-12 ~~the performance does not improve within a designated period of~~
 28-13 ~~time; and~~

28-14 [~~(B) soliciting public comment on the initial~~
 28-15 ~~steps being taken to improve performance;~~

28-16 [~~(3) order the preparation of a report regarding the~~
 28-17 ~~parental involvement program at the campus and a plan describing~~
 28-18 ~~strategies for improving parental involvement at the campus;~~

28-19 [~~(4) order the preparation of a report regarding the~~
 28-20 ~~effectiveness of the district- and campus-level planning and~~
 28-21 ~~decision-making committees established under Subchapter F, Chapter~~
 28-22 ~~11, and a plan describing strategies for improving the~~
 28-23 ~~effectiveness of those committees;~~

28-24 [~~(5) order the preparation of a student improvement~~
 28-25 ~~plan that addresses each academic excellence indicator for which~~
 28-26 ~~the campus's performance is unacceptable, the submission of the~~
 28-27 ~~plan to the commissioner for approval, and implementation of the~~
 28-28 ~~plan;~~

28-29 [~~(6)] order a hearing to be held before the~~
 28-30 ~~commissioner or the commissioner's designee at which the president~~
 28-31 ~~of the board of trustees, the superintendent, and the campus~~
 28-32 ~~principal shall appear and explain the campus's low performance,~~
 28-33 ~~lack of improvement, and plans for improvement[+; or~~

28-34 [~~(7) appoint a campus intervention team under Section~~
 28-35 ~~39.1322].~~

28-36 (c) Notwithstanding the provisions of this subchapter, if
 28-37 the commissioner determines that a campus subject to interventions
 28-38 or sanctions under this subchapter has implemented substantially
 28-39 similar intervention measures under federal accountability
 28-40 requirements, the commissioner may accept the substantially
 28-41 similar intervention measures as measures in compliance with this
 28-42 subchapter.

28-43 Sec. 39.103 [~~39.1321~~]. INTERVENTIONS AND SANCTIONS FOR
 28-44 CHARTER SCHOOLS. (a) Interventions and sanctions [~~Sanctions~~]
 28-45 authorized under this chapter for a school district or campus apply
 28-46 in the same manner to an open-enrollment charter school.

28-47 (b) The commissioner shall adopt rules to implement
 28-48 procedures to impose any intervention or sanction provision under
 28-49 this chapter as those provisions relate to open-enrollment charter
 28-50 schools.

28-51 (c) In adopting rules under this section, the commissioner
 28-52 shall require that the charter of an open-enrollment charter
 28-53 school:

28-54 (1) be automatically revoked if the charter school is
 28-55 ordered closed under this chapter; and

28-56 (2) be automatically modified to remove authorization
 28-57 for an individual campus if the campus is ordered closed under this
 28-58 chapter.

28-59 (d) If interventions or sanctions are imposed on an
 28-60 open-enrollment charter school under the procedures provided by
 28-61 this chapter, a charter school is not entitled to an additional
 28-62 hearing relating to the modification, placement on probation,
 28-63 revocation, or denial of renewal of a charter as provided by
 28-64 Subchapter D, Chapter 12.

28-65 Sec. 39.104 [~~39.1322~~]. [~~TECHNICAL ASSISTANCE AND~~] CAMPUS
 28-66 IMPROVEMENT PLAN [~~INTERVENTION TEAMS~~]. (a) This section applies
 28-67 if [IF] a campus performance satisfies performance standards under
 28-68 Section 39.054(d) [~~is rated academically acceptable~~] for the
 28-69 current school year but would not satisfy performance standards

29-1 ~~under Section 39.054(d) [be rated as academically unacceptable] if~~
 29-2 ~~the [performance] standards to be used for the following school~~
 29-3 ~~year were applied to the current school year. On request of [r] the~~
 29-4 ~~commissioner, the campus shall submit to the commissioner in an~~
 29-5 ~~electronic format the portions of the campus improvement plan~~
 29-6 ~~developed under Section 11.253 that are relevant to those areas for~~
 29-7 ~~which the campus would not satisfy performance standards [select~~
 29-8 ~~and assign a technical assistance team to assist the campus in~~
 29-9 ~~executing a school improvement plan and any other school~~
 29-10 ~~improvement strategies the commissioner determines appropriate.~~
 29-11 ~~The commissioner may waive the requirement to assign a technical~~
 29-12 ~~assistance team under this subsection if the improvement in~~
 29-13 ~~performance standards among all student groups, including special~~
 29-14 ~~populations, over the preceding three years indicates that the~~
 29-15 ~~campus is likely to be rated academically acceptable in the~~
 29-16 ~~following school year].~~

29-17 (b) ~~If the [a] campus to which this section applies is an~~
 29-18 ~~open-enrollment charter school, the school shall establish a~~
 29-19 ~~campus-level planning and decision-making committee as provided~~
 29-20 ~~for through procedures as much as practicable the same as those~~
 29-21 ~~provided by Sections 11.251(b)-(e) and develop a campus improvement~~
 29-22 ~~plan as provided by Section 11.253. On request of the commissioner,~~
 29-23 ~~the school shall submit to the commissioner in an electronic format~~
 29-24 ~~the portions of the campus improvement plan that are relevant to~~
 29-25 ~~those areas for which the school would not satisfy performance~~
 29-26 ~~standards [has been identified as academically unacceptable under~~
 29-27 ~~Section 39.132, the commissioner shall appoint a campus~~
 29-28 ~~intervention team.~~

29-29 ~~[(c) To the extent practicable, the commissioner shall~~
 29-30 ~~select and assign the technical assistance team under Subsection~~
 29-31 ~~(a) or the campus intervention team under Subsection (b) before the~~
 29-32 ~~first day of instruction for the school year.~~

29-33 ~~[(d) The commissioner may determine when the services of a~~
 29-34 ~~technical assistance team or campus intervention team are no longer~~
 29-35 ~~needed at a campus under this section].~~

29-36 Sec. 39.105 [39.1323]. CAMPUS INTERVENTION TEAM
 29-37 [PROCEDURES]. (a) ~~If a campus performance is below any standard~~
 29-38 ~~under Section 39.054(d), the commissioner shall assign a campus~~
 29-39 ~~intervention team. A campus intervention team shall:~~

29-40 (1) ~~conduct:~~

29-41 (A) ~~a targeted [comprehensive] on-site needs~~
 29-42 ~~assessment relevant to an area of insufficient performance~~
 29-43 ~~[evaluation] of the campus as provided by Subsection (b) [to~~
 29-44 ~~determine the cause for the campus's low performance and lack of~~
 29-45 ~~progress]; or~~

29-46 (B) ~~if the commissioner determines necessary, a~~
 29-47 ~~comprehensive on-site needs assessment, using the procedures~~
 29-48 ~~provided by Subsection (b);~~

29-49 (2) ~~recommend appropriate actions as provided by~~
 29-50 ~~Subsection (c) [including reallocation of resources and technical~~
 29-51 ~~assistance, changes in school procedures or operations, staff~~
 29-52 ~~development for instructional and administrative staff,~~
 29-53 ~~intervention for individual administrators or teachers, waivers~~
 29-54 ~~from state statute or rule, or other actions the team considers~~
 29-55 ~~appropriate];~~

29-56 (3) ~~assist in the development of a targeted [school]~~
 29-57 ~~improvement plan [for student achievement]; [and]~~

29-58 (4) ~~assist the campus in submitting the targeted~~
 29-59 ~~improvement plan to the board of trustees for approval and~~
 29-60 ~~presenting the plan in a public hearing as provided by Subsection~~
 29-61 ~~(e-1); and~~

29-62 (5) ~~assist the commissioner in monitoring the progress~~
 29-63 ~~of the campus in implementing the targeted [school] improvement~~
 29-64 ~~plan [for improvement of student achievement].~~

29-65 (b) ~~An [A campus intervention team assigned under Section~~
 29-66 ~~39.1322 to a campus shall conduct a comprehensive] on-site needs~~
 29-67 ~~assessment of the campus under Subsection (a) must [to] determine~~
 29-68 ~~the contributing [causal] factors resulting in the campus's low~~
 29-69 ~~performance and lack of progress. The team shall use any of the~~

30-1 following guidelines and procedures relevant to any area of
 30-2 insufficient performance in conducting a targeted on-site needs
 30-3 assessment and shall use each of the following guidelines and
 30-4 procedures in conducting a [the] comprehensive on-site needs
 30-5 assessment [of the campus]:

30-6 (1) an assessment of the staff to determine the
 30-7 percentage of certified teachers who are teaching in their field,
 30-8 the number of teachers with less than three years of experience, and
 30-9 teacher turnover rates;

30-10 (2) compliance with the appropriate class-size rules
 30-11 and number of class-size waivers received;

30-12 (3) an assessment of the quality, quantity, and
 30-13 appropriateness of instructional materials, including the
 30-14 availability of technology-based instructional materials;

30-15 (4) a report on the parental involvement strategies
 30-16 and the effectiveness of the strategies;

30-17 (5) an assessment of the extent and quality of the
 30-18 mentoring program provided for new teachers on the campus;

30-19 (6) an assessment of the type and quality of the
 30-20 professional development provided to the staff;

30-21 (7) a demographic analysis of the student population,
 30-22 including student demographics, at-risk populations, and special
 30-23 education percentages;

30-24 (8) a report of disciplinary incidents and school
 30-25 safety information;

30-26 (9) financial and accounting practices;

30-27 (10) an assessment of the appropriateness of the
 30-28 curriculum and teaching strategies; and

30-29 (11) any other research-based data or information
 30-30 obtained from a data collection process that would assist the
 30-31 campus intervention team in:

30-32 (A) recommending an action under Subsection (c);
 30-33 and

30-34 (B) executing a targeted [school] improvement
 30-35 plan under Subsection (d-1) [(d)].

30-36 (c) On completing the on-site needs assessment [evaluation]
 30-37 under this section, the campus intervention team shall recommend
 30-38 actions relating to any area of insufficient performance,
 30-39 including:

30-40 (1) reallocation of resources;

30-41 (2) technical assistance;

30-42 (3) changes in school procedures or operations;

30-43 (4) staff development for instructional and
 30-44 administrative staff;

30-45 (5) intervention for individual administrators or
 30-46 teachers;

30-47 (6) waivers from state statutes or rules; or

30-48 (7) other actions the campus intervention team
 30-49 considers appropriate.

30-50 (d) The campus intervention team shall assist the campus in
 30-51 submitting the targeted improvement plan to the commissioner for
 30-52 approval.

30-53 (d-1) In executing the targeted [a school] improvement plan
 30-54 [developed under Subsection (a)(3)], the campus intervention team
 30-55 shall, if appropriate:

30-56 (1) assist the campus in implementing research-based
 30-57 practices for curriculum development and classroom instruction,
 30-58 including bilingual education and special education programs [~~if~~
 30-59 ~~appropriate,~~] and financial management; and

30-60 (2) provide research-based technical assistance,
 30-61 including data analysis, academic deficiency identification,
 30-62 intervention implementation, and budget analysis, to strengthen
 30-63 and improve the instructional programs at the campus [~~and~~

30-64 [~~(3) submit the school improvement plan to the~~
 30-65 ~~commissioner for approval].~~

30-66 (e) For each year campus performance is below any standard
 30-67 under Section 39.054(d), a [A] campus intervention team shall
 30-68 [appointed under Section 39.1322(b)]:

30-69 (1) [~~shall~~] continue to work with a campus until:

31-1 (A) the campus satisfies all performance
 31-2 standards under Section 39.054(d) ~~[is rated academically~~
 31-3 ~~acceptable]~~ for a two-year period; or

31-4 (B) the campus satisfies all performance
 31-5 standards under Section 39.054(d) ~~[is rated academically~~
 31-6 ~~acceptable]~~ for a one-year period and the commissioner determines
 31-7 that the campus is operating and will continue to operate in a
 31-8 manner that improves student achievement; ~~[and]~~

31-9 (2) assist in updating the targeted improvement plan
 31-10 to identify and analyze areas of growth and areas that require
 31-11 improvement; and

31-12 (3) submit each updated plan described by Subdivision
 31-13 (2) to the board of trustees of the school district ~~[may continually~~
 31-14 ~~update the school improvement plan, with approval from the~~
 31-15 ~~commissioner, to meet the needs of the campus].~~

31-16 (e-1) After a targeted improvement plan or updated plan is
 31-17 submitted to the board of trustees of the school district, the
 31-18 board:

31-19 (1) shall conduct a hearing for the purpose of:

31-20 (A) notifying the public of the insufficient
 31-21 performance, the improvements in performance expected by the
 31-22 agency, and the intervention measures or sanctions that may be
 31-23 imposed under this subchapter if the performance does not improve
 31-24 within a designated period; and

31-25 (B) soliciting public comment on the targeted
 31-26 improvement plan or any updated plan;

31-27 (2) may conduct one hearing relating to one or more
 31-28 campuses subject to a targeted improvement plan or an updated plan;
 31-29 and

31-30 (3) shall submit the targeted improvement plan or any
 31-31 updated plan to the commissioner for approval.

