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SECTION 1. Section 7.009(b), Education Code, is amended to read as follows:

(b) The agency shall solicit and collect from the Legislative Budget Board, centers for education research established under Section 1.005, [~~and exemplary or recognized~~] school districts assigned an acceptable performance rating under Section 39.054, and campuses[;] and open-enrollment charter schools that have received at least one distinction designation under Subchapter G, Chapter 39, [as rated under Section 39.072,] examples of best practices relating to instruction, dropout prevention, public school finance, resource allocation, and business practices, including best practices relating to curriculum, scope and sequence, compensation and incentive systems, bilingual education and special language programs, compensatory education programs, and the effective use of instructional technology, including online courses.

SECTION 2. Section 7.028(a), Education Code, is amended to read as follows:

(a) Except as provided by Section 29.001(5), 29.010(a), 39.056 [~~39.074~~], or 39.057 [~~39.075~~], the agency may monitor compliance with requirements applicable to a process or program provided by a school district, campus, program, or school granted charters under Chapter 12, including the process described by Subchapter F, Chapter 11, or a program described by

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No equivalent provision.

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Subchapter B, C, D, E, F, H, or I, Chapter 29, Subchapter A, Chapter 37, or Section 38.003, and the use of funds provided for such a program under Subchapter C, Chapter 42, only as necessary to ensure:

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

SECTION 3. Sections 7.056(e) and (f), Education Code, are amended to read as follows:

- (e) Except as provided by Subsection (f), a school campus or district may not receive an exemption or waiver under this section from:
- (1) a prohibition on conduct that constitutes a criminal offense;
 - (2) a requirement imposed by federal law or rule, including a requirement for special education or bilingual education programs; or
 - (3) a requirement, restriction, or prohibition relating to:
 - (A) essential knowledge or skills under Section 28.002 or high school [~~minimum~~] graduation requirements under Section 28.025;
 - (B) public school accountability as provided by Subchapters B, C, D, E, and J [~~G~~], Chapter 39;

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

- (e) Except as provided by Subsection (f), a school campus or district may not receive an exemption or waiver under this section from:
- (1) a prohibition on conduct that constitutes a criminal offense;
 - (2) a requirement imposed by federal law or rule, including a requirement for special education or bilingual education programs; or
 - (3) a requirement, restriction, or prohibition relating to:
 - (A) essential knowledge or skills under Section 28.002 or high school [~~minimum~~] graduation requirements under Section 28.025;
 - (B) public school accountability as provided by Subchapters B, C, D, E, and J [~~G~~], Chapter 39;

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- (C) extracurricular activities under Section 33.081 or participation in a University Interscholastic League area, regional, or state competition under Section 33.0812;
 - (D) health and safety under Chapter 38;
 - (E) purchasing under Subchapter B, Chapter 44;
 - (F) elementary school class size limits, except as provided by Section 25.112;
 - (G) removal of a disruptive student from the classroom under Subchapter A, Chapter 37;
 - (H) at-risk programs under Subchapter C, Chapter 29;
 - (I) prekindergarten programs under Subchapter E, Chapter 29;
 - (J) educator rights and benefits under Subchapters A, C, D, E, F, G, and I, Chapter 21, or under Subchapter A, Chapter 22;
 - (K) special education programs under Subchapter A, Chapter 29;
 - (L) bilingual education programs under Subchapter B, Chapter 29; or
 - (M) the requirements for the first day of instruction under Section 25.0811.
- (f) A school district or campus that is required to develop and implement a student achievement improvement plan under Section 39.102 [~~39.131~~] or 39.103 [~~39.132~~] may receive an exemption or waiver under this section from any law or rule other than:
- (1) a prohibition on conduct that constitutes a criminal offense;
 - (2) a requirement imposed by federal law or rule;

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- (C) extracurricular activities under Section 33.081 or participation in a University Interscholastic League area, regional, or state competition under Section 33.0812;
 - (D) health and safety under Chapter 38;
 - (E) purchasing under Subchapter B, Chapter 44;
 - (F) elementary school class size limits, except as provided by Section 25.112;
 - (G) removal of a disruptive student from the classroom under Subchapter A, Chapter 37;
 - (H) at-risk programs under Subchapter C, Chapter 29;
 - (I) prekindergarten programs under Subchapter E, Chapter 29;
 - (J) educator rights and benefits under Subchapters A, C, D, E, F, G, and I, Chapter 21, or under Subchapter A, Chapter 22;
 - (K) special education programs under Subchapter A, Chapter 29;
 - (L) bilingual education programs under Subchapter B, Chapter 29; or
 - (M) the requirements for the first day of instruction under Section 25.0811.
- (f) A school district or campus that is required to develop and implement a student achievement improvement plan under Section 39.101 [~~39.131~~] or 39.102 [~~39.132~~] may receive an exemption or waiver under this section from any law or rule other than:
- (1) a prohibition on conduct that constitutes a criminal offense;
 - (2) a requirement imposed by federal law or rule;

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- (3) a requirement, restriction, or prohibition imposed by state law or rule relating to:
- (A) public school accountability as provided by Subchapters B, C, D, E, and J [~~G~~], Chapter 39; or
 - (B) educator rights and benefits under Subchapters A, C, D, E, F, G, and I, Chapter 21, or under Subchapter A, Chapter 22; or
- (4) textbook selection under Chapter 31.

SECTION 4. Sections 8.051(b) and (d), Education Code, are amended to read as follows:

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

- (1) campuses **assigned an unacceptable performance rating** [~~identified as academically unacceptable based on the indicators adopted~~] under Section 39.054 [~~39.051~~];
- (2) the lowest-performing campuses in the region; and
- (3) other campuses.

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

- (1) training and assistance in teaching each subject area assessed under Section 39.023;
- (2) training and assistance in providing each program that qualifies for a funding allotment under Section 42.151, 42.152, 42.153, or 42.156;

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- (3) a requirement, restriction, or prohibition imposed by state law or rule relating to:
- (A) public school accountability as provided by Subchapters B, C, D, E, and J [~~G~~], Chapter 39; or
 - (B) educator rights and benefits under Subchapters A, C, D, E, F, G, and I, Chapter 21, or under Subchapter A, Chapter 22; or
- (4) textbook selection under Chapter 31.

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

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

- (1) campuses **that fail to satisfy any standard** [~~identified as academically unacceptable based on the indicators adopted~~] under Section 39.054(d) [~~39.051~~];
- (2) the lowest-performing campuses in the region; and
- (3) other campuses.

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

- (1) training and assistance in teaching each subject area assessed under Section 39.023;
- (2) training and assistance in providing each program that qualifies for a funding allotment under Section 42.151, 42.152, 42.153, or 42.156;

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(3) assistance specifically designed for a school district or campus assigned an ~~[rated academically]~~ unacceptable performance rating under Section 39.054 ~~[39.072(a) or a campus whose performance is considered unacceptable based on the indicators adopted under Section 39.051];~~

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

(5) assistance specifically designed for a school district that is considered out of compliance with state or federal special education requirements, based on the agency's most recent compliance review of the district's special education programs; and

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

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

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

SECTION 6. Section 11.003(d), Education Code, is amended to read as follows:

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

(1) that the district has failed to satisfy a financial

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

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

(5) assistance specifically designed for a school district that is considered out of compliance with state or federal special education requirements, based on the agency's most recent compliance review of the district's special education programs; and

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

SECTION 4. Same as House version.