31-32 (f) Notwithstanding any other provision of this subchapter,
 31-33 if the commissioner determines that a campus for which an
 31-34 intervention is ordered under Subsection (a) ~~[Section 39.1322(b)]~~
 31-35 is not fully implementing the campus intervention team's
 31-36 recommendations or targeted ~~[school]~~ improvement plan or updated
 31-37 plan, the commissioner may order the reconstitution of the campus
 31-38 as provided by Section 39.106.

31-39 Sec. 39.106 ~~[39.1324]~~. RECONSTITUTION, REPURPOSING,
 31-40 ALTERNATIVE MANAGEMENT, AND CLOSURE ~~[MANDATORY SANCTIONS]~~.

31-41 (a) Unless otherwise provided under the procedures for approval of
 31-42 an updated targeted improvement plan under Section 39.105(e-1) or
 31-43 this subsection, after ~~[if]~~ a campus has been identified as below
 31-44 any standard under Section 39.054(d) ~~[academically unacceptable]~~
 31-45 for two consecutive school years, ~~[including the current school~~
 31-46 ~~year,]~~ the commissioner shall order the reconstitution of the
 31-47 campus ~~[and assign a campus intervention team]~~. In reconstituting
 31-48 a ~~[the]~~ campus, a campus intervention team shall assist the campus
 31-49 in:

31-50 (1) developing an updated targeted ~~[a school]~~
 31-51 improvement plan;

31-52 (2) submitting the updated targeted improvement plan
 31-53 to the board of trustees of the school district for approval and
 31-54 presenting the plan in a public hearing as provided by Section
 31-55 39.105(e-1);

31-56 (3) ~~[(2)]~~ obtaining approval of the updated plan from
 31-57 the commissioner; and

31-58 (4) ~~[(3)]~~ executing the plan on approval by the
 31-59 commissioner.

31-60 (b) The campus intervention team shall decide which
 31-61 educators may be retained at that campus. A principal who has been
 31-62 employed by the campus in that capacity during the full ~~[two-year]~~
 31-63 period described by Subsection (a) may not be retained at that
 31-64 campus unless the campus intervention team determines that:

31-65 (1) students enrolled at the campus have demonstrated
 31-66 significant academic improvement; or

31-67 (2) retention is appropriate under Section 39.236.

31-68 (b-1) A teacher of a subject assessed by an assessment
 31-69 instrument under Section 39.023 may be retained only if the campus

32-1 intervention team determines that a pattern exists of significant
 32-2 academic improvement by students taught by the teacher. If an
 32-3 educator is not retained, the educator may be assigned to another
 32-4 position in the district.

32-5 (b-2) For each year the performance of a campus is below any
 32-6 standard under Section 39.054(d) after the second consecutive
 32-7 school year the performance of the campus is below any standard
 32-8 under Section 39.054(d), a campus intervention team shall:

32-9 (1) assist in updating the targeted improvement plan
 32-10 to identify and analyze areas of growth and areas that require
 32-11 improvement;

32-12 (2) submit the updated plan to the board of trustees of
 32-13 the school district; and

32-14 (3) assist in submitting the updated plan to the
 32-15 commissioner for approval.

32-16 (c) A campus subject to Subsection (a) shall implement the
 32-17 updated targeted [school] improvement plan as approved by the
 32-18 commissioner. The commissioner may appoint a monitor, conservator,
 32-19 management team, or [a] board of managers to the district to ensure
 32-20 and oversee district-level support to low-performing campuses and
 32-21 the implementation of the updated targeted [school] improvement
 32-22 plan. In making appointments under this subsection, the
 32-23 commissioner shall consider individuals who have demonstrated
 32-24 success in managing campuses with student populations from similar
 32-25 demographic groups and with similar educational needs as the
 32-26 student population the campus at which the individual appointed
 32-27 will serve.

32-28 (d) If [Notwithstanding any other provision of this
 32-29 subchapter, if] the commissioner determines that the [a] campus
 32-30 [subject to Subsection (a)] is not fully implementing the updated
 32-31 targeted [school] improvement plan or if the students enrolled at
 32-32 the campus fail to demonstrate substantial improvement in the areas
 32-33 targeted by the updated plan, the commissioner may order:

32-34 (1) repurposing of the campus under this section;

32-35 (2) [pursue] alternative management of the campus
 32-36 under this section; [Section 39.1327] or

32-37 (3) [may order] closure of the campus.

32-38 (e) [If a campus is considered an academically unacceptable
 32-39 campus for the subsequent school year after the campus is
 32-40 reconstituted under this section, the commissioner shall review the
 32-41 progress of the campus and may order closure of the campus or pursue
 32-42 alternative management under Section 39.1327.

32-43 [~~(f)~~] If the performance of a campus is below any standard
 32-44 under Section 39.054(d) [~~considered academically unacceptable~~] for
 32-45 three [~~two~~] consecutive school years after the campus is
 32-46 reconstituted under Subsection (a), the commissioner shall order:

32-47 (1) repurposing of the campus under this section;

32-48 (2) alternative management of the campus under this
 32-49 section; or

32-50 (3) closure of the campus [~~or pursue alternative~~
 32-51 management under Section 39.1327].

32-52 (f) If the commissioner orders repurposing of a campus, the
 32-53 school district shall develop a comprehensive plan for repurposing
 32-54 the campus and submit the plan to the board of trustees for
 32-55 approval, using the procedures described by Section 39.105(e-1),
 32-56 and to the commissioner for approval. The plan must include a
 32-57 description of a rigorous and relevant academic program for the
 32-58 campus. The plan may include various instructional models. The
 32-59 commissioner may not approve the repurposing of a campus unless:

32-60 (1) all students in the assigned attendance zone of
 32-61 the campus in the school year immediately preceding the repurposing
 32-62 of the campus are provided with the opportunity to enroll in and are
 32-63 provided transportation on request to another school, which may
 32-64 include another school on the same campus, unless the commissioner
 32-65 grants an exception because there is no other school in the district
 32-66 in which the students may enroll;

32-67 (2) the principal is not retained at the campus,
 32-68 unless the commissioner determines that students enrolled at the
 32-69 campus have demonstrated significant academic improvement; and

33-1 (3) at least 75 percent of the teachers employed at the
 33-2 campus in the school year immediately preceding the repurposing of
 33-3 the campus are not retained at the campus, unless the commissioner
 33-4 or the commissioner's designee grants an exception, at the request
 33-5 of a school district, for:

33-6 (A) a teacher who provides instruction in a
 33-7 subject other than a subject for which an assessment instrument is
 33-8 administered under Section 39.023(a) or (c) who demonstrates to the
 33-9 commissioner satisfactory performance; or

33-10 (B) a teacher who provides instruction in a
 33-11 subject for which an assessment instrument is administered under
 33-12 Section 39.023(a) or (c) if the district demonstrates that the
 33-13 students of the teacher demonstrated satisfactory performance or
 33-14 improved academic growth on that assessment instrument.

33-15 (g) If an educator is not retained under Subsection (f), the
 33-16 educator may be assigned to another position in the district.

33-17 (h) If the commissioner orders alternative management under
 33-18 this section, the [Sec. 39.1327. MANAGEMENT OF CERTAIN
 33-19 ACADEMICALLY UNACCEPTABLE CAMPUSES. (a) A campus may be subject
 33-20 to this section if the campus has been identified as academically
 33-21 unacceptable under Section 39.132 and the commissioner orders
 33-22 alternative management under Section 39.1324(d), (e), or (f).

33-23 [(b) The] commissioner shall solicit proposals from
 33-24 qualified [nonprofit] entities to assume management of a campus
 33-25 subject to this section or may appoint to assume management of a
 33-26 campus subject to this section a school district other than the
 33-27 district in which the campus is located that is located in the
 33-28 boundaries of the same regional education service center as the
 33-29 campus is located. A district appointed under this section shall
 33-30 assume management of a campus subject to this section in the same
 33-31 manner provided by this section for a qualified [nonprofit] entity
 33-32 or in accordance with commissioner rule.

33-33 (i) [(e)] If the commissioner determines that the basis for
 33-34 the unsatisfactory performance of [identifying] a campus for more
 33-35 than two consecutive school years [as academically unacceptable] is
 33-36 limited to a specific condition that may be remedied with targeted
 33-37 technical assistance, the commissioner may[+]

33-38 [(1) provide the campus a one-year waiver under this
 33-39 section; and

33-40 [(2)] require the district to contract for the
 33-41 appropriate technical assistance.

33-42 (j) [(d)] The commissioner may annually solicit proposals
 33-43 under this section for the management of a campus subject to this
 33-44 section. The commissioner shall notify a qualified [nonprofit]
 33-45 entity that has been approved as a provider under this section. The
 33-46 district must execute a contract with an approved provider and
 33-47 relinquish control of the campus before January 1 of the school
 33-48 year.

33-49 (k) [(e)] To qualify for consideration as a managing entity
 33-50 under this section, the entity must submit a proposal that provides
 33-51 information relating to the entity's management and leadership team
 33-52 that will participate in management of the campus under
 33-53 consideration, including information relating to individuals that
 33-54 have:

33-55 (1) documented success in whole school interventions
 33-56 that increased the educational and performance levels of students
 33-57 in [academically unacceptable] campuses in which the campus
 33-58 performance was below any standard under Section 39.054(d);

33-59 (2) a proven record of effectiveness with programs
 33-60 assisting low-performing students;

33-61 (3) a proven ability to apply research-based school
 33-62 intervention strategies;

33-63 (4) a proven record of financial ability to perform
 33-64 under the management contract; and

33-65 (5) any other experience or qualifications the
 33-66 commissioner determines necessary.

33-67 (l) [(f)] In selecting a managing entity under this
 33-68 section, the commissioner shall give preference to a qualified
 33-69 [nonprofit] entity that:

34-1 (1) meets any qualifications under this section; and
 34-2 (2) has documented success in educating students from
 34-3 similar demographic groups and with similar educational needs as
 34-4 the students who attend the campus that is to be operated by a
 34-5 managing entity under this section.

34-6 (m) [~~(g)~~] The school district may negotiate the term of a
 34-7 management contract for not more than five years with an option to
 34-8 renew the contract. The management contract must include a
 34-9 provision describing the district's responsibilities in supporting
 34-10 the operation of the campus. The commissioner shall approve the
 34-11 contract before the contract is executed and, as appropriate, may
 34-12 require the district, as a term of the contract, to support the
 34-13 campus in the same manner as the district was required to support
 34-14 the campus before the execution of the management contract.

34-15 (n) [~~(h)~~] A management contract under this section shall
 34-16 include provisions approved by the commissioner that require the
 34-17 managing entity to demonstrate improvement in campus performance,
 34-18 including negotiated performance measures. The performance
 34-19 measures must be consistent with the priorities of this chapter.
 34-20 The commissioner shall evaluate a managing entity's performance on
 34-21 the first and second anniversaries of the date of the management
 34-22 contract. If the evaluation fails to demonstrate improvement as
 34-23 negotiated under the contract by the first anniversary of the date
 34-24 of the management contract, the district may terminate the
 34-25 management contract, with the commissioner's consent, for
 34-26 nonperformance or breach of contract and select another provider
 34-27 from an approved list provided by the commissioner. If the
 34-28 evaluation fails to demonstrate significant improvement, as
 34-29 determined by the commissioner, by the second anniversary of the
 34-30 date of the management contract, the district shall terminate the
 34-31 management contract and select another provider from an approved
 34-32 list provided by the commissioner or resume operation of the campus
 34-33 if approved by the commissioner. If the commissioner approves the
 34-34 district's operation of the campus, the commissioner shall assign a
 34-35 technical assistance team to assist the campus.

34-36 (o) [~~(i)~~] Notwithstanding any other provision of this code,
 34-37 the funding for a campus operated by a managing entity must be not
 34-38 less than the funding of the other campuses in the district on a per
 34-39 student basis so that the managing entity receives at least the same
 34-40 funding the campus would otherwise have received.

34-41 (p) [~~(j)~~] Each campus operated by a managing entity under
 34-42 this section is subject to this chapter in the same manner as any
 34-43 other campus in the district.

34-44 (q) [~~(k)~~] The commissioner may adopt rules necessary to
 34-45 implement this section.

34-46 (r) [~~(l)~~] With respect to the management of a campus under
 34-47 this section:

34-48 (1) a managing entity is considered to be a
 34-49 governmental body for purposes of Chapters 551 and 552, Government
 34-50 Code; and

34-51 (2) any requirement in Chapter 551 or 552, Government
 34-52 Code, that applies to a school district or the board of trustees of
 34-53 a school district applies to a managing entity.