SECTION 5. Same as House version.

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accountability standard as determined by commissioner rule under Subchapter D [F], Chapter 39; and

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

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

(B) promote the efficient operation of the district.

SECTION 7. Section 11.1511(b), Education Code, is amended to read as follows:

(b) The board shall:

(1) seek to establish working relationships with other public entities to make effective use of community resources and to serve the needs of public school students in the community;

(2) adopt a vision statement and comprehensive goals for the district and the superintendent and monitor progress toward those goals;

(3) establish performance goals for the district concerning:

(A) the academic and fiscal performance indicators under Subchapters C, D, and J [F], Chapter 39[; ~~respectively~~]; and

(B) any performance indicators adopted by the district;

(4) ensure that the superintendent:

(A) is accountable for achieving performance results;

(B) recognizes performance accomplishments; and

(C) takes action as necessary to meet performance goals;

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SECTION 6. Same as House version.

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- (5) adopt a policy to establish a district- and campus-level planning and decision-making process as required under Section 11.251;
- (6) publish an annual educational performance report as required under Section 39.306 [~~39.053~~];
- (7) adopt an annual budget for the district as required under Section 44.004;
- (8) adopt a tax rate each fiscal year as required under Section 26.05, Tax Code;
- (9) monitor district finances to ensure that the superintendent is properly maintaining the district's financial procedures and records;
- (10) ensure that district fiscal accounts are audited annually as required under Section 44.008;
- (11) publish an end-of-year financial report for distribution to the community;
- (12) conduct elections as required by law;
- (13) by rule, adopt a process through which district personnel, students or the parents or guardians of students, and members of the public may obtain a hearing from the district administrators and the board regarding a complaint;
- (14) make decisions relating to terminating the employment of district employees employed under a contract to which Chapter 21 applies, including terminating or not renewing an employment contract to which that chapter applies; and
- (15) carry out other powers and duties as provided by this code or other law.

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SECTION 8. Section 11.201(d), Education Code, is amended to read as follows:

(d) The duties of the superintendent include:

- (1) assuming administrative responsibility and leadership for the planning, organization, operation, supervision, and evaluation of the education programs, services, and facilities of the district and for the annual performance appraisal of the district's staff;
- (2) except as provided by Section 11.202, assuming administrative authority and responsibility for the assignment, supervision, and evaluation of all personnel of the district other than the superintendent;
- (3) overseeing compliance with the standards for school facilities established by the commissioner under Section 46.008;
- (4) initiating the termination or suspension of an employee or the nonrenewal of an employee's term contract;
- (5) managing the day-to-day operations of the district as its administrative manager, including implementing and monitoring plans, procedures, programs, and systems to achieve clearly defined and desired results in major areas of district operations;
- (6) preparing and submitting to the board of trustees a proposed budget as provided by Section 44.002 and rules adopted under that section, and administering the budget;
- (7) preparing recommendations for policies to be

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adopted by the board of trustees and overseeing the implementation of adopted policies;

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

(9) providing leadership for the attainment and, if necessary, improvement of student performance in the district based on the indicators adopted under Sections 39.053 and 39.301 [~~Section 39.051~~] and other indicators adopted by the commissioner [~~State Board of Education~~] or the district's board of trustees;

(10) organizing the district's central administration;

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

(12) ensuring:

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

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

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

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

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

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SECTION 9. Subchapter D, Chapter 11, Education Code, is amended by adding Section 11.163 to read as follows:

Sec. 11.163. CAMPUS CLOSURES. (a) If the board of trustees of a school district proposes to close a campus, the board must:

(1) at least 10 days before the date of the first public meeting required under Subdivision (4), send written notice of the proposed closure, including a translation of the text of the notice into Spanish, by regular mail to:

(A) the parent of each child who would otherwise attend the campus during the first school year that the campus is proposed to be closed; and

(B) each elected official who represents territory included in the boundaries of the school district;

(2) provide a period of at least 90 days after the date notice is sent under Subdivision (1) for soliciting and considering public comment regarding the proposed closure;

(3) promptly make district documents associated with the proposed closure, other than documents that are confidential under law, available to the public through the Internet and by other means for persons without Internet access; and

(4) hold at least two public meetings during the period described by Subdivision (2) at which the district superintendent and board members are available to answer questions and receive comments, including questions and comments relating to the documents made

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No equivalent provision.

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available under Subdivision (3).

(b) If, after conclusion of the period described by Subsection (a)(2) and consideration of public comments, the board of trustees continues to conclude that the campus should be closed, the district must develop a written closure plan that:

(1) describes the ways in which each affected child's education will be altered as a result of the closure;

(2) identifies each educational program available at the campus being closed that will not be available at each campus to which students will be transferred as a result of the closure;

(3) describes the effect of the closure on student safety, including such elements as the number of registered sex offenders residing in the vicinity of each campus to which students will be transferred as a result of the closure; and

(4) addresses questions and comments raised by the public during the period described by Subsection (a)(2).

(c) The district must make the closure plan required by Subsection (b) available to the public through the Internet and by other appropriate means for persons without Internet access.

SECTION 10. Subchapter D, Chapter 11, Education Code, is amended by adding Section 11.172 to read as follows:

Sec. 11.172. SCHOOL DISTRICT GROOMING

No equivalent provision.

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POLICY. (a) This section may be cited as "Mason's Measure".

(b) The board of trustees of a school district may not adopt a policy that restricts the length of a student's hair.

(c) This section applies only to students who:

(1) have performed satisfactorily on assessment instruments administered under Section 39.023 in the preceding school year; and

(2) for the most recent grading period:

(A) have not been subject to disciplinary action under Chapter 37;

(B) meet the grade criteria established by the school district for inclusion on the district's honor roll; and

(C) have no unexcused absences.

SECTION 11. Section 11.203(d), Education Code, is amended to read as follows:

(d) A principal who was employed as a principal at a campus that was ~~[of a campus]~~ rated academically unacceptable during the preceding school year ~~[, as well as any person employed to replace that principal,]~~ shall participate in the program and complete the program requirements not later than a date determined by the commissioner.

SECTION 12. Section 11.252(a), Education Code, is amended to read as follows:

(a) Each school district shall have a district improvement plan that is developed, evaluated, and

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

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

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revised annually, in accordance with district policy, by the superintendent with the assistance of the district-level committee established under Section 11.251. The purpose of the district improvement plan is to guide district and campus staff in the improvement of student performance for all student groups in order to attain state standards in respect to the student achievement [~~academic excellence~~] indicators adopted under Section 39.053 [39.054]. The district improvement plan must include provisions for:

- (1) a comprehensive needs assessment addressing district student performance on the student achievement [~~academic excellence~~] indicators, and other appropriate measures of performance, that are disaggregated by all student groups served by the district, including categories of ethnicity, socioeconomic status, sex, and populations served by special programs, including students in special education programs under Subchapter A, Chapter 29;
- (2) measurable district performance objectives for all appropriate student achievement [~~academic excellence~~] indicators for all student populations, including students in special education programs under Subchapter A, Chapter 29, and other measures of student performance that may be identified through the comprehensive needs assessment;
- (3) strategies for improvement of student performance that include:
 - (A) instructional methods for addressing the needs of student groups not achieving their full potential;