34-54 Sec. 39.107 [~~39.133~~]. ANNUAL REVIEW. The commissioner
 34-55 shall review annually the performance of a district or campus
 34-56 subject to this subchapter to determine the appropriate actions to
 34-57 be implemented under this subchapter. The commissioner must review
 34-58 at least annually the performance of a district for which the
 34-59 accreditation status or rating has been lowered due to insufficient
 34-60 [unacceptable] student performance and may not raise the
 34-61 accreditation status or rating until the district has demonstrated
 34-62 improved student performance. If the review reveals a lack of
 34-63 improvement, the commissioner shall increase the level of state
 34-64 intervention and sanction unless the commissioner finds good cause
 34-65 for maintaining the current status.

34-66 Sec. 39.108 [~~39.134~~]. ACQUISITION OF PROFESSIONAL
 34-67 SERVICES. In addition to other interventions and sanctions
 34-68 authorized under this subchapter [~~Sections 39.131 and 39.132~~], the
 34-69 commissioner may order a school district or campus to acquire

35-1 professional services at the expense of the district or campus to
 35-2 address the applicable financial, assessment, data quality,
 35-3 program, performance, or governance deficiency. The
 35-4 commissioner's order may require the district or campus to:

35-5 (1) select or be assigned an external auditor, data
 35-6 quality expert, professional authorized to monitor district
 35-7 assessment instrument administration, or curriculum or program
 35-8 expert; or

35-9 (2) provide for or participate in the appropriate
 35-10 training of district staff or board of trustees members in the case
 35-11 of a district, or campus staff, in the case of a campus.

35-12 Sec. 39.109 [~~39.134~~]. COSTS PAID BY DISTRICT. The costs of
 35-13 providing a monitor, conservator, management team, campus
 35-14 intervention team, technical assistance team, managing entity, or
 35-15 service provider under this subchapter [~~Section 39.1327, or service~~
 35-16 ~~provider under Section 39.1331~~] shall be paid by the district. If
 35-17 the district fails or refuses to pay the costs in a timely manner,
 35-18 the commissioner may:

35-19 (1) pay the costs using amounts withheld from any
 35-20 funds to which the district is otherwise entitled; or

35-21 (2) recover the amount of the costs in the manner
 35-22 provided for recovery of an overallocation of state funds under
 35-23 Section 42.258.

35-24 Sec. 39.110 [~~39.135~~]. CONSERVATOR OR MANAGEMENT TEAM.

35-25 (a) The commissioner shall clearly define the powers and duties of
 35-26 a conservator or management team appointed to oversee the
 35-27 operations of the district.

35-28 (b) At least every 90 days, the commissioner shall review
 35-29 the need for the conservator or management team and shall remove the
 35-30 conservator or management team unless the commissioner determines
 35-31 that continued appointment is necessary for effective governance of
 35-32 the district or delivery of instructional services.

35-33 (c) A conservator or management team, if directed by the
 35-34 commissioner, shall prepare a plan for the implementation of action
 35-35 under Section 39.101(a)(9) [~~39.131(a)(9)~~] or (10). The conservator
 35-36 or management team:

35-37 (1) may direct an action to be taken by the principal
 35-38 of a campus, the superintendent of the district, or the board of
 35-39 trustees of the district;

35-40 (2) may approve or disapprove any action of the
 35-41 principal of a campus, the superintendent of the district, or the
 35-42 board of trustees of the district;

35-43 (3) may not take any action concerning a district
 35-44 election, including ordering or canceling an election or altering
 35-45 the date of or the polling places for an election;

35-46 (4) may not change the number of or method of selecting
 35-47 the board of trustees;

35-48 (5) may not set a tax rate for the district; and

35-49 (6) may not adopt a budget for the district that
 35-50 provides for spending a different amount, exclusive of required
 35-51 debt service, from that previously adopted by the board of
 35-52 trustees.

35-53 Sec. 39.111 [~~39.136~~]. BOARD OF MANAGERS. (a) A board of
 35-54 managers may exercise all of the powers and duties assigned to a
 35-55 board of trustees of a school district by law, rule, or regulation.
 35-56 This subchapter applies to a district governed by a board of
 35-57 managers in the same manner that this subchapter applies to any
 35-58 other district.

35-59 (b) If the commissioner appoints a board of managers to
 35-60 govern a district, the powers of the board of trustees of the
 35-61 district are suspended for the period of the appointment and the
 35-62 commissioner shall appoint a district superintendent.
 35-63 Notwithstanding any other provision of this code, the board of
 35-64 managers may amend the budget of the district.

35-65 (c) If the commissioner appoints a board of managers to
 35-66 govern a campus, the powers of the board of trustees of the district
 35-67 in relation to the campus are suspended for the period of the
 35-68 appointment and the commissioner shall appoint a campus principal.
 35-69 Notwithstanding any other provision of this code, the board of

36-1 managers may submit to the commissioner for approval amendments to
 36-2 the budget of the district for the benefit of the campus. If the
 36-3 commissioner approves the amendments, the board of trustees of the
 36-4 district shall adopt the amendments.

36-5 (d) A conservator or a member of a management team appointed
 36-6 to serve on a board of managers may continue to be compensated as
 36-7 determined by the commissioner.

36-8 (e) At the direction of the commissioner but not later than
 36-9 the second anniversary of the date the board of managers of a
 36-10 district was appointed, the board of managers shall order an
 36-11 election of members of the district board of trustees. The election
 36-12 must be held on a uniform election date on which an election of
 36-13 district trustees may be held under Section 41.001, Election Code,
 36-14 that is at least 180 days after the date the election was ordered.
 36-15 On qualification of members for office, the board of trustees
 36-16 assumes all of the powers and duties assigned to a board of trustees
 36-17 by law, rule, or regulation.

36-18 Sec. 39.112 [39.137]. [SPECIAL] CAMPUS INTERVENTION TEAM.
 36-19 A ~~[special]~~ campus intervention team appointed under this
 36-20 subchapter may consist of teachers, principals, other educational
 36-21 professionals, and superintendents recognized for excellence in
 36-22 their roles and appointed by the commissioner to serve as members of
 36-23 a team.

36-24 Sec. 39.113 [39.138]. IMMUNITY FROM CIVIL LIABILITY. An
 36-25 employee, volunteer, or contractor acting on behalf of the
 36-26 commissioner under this subchapter is immune from civil liability
 36-27 to the same extent as a professional employee of a school district
 36-28 under Section 22.051.

36-29 Sec. 39.114. CAMPUS NAME CHANGE PROHIBITED. In
 36-30 reconstituting, repurposing, or imposing any other intervention or
 36-31 sanction on a campus under this subchapter, other than closure, the
 36-32 commissioner may not require that the name of the campus be changed.

36-33 Sec. 39.115. TRANSITIONAL INTERVENTIONS AND SANCTIONS.

36-34 (a) During the period of transition to the accreditation system
 36-35 established under .B. No. 3, Acts of the 81st Legislature,
 36-36 Regular Session, 2009, to be implemented in August 2013, the
 36-37 commissioner may suspend assignment of accreditation statuses and
 36-38 performance ratings for the 2011-2012 school year.

36-39 (b) During the 2011-2012 school year, the commissioner
 36-40 shall continue to implement interventions and sanctions for those
 36-41 districts and campuses identified as having unsatisfactory
 36-42 performance in the 2010-2011 school year in accordance with the
 36-43 performance standards applicable during the 2010-2011 school year
 36-44 and may increase or decrease the level of interventions and
 36-45 sanctions based on an evaluation of the district's or campus's
 36-46 performance.

36-47 (c) For purposes of determining multiple years of
 36-48 unsatisfactory performance and required district and campus
 36-49 interventions and sanctions under this subchapter, the performance
 36-50 ratings and accreditation statuses issued in the 2010-2011 and
 36-51 2012-2013 school years shall be considered consecutive.

36-52 (d) This section expires September 1, 2014.

36-53 SUBCHAPTER F [K]. PROCEDURES FOR CHALLENGE OF ACCOUNTABILITY
 36-54 DETERMINATION [RATING OR SANCTION]

36-55 Sec. 39.151 [39.301]. REVIEW BY COMMISSIONER:
 36-56 ACCOUNTABILITY DETERMINATION [RATINGS]. (a) The commissioner by
 36-57 rule shall provide a process for a school district or
 36-58 open-enrollment charter school to challenge an agency decision made
 36-59 under this chapter relating to an academic or financial
 36-60 accountability rating that affects the district or school.

36-61 (b) The rules under Subsection (a) must provide for the
 36-62 commissioner to appoint a committee to make recommendations to the
 36-63 commissioner on a challenge made to an agency decision relating to
 36-64 an academic performance rating or determination or financial
 36-65 accountability rating. The commissioner may not appoint an agency
 36-66 employee as a member of the committee.

36-67 (c) The commissioner may limit a challenge under this
 36-68 section to a written submission of any issue identified by the
 36-69 school district or open-enrollment charter school challenging the

37-1 agency decision.

37-2 (d) The commissioner shall make a final decision under this
37-3 section after considering the recommendation of the committee
37-4 described by Subsection (b). The commissioner's decision may not
37-5 be appealed under Section 7.057 or other law.

37-6 (e) A school district or open-enrollment charter school may
37-7 not challenge an agency decision relating to an academic or
37-8 financial accountability rating under this chapter in another
37-9 proceeding if the district or school has had an opportunity to
37-10 challenge the decision under this section.

37-11 Sec. 39.152 [39.302]. REVIEW BY STATE OFFICE OF
37-12 ADMINISTRATIVE HEARINGS: SANCTIONS. (a) A school district or
37-13 open-enrollment charter school that intends to challenge a decision
37-14 by the commissioner under this chapter to close the district or a
37-15 district campus or the charter school or to pursue alternative
37-16 management of a district campus or the charter school must appeal
37-17 the decision under the procedures provided for a contested case
37-18 under Chapter 2001, Government Code.

37-19 (b) A challenge to a decision under this section is under
37-20 the substantial evidence rule as provided by Subchapter G, Chapter
37-21 2001, Government Code.

37-22 (c) Notwithstanding other law:

37-23 (1) the State Office of Administrative Hearings shall
37-24 provide an expedited review of a challenge under this section;

37-25 (2) the administrative law judge shall issue a final
37-26 order not later than the 30th day after the date on which the
37-27 hearing is finally closed; and

37-28 (3) the decision of the administrative law judge is
37-29 final and may not be appealed.

37-30 SUBCHAPTER G. DISTINCTION DESIGNATIONS

37-31 Sec. 39.201. ELIGIBILITY INDICATOR FOR DISTINCTION
37-32 DESIGNATION. (a) A district or campus is eligible for a
37-33 distinction designation under this subchapter if:

37-34 (1) the district or campus attains a minimum
37-35 percentage, as determined by the commissioner, of:

37-36 (A) students who performed satisfactorily, as
37-37 determined under the college readiness performance standard under
37-38 Section 39.0241, on assessment instruments required under Section
37-39 39.023(a), (b), (c), or (l), aggregated across grade levels by
37-40 subject area; or

37-41 (B) students who met the standard for annual
37-42 improvement, as determined by the agency under Section 39.034, on
37-43 assessment instruments required under Section 39.023(a), (b), (c),
37-44 or (l), aggregated across grade levels by subject area, for
37-45 students who did not perform satisfactorily as described by
37-46 Paragraph (A); or

37-47 (2) the district or campus demonstrates a significant
37-48 increase as compared to the preceding school year, as determined by
37-49 the commissioner, in the percentage of students who performed
37-50 satisfactorily as described by Subdivision (1)(A) or who met the
37-51 standard for annual improvement as described by Subdivision (1)(B).

37-52 (b) The commissioner shall periodically raise the minimum
37-53 percentage for the eligibility for the distinction designation
37-54 described by Subsection (a)(1) as necessary to reach the goal of
37-55 achieving, by not later than the 2019-2020 school year, student
37-56 performance in this state, disaggregated by race, ethnicity, and
37-57 socioeconomic status, that ranks nationally in the top 10 states in
37-58 terms of college readiness.

37-59 (c) If college readiness performance standards are adopted
37-60 for science and social studies end-of-course assessment
37-61 instruments under Section 39.024(f), those performance standards
37-62 and assessment instruments apply in determining district or campus
37-63 eligibility under this section.

37-64 Sec. 39.202. ACADEMIC EXCELLENCE DISTINCTION DESIGNATION
37-65 FOR DISTRICTS AND CAMPUSES. (a) The commissioner shall award a
37-66 district or campus an academic excellence distinction designation
37-67 if the district or campus attains percentages of students under
37-68 Sections 39.201(a)(1) and (2) higher than the percentages
37-69 determined by the commissioner under Sections 39.201(a)(1) and (2).

38-1 (b) The commissioner by rule shall establish a recognized
 38-2 and exemplary rating for the academic distinction designation under
 38-3 this section. In establishing the recognized and exemplary
 38-4 ratings, the commissioner shall adopt criteria for the ratings,
 38-5 including the percentages of students under Sections 39.201(a)(1)
 38-6 and (2). The commissioner may consider the level of increased
 38-7 performance from school year to school year as a factor.

38-8 (c) The commissioner shall investigate types and amounts of
 38-9 monetary and nonmonetary awards available to motivate districts and
 38-10 campuses to increase the number of students who perform
 38-11 satisfactorily, as determined under the college readiness
 38-12 performance standard under Section 39.0241. Not later than
 38-13 November 30, 2010, the commissioner shall provide a report based on
 38-14 the investigation under this subsection to the governor, the
 38-15 lieutenant governor, the speaker of the house, and the presiding
 38-16 officers of the standing committees with primary jurisdiction over
 38-17 public education and appropriations. The report must include
 38-18 strategies for increasing student performance in this state to a
 38-19 level that ranks in the top 10 states in terms of college readiness.

38-20 Sec. 39.203. CAMPUS DISTINCTION DESIGNATIONS. (a) The
 38-21 commissioner shall award a campus a distinction designation if the
 38-22 campus is ranked in the top 25 percent of campuses eligible under
 38-23 Section 39.201 in annual improvement in student achievement, as
 38-24 determined under Section 39.034, in English language arts,
 38-25 mathematics, science, or social studies.

38-26 (b) In addition to the distinction designation described by
 38-27 Subsection (a), the commissioner shall award a campus a distinction
 38-28 designation if the campus demonstrates an ability to significantly
 38-29 diminish or eliminate performance differentials between student
 38-30 subpopulations and is ranked in the top 25 percent of campuses
 38-31 eligible under Section 39.201 under the performance criteria
 38-32 described by this subsection. The commissioner shall adopt rules
 38-33 related to the distinction designation under this subsection to
 38-34 ensure that a campus does not artificially diminish or eliminate
 38-35 performance differentials through inhibiting the achievement of
 38-36 the highest achieving student subpopulation.

38-37 (c) In addition to the distinction designations described
 38-38 by Subsections (a) and (b), a campus that satisfies the criteria
 38-39 developed under Section 39.204 shall be awarded a distinction
 38-40 designation by the commissioner for the following programs or the
 38-41 following specific categories of performance:

38-42 (1) academic achievement in English language arts,
 38-43 mathematics, science, or social studies;

38-44 (2) fine arts;

38-45 (3) physical education;

38-46 (4) 21st Century Workforce Development program; and

38-47 (5) second language acquisition program.

38-48 (d) A campus may not be awarded a distinction designation
 38-49 under this subchapter unless the campus is eligible under Section
 38-50 39.201 and satisfies all performance standards under Section
 38-51 39.054(d).

38-52 Sec. 39.204. CAMPUS DISTINCTION DESIGNATION CRITERIA;
 38-53 COMMITTEES. (a) The commissioner by rule shall establish:

38-54 (1) standards for considering campuses for
 38-55 distinction designations under Section 39.203(c); and

38-56 (2) methods for awarding distinction designations to
 38-57 campuses.

38-58 (b) In adopting rules under this section, the commissioner
 38-59 shall establish a separate committee to develop criteria for each
 38-60 distinction designation under Section 39.203(c).

38-61 (c) Each committee established under this section must
 38-62 include:

38-63 (1) individuals who practice as professionals in the
 38-64 content area relevant to the distinction designation, as
 38-65 applicable;

38-66 (2) individuals with subject matter expertise in the
 38-67 content area relevant to the distinction designation;

38-68 (3) educators with subject matter expertise in the
 38-69 content area relevant to the distinction designation; and

39-1 (4) community leaders, including leaders from the
 39-2 business community.

39-3 (d) For each committee, the governor, lieutenant governor,
 39-4 and speaker of the house of representatives may each appoint a
 39-5 person described by each subdivision of Subsection (c).

39-6 (e) In developing criteria for distinction designations
 39-7 under this section, each committee shall:

39-8 (1) identify a variety of indicators for measuring
 39-9 excellence; and

39-10 (2) consider categories for distinction designations,
 39-11 with criteria relevant to each category, based on:

39-12 (A) the level of a program, whether elementary
 39-13 school, middle or junior high school, or high school; and

39-14 (B) the student enrollment of a campus.

39-15 SUBCHAPTER H [F]. ADDITIONAL REWARDS

39-16 Sec. 39.231 [39.111]. RECOGNITION AND REWARDS. The State
 39-17 Board of Education shall develop a plan for recognizing and
 39-18 rewarding school districts and campuses that are rated as exemplary
 39-19 or recognized under Subchapter G and for developing a network for
 39-20 sharing proven successful practices statewide and regionally. The
 39-21 reward may be used to provide educators with summer stipends to
 39-22 develop curricula based on the cited successful strategies. The
 39-23 educators may copyright the curricula they develop.

39-24 Sec. 39.232 [39.112]. EXCELLENCE EXEMPTIONS. (a) Except
 39-25 as provided by Subsection (b), a school campus or district that is
 39-26 rated exemplary under Subchapter G is exempt from requirements and
 39-27 prohibitions imposed under this code including rules adopted under
 39-28 this code.

39-29 (b) A school campus or district is not exempt under this
 39-30 section from:

39-31 (1) a prohibition on conduct that constitutes a
 39-32 criminal offense;

39-33 (2) requirements imposed by federal law or rule,
 39-34 including requirements for special education or bilingual
 39-35 education programs; or

39-36 (3) a requirement, restriction, or prohibition
 39-37 relating to:

39-38 (A) curriculum essential knowledge and skills
 39-39 under Section 28.002 or high school [~~minimum~~] graduation
 39-40 requirements under Section 28.025;

39-41 (B) public school accountability as provided by
 39-42 Subchapters B, C, D, E, and J [~~G~~];

39-43 (C) extracurricular activities under Section
 39-44 33.081;

39-45 (D) health and safety under Chapter 38;

39-46 (E) purchasing [~~competitive bidding~~] under
 39-47 Subchapter B, Chapter 44;

39-48 (F) elementary school class size limits, except
 39-49 as provided by Subsection (d) or Section 25.112;

39-50 (G) removal of a disruptive student from the
 39-51 classroom under Subchapter A, Chapter 37;

39-52 (H) at risk programs under Subchapter C, Chapter
 39-53 29;

39-54 (I) prekindergarten programs under Subchapter E,
 39-55 Chapter 29;

39-56 (J) rights and benefits of school employees;

39-57 (K) special education programs under Subchapter
 39-58 A, Chapter 29; or

39-59 (L) bilingual education programs under
 39-60 Subchapter B, Chapter 29.

39-61 (c) The agency shall monitor and evaluate deregulation of a
 39-62 school campus or district under this section and Section 7.056.

39-63 (d) The commissioner may exempt an exemplary school campus
 39-64 under Subchapter G from elementary class size limits under this
 39-65 section if the school campus submits to the commissioner a written
 39-66 plan showing steps that will be taken to ensure that the exemption
 39-67 from the class size limits will not be harmful to the academic
 39-68 achievement of the students on the school campus. The commissioner
 39-69 shall review achievement levels annually. The exemption remains in

40-1 effect until the commissioner determines that achievement levels of
40-2 the campus have declined.

40-3 Sec. 39.233 [~~39.113~~]. RECOGNITION OF HIGH SCHOOL
40-4 COMPLETION AND SUCCESS AND COLLEGE READINESS PROGRAMS. (a) The
40-5 agency shall:

40-6 (1) develop standards for evaluating the success and
40-7 cost-effectiveness of high school completion and success and
40-8 college readiness programs implemented under Section 39.234
40-9 [~~39.114~~];

40-10 (2) provide guidance for school districts and campuses
40-11 in establishing and improving high school completion and success
40-12 and college readiness programs implemented under Section 39.234
40-13 [~~39.114~~]; and

40-14 (3) develop standards for selecting and methods for
40-15 recognizing school districts and campuses that offer exceptional
40-16 high school completion and success and college readiness programs
40-17 under Section 39.234 [~~39.114~~].

40-18 (b) The commissioner may adopt rules for the administration
40-19 of this section.

40-20 Sec. 39.234 [~~39.114~~]. HIGH SCHOOL ALLOTMENT. (a) Except
40-21 as provided by Subsection (b), a school district or campus must use
40-22 funds allocated under Section 42.2516(b)(3) to:

40-23 (1) implement or administer a college readiness
40-24 program that provides academic support and instruction to prepare
40-25 underachieving students for entrance into an institution of higher
40-26 education;

40-27 (2) implement or administer a program that encourages
40-28 students to pursue advanced academic opportunities, including
40-29 early college high school programs and dual credit, advanced
40-30 placement, and international baccalaureate courses;

40-31 (3) implement or administer a program that provides
40-32 opportunities for students to take academically rigorous course
40-33 work, including four years of mathematics and four years of science
40-34 at the high school level;

40-35 (4) implement or administer a program, including
40-36 online course support and professional development, that aligns the
40-37 curriculum for grades six through 12 with postsecondary curriculum
40-38 and expectations; or

40-39 (5) implement or administer other high school
40-40 completion and success initiatives in grades six through 12
40-41 approved by the commissioner.

40-42 (b) A school district may use funds allocated under Section
40-43 42.2516(b)(3) on any instructional program in grades six through 12
40-44 other than an athletic program if:

40-45 (1) the district's measure of progress toward college
40-46 readiness is determined exceptional by a standard set [~~district is~~
40-47 ~~recognized as exceptional~~] by the commissioner [~~under the academic~~
40-48 ~~accountability indicator adopted under Section 39.051(b)(13)~~]; and

40-49 (2) the district's completion rates for grades nine
40-50 through 12 [~~meet or~~] exceed completion rate standards required by
40-51 the commissioner to achieve a status of accredited under Section
40-52 39.051 [~~rating of exemplary under Section 39.072~~].

40-53 (b-1) Subsection (b) applies beginning with the 2008-2009
40-54 school year. This subsection expires September 1, 2009.

40-55 (c) An open-enrollment charter school is entitled to an
40-56 allotment under this section in the same manner as a school
40-57 district.

40-58 (d) The commissioner shall adopt rules to administer this
40-59 section, including rules related to the permissible use of funds
40-60 allocated under this section to an open-enrollment charter school.

40-61 Sec. 39.235 [~~39.115~~]. HIGH SCHOOL INNOVATION GRANT
40-62 INITIATIVE. (a) From funds appropriated for that purpose, the
40-63 commissioner may establish a grant program under which grants are
40-64 awarded to secondary campuses and school districts to support:

40-65 (1) the implementation of innovative high school
40-66 improvement programs that are based on the best available research
40-67 regarding high school reform, dropout prevention, and preparing
40-68 students for postsecondary coursework or employment;

40-69 (2) enhancing education practices that have been

41-1 demonstrated by significant evidence of effectiveness; and
 41-2 (3) the alignment of grants and programs to the
 41-3 strategic plan adopted under Section 39.407 [~~39.357~~].

41-4 (b) Before awarding a grant under this section, the
 41-5 commissioner may require a campus or school district to:

41-6 (1) obtain local matching funds; or

41-7 (2) meet other conditions, including developing a
 41-8 personal graduation plan under Section 28.0212 for each student
 41-9 enrolled at the campus or in a district high school.

41-10 (c) The commissioner may:

41-11 (1) accept gifts, grants, or donations from a private
 41-12 foundation to implement a grant program under this section; and

41-13 (2) coordinate gifts, grants, or donations with other
 41-14 available funding to implement a grant program under this section.

41-15 (d) The commissioner may use funds appropriated under this
 41-16 section to support technical assistance services for school
 41-17 districts and open-enrollment charter schools to implement a high
 41-18 school improvement program under this section.

41-19 Sec. 39.236 [~~39.116~~]. INITIATIVE FOR RETAINING QUALITY
 41-20 EDUCATORS. Notwithstanding Section 39.106(b) [~~39.1324(b)~~], a
 41-21 school district, to assist in preventing dropouts and disruptions
 41-22 that may result from certain mandatory sanctions, may retain at a
 41-23 campus a principal who has been employed at the campus as a
 41-24 principal during the [~~two-year~~] period described by Section
 41-25 39.106(a) [~~39.1324(a)~~] if the students enrolled at the campus have
 41-26 demonstrated a pattern of significant academic improvement.

41-27 SUBCHAPTER I [~~F~~]. SUCCESSFUL SCHOOL AWARDS

41-28 Sec. 39.261 [~~39.091~~]. CREATION OF SYSTEM. The Texas
 41-29 Successful Schools Awards System is created to recognize and reward
 41-30 those schools and school districts that demonstrate progress or
 41-31 success in achieving the education goals of the state.