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- (B) methods for addressing the needs of students for special programs, such as suicide prevention, conflict resolution, violence prevention, or dyslexia treatment programs;
 - (C) dropout reduction;
 - (D) integration of technology in instructional and administrative programs;
 - (E) discipline management;
 - (F) staff development for professional staff of the district;
 - (G) career education to assist students in developing the knowledge, skills, and competencies necessary for a broad range of career opportunities; and
 - (H) accelerated education;
- (4) strategies for providing to middle school, junior high school, and high school students, those students' teachers and counselors, and those students' parents information about:
- (A) higher education admissions and financial aid opportunities;
 - (B) the TEXAS grant program and the Teach for Texas grant program established under Chapter 56;
 - (C) the need for students to make informed curriculum choices to be prepared for success beyond high school; and
 - (D) sources of information on higher education admissions and financial aid;
- (5) resources needed to implement identified strategies;
- (6) staff responsible for ensuring the accomplishment of

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each strategy;

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

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

SECTION 13. Sections 11.253(c) and (d), Education Code, are amended to read as follows:

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

(d) Each campus improvement plan must:

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

(2) set the campus performance objectives based on the student achievement [~~academic excellence~~] indicator system, including objectives for special needs populations, including students in special education programs under Subchapter A, Chapter 29;

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- (3) identify how the campus goals will be met for each student;
- (4) determine the resources needed to implement the plan;
- (5) identify staff needed to implement the plan;
- (6) set timelines for reaching the goals;
- (7) measure progress toward the performance objectives periodically to ensure that the plan is resulting in academic improvement;
- (8) include goals and methods for violence prevention and intervention on campus; and
- (9) provide for a program to encourage parental involvement at the campus.

SECTION 14. Section 11.255(a), Education Code, is amended to read as follows:

- (a) Each district-level planning and decision-making committee and each campus-level planning and decision-making committee for a junior, middle, or high school campus shall analyze information related to dropout prevention, including:
 - (1) the results of the audit of dropout records required by Section ~~39.308~~ [39.055];
 - (2) campus information related to graduation rates, dropout rates, high school equivalency certificate rates, and the percentage of students who remain in high school more than four years after entering grade level 9;
 - (3) the number of students who enter a high school equivalency certificate program and:

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- (A) do not complete the program;
- (B) complete the program but do not take the high school equivalency examination; or
- (C) complete the program and take the high school equivalency examination but do not obtain a high school equivalency certificate;
- (4) for students enrolled in grade levels 9 and 10, information related to academic credit hours earned, retention rates, and placements in alternative education programs and expulsions under Chapter 37; and
- (5) the results of an evaluation of each school-based dropout prevention program in the district.

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

- (b) A home-rule school district is subject to:
 - (1) a provision of this title establishing a criminal offense;
 - (2) a provision of this title relating to limitations on liability; and
 - (3) a prohibition, restriction, or requirement, as applicable, imposed by this title or a rule adopted under this title, relating to:
 - (A) the Public Education Information Management System (PEIMS) to the extent necessary to monitor compliance with this subchapter as determined by the commissioner;
 - (B) educator certification under Chapter 21 and educator rights under Sections 21.407, 21.408, and 22.001;

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

- (b) A home-rule school district is subject to:
 - (1) a provision of this title establishing a criminal offense;
 - (2) a provision of this title relating to limitations on liability; and
 - (3) a prohibition, restriction, or requirement, as applicable, imposed by this title or a rule adopted under this title, relating to:
 - (A) the Public Education Information Management System (PEIMS) to the extent necessary to monitor compliance with this subchapter as determined by the commissioner;
 - (B) educator certification under Chapter 21 and educator rights under Sections 21.407, 21.408, and 22.001;

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- (C) criminal history records under Subchapter C, Chapter 22;
- (D) student admissions under Section 25.001;
- (E) school attendance under Sections 25.085, 25.086, and 25.087;
- (F) inter-district or inter-county transfers of students under Subchapter B, Chapter 25;
- (G) elementary class size limits under Section 25.112, in the case of any campus in the district that **is below any standard** [~~is considered academically unacceptable~~] under Section 39.054(e) [~~39.132~~];
- (H) high school graduation under Section 28.025;
- (I) special education programs under Subchapter A, Chapter 29;
- (J) bilingual education under Subchapter B, Chapter 29;
- (K) prekindergarten programs under Subchapter E, Chapter 29;
- (L) safety provisions relating to the transportation of students under Sections 34.002, 34.003, 34.004, and 34.008;
- (M) computation and distribution of state aid under Chapters 31, 42, and 43;
- (N) extracurricular activities under Section 33.081;
- (O) health and safety under Chapter 38;
- (P) public school accountability under Subchapters B, C, D, E, and J [G], Chapter 39;
- (Q) equalized wealth under Chapter 41;
- (R) a bond or other obligation or tax rate under Chapters 42, 43, and 45; and

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- (C) criminal history records under Subchapter C, Chapter 22;
- (D) student admissions under Section 25.001;
- (E) school attendance under Sections 25.085, 25.086, and 25.087;
- (F) inter-district or inter-county transfers of students under Subchapter B, Chapter 25;
- (G) elementary class size limits under Section 25.112, in the case of any campus in the district that **fails to satisfy any standard** [~~is considered academically unacceptable~~] under Section 39.054(d) [~~39.132~~];
- (H) high school graduation under Section 28.025;
- (I) special education programs under Subchapter A, Chapter 29;
- (J) bilingual education under Subchapter B, Chapter 29;
- (K) prekindergarten programs under Subchapter E, Chapter 29;
- (L) safety provisions relating to the transportation of students under Sections 34.002, 34.003, 34.004, and 34.008;
- (M) computation and distribution of state aid under Chapters 31, 42, and 43;
- (N) extracurricular activities under Section 33.081;
- (O) health and safety under Chapter 38;
- (P) public school accountability under Subchapters B, C, D, E, and J [G], Chapter 39;
- (Q) equalized wealth under Chapter 41;
- (R) a bond or other obligation or tax rate under Chapters 42, 43, and 45; and

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(S) purchasing under Chapter 44.

SECTION 16. Section 12.056(b), Education Code, is amended to read as follows:

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

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

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

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

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

(C) high school graduation under Section 28.025;

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

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

(F) prekindergarten programs under Subchapter E, Chapter 29;

(G) extracurricular activities under Section 33.081;

(H) health and safety under Chapter 38; and

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

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(S) purchasing under Chapter 44.

SECTION 13. Same as House version.

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SECTION 17. Section 12.1012(5), Education Code, is amended to read as follows:

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

- (A) planning, operating, supervising, and evaluating the school's educational programs, services, and facilities;
- (B) making recommendations to the governing body of the school relating to the selection of school personnel;
- (C) managing the school's day-to-day operations as its administrative manager;
- (D) preparing and submitting to the governing body of the school a proposed budget;
- (E) recommending policies to be adopted by the governing body of the school, developing appropriate procedures to implement policies adopted by the governing body of the school, and overseeing the implementation of adopted policies; and
- (F) providing leadership for the attainment of student performance at the school based on the indicators adopted under Sections 39.053 and 39.301 [~~Section 39.051~~] or by the governing body of the school.

SECTION 18. Section 12.013, Education Code, is amended by adding Subsection (c) to read as follows:

(c) Notwithstanding Subsection (b)(3)(P), a home-rule school district is not subject to provisions of this title relating to public school accountability under Subchapters B, C, D, and G, Chapter 39, or to rules

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SECTION 14. Same as House version.