41-32 Sec. 39.262 [~~39.092~~]. TYPES OF AWARDS. (a) The governor
 41-33 may present a financial award to the schools or districts that the
 41-34 commissioner determines have demonstrated the highest levels of
 41-35 sustained success or the greatest improvement in achieving the
 41-36 education goals. For each student in average daily attendance,
 41-37 each of those schools or districts is entitled to an amount set for
 41-38 the award for which the school or district is selected by the
 41-39 commissioner, subject to any limitation set by the commissioner on
 41-40 the total amount that may be awarded to a school or district.

41-41 (b) The governor may present proclamations or certificates
 41-42 to additional schools and districts determined to have met or
 41-43 exceeded the education goals.

41-44 (c) The commissioner may establish additional categories of
 41-45 awards and award amounts for a school or district determined to be
 41-46 successful under Subsection (a) or (b) that are contingent on the
 41-47 school's or district's involvement with paired, lower-performing
 41-48 schools.

41-49 Sec. 39.263 [~~39.093~~]. AWARDS. (a) The criteria that the
 41-50 commissioner shall use to select successful schools and districts
 41-51 must be related to the goals in Section 4.002 and must include
 41-52 consideration of performance on the student achievement [academic
 41-53 excellence] indicators adopted under Section 39.053(c) and
 41-54 consideration of the distinction designation criteria prescribed
 41-55 by or developed under Subchapter G [~~39.051~~].

41-56 (b) For purposes of selecting schools and districts under
 41-57 Section 39.262(a) [~~39.092(a)~~], each school's performance shall be
 41-58 compared to state standards and to its previous performance.

41-59 (c) [~~(b)~~] The commissioner shall select annually schools
 41-60 and districts qualified to receive successful school awards for
 41-61 their performance and report the selections to the governor and the
 41-62 State Board of Education.

41-63 (d) [~~(c)~~] The agency shall notify each school district of
 41-64 the manner in which the district or a school in the district may
 41-65 qualify for a successful school award.

41-66 Sec. 39.264 [~~39.094~~]. USE OF AWARDS. (a) In determining
 41-67 the use of a monetary award received under this subchapter, a school
 41-68 or district shall give priority to academic enhancement purposes.
 41-69 The award may not be used for any purpose related to athletics, and

42-1 it may not be used to substitute for or replace funds already in the
42-2 regular budget for a school or district.

42-3 (b) The campus-level committee established under Section
42-4 11.253 shall determine the use of the funds awarded to a school
42-5 under this subchapter. The professional staff of the district
42-6 shall determine the use of the funds awarded to the school district
42-7 under this subchapter.

42-8 Sec. 39.265 [~~39.095~~]. FUNDING. The award system may be
42-9 funded by donations, grants, or legislative appropriations. The
42-10 commissioner may solicit and receive grants and donations for the
42-11 purpose of making awards under this subchapter. A small portion of
42-12 the award funds may be used by the commissioner to pay for the costs
42-13 associated with sponsoring a ceremony to recognize or present
42-14 awards to schools or districts under this subchapter. The
42-15 donations, grants, or legislative appropriations shall be
42-16 accounted for and distributed by the agency. The awards are subject
42-17 to audit requirements established by the State Board of Education.

42-18 Sec. 39.266 [~~39.096~~]. CONFIDENTIALITY. All information
42-19 and reports received by the commissioner under this subchapter from
42-20 schools or school districts deemed confidential under Chapter 552,
42-21 Government Code, are confidential and may not be disclosed in any
42-22 public or private proceeding.

42-23 SUBCHAPTER J. PARENT AND EDUCATOR REPORTS

42-24 Sec. 39.301. ADDITIONAL PERFORMANCE INDICATORS:
42-25 REPORTING. (a) In addition to the indicators adopted under
42-26 Section 39.053, the commissioner shall adopt indicators of the
42-27 quality of learning for the purpose of preparing reports under this
42-28 chapter. The commissioner biennially shall review the indicators
42-29 for the consideration of appropriate revisions.

42-30 (b) Performance on the indicators adopted under this
42-31 section shall be evaluated in the same manner provided for
42-32 evaluation of the student achievement indicators under Section
42-33 39.053(b).

42-34 (c) Indicators for reporting purposes must include:

42-35 (1) the percentage of graduating students who meet the
42-36 course requirements established for the recommended high school
42-37 program by State Board of Education rule;

42-38 (2) the results of the Scholastic Assessment Test
42-39 (SAT), the American College Test (ACT), articulated postsecondary
42-40 degree programs described by Section 61.852, and certified
42-41 workforce training programs described by Chapter 311, Labor Code;

42-42 (3) for students who have failed to perform
42-43 satisfactorily, under each performance standard under Section
42-44 39.0241, on an assessment instrument required under Section
42-45 39.023(a) or (c), the numerical progress of those students grouped
42-46 by percentage on subsequent assessment instruments required under
42-47 those sections, aggregated by grade level and subject area;

42-48 (4) the percentage of students, aggregated by grade
42-49 level, provided accelerated instruction under Section 28.0211(c),
42-50 the results of assessment instruments administered under that
42-51 section, the percentage of students promoted through the grade
42-52 placement committee process under Section 28.0211, the subject of
42-53 the assessment instrument on which each student failed to perform
42-54 satisfactorily under each performance standard under Section
42-55 39.0241, and the performance of those students in the school year
42-56 following that promotion on the assessment instruments required
42-57 under Section 39.023;

42-58 (5) the percentage of students exempted, by exemption
42-59 category, from the assessment program generally applicable under
42-60 this chapter;

42-61 (6) the percentage of students of limited English
42-62 proficiency exempted from the administration of an assessment
42-63 instrument under Sections 39.027(a)(3) and (4);

42-64 (7) the percentage of students in a special education
42-65 program under Subchapter A, Chapter 29, assessed through assessment
42-66 instruments developed or adopted under Section 39.023(b);

42-67 (8) the measure of progress toward college readiness;

42-68 (9) the measure of progress toward dual language
42-69 proficiency under Section 39.034(b), for students of limited

43-1 English proficiency, as defined by Section 29.052;
 43-2 (10) the percentage of students who enroll and begin
 43-3 instruction at an institution of higher education in the school
 43-4 year following high school graduation; and

43-5 (11) the percentage of students who successfully
 43-6 complete the first year of instruction at an institution of higher
 43-7 education without needing a developmental education course.

43-8 (d) Performance on the indicators described by Section
 43-9 39.053(c) and Subsections (c)(3), (4), and (9) must be based on
 43-10 longitudinal student data that is disaggregated by the bilingual
 43-11 education or special language program, if any, in which students of
 43-12 limited English proficiency, as defined by Section 29.052, are or
 43-13 former students of limited English proficiency were enrolled. If a
 43-14 student described by this subsection is not or was not enrolled in
 43-15 specialized language instruction, the number and percentage of
 43-16 those students shall be provided.

43-17 (e) Section 39.055 applies in evaluating indicators
 43-18 described by Subsection (c).

43-19 Sec. 39.302. REPORT TO DISTRICT: COMPARISONS FOR ANNUAL
 43-20 PERFORMANCE ASSESSMENT. (a) The agency shall report to each
 43-21 school district the comparisons of student performance made under
 43-22 Section 39.034.

43-23 (b) To the extent practicable, the agency shall combine the
 43-24 report of comparisons with the report of the student's performance
 43-25 on assessment instruments under Section 39.023.

43-26 Sec. 39.303. REPORT TO PARENTS. (a) The school district a
 43-27 student attends shall provide a record of the comparisons made
 43-28 under Section 39.034 and provided to the district under Section
 43-29 39.302 in a written notice to the student's parent or other person
 43-30 standing in parental relationship.

43-31 (b) For a student who failed to perform satisfactorily as
 43-32 determined by the commissioner under Section 39.0241(a) on an
 43-33 assessment instrument administered under Section 39.023(a), (c),
 43-34 or (l), the school district shall include in the notice specific
 43-35 information relating to access to online educational resources at
 43-36 the appropriate assessment instrument content level, including
 43-37 educational resources described by Section 32.252(b)(2) and
 43-38 assessment instruments questions and answers released under
 43-39 Section 39.023(e).

43-40 Sec. 39.304. TEACHER REPORT CARD. Each school district
 43-41 shall prepare a report of the comparisons made under Section 39.034
 43-42 and provided to the district under Section 39.302 and provide the
 43-43 report at the beginning of the school year to each teacher for
 43-44 incoming students who were assessed on an assessment instrument
 43-45 under Section 39.023.

43-46 Sec. 39.305 [39.052]. CAMPUS REPORT CARD. (a) Each school
 43-47 year, the agency shall prepare and distribute to each school
 43-48 district a report card for each campus. The campus report cards
 43-49 must be based on the most current data available disaggregated by
 43-50 student groups. Campus performance must be compared to previous
 43-51 campus and district performance, current district performance, and
 43-52 state established standards[, and comparable campus group
 43-53 performance].

43-54 (b) The report card shall include the following
 43-55 information:

43-56 (1) where applicable, the student achievement
 43-57 indicators described by Section 39.053(c) and the reporting
 43-58 indicators described by Sections 39.301(c)(1) through (4)
 43-59 [academic excellence indicators adopted under Sections
 43-60 39.051(b)(1) through (10)];

43-61 (2) average class size by grade level and subject;

43-62 (3) the administrative and instructional costs per
 43-63 student, computed in a manner consistent with Section 44.0071; and

43-64 (4) the district's instructional expenditures ratio
 43-65 and instructional employees ratio computed under Section 44.0071,
 43-66 and the statewide average of those ratios, as determined by the
 43-67 commissioner.

43-68 (c) The commissioner shall adopt rules requiring
 43-69 dissemination of the information required under Subsection (b)(4)

44-1 and appropriate class size and student performance portions of
 44-2 campus report cards annually to the parent, guardian, conservator,
 44-3 or other person having lawful control of each student at the campus.
 44-4 On written request, the school district shall provide a copy of a
 44-5 campus report card to any other party.

44-6 Sec. 39.306 [~~39.053~~]. PERFORMANCE REPORT. (a) Each board
 44-7 of trustees shall publish an annual report describing the
 44-8 educational performance of the district and of each campus in the
 44-9 district that includes uniform student performance and descriptive
 44-10 information as determined under rules adopted by the commissioner.
 44-11 The annual report must also include:

44-12 (1) campus performance objectives established under
 44-13 Section 11.253 and the progress of each campus toward those
 44-14 objectives, which shall be available to the public;

44-15 (2) information indicating the district's
 44-16 accreditation status and identifying each district campus awarded a
 44-17 distinction designation under Subchapter G or considered a
 44-18 low-performing campus under Subchapter E [~~the performance rating~~
 44-19 ~~for the district as provided under Section 39.072(a) and the~~
 44-20 ~~performance rating of each campus in the district as provided under~~
 44-21 ~~Section 39.072(c)~~];

44-22 (3) the district's current special education
 44-23 compliance status with the agency;

44-24 (4) a statement of the number, rate, and type of
 44-25 violent or criminal incidents that occurred on each district
 44-26 campus, to the extent permitted under the Family Educational Rights
 44-27 and Privacy Act of 1974 (20 U.S.C. Section 1232g);

44-28 (5) information concerning school violence prevention
 44-29 and violence intervention policies and procedures that the district
 44-30 is using to protect students; [~~and~~]

44-31 (6) the findings that result from evaluations
 44-32 conducted under the Safe and Drug-Free Schools and Communities Act
 44-33 of 1994 (20 U.S.C. Section 7101 et seq.) [~~and its subsequent~~
 44-34 ~~amendments~~]; and

44-35 (7) information received under Section 51.403(e) for
 44-36 each high school campus in the district, presented in a form
 44-37 determined by the commissioner.

44-38 (b) Supplemental information to be included in the reports
 44-39 shall be determined by the board of trustees. Performance
 44-40 information in the annual reports on the indicators described by
 44-41 Sections 39.053 and 39.301 [~~established under Section 39.051~~] and
 44-42 descriptive information required by this section shall be provided
 44-43 by the agency.

44-44 (c) The board of trustees shall hold a hearing for public
 44-45 discussion of the report. The board of trustees shall give notice
 44-46 of the hearing to property owners in the district and parents of and
 44-47 other persons standing in parental relation to [~~guardians,~~
 44-48 ~~conservators, and other persons having lawful control of~~] a
 44-49 district student. The notification must include notice to a
 44-50 newspaper of general circulation in the district and notice to
 44-51 electronic media serving the district. After the hearing the
 44-52 report shall be widely disseminated within the district in a manner
 44-53 to be determined under rules adopted by the commissioner.

44-54 (d) The report must also include a comparison provided by
 44-55 the agency of:

44-56 (1) the performance of each campus to its previous
 44-57 performance and to state-established standards; and

44-58 (2) the performance of each district to its previous
 44-59 performance and to state-established standards [~~and~~

44-60 [~~(3) the performance of each campus or district to~~
 44-61 ~~comparable improvement~~].