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No equivalent provision.

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adopted under those provisions if:

(1) the district submits to the commissioner an alternative accountability plan developed by the district that:

(A) includes use of assessment instruments developed or adopted by the district to measure individual student progress; and

(B) provides for accountability indicators that are consistent with the goals identified in the district's charter; and

(2) the alternative accountability plan is approved by the commissioner.

SECTION 19. Section 12.016, Education Code, is amended to read as follows:

Sec. 12.016. CONTENT. Each home-rule school district charter must:

(1) describe the educational program to be offered;

(2) provide that continuation of the home-rule school district charter is contingent on:

(A) acceptable student performance on assessment instruments adopted under Subchapter B, Chapter 39, or alternative assessment instruments approved for that purpose under Section 12.013(c); and

(B) compliance with other applicable accountability provisions under Chapter 39 or an alternative accountability plan approved under Section 12.013(c);

(3) specify any basis, in addition to a basis specified by this subchapter, on which the charter may be placed on

No equivalent provision.

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probation or revoked;

(4) describe the governing structure of the district and campuses;

(5) specify any procedure or requirement, in addition to those under Chapter 38, that the district will follow to ensure the health and safety of students and employees;

(6) describe the process by which the district will adopt an annual budget, including a description of the use of program-weight funds;

(7) describe the manner in which an annual audit of financial and programmatic operations of the district is to be conducted, including the manner in which the district will provide information necessary for the district to participate in the Public Education Information Management System (PEIMS) to the extent required by this subchapter; and

(8) include any other provision the charter commission considers necessary.

SECTION 20. Section 12.056, Education Code, is amended by adding Subsection (c) to read as follows:

(c) Notwithstanding Subsection (b)(2)(I), a campus or program for which a charter is granted under this subchapter is not subject to provisions of this title relating to public school accountability under Subchapters B, C, D, and G, Chapter 39, or to rules adopted under those provisions if:

(1) the campus or program submits to the commissioner an alternative accountability plan developed by the

No equivalent provision.

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campus or program that:

(A) includes use of assessment instruments developed or adopted by the campus or program to measure individual student progress; and

(B) provides for accountability indicators that are consistent with the goals identified in the charter of the campus or program; and

(2) the alternative accountability plan is approved by the commissioner.

SECTION 21. Section 12.059, Education Code, is amended to read as follows:

Sec. 12.059. CONTENT. Each charter granted under this subchapter must:

(1) describe the educational program to be offered, which may be a general or specialized program;

(2) provide that continuation of the charter is contingent on satisfactory student performance under Subchapter B, Chapter 39, or under an alternative accountability plan approved under Section 12.056(c) and on compliance with other applicable accountability provisions under Chapter 39 or the alternative accountability plan;

(3) specify any basis, in addition to a basis specified by this subchapter, on which the charter may be placed on probation or revoked;

(4) prohibit discrimination in admission on the basis of national origin, ethnicity, race, religion, or disability;

(5) describe the governing structure of the campus or program;

No equivalent provision.

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(6) specify any procedure or requirement, in addition to those under Chapter 38, that the campus or program will follow to ensure the health and safety of students and employees; and

(7) describe the manner in which an annual audit of financial and programmatic operations of the campus or program is to be conducted, including the manner in which the campus or program will provide information necessary for the school district in which it is located to participate, as required by this code or by State Board of Education rule, in the Public Education Information Management System (PEIMS).

SECTION 22. Section 12.104(b), Education Code, is amended to read as follows:

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

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

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

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

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

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

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SECTION 15. Same as House version.

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- (D) ~~[satisfactory performance on assessment instruments and to]~~ accelerated instruction under Section 28.0211;
- (E) high school graduation requirements under Section 28.025;
- (F) special education programs under Subchapter A, Chapter 29;
- (G) bilingual education under Subchapter B, Chapter 29;
- (H) prekindergarten programs under Subchapter E, Chapter 29;
- (I) extracurricular activities under Section 33.081;
- (J) discipline management practices or behavior management techniques under Section 37.0021;
- (K) health and safety under Chapter 38;
- (L) public school accountability under Subchapters B, C, D, E, and J [~~G~~], Chapter 39;
- (M) the requirement under Section 21.006 to report an educator's misconduct; and
- (N) intensive programs of instruction under Section 28.0213.

SECTION 23. Section 12.1054(a), Education Code, is amended to read as follows:

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

- (1) a member of the governing body of a charter holder

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

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

- (1) a member of the governing body of a charter holder

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

(2) notwithstanding any provision of **Section 12.1054(1)**, an employee of an open-enrollment charter school **rated [as academically] acceptable or higher** under **Section 39.054** [~~Chapter 39~~] for at least two of the preceding three school years may serve as a member of the governing body of the charter holder of the governing body of the school if the employees do not constitute a quorum of the governing body or any committee of the governing body; however, all members shall comply with the requirements of Sections 171.003-171.007, Local Government Code.

SECTION 24. Section 12.1055(b), Education Code, is amended to read as follows:

(b) Notwithstanding Subsection (a), if an open-enrollment charter school **is rated [academically] acceptable or higher** under **Section 39.054** [~~Chapter 39~~] for at least two of the preceding three school years, then Chapter 573, Government Code, does not apply to that school; however, a member of the governing body of a

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

(2) notwithstanding any provision of **Subdivision (1) [Section 12.1054(1)]**, an employee of an open-enrollment charter school **that satisfies all performance standards [rated as academically acceptable or higher]** under **Section 39.054(d)** [~~Chapter 39~~] for at least two of the preceding three school years may serve as a member of the governing body of the charter holder of the governing body of the school if the employees do not constitute a quorum of the governing body or any committee of the governing body; however, all members shall comply with the requirements of Sections 171.003-171.007, Local Government Code.

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

(b) Notwithstanding Subsection (a), if an open-enrollment charter school **satisfies all performance standards [is rated academically acceptable or higher]** under **Section 39.054(d)** [~~Chapter 39~~] for at least two of the preceding three school years, then Chapter 573, Government Code, does not apply to that school;

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charter holder or a member of the governing body or officer of an open-enrollment charter school shall comply with the requirements of Sections 171.003-171.007, Local Government Code, with respect to a personnel matter concerning a person related to the member or officer within the degree specified by Section 573.002, Government Code, as if the personnel matter were a transaction with a business entity subject to those sections, and persons defined under Sections 573.021-573.025, Government Code, shall not constitute a quorum of the governing body or any committee of the governing body.

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

(a) The commissioner shall take any of the actions described by Subsection (b) or by Section 39.102(a) [~~39.131(a)~~], to the extent the commissioner determines necessary, if an open-enrollment charter school, as determined by a report issued under Section 39.058(b) [~~39.076(b)~~]:

- (1) commits a material violation of the school's charter;
- (2) fails to satisfy generally accepted accounting standards of fiscal management; or
- (3) fails to comply with this subchapter or another applicable rule or law.

SECTION 26. Section 18.006(a), Education Code, is

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however, a member of the governing body of a charter holder or a member of the governing body or officer of an open-enrollment charter school shall comply with the requirements of Sections 171.003-171.007, Local Government Code, with respect to a personnel matter concerning a person related to the member or officer within the degree specified by Section 573.002, Government Code, as if the personnel matter were a transaction with a business entity subject to those sections, and persons defined under Sections 573.021-573.025, Government Code, shall not constitute a quorum of the governing body or any committee of the governing body.

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

(a) The commissioner shall take any of the actions described by Subsection (b) or by Section 39.101(a) [~~39.131(a)~~], to the extent the commissioner determines necessary, if an open-enrollment charter school, as determined by a report issued under Section 39.058(b) [~~39.076(b)~~]:

- (1) commits a material violation of the school's charter;
- (2) fails to satisfy generally accepted accounting standards of fiscal management; or
- (3) fails to comply with this subchapter or another applicable rule or law.

SECTION 19. Subsection (a), Section 18.006, Education

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amended to read as follows:

(a) The commissioner shall develop and implement a system of accountability consistent with Chapter 39, where appropriate, to be used in assigning an annual performance rating to Job Corps diploma programs comparable to the ratings assigned to school districts under Section 39.054 [39.072]. The commissioner may develop and implement a system of distinction designations consistent with Subchapter G, Chapter 39, where appropriate, to be used in assigning distinction designations to Job Corps diploma programs comparable to the distinction designations assigned to campuses under Subchapter G, Chapter 39.

SECTION 27. Section 21.354(e), Education Code, is amended to read as follows:

(e) The appraisal of a principal shall include consideration of the performance of a principal's campus on the student achievement indicators established under Section 39.053 [39.054] and the campus's objectives established under Section 11.253, including performance gains of the campus and the maintenance of those gains.

SECTION 28. Section 21.357(c), Education Code, is amended to read as follows:

(c) A performance incentive awarded to a principal under this section must be distributed to the principal's school and used in the manner determined by the campus-level committee established under Section

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Code, is amended to read as follows:

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

SECTION 20. Same as House version.

SECTION 21. Same as House version.

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11.253 in accordance with the requirements of Section 39.264(a) [39.094(a)].

SECTION 29. Section 21.4541(b), Education Code, is amended to read as follows:

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

SECTION 30. Section 21.4551(c), Education Code, is amended to read as follows:

(c) The commissioner by rule shall require a teacher to attend a reading academy if the teacher provides instruction in reading, mathematics, science, or social studies to students at the sixth, seventh, or eighth grade level at a campus that **is below any standard** [~~is considered academically unacceptable~~] under Section 39.054(e) [39.132] on the basis of student performance on the reading assessment instrument administered under Section 39.023(a) to students in any grade level at the campus.

SECTION 31. Section 21.653(a), Education Code, is amended to read as follows:

(a) Except as provided by Subsection (b), a campus is eligible to apply for and may receive a program grant if the campus:

(1) is ranked by the agency in the top half of this state's

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SECTION 22. Same as House version.

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

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

No equivalent provision.

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elementary school campuses, middle or junior high school campuses, high school campuses, or campuses for students of all grade levels, as applicable, in the percentage of educationally disadvantaged students enrolled at the campus; and

(2) has received at least one distinction designation under Section 39.201(b), (c), or (d)(1) [is—rated exemplary or recognized under Section 39.072] or is ranked in the top quartile of campuses in [comparable] improvement, as determined [defined] by the commissioner [Section 39.054(e)], in mathematics or reading.

SECTION 32. Section 28.002, Education Code, is amended by adding Subsections (c-1), (c-2), (d), (n-1), (q), and (r) to read as follows:

(c-1) The State Board of Education shall adopt rules to allow courses offered in the enrichment curriculum to simultaneously satisfy, to the extent practicable, more than one required credit in the enrichment curriculum or in the enrichment curriculum and the foundation curriculum for the basic, recommended, or advanced high school program in which the student is participating.

(c-2) The State Board of Education shall adopt rules to authorize each school district to implement a program under which students in middle or junior high school may earn credits toward high school graduation in middle or junior high school for any course determined

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

(c-1) The State Board of Education may adopt rules to allow courses offered in the foundation curriculum or the enrichment curriculum to simultaneously satisfy, to the extent practicable, more than one required credit for the minimum, recommended, or advanced high school program in which the student is participating.

(c-2) The State Board of Education shall adopt rules to authorize each school district to implement a program under which students in middle or junior high school may earn credits toward high school graduation in middle or junior high school for any course determined

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by board rule to qualify as a high school equivalent course.

(d) Each time the Texas Higher Education Coordinating Board revises the Internet database of the coordinating board's official statewide inventory of workforce education courses, the State Board of Education shall by rule revise the essential knowledge and skills of any corresponding career and technology education curriculum as provided by Subsection (c).

(n-1) The State Board of Education shall by rule ensure that the career and technology education curriculum under Subsection (a)(2)(F) offered at the high school level includes essential knowledge and skills specifically designed to prepare students to enter the workforce. The State Board of Education shall identify essential knowledge and skills that address the social and emotional aspects of entering the workforce, as well as practical aspects such as interviewing skills, workforce etiquette, and dress and grooming standards.

(q) Notwithstanding any other provision of this title, a school district may not vary the curriculum for a course in the required curriculum under Subsection (a) based on whether a student is enrolled in the minimum, recognized, or advanced high school program.

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by board rule to qualify as a high school equivalent course.

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

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(r) The State Board of Education shall ensure that all career and technology courses adopted under this section that are part of a coherent sequence of courses allow a student to obtain industry certification or licensure in a career and technology profession or college credit for coursework. Career and technology courses that are not part of a coherent sequence of courses are not required to comply with this section.

SECTION 33. Section 28.0021, Education Code, is amended by amending Subsections (b) and (c) and adding Subsection (d) to read as follows:

(b) School districts and open-enrollment charter schools shall incorporate instruction in personal financial literacy into any course meeting a requirement for an economics credit under Section 28.025, using materials approved by the board. The materials must include instruction on:

(1) the types of bank accounts available to consumers and the benefits of maintaining a bank account;

(2) balancing a checkbook;

(3) determining credit scores and the manner in which credit scores are used;

(4) issues associated with the use of debit and credit cards, including avoiding and eliminating credit card debt;

(5) understanding the rights and responsibilities of renting or buying a home;

(6) managing money to make the transition from renting a home to home ownership;

No equivalent provision.

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- (7) starting a small business;
 - (8) being a prudent investor in the stock market and using other investment options;
 - (9) beginning a savings program;
 - (10) bankruptcy; and
 - (11) the types of loans available to consumers, including mortgage loans and motor vehicle loans, and becoming a low-risk borrower.
- (c) The State Board of Education shall ensure that the essential knowledge and skills for social studies address personal financial literacy, including the topics listed in Subsection (b), in kindergarten and in each grade level from first through eighth grade, as appropriate.
- (d) ~~[School districts and open enrollment charter schools shall comply with Subsection (b) beginning with the 2006-2007 school year.]~~ The board shall adopt essential knowledge and skills that include [for a course including] the requirements of Subsection (b) [(a)] not later than the 2010-2011 [2008-2009] school year. ~~[This subsection and Subsection (b) expire September 1, 2009.]~~

SECTION 34. Section 28.006(j), Education Code, is amended to read as follows:

- (j) No more than 15 percent of the funds certified by the commissioner under Subsection (i) may be spent on indirect costs. The commissioner shall evaluate the programs that fail to meet the standard of performance under Section 39.301(b)(4) [39.051(b)(8)] and may

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

- (j) No more than 15 percent of the funds certified by the commissioner under Subsection (i) may be spent on indirect costs. The commissioner shall evaluate the programs that fail to meet the standard of performance under Section 39.301(c)(4) [39.051(b)(8)] and may

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implement **interventions or sanctions** under Subchapter E [G], Chapter 39. The commissioner may audit the expenditures of funds appropriated for purposes of this section. The use of the funds appropriated for purposes of this section shall be verified as part of the district audit under Section 44.008.