44-62 (e) The report may include the following information:

44-63 (1) student information, including total enrollment,
 44-64 enrollment by ethnicity, socioeconomic status, and grade groupings
 44-65 and retention rates;

44-66 (2) financial information, including revenues and
 44-67 expenditures;

44-68 (3) staff information, including number and type of
 44-69 staff by sex [~~gender~~], ethnicity, years of experience, and highest

45-1 degree held, teacher and administrator salaries, and teacher
45-2 turnover;

45-3 (4) program information, including student enrollment
45-4 by program, teachers by program, and instructional operating
45-5 expenditures by program; and

45-6 (5) the number of students placed in a disciplinary
45-7 alternative education program under Chapter 37.

45-8 (f) The commissioner [~~State Board of Education~~] by rule
45-9 shall authorize the combination of this report with other reports
45-10 and financial statements and shall restrict the number and length
45-11 of reports that school districts, school district employees, and
45-12 school campuses are required to prepare.

45-13 (g) The report must include a statement of the amount, if
45-14 any, of the school district's unencumbered surplus fund balance as
45-15 of the last day of the preceding fiscal year and the percentage of
45-16 the preceding year's budget that the surplus represents.

45-17 Sec. 39.307 [~~39.054~~]. USES OF PERFORMANCE REPORT. The
45-18 information required to be reported under Section 39.306 [~~39.053~~]
45-19 shall be:

45-20 (1) the subject of public hearings or meetings
45-21 required under Sections 11.252, 11.253, and 39.306 [~~39.053~~];

45-22 (2) a primary consideration in school district and
45-23 campus planning; and

45-24 (3) a primary consideration of:

45-25 (A) the State Board of Education in the
45-26 evaluation of the performance of the commissioner;

45-27 (B) the commissioner in the evaluation of the
45-28 performance of the directors of the regional education service
45-29 centers;

45-30 (C) the board of trustees of a school district in
45-31 the evaluation of the performance of the superintendent of the
45-32 district; and

45-33 (D) the superintendent in the evaluation of the
45-34 performance of the district's campus principals.

45-35 Sec. 39.308 [~~39.055~~]. ANNUAL AUDIT OF DROPOUT RECORDS;
45-36 REPORT. (a) The commissioner shall develop a process for auditing
45-37 school district dropout records electronically. The commissioner
45-38 shall also develop a system and standards for review of the audit or
45-39 use systems already available at the agency. The system must be
45-40 designed to identify districts that are at high risk of having
45-41 inaccurate dropout records and that, as a result, require on-site
45-42 monitoring of dropout records.

45-43 (b) If the electronic audit of a school district's dropout
45-44 records indicates that a district is not at high risk of having
45-45 inaccurate dropout records, the district may not be subject to
45-46 on-site monitoring under this subsection.

45-47 (c) If the risk-based system indicates that a school
45-48 district is at high risk of having inaccurate dropout records, the
45-49 district is entitled to an opportunity to respond to the
45-50 commissioner's determination before on-site monitoring may be
45-51 conducted. The district must respond not later than the 30th day
45-52 after the date the commissioner notifies the district of the
45-53 commissioner's determination. If the district's response does not
45-54 change the commissioner's determination that the district is at
45-55 high risk of having inaccurate dropout records or if the district
45-56 does not respond in a timely manner, the commissioner shall order
45-57 agency staff to conduct on-site monitoring of the district's
45-58 dropout records.

45-59 (d) [~~(e)~~] The commissioner shall notify the board of
45-60 trustees of a school district of any objection the commissioner has
45-61 to the district's dropout data, any violation of sound accounting
45-62 practices or of a law or rule revealed by the data, or any
45-63 recommendation by the commissioner concerning the data. If the
45-64 data reflect that a penal law has been violated, the commissioner
45-65 shall notify the county attorney, district attorney, or criminal
45-66 district attorney, as appropriate, and the attorney general.

45-67 (e) The commissioner is entitled to access to all district
45-68 records the commissioner considers necessary or appropriate for the
45-69 review, analysis, or approval of district dropout data.

SUBCHAPTER K [H]. REPORTS BY TEXAS EDUCATION AGENCY

46-2 Sec. 39.331 [~~39.181~~]. GENERAL REQUIREMENTS. (a) Each

46-3 report required by this subchapter must:

46-4 (1) unless otherwise specified, contain summary
46-5 information and analysis only, with an indication that the agency
46-6 will provide the data underlying the report on request;

46-7 (2) specify a person at the agency who may be contacted
46-8 for additional information regarding the report and provide the
46-9 person's telephone number; and

46-10 (3) identify other sources of related information,
46-11 indicating the level of detail and format of information that may be
46-12 obtained, including the availability of any information on the
46-13 Texas Education Network.

46-14 (b) Each component of a report required by this subchapter
46-15 must:

46-16 (1) identify the substantive goal underlying the
46-17 information required to be reported;

46-18 (2) analyze the progress made and longitudinal trends
46-19 in achieving the underlying substantive goal;

46-20 (3) offer recommendations for improved progress in
46-21 achieving the underlying substantive goal; and

46-22 (4) identify the relationship of the information
46-23 required to be reported to state education goals.

46-24 (c) Unless otherwise provided, each report required by this
46-25 subchapter is due not later than December 1 of each even-numbered
46-26 year.

46-27 (d) Subsections (a) and (b) apply to any report required by
46-28 statute that the agency or the State Board of Education must prepare
46-29 and deliver to the governor, lieutenant governor, speaker of the
46-30 house of representatives, or legislature.

46-31 (e) Unless otherwise provided by law, any report required by
46-32 statute that the agency or the State Board of Education must prepare
46-33 and deliver to the governor, lieutenant governor, speaker of the
46-34 house of representatives, or legislature may be combined, at the
46-35 discretion of the commissioner, with a report required by this
46-36 subchapter.

46-37 Sec. 39.332 [~~39.182~~]. COMPREHENSIVE ANNUAL REPORT.

46-38 (a) Not later than December 1 of each year, the agency shall
46-39 prepare and deliver to the governor, the lieutenant governor, the
46-40 speaker of the house of representatives, each member of the
46-41 legislature, the Legislative Budget Board, and the clerks of the
46-42 standing committees of the senate and house of representatives with
46-43 primary jurisdiction over the public school system a comprehensive
46-44 report covering the preceding school year and containing the
46-45 information described by Subsection (b). [+]

46-46 (b)(1) The report must contain an evaluation of the
46-47 achievements of the state educational program in relation to the
46-48 statutory goals for the public education system under Section
46-49 4.002. [+]

46-50 (2) The report must contain an evaluation of the
46-51 status of education in the state as reflected by:

46-52 (A) the student achievement [~~academic~~
46-53 ~~excellence~~] indicators described by [~~adopted under~~] Section 39.053
46-54 [~~39.051~~]; and

46-55 (B) the reporting indicators described by
46-56 Section 39.301.

46-57 (3) The report must contain a summary compilation of
46-58 overall student performance on academic skills assessment
46-59 instruments required by Section 39.023 with the number and
46-60 percentage of students exempted from the administration of those
46-61 instruments and the basis of the exemptions, aggregated by grade
46-62 level, subject area, campus, and district, with appropriate
46-63 interpretations and analysis, and disaggregated by race,
46-64 ethnicity, gender, and socioeconomic status. [+]

46-65 (4) The report must contain a summary compilation of
46-66 overall performance of students placed in a disciplinary
46-67 alternative education program established under Section 37.008 on
46-68 academic skills assessment instruments required by Section 39.023
46-69 with the number of those students exempted from the administration

47-1 of those instruments and the basis of the exemptions, aggregated by
 47-2 district, grade level, and subject area, with appropriate
 47-3 interpretations and analysis, and disaggregated by race,
 47-4 ethnicity, gender, and socioeconomic status. [✓]

47-5 (5) The report must contain a summary compilation of
 47-6 overall performance of students at risk of dropping out of school,
 47-7 as defined by Section 29.081(d), on academic skills assessment
 47-8 instruments required by Section 39.023 with the number of those
 47-9 students exempted from the administration of those instruments and
 47-10 the basis of the exemptions, aggregated by district, grade level,
 47-11 and subject area, with appropriate interpretations and analysis,
 47-12 and disaggregated by race, ethnicity, gender, and socioeconomic
 47-13 status. [✓]

47-14 (6) The report must contain an evaluation of the
 47-15 correlation between student grades and student performance on
 47-16 academic skills assessment instruments required by Section
 47-17 39.023. [✓]

47-18 (7) The report must contain a statement of the dropout
 47-19 rate of students in grade levels 7 through 12, expressed in the
 47-20 aggregate and by grade level, and a statement of the completion
 47-21 rates of students for grade levels 9 through 12. [✓]

47-22 (8) The report must contain a statement of:

47-23 (A) the completion rate of students who enter
 47-24 grade level 9 and graduate not more than four years later;

47-25 (B) the completion rate of students who enter
 47-26 grade level 9 and graduate, including students who require more
 47-27 than four years to graduate;

47-28 (C) the completion rate of students who enter
 47-29 grade level 9 and not more than four years later receive a high
 47-30 school equivalency certificate;

47-31 (D) the completion rate of students who enter
 47-32 grade level 9 and receive a high school equivalency certificate,
 47-33 including students who require more than four years to receive a
 47-34 certificate; and

47-35 (E) the number and percentage of all students who
 47-36 have not been accounted for under Paragraph (A), (B), (C), or
 47-37 (D). [✓]

47-38 (9) The report must contain a statement of the
 47-39 projected cross-sectional and longitudinal dropout rates for grade
 47-40 levels 9 through 12 for the next five years, assuming no state
 47-41 action is taken to reduce the dropout rate. [✓]

47-42 (10) The report must contain a description of a
 47-43 systematic, measurable plan for reducing the projected
 47-44 cross-sectional and longitudinal dropout rates to five percent or
 47-45 less for the 1997-1998 school year. [✓]

47-46 (11) The report must contain a summary of the
 47-47 information required by Section 29.083 regarding grade level
 47-48 retention of students and information concerning:

47-49 (A) the number and percentage of students
 47-50 retained; and

47-51 (B) the performance of retained students on
 47-52 assessment instruments required under Section 39.023(a). [✓]

47-53 (12) The report must contain information, aggregated
 47-54 by district type and disaggregated by race, ethnicity, gender, and
 47-55 socioeconomic status, on:

47-56 (A) the number of students placed in a
 47-57 disciplinary alternative education program established under
 47-58 Section 37.008;

47-59 (B) the average length of a student's placement
 47-60 in a disciplinary alternative education program established under
 47-61 Section 37.008;

47-62 (C) the academic performance of students on
 47-63 assessment instruments required under Section 39.023(a) during the
 47-64 year preceding and during the year following placement in a
 47-65 disciplinary alternative education program; and

47-66 (D) the dropout rates of students who have been
 47-67 placed in a disciplinary alternative education program established
 47-68 under Section 37.008. [✓]

47-69 (13) The report must contain a list of each school

48-1 district or campus that does not satisfy performance standards,
 48-2 with an explanation of the actions taken by the commissioner to
 48-3 improve student performance in the district or campus and an
 48-4 evaluation of the results of those actions. [✓]

48-5 (14) The report must contain an evaluation of the
 48-6 status of the curriculum taught in public schools, with
 48-7 recommendations for legislative changes necessary to improve or
 48-8 modify the curriculum required by Section 28.002. [✓]

48-9 (15) The report must contain a description of all
 48-10 funds received by and each activity and expenditure of the
 48-11 agency. [✓]

48-12 (16) The report must contain a summary and analysis of
 48-13 the instructional expenditures ratios and instructional employees
 48-14 ratios of school districts computed under Section 44.0071. [✓]

48-15 (17) The report must contain a summary of the effect of
 48-16 deregulation, including exemptions and waivers granted under
 48-17 Section 7.056 or 39.232. [39.112✓]

48-18 (18) The report must contain a statement of the total
 48-19 number and length of reports that school districts and school
 48-20 district employees must submit to the agency, identifying which
 48-21 reports are required by federal statute or rule, state statute, or
 48-22 agency rule, and a summary of the agency's efforts to reduce overall
 48-23 reporting requirements. [✓]

48-24 (19) The report must contain a list of each school
 48-25 district that is not in compliance with state special education
 48-26 requirements, including:

48-27 (A) the period for which the district has not
 48-28 been in compliance;

48-29 (B) the manner in which the agency considered the
 48-30 district's failure to comply in determining the district's
 48-31 accreditation status; and

48-32 (C) an explanation of the actions taken by the
 48-33 commissioner to ensure compliance and an evaluation of the results
 48-34 of those actions. [✓]

48-35 (20) The report must contain a comparison of the
 48-36 performance of open-enrollment charter schools and school
 48-37 districts on the student achievement [~~academic excellence~~]
 48-38 indicators described by Section 39.053(c), the reporting
 48-39 indicators described by Section 39.301(c), [~~specified in Section~~
 48-40 ~~39.051(b)~~] and the accountability measures adopted under Section
 48-41 39.053(i) [~~39.051(g)~~], with a separately aggregated comparison of
 48-42 the performance of open-enrollment charter schools predominantly
 48-43 serving students at risk of dropping out of school, as described
 48-44 [~~defined~~] by Section 29.081(d), with the performance of school
 48-45 districts. [✓]

48-46 (21) The report must contain a summary of the
 48-47 information required by Section 38.0141 regarding student health
 48-48 and physical activity from each school district. [✓]

48-49 (22) The report must contain a summary compilation of
 48-50 overall student performance under the assessment system developed
 48-51 to evaluate the longitudinal academic progress as required by
 48-52 Section 39.027(e), disaggregated by bilingual education or special
 48-53 language program instructional model, if any. [✓ and]

48-54 (23) The report must contain any additional
 48-55 information considered important by the commissioner or the State
 48-56 Board of Education.