SECTION 35. Section 28.014(d), Education Code, is amended to read as follows:

(d) The agency, in coordination with the Texas Higher Education Coordinating Board, shall adopt a series of questions to be included in an end-of-course assessment instrument administered under Subsection (c) to be used for purposes of Section 51.3062. The questions must be developed in a manner consistent with any college readiness standards adopted under Sections 39.233 [39.113] and 51.3062. A student's performance on a question adopted under this subsection may not be used to determine the student's performance on an end-of-course assessment instrument.

SECTION 36. The heading to Section 28.0211, Education Code, is amended to read as follows:

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

SECTION 37. Section 28.0211, Education Code, is

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implement **sanctions** under Subchapter E [G], Chapter 39. The commissioner may audit the expenditures of funds appropriated for purposes of this section. The use of the funds appropriated for purposes of this section shall be verified as part of the district audit under Section 44.008.

SECTION 26. Same as House version.

SECTION 27. Same as House version.

SECTION 28. Section 28.0211, Education Code, is

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amended by amending Subsections (a), (b), (c), (d), (e), (f), (g), (i), and (k) and adding Subsections (c-1), (d-1), (d-2), and (d-3), and (n) to read as follows:

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

- (1) the recommendation of the student's teacher;
- (2) the student's grade in each subject or course;
- (3) the student's score on an assessment instrument administered under Section 39.023(a), (b), or (l); and
- (4) any other necessary information, as determined by the district. [Except as provided by Subsection (b) or (e), a student may not be promoted to:

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

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

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

(b) A school district shall provide to a student who initially fails to perform satisfactorily on the third grade

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amended by amending Subsections (a), (b), (c), (d), (e), (f), (g), (i), and (k) and adding Subsections (c-1), (d-1), (d-2), and (d-3) to read as follows:

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

- (1) the recommendation of the student's teacher;
- (2) the student's grade in each subject or course;
- (3) the student's score on an assessment instrument administered under Section 39.023(a), (b), or (l); and
- (4) any other necessary information, as determined by the district [Except as provided by Subsection (b) or (e), a student may not be promoted to:

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

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

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

(b) A school district shall provide to a student who initially fails to perform satisfactorily on the third grade

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~~reading assessment instrument, the fifth grade mathematics and reading assessment instruments, or the eighth grade mathematics and reading assessment instruments under Section 39.023 an [assessment instrument specified under Subsection (a) at least two] additional opportunity [opportunities] to take the assessment instrument. [A school district may administer an alternate assessment instrument to a student who has failed an assessment instrument specified under Subsection (a) on the previous two opportunities. Notwithstanding any other provision of this section, a student may be promoted if the student performs at grade level on an alternate assessment instrument under this subsection that is appropriate for the student's grade level and approved by the commissioner.]~~

(c) ~~If [Each time] a student fails to perform satisfactorily on an assessment instrument specified under Subsection (b) [(a)], the school district [in which the student attends school] shall~~

~~[provide to the student accelerated instruction in the applicable subject area,~~

~~including reading instruction for a student who fails to perform satisfactorily on a reading assessment~~

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~~reading assessment instrument, the fifth grade mathematics and reading assessment instruments, or the eighth grade mathematics and reading assessment instruments under Section 39.023 an [assessment instrument specified under Subsection (a) at least two] additional opportunity [opportunities] to take the assessment instrument. [A school district may administer an alternate assessment instrument to a student who has failed an assessment instrument specified under Subsection (a) on the previous two opportunities. Notwithstanding any other provision of this section, a student may be promoted if the student performs at grade level on an alternate assessment instrument under this subsection that is appropriate for the student's grade level and approved by the commissioner.]~~

(c) ~~If [Each time] a student fails to perform satisfactorily on a mathematics or reading [an] assessment instrument administered [specified] under Section 39.023(a), (b), or (l) in the third, fifth, or eighth grade [Subsection (a)], the school district in which the student attends school shall provide to the student accelerated instruction in the applicable subject area. If a student in a third, fifth, or eighth grade program fails to meet the requirements for student advancement from one grade level to the next as determined by a school district under Subsection (a), the district shall establish~~

~~[including reading instruction for a student who fails to perform satisfactorily on a reading assessment~~

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~~instrument. After a student fails to perform satisfactorily on an assessment instrument a second time, a grade placement committee shall be established to~~ prescribe ~~the~~ accelerated instruction ~~for~~ ~~the district shall provide to~~ the student

~~[before the student is administered the assessment instrument the third time. The grade placement committee shall be composed of the principal or the principal's designee, the student's parent or guardian, and the teacher of the subject of an assessment instrument on which the student failed to perform satisfactorily. The district shall notify the parent or guardian of the time and place for convening the grade placement committee and the purpose of the committee].~~

The accelerated instruction program provided under this subsection must be systematic and may not be based solely on assessment instrument practice skills and:

(1) must provide for instruction in the applicable subject area;

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~~instrument. After a student fails to perform satisfactorily on an assessment instrument a second time,]~~ a grade placement committee ~~[shall be established]~~ to prescribe the accelerated instruction ~~the district shall provide to~~ the student

If a student in a program other than a third, fifth, or eighth grade program fails to meet the requirements for student advancement from one grade level to the next as determined by a school district under Subsection (a), the district may establish a grade placement committee to prescribe the accelerated instruction the district shall provide to the student

~~[before the student is administered the assessment instrument the third time].~~ The grade placement committee shall be composed of the principal or the principal's designee, the student's parent or guardian, and the teacher of the subject of an assessment instrument on which the student failed to perform satisfactorily. The district shall notify the parent or guardian of the time and place for convening the grade placement committee and the purpose of the committee.

The accelerated instruction program provided under this subsection must be systematic and may not be based solely on assessment instrument practice skills and:

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

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

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(2) must be developed in consultation with the student's parent or guardian; and

(3) ~~[An accelerated instruction group administered by a school district under this section]~~ may not have a ratio of more than 10 students for each teacher in an accelerated instruction group.

(c-1) A school district shall implement an accelerated instruction program **required** under Subsection (c) immediately following the student's failure to perform satisfactorily on an assessment instrument specified under Subsection (b).

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

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

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

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

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

(5) any other applicable information as determined by

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

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

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

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

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

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

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

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

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

(5) any other applicable information as determined by

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the district.

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

(d-2) If a student fails to meet the requirements for student advancement from grade level three, five, or eight determined by a school district under Subsection (a), the district shall establish a grade placement committee for the student composed of the principal or the principal's designee, the student's parent or guardian, and one of the student's teachers. If the student has failed to perform satisfactorily on an assessment instrument administered under Section 39.023(a), (b), or (l), the teacher serving on the committee must be the student's teacher for the subject of an assessment instrument on which the student failed to perform satisfactorily. If the student participates in a district's special education program under Subchapter A, Chapter 29, or bilingual education or special language program under Subchapter B, Chapter 29, the student's special education or bilingual education or special language program teacher must be included on the grade placement committee.

The grade placement committee shall make a determination that the student be:

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the district.