48-57 (c) [~~(b)~~] In reporting the information required by
 48-58 Subsection (b)(3) or (4) [~~(a)(3) or (4)~~], the agency may separately
 48-59 aggregate the performance data of students enrolled in a special
 48-60 education program under Subchapter A, Chapter 29.

48-61 (d) [~~(b-1)~~] In reporting the information required by
 48-62 Subsections (b)(3), (5), and (7) [~~(a)(3), (5), and (7)~~], the agency
 48-63 shall separately aggregate the longitudinal performance data of all
 48-64 students identified as students of limited English proficiency, as
 48-65 defined by Section 29.052, or former students of limited English
 48-66 proficiency, disaggregated by bilingual education or special
 48-67 language program instructional model, if any, in which the students
 48-68 are or were enrolled.

48-69 (e) [~~(c)~~] Each report must contain the most recent data

49-1 available.

49-2 Sec. 39.333 [~~39.183~~]. REGIONAL AND DISTRICT LEVEL REPORT.
 49-3 The agency shall prepare and deliver to the governor, the
 49-4 lieutenant governor, the speaker of the house of representatives,
 49-5 each member of the legislature, the Legislative Budget Board, and
 49-6 the clerks of the standing committees of the senate and house of
 49-7 representatives with primary jurisdiction over the public school
 49-8 system a regional and district level report covering the preceding
 49-9 two school years and containing:

49-10 (1) a summary of school district compliance with the
 49-11 student/teacher ratios and class-size limitations prescribed by
 49-12 Sections 25.111 and 25.112, including:

49-13 (A) the number of campuses and classes at each
 49-14 campus granted an exception from Section 25.112; and

49-15 (B) for [~~the performance rating under Subchapter~~
 49-16 ~~D of~~] each campus granted an exception from Section 25.112, a
 49-17 statement of whether the campus has been awarded a distinction
 49-18 designation under Subchapter G or has been identified as a
 49-19 low-performing campus under Subchapter E;

49-20 (2) a summary of the exemptions and waivers granted to
 49-21 campuses and school districts under Section 7.056 or 39.232
 49-22 [39.112] and a review of the effectiveness of each campus or
 49-23 district following deregulation;

49-24 (3) an evaluation of the performance of the system of
 49-25 regional education service centers based on the indicators adopted
 49-26 under Section 8.101 and client satisfaction with services provided
 49-27 under Subchapter B, Chapter 8;

49-28 (4) an evaluation of accelerated instruction programs
 49-29 offered under Section 28.006, including an assessment of the
 49-30 quality of such programs and the performance of students enrolled
 49-31 in such programs; and

49-32 (5) the number of classes at each campus that are
 49-33 currently being taught by individuals who are not certified in the
 49-34 content areas of their respective classes.

49-35 Sec. 39.334 [~~39.184~~]. TECHNOLOGY REPORT. The agency shall
 49-36 prepare and deliver to the governor, the lieutenant governor, the
 49-37 speaker of the house of representatives, each member of the
 49-38 legislature, the Legislative Budget Board, and the clerks of the
 49-39 standing committees of the senate and house of representatives with
 49-40 primary jurisdiction over the public school system a technology
 49-41 report covering the preceding two school years and containing
 49-42 information on the status of the implementation of and revisions to
 49-43 the long-range technology plan required by Section 32.001,
 49-44 including the equity of the distribution and use of technology in
 49-45 public schools.

49-46 Sec. 39.335 [~~39.185~~]. INTERIM REPORT. Not later than
 49-47 December 1 of each odd-numbered year, the agency shall prepare and
 49-48 deliver to the governor, the lieutenant governor, the speaker of
 49-49 the house of representatives, each member of the legislature, the
 49-50 Legislative Budget Board, and the clerks of the standing committees
 49-51 of the senate and house of representatives with primary
 49-52 jurisdiction over the public school system an interim report
 49-53 containing, for the previous school year, the information required
 49-54 by Section 39.333(2) [~~39.183(2)~~].

49-55 SUBCHAPTER L [~~J~~]. NOTICE OF PERFORMANCE

49-56 Sec. 39.361 [~~39.251~~]. NOTICE IN STUDENT GRADE REPORT. The
 49-57 first written notice of a student's performance that a school
 49-58 district gives during a school year as required by Section
 49-59 28.022(a)(2) must include [~~the following information~~]:

49-60 (1) a statement of whether the campus at which the
 49-61 student is enrolled has been awarded a distinction designation
 49-62 under Subchapter G or has been identified as a low-performing
 49-63 campus under Subchapter E [~~the most recent performance rating of~~
 49-64 ~~the campus at which the student is enrolled, as determined under~~
 49-65 ~~Section 39.072~~]; and

49-66 (2) an explanation of the significance of the
 49-67 information provided under Subdivision (1) [~~a definition and~~
 49-68 ~~explanation of each performance rating described by Section~~
 49-69 ~~39.072(a)~~].

50-1 Sec. 39.362 [~~39.252~~]. NOTICE ON DISTRICT WEBSITE. Not
50-2 later than the 10th day after the first day of instruction of each
50-3 school year, a school district that maintains an Internet website
50-4 shall make the following information available to the public on the
50-5 website:

50-6 (1) the information contained in the most recent
50-7 campus report card for each campus in the district [~~as determined~~]
50-8 under Section 39.305 [~~39.052~~];

50-9 (2) the information contained in the most recent
50-10 performance report for the district [~~as determined~~] under Section
50-11 39.306 [~~39.053~~];

50-12 (3) the most recent accreditation status [~~performance~~
50-13 ~~rating~~] of the district [~~as determined~~] under Section 39.052
50-14 [~~39.072~~]; and

50-15 (4) a definition and explanation of each accreditation
50-16 status under [~~performance rating described by~~] Section 39.051,
50-17 based on commissioner rule adopted under that section [~~39.072(a)~~].

50-18 SUBCHAPTER M [~~L~~]. HIGH SCHOOL COMPLETION AND SUCCESS INITIATIVE

50-19 Sec. 39.401 [~~39.351~~]. DEFINITION. In this subchapter,
50-20 "council" means the High School Completion and Success Initiative
50-21 Council.

50-22 Sec. 39.402 [~~39.352~~]. HIGH SCHOOL COMPLETION AND SUCCESS
50-23 INITIATIVE COUNCIL. (a) The High School Completion and Success
50-24 Initiative Council is established to identify strategic priorities
50-25 for and make recommendations to improve the effectiveness,
50-26 coordination, and alignment of high school completion and college
50-27 and workforce readiness efforts.

50-28 (b) The council is composed of:

50-29 (1) the commissioner of education;

50-30 (2) the commissioner of higher education; and

50-31 (3) seven members appointed by the commissioner of
50-32 education.

50-33 (c) In making appointments required by Subsection (b)(3),
50-34 the commissioner of education shall appoint:

50-35 (1) three members from a list of nominations provided
50-36 by the governor;

50-37 (2) two members from a list of nominations provided by
50-38 the lieutenant governor; and

50-39 (3) two members from a list of nominations provided by
50-40 the speaker of the house of representatives.

50-41 (d) In making nominations under Subsection (c), the
50-42 governor, lieutenant governor, and speaker of the house of
50-43 representatives shall nominate persons who have distinguished
50-44 experience in:

50-45 (1) developing and implementing high school reform
50-46 strategies; and

50-47 (2) promoting college and workforce readiness.

50-48 Sec. 39.403 [~~39.353~~]. TERMS. Members of the council
50-49 appointed under Section 39.402(b)(3) [~~39.352(b)(3)~~] serve terms of
50-50 two years and may be reappointed for additional terms.

50-51 Sec. 39.404 [~~39.354~~]. PRESIDING OFFICER. The commissioner
50-52 of education serves as the presiding officer of the council.

50-53 Sec. 39.405 [~~39.355~~]. COMPENSATION AND REIMBURSEMENT. A
50-54 member of the council is not entitled to compensation for service on
50-55 the council but is entitled to reimbursement for actual and
50-56 necessary expenses incurred in performing council duties.

50-57 Sec. 39.406 [~~39.356~~]. COUNCIL STAFF AND FUNDING.

50-58 (a) Except as otherwise provided, staff members of the agency,
50-59 with the assistance of the Texas Higher Education Coordinating
50-60 Board, shall provide administrative support for the council.

50-61 (b) Funding for the administrative and operational expenses
50-62 of the council shall be provided by appropriation to the agency for
50-63 that purpose and by gifts, grants, and donations solicited and
50-64 accepted by the agency for that purpose.

50-65 Sec. 39.407 [~~39.357~~]. STRATEGIC PLAN. (a) The council
50-66 shall adopt a strategic plan under this subchapter to:

50-67 (1) specify strategies to identify, support, and
50-68 expand programs to improve high school completion rates and college
50-69 and workforce readiness;

51-1 (2) establish specific goals with which to measure the
 51-2 success of the strategies identified under Subdivision (1) in
 51-3 improving high school completion rates and college and workforce
 51-4 readiness;

51-5 (3) identify strategies for alignment and
 51-6 coordination of federal and other funding sources that may be
 51-7 pursued for high school reform, dropout prevention, and preparation
 51-8 of students for postsecondary coursework or employment; and

51-9 (4) identify key objectives for appropriate research
 51-10 and program evaluation conducted as provided by this subchapter.

51-11 (b) The commissioner of education and the commissioner of
 51-12 higher education shall adopt rules as necessary to administer the
 51-13 strategic plan adopted by the council under this section.

51-14 (c) The commissioner of education or the commissioner of
 51-15 higher education may not, in a manner inconsistent with the
 51-16 strategic plan, spend money, award a grant, or enter into a contract
 51-17 in connection with a program relating to high school success and
 51-18 completion.

51-19 Sec. 39.408 [~~39.358~~]. ELIGIBILITY CRITERIA FOR CERTAIN
 51-20 GRANT PROGRAMS. A school district or campus is eligible to
 51-21 participate in programs under Sections 21.4541, 29.095, 29.096,
 51-22 29.097, and 29.098 if the district or campus exhibited during each
 51-23 of the three preceding school years characteristics that strongly
 51-24 correlate with high dropout rates.

51-25 Sec. 39.409 [~~39.359~~]. PRIVATE FOUNDATION PARTNERSHIPS.
 51-26 (a) The commissioner of education or the commissioner of higher
 51-27 education, as appropriate, and the council may coordinate with
 51-28 private foundations that have made a substantial investment in the
 51-29 improvement of high schools in this state to maximize the impact of
 51-30 public and private investments.

51-31 (b) A private foundation is not required to obtain the
 51-32 approval of the appropriate commissioner or the council under
 51-33 Subsection (a) before allocating resources to a school in this
 51-34 state.

51-35 Sec. 39.410 [~~39.360~~]. GRANT PROGRAM EVALUATION. (a) The
 51-36 commissioner of education shall annually set aside not more than
 51-37 five percent of the funds appropriated for high school completion
 51-38 and success to contract for the evaluation of programs supported by
 51-39 grants approved under this subchapter. In awarding a contract
 51-40 under this subsection, the commissioner shall consider centers for
 51-41 education research established under Section 1.005.

51-42 (b) A person who receives a grant approved under this
 51-43 subchapter must consent to an evaluation under this section as a
 51-44 condition of receiving the grant.

51-45 (c) The commissioner shall ensure that an evaluation
 51-46 conducted under this section includes an assessment of whether
 51-47 student achievement has improved. Results of the evaluation shall
 51-48 be provided through the online clearinghouse of information
 51-49 relating to the best practices of campuses and school districts
 51-50 established under Section 7.009.

51-51 Sec. 39.411 [~~39.361~~]. COUNCIL RECOMMENDATIONS. (a) Based
 51-52 on the strategic plan adopted under this subchapter [~~section~~], the
 51-53 council shall make recommendations to the commissioner of education
 51-54 or the commissioner of higher education, as applicable, for the use
 51-55 of federal and state funds appropriated or received for high school
 51-56 reform, college readiness, and dropout prevention, including
 51-57 grants awarded under Sections 21.4511, 21.4541, 29.095-29.098,
 51-58 29.917, 29.919, and 39.235 [~~39.115~~].