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

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

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

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

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

~~(e) A [student who, after at least three attempts, fails to perform satisfactorily on an assessment instrument specified under Subsection (a) shall be retained at the same grade level for the next school year in accordance with Subsection (a). The] student's parent or guardian may [appeal the student's retention by submitting a] request that [tø] the grade placement committee reconsider the committee's decision under Subsection (d-2) to retain the student [established under Subsection (e)]. The school district shall give the parent or guardian written notice of the opportunity to request reconsideration [appeal. The grade placement committee may decide in favor of a student's promotion only if the committee concludes, using standards adopted by the board of trustees, that if promoted and given accelerated instruction, the student is likely to perform at grade level]. A student may not be promoted on the basis of the grade placement committee's decision under this subsection unless that decision is unanimous. The~~

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

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

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

~~(e) A [student who, after at least three attempts, fails to perform satisfactorily on an assessment instrument specified under Subsection (a) shall be retained at the same grade level for the next school year in accordance with Subsection (a). The] student's parent or guardian may [appeal the student's retention by submitting a] request that [tø] the grade placement committee reconsider the committee's decision under Subsection (d-2) to retain the student [established under Subsection (e)]. The school district shall give the parent or guardian written notice of the opportunity to request reconsideration [appeal. The grade placement committee may decide in favor of a student's promotion only if the committee concludes, using standards adopted by the board of trustees, that if promoted and given accelerated instruction, the student is likely to perform at grade level]. A student may not be promoted on the basis of the grade placement committee's decision under this subsection unless that decision is unanimous. The~~

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commissioner by rule shall establish a time line for making the placement determination. This subsection does not create a property interest in promotion. The decision of the grade placement committee under this subsection is final and may not be appealed.

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

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

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commissioner by rule shall establish a time line for making the placement determination. This subsection does not create a property interest in promotion. The decision of the grade placement committee under this subsection is final and may not be appealed.

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

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

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

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

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

(k) The commissioner shall adopt rules as necessary to implement this section, including rules concerning when school districts shall administer assessment instruments required under this section and which administration of the assessment instruments will be used for purposes of Section 39.053 ~~[39.054]~~.

(n) A student who is promoted by a grade placement committee under this section must be assigned in all foundation curriculum subjects to a teacher who meets all state and federal qualifications to teach that subject and grade.

No equivalent provision.

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

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

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

(k) The commissioner shall adopt rules as necessary to implement this section, including rules concerning when school districts shall administer assessment instruments required under this section and which administration of the assessment instruments will be used for purposes of Section 39.053 ~~[39.054]~~.

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

Sec. 28.0216. DISTRICT GRADING POLICY. A school district shall adopt a grading policy, including provisions for the assignment of grades on class

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SECTION 38. Section 28.025, Education Code, is amended by amending Subsections (a), (b), (b-1), and (b-2) and adding Subsections (b-3), (b-4), (b-5), (b-6), (b-7), and (b-8) to read as follows:

(a) The State Board of Education by rule shall determine curriculum requirements for the **basic** [~~minimum~~], recommended, and advanced high school programs that are consistent with the required curriculum under Section 28.002. Subject to Subsection (b-1), the State Board of Education shall designate the specific courses in the foundation curriculum required for a student participating in the **basic**, recommended, or advanced high school program. Except as provided by Subsection (b-1), the State Board of Education may not designate a specific course or a specific number of credits in the enrichment curriculum as requirements for the recommended program.

assignments and examinations, before each school year.

A district grading policy:

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

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

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

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

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(b) A school district shall ensure that each student enrolls in the courses necessary to complete the curriculum requirements identified by the State Board of Education under Subsection (a) for the recommended or advanced high school program unless the student, the student's parent or other person standing in parental relation to the student, and a school counselor or school administrator agree in writing signed by each party that the student should be permitted to take courses under the basic [minimum] high school program and the student:

(1) is at least 16 years of age;

(2) has completed the credits necessary for the 10th grade under the recommended or advanced high school program; or

(3) has failed to be promoted to the 10th grade one or more times.

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

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

(A) four credits [courses] in each subject of the foundation curriculum under Section 28.002(a)(1), including at least one-half credit in government and at least one-half credit in economics to meet the social studies requirement;

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advanced high school program.

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

(1) is at least 16 years of age;

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

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

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

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

(A) four credits [courses] in each subject of the foundation curriculum under Section 28.002(a)(1), including at least one-half credit in government and at least one-half credit in economics to meet the social studies requirement;

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(B) two credits in the same language in a language other than English under Section 28.002(a)(2)(A); and

(C) eight elective credits; and

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

(b-2) Notwithstanding any other provision of this section, [In adopting rules under Subsection (b-1), the State Board of Education shall allow] a student may [to] comply with the curriculum requirements under the basic, recommended, or advanced program for a mathematics course [under Subsection (b-1)(1) taken after the successful completion of an Algebra II course] or science course [under Subsection (b-1)(1) taken after the successful completion of a physics course] by successfully completing a [an advanced] career and

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

(C) six elective credits; [~~and~~]

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

(3) the curriculum requirements for the minimum, recommended, and advanced high school programs under Subsection (a) include a requirement that students successfully complete:

(A) one credit in fine arts under Section 28.002(a)(2)(D); and

(B) one credit in physical education under Section 28.002(a)(2)(C).

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technical course approved for that purpose [designated] by the State Board of Education under Section 28.027 [as containing substantively similar and rigorous academic content. A student may use the option provided by this subsection for not more than two courses]. A student's substitution of a career and technical course under this subsection does not affect requirements relating to end-of-course assessment instruments otherwise applicable to the student under Sections 39.023(c) and 39.025, and the student must comply with those requirements in the same manner as if the course substitution had not occurred.

(b-3) In adopting rules to provide students with the option described by Subsection (b-1)(1), the State Board of Education must approve a variety of mathematics and science courses that may be taken by a student after completion of Algebra II and physics to comply with the recommended program requirements. The board may not limit the courses approved for that purpose.

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

(1) be printed in English and Spanish; and

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

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

(1) be printed in English and Spanish; and

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

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

(b-6) The State Board of Education, in coordination with the Texas Higher Education Coordinating Board, shall adopt rules to ensure that a student may comply with the curriculum requirements under the minimum, recommended, or advanced high school program for each subject of the foundation curriculum under Section 28.002(a)(1) and for languages other than English under Section 28.002(a)(2)(A) by successfully completing appropriate courses in the core curriculum of an institution of higher education under Section 61.822.

(b-7) For each campus in the district, a school district shall provide the number of students, disaggregated by major student subpopulations, agreeing under Subsection (b) to take courses under the minimum high school program to the agency for the development of:

(1) campus report cards under Section 39.305; and

(2) performance reports for the district under Section 39.306.

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

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

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(b-8) A student agreeing to take courses under the minimum high school program as provided by Subsection (b) may, upon request, resume taking courses under the recommended high school program.

SECTION 39. Section 28.0252(b), Education Code, is amended to read as follows:

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

SECTION 40. Subchapter B, Chapter 28, Education Code, is amended by adding Section 28.0253 to read as follows:

Sec. 28.0253. PILOT PROGRAM: HIGH SCHOOL DIPLOMAS FOR STUDENTS WHO DEMONSTRATE EARLY READINESS FOR COLLEGE. (a) In this section:

(1) "Institution of higher education" has the meaning assigned by Section 61.003.

(2) "Research university" means an institution of higher education that is designated as a research university

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SECTION 31. Same as House version.

No equivalent provision.