51-59 (b) The council shall include recommendations under this
 51-60 section for:

- 51-61 (1) key elements of program design;
- 51-62 (2) criteria for awarding grants and evaluating
51-63 programs;
- 51-64 (3) program funding priorities; and
- 51-65 (4) program evaluation as provided by this subchapter.

51-66 (c) The commissioner of education or the commissioner of
 51-67 higher education, as applicable, shall consider the council's
 51-68 recommendations and based on those recommendations may award grants
 51-69 to school districts, open-enrollment charter schools, institutions

52-1 of higher education, regional education service centers, and
 52-2 nonprofit organizations to meet the goals of the council's
 52-3 strategic plan.

52-4 (d) The commissioner of education or the commissioner of
 52-5 higher education, as applicable:

52-6 (1) is not required under this section to allocate
 52-7 funds to a program or initiative recommended by the council; and

52-8 (2) may not initiate a program funded under this
 52-9 section that does not conform to the recommended use of funds as
 52-10 provided under Subsections (a) and (b).

52-11 Sec. 39.412 [~~39.362~~]. FUNDING PROVIDED TO SCHOOL
 52-12 DISTRICTS. From funds appropriated, the commissioner of education
 52-13 may provide funding to school districts to permit a school district
 52-14 to obtain technical assistance in preparing a grant proposal for a
 52-15 grant program administered under this subchapter.

52-16 Sec. 39.413 [~~39.363~~]. FUNDING FOR CERTAIN PROGRAMS.
 52-17 (a) From funds appropriated, the Texas Higher Education
 52-18 Coordinating Board shall allocate \$8.75 million each year to
 52-19 establish mathematics, science, and technology teacher preparation
 52-20 academies under Section 21.462 and implement and administer the
 52-21 program under Section 29.098.

52-22 (b) The Texas Higher Education Coordinating Board shall
 52-23 establish mathematics, science, and technology teacher preparation
 52-24 academies under Section 21.462 and implement and administer the
 52-25 program under Section 29.098 in a manner consistent with the goals
 52-26 of this subchapter and the goals in "Closing the Gaps," the state's
 52-27 master plan for higher education.

52-28 Sec. 39.414 [~~39.364~~]. PRIVATE FUNDING. The commissioner of
 52-29 education or the commissioner of higher education, as appropriate,
 52-30 may accept gifts, grants, or donations to fund a grant administered
 52-31 under this subchapter.

52-32 Sec. 39.415 [~~39.365~~]. REPORTS. (a) Not later than
 52-33 December 1 of each even-numbered year, the agency shall prepare and
 52-34 deliver a report to the legislature that recommends any statutory
 52-35 changes the council considers appropriate to promote high school
 52-36 completion and college and workforce readiness.

52-37 (b) Not later than March 1 and September 1 of each year, the
 52-38 commissioner of education shall prepare and deliver a progress
 52-39 report to the presiding officers of the standing committees of each
 52-40 house of the legislature with primary jurisdiction over public
 52-41 education, the Legislative Budget Board, and the Governor's Office
 52-42 of Policy and Planning on:

52-43 (1) the implementation of Sections 7.031, 21.4511,
 52-44 21.4541, 21.462, 28.008(d-1), 28.0212(d), 29.095-29.098, 29.911,
 52-45 29.917-29.919, and 39.235 [~~39.115~~] and this subchapter;

52-46 (2) the programs supported by grants approved under
 52-47 this subchapter; and

52-48 (3) the alignment of grants and programs to the
 52-49 strategic plan adopted under Section 39.407 [~~39.357~~].

52-50 Sec. 39.416 [~~39.366~~]. RULES. The commissioner of education
 52-51 and the commissioner of higher education shall adopt rules as
 52-52 necessary to administer this subchapter and any programs under the
 52-53 authority of the commissioner of education or the commissioner of
 52-54 higher education and the council under this subchapter.

52-55 SECTION 22. Section 51.3062, Education Code, is amended by
 52-56 adding Subsections (i-1) and (q-1) to read as follows:

52-57 (i-1) The commissioner of higher education may by rule
 52-58 require an institution of higher education to adopt uniform
 52-59 standards for the placement of a student under this section.

52-60 (q-1) A student who has completed a recommended or advanced
 52-61 high school program as determined under Section 28.025 and
 52-62 demonstrated the performance standard for college readiness as
 52-63 provided by Section 39.024 on the Algebra II and English III
 52-64 end-of-course assessment instruments is exempt from the
 52-65 requirements of this section with respect to those content areas.
 52-66 The commissioner of higher education by rule shall establish the
 52-67 period for which an exemption under this subsection is valid.

52-68 SECTION 23. Section 51.807, Education Code, as amended by
 52-69 Chapters 941 (H.B. 3826) and 1369 (H.B. 3851), Acts of the 80th

53-1 Legislature, Regular Session, 2007, is reenacted to read as
53-2 follows:

53-3 Sec. 51.807. RULEMAKING. (a) The Texas Higher Education
53-4 Coordinating Board may adopt rules relating to the operation of
53-5 admissions programs under this subchapter, including rules
53-6 relating to the identification of eligible students.

53-7 (b) The Texas Higher Education Coordinating Board, after
53-8 consulting with the Texas Education Agency, by rule shall establish
53-9 standards for determining for purposes of this subchapter:

53-10 (1) whether a private high school is accredited by a
53-11 generally recognized accrediting organization; and

53-12 (2) whether a person completed a high school
53-13 curriculum that is equivalent in content and rigor to the
53-14 curriculum requirements established under Section 28.025 for the
53-15 recommended or advanced high school program.

53-16 SECTION 24. Chapter 61, Education Code, is amended by
53-17 adding Subchapter T-1 to read as follows:

53-18 SUBCHAPTER T-1. CAREER AND TECHNICAL EDUCATION

53-19 Sec. 61.861. DEVELOPMENT OF MATHEMATICS AND SCIENCE COURSES
53-20 FOR HIGH-DEMAND OCCUPATIONS. (a) The commissioner of higher
53-21 education and the commissioner of education, in consultation with
53-22 the comptroller and the Texas Workforce Commission, may award a
53-23 grant in an amount not to exceed \$1 million to an institution of
53-24 higher education to develop advanced mathematics and science
53-25 courses to prepare high school students for employment in a
53-26 high-demand occupation. The commissioner of higher education, the
53-27 commissioner of education, the comptroller, and the Texas Workforce
53-28 Commission shall jointly determine what is considered a high-demand
53-29 occupation for purposes of this subchapter.

53-30 (b) An institution of higher education shall work in
53-31 partnership with at least one independent school district and a
53-32 business entity in developing a course for purposes of this
53-33 section.

53-34 (c) A course developed for purposes of this section must:

53-35 (1) provide content that enables a student to develop
53-36 the relevant and critical skills needed to be prepared for
53-37 employment or additional training in a high-demand occupation;

53-38 (2) incorporate college and career readiness skills as
53-39 part of the curriculum;

53-40 (3) be offered for dual credit; and

53-41 (4) satisfy a mathematics or science requirement under
53-42 the recommended or advanced high school program as determined under
53-43 Section 28.025.

53-44 (d) An institution of higher education shall periodically
53-45 review and revise the curriculum for a course developed for
53-46 purposes of this section to accommodate changes in industry
53-47 standards for the high-demand occupation.

53-48 Sec. 61.862. GRANT APPLICATION CRITERIA. The commissioner
53-49 of higher education and the commissioner of education, in
53-50 consultation with the comptroller and the Texas Workforce
53-51 Commission, shall establish application criteria for a grant under
53-52 this subchapter and in making an award, shall give priority to
53-53 courses that:

53-54 (1) will prepare students for high-demand, high-wage,
53-55 and high-skill occupations and further postsecondary study;

53-56 (2) may be transferred as college credit to multiple
53-57 institutions of higher education; and

53-58 (3) are developed as part of a sequence of courses that
53-59 includes statewide availability of the instructional materials and
53-60 training for the courses at a nominal cost to public educational
53-61 institutions in this state.

53-62 Sec. 61.863. USE OF FUNDS. An institution of higher
53-63 education may use funds awarded under this section to develop, in
53-64 connection with a course described by Section 61.861:

53-65 (1) curriculum;

53-66 (2) assessments;

53-67 (3) instructional materials, including
53-68 technology-based supplemental materials; or

53-69 (4) professional development programs for secondary

54-1 grade-level teachers teaching a course described by Section 61.861.
 54-2 Sec. 61.864. REVIEW OF COURSES. Courses developed for
 54-3 which a grant is awarded under this subchapter shall be reviewed by
 54-4 the commissioner of higher education and the commissioner of
 54-5 education, in consultation with the comptroller and the Texas
 54-6 Workforce Commission, once every four years to determine whether
 54-7 the course:

54-8 (1) is being used by public educational institutions
 54-9 in this state;

54-10 (2) prepares high school students with the skills
 54-11 necessary for employment in the high-demand occupation and further
 54-12 postsecondary study; and

54-13 (3) satisfies a mathematics or science requirement for
 54-14 the recommended or advanced high school program as determined under
 54-15 Section 28.025.

54-16 Sec. 61.865. MATCHING CONTRIBUTION REQUIRED. An
 54-17 institution of higher education awarded a grant under this
 54-18 subchapter must obtain from one or more business entities in the
 54-19 industry for which students taking courses developed under Section
 54-20 61.861 are training, in a total amount equal to the amount of the
 54-21 state grant:

54-22 (1) gifts, grants, or donations of funds; or

54-23 (2) contributions of property that may be used in
 54-24 providing the courses.

54-25 Sec. 61.866. LIMITATION ON TOTAL AMOUNT OF GRANTS. In any
 54-26 state fiscal biennium, the total amount of grants awarded under
 54-27 this subchapter may not exceed \$10 million.

54-28 Sec. 61.867. FUNDING OF GRANTS. The commissioner of higher
 54-29 education shall administer this section using available
 54-30 appropriations and gifts, grants, and donations made for the
 54-31 purposes of this subchapter.

54-32 SECTION 25. The following provisions of the Education Code
 54-33 are repealed:

54-34 (1) Subsections (e), (f), and (g), Section 39.034; and

54-35 (2) Section 44.011.

54-36 SECTION 26. (a) Not later than December 1, 2010, the Texas
 54-37 Education Agency shall prepare and deliver to the governor, the
 54-38 lieutenant governor, the speaker of the house of representatives,
 54-39 each member of the legislature, the clerks of the standing
 54-40 committees of the senate and the house of representatives with
 54-41 primary jurisdiction over public education, and the Legislative
 54-42 Budget Board a transition plan containing the information described
 54-43 by Subsections (b) and (c) of this section.

54-44 (b) The transition plan referred to in Subsection (a) of
 54-45 this section must contain a detailed description of the process the
 54-46 commissioner of education will use to develop and implement this
 54-47 Act, including:

54-48 (1) the timeline;

54-49 (2) the means by which public school educators who are
 54-50 representative of this state and other stakeholders, including
 54-51 parents of public primary and secondary school students, and
 54-52 business and community leaders, will be included in the process to
 54-53 develop and implement this Act, in accordance with Subdivision
 54-54 (11), Subsection (b), Section 7.055, Education Code;

54-55 (3) the resources required to implement this Act,
 54-56 including resources that may be required by districts and campuses;

54-57 (4) the scope and sequence of tasks that must be
 54-58 accomplished to implement this Act; and

54-59 (5) the use of the standard rulemaking process to
 54-60 adopt any procedures necessary to implement this Act.

54-61 (c) Except as provided by this subsection, the transition
 54-62 plan referred to in Subsection (a) of this section must provide for
 54-63 the implementation during the 2011-2012 school year of changes made
 54-64 by this Act to the accreditation and academic accountability
 54-65 system. The assignment of accreditation statuses and any other
 54-66 academic accountability designations under this Act must be
 54-67 implemented beginning with the 2012-2013 school year.

54-68 SECTION 27. To the extent of any conflict, the reenactment
 54-69 by this Act of Section 51.807, Education Code, prevails over

55-1 another Act of the 81st Legislature, Regular Session, 2009,
55-2 relating to nonsubstantive additions to and corrections in enacted
55-3 codes.

55-4 SECTION 28. (a) Except as provided by Subsection (b) of
55-5 this section, this Act applies beginning with the 2009-2010 school
55-6 year.

55-7 (b) Subchapter E, Chapter 39, Education Code, as amended by
55-8 this Act, applies as provided by the transition plan adopted by the
55-9 commissioner of education under Section 39.115, Education Code, as
55-10 added by this Act.

55-11 SECTION 29. This Act takes effect immediately if it
55-12 receives a vote of two-thirds of all the members elected to each
55-13 house, as provided by Section 39, Article III, Texas Constitution.
55-14 If this Act does not receive the vote necessary for immediate
55-15 effect, this Act takes effect September 1, 2009.

* * * * *

55-16