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under the coordinating board's accountability system.

(b) A research university that chooses to participate in the pilot program shall:

(1) not later than September 1 of each year, make available on the university's Internet website detailed standards for use in the program regarding:

(A) the specific competencies that demonstrate a student's mastery of each subject area for which the coordinating board and the commissioner have adopted college readiness standards;

(B) the specific competencies that demonstrate a student's mastery of a language other than English; and

(C) acceptable assessments or other means by which a student may demonstrate the student's early readiness for college with respect to each subject area and the language described by this subdivision, subject to Subsection (c);

(2) partner with at least 10 school districts that reflect the geographic diversity of this state and the student compositions of which reflect the socioeconomic diversity of this state; and

(3) assist school administrators, school counselors, and other educators in each of those school districts in designing the specific requirements of and implementing the program in the district.

(c) The assessments or other means filed by a research university under Subsection (b)(1)(C) must be equivalent to the assessments or other means the university uses to place students at the university in courses that may be

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credited toward a degree requirement.

(d) A research university that partners with a school district under this section shall enter into an agreement with the district under which the university and district agree that the district will assess a student's mastery of the subject areas described by Subsection (b)(1) and a language other than English in accordance with the standards the university filed under Subsection (b)(1). The district may issue a high school diploma to a student under the program only if, using the standards, the student demonstrates mastery of and early readiness for college in each of those subject areas and in a language other than English.

(e) A student who receives a high school diploma through the pilot program is considered to have completed the recommended high school program adopted under Section 28.025(a). The student is not guaranteed admission to any institution of higher education or to any academic program at an institution of higher education solely on the basis of having received the diploma through the program.

(f) A research university that participates in the pilot program shall enter into an agreement with an education research center established under Section 1.005 to conduct an evaluation of the program with respect to that university and the school districts with which the university partners. Not later than January 1, 2013, the education research center shall provide a written report of the evaluation to the commissioner and the

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commissioner of higher education and make the report available on the center's Internet website. The report may include an analysis of the effects of the program on the university's admissions review process.

SECTION 41. Subchapter B, Chapter 28, Education Code, is amended by adding Section 28.027 to read as follows:

Sec. 28.027. CAREER AND TECHNICAL COURSES.

(a) In accordance with rules adopted by the State Board of Education, a school district may seek approval from the board to offer one or more career and technical courses, including career and technical courses offered as alternatives to mathematics or science courses otherwise required under the basic, recommended, or advanced high school program. A career and technical course approved under this subsection must cover the essential knowledge and skills identified under Section 28.002 for the subject for which the career and technical course is offered as an alternative. A student completing a career and technical course approved under this subsection must be administered any end-of-course assessment instrument required for the course for which the career and technical course is offered as an alternative.

(b) A school district seeking approval to offer a course under this section must submit an application for approval not later than January 1 of the year preceding the first school year that the district proposes to offer the course. The application must include:

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No equivalent provision.

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(1) a detailed description of the course, the curriculum, the instructional materials, and any required equipment; and

(2) any other information required by the board.

(c) The board shall evaluate each application and associated information and give consideration to the recommendation under Subsection (e) regarding the application made by the task force established under Subsection (d). The board must take action approving or denying an application on or before the 180th day after the date the district submitted the application and all associated information. The board may begin evaluation of an application or take any associated administrative action, including posting an agenda item for a public meeting, before the board receives the task force's recommendation.

(c-1) A course developed for purposes of this section must:

(1) cover the essential knowledge and skills identified under Section 28.002 for the subject for which the career and technical course is offered as an alternative;

(2) provide content that enables a student to develop the relevant and critical skills needed to be prepared for employment or additional training in a high-demand occupation;

(3) incorporate college and career readiness skills as part of the curriculum;

(4) satisfy a mathematics or science requirement under the minimum, recommended, or advanced high school

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program as provided by Section 28.025; and

(5) be taught by a teacher who holds a valid teaching certificate.

(d) The commissioner, in consultation with the commissioner of higher education, shall establish a Career and Technical Education Course Review Task Force to make recommendations to the board regarding approval or disapproval of courses submitted under this section. The task force must consist of five members as follows:

(1) one representative of business and industry;

(2) one secondary educator and one postsecondary educator who provide instruction in career and technical education; and

(3) one secondary educator and one postsecondary educator who provide instruction in an academic discipline.

(e) The task force established under Subsection (d) must make its recommendation to the board regarding approval or disapproval of a course not later than the 90th day after the date the district submitted the application and all associated information.

(f) Subject to Subsection (f-1), approval of a course obtained under this section is effective for a period of three school years immediately following the date of approval. Subsequently, any district may seek renewed approval of the course for an additional three-year period in accordance with procedures established by the board. There is no limit on the number of three-year periods for

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which approval of a course may be renewed.

(f-1) At any time after the date of approval of a course obtained under this section and on the request of a member of the legislature or a member of the board of trustees of a school district, the board shall review its approval of a course obtained under this section. The board may revoke its approval of the course based on the review.

(g) Any district in this state may offer a course approved under this section.

(h) Section 7.102(f) does not apply to a rule adopted by the board under this section.

SECTION 42. Section 29.062(a), Education Code, is amended to read as follows:

(a) The legislature recognizes that compliance with this subchapter is an imperative public necessity. Therefore, in accordance with the policy of the state, the agency shall evaluate the effectiveness of programs under this subchapter based on the student achievement [~~academic excellence~~] indicators adopted under Section 39.053 [~~39.051(a)~~], including the results of assessment instruments. The agency may combine evaluations under this section with federal accountability measures concerning students of limited English proficiency.

SECTION 43. Section 29.094(c), Education Code, is amended to read as follows:

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SECTION 32. Same as House version.

SECTION 33. Same as House version.

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

SECTION 44. Section 29.095(a)(1), Education Code, as added by Chapter 1058 (H.B. 2237), Acts of the 80th Legislature, Regular Session, 2007, is amended to read as follows:

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

SECTION 45. Section 29.095(c), Education Code, as added by Chapter 1058 (H.B. 2237), Acts of the 80th Legislature, Regular Session, 2007, is amended to read as follows:

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

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SECTION 34. Same as House version.

SECTION 35. Same as House version.

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

SECTION 46. Sections 29.096(a) and (c), Education Code, are amended to read as follows:

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

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

SECTION 47. Section 29.097(a)(1), Education Code, is amended to read as follows:

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

SECTION 48. Section 29.097(c), Education Code, is amended to read as follows:

(c) The commissioner may select for participation in the

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SECTION 36. Same as House version.

SECTION 37. Same as House version.

SECTION 38. Same as House version.

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pilot program only a campus that is eligible under the criteria established under Section 39.408 [~~39.358~~].

SECTION 49. Section 29.098(c), Education Code, is amended to read as follows:

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

SECTION 50. Section 29.202(a), Education Code, is amended to read as follows:

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

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

(2) that **was**, at any time in the preceding three years, **below any standard** [~~considered—academically unacceptable~~] under Section 39.054(e) [~~39.132~~].

SECTION 51. Section 29.182(b), Education Code, is amended to read as follows:

(b) The state plan must include procedures designed to ensure that:

(1) all secondary and postsecondary students have the

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SECTION 39. Same as House version.

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

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

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

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

No equivalent provision.

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opportunity to participate in career and technology education programs;

(2) the state complies with requirements for supplemental federal career and technology education funding; and

(3) career and technology education is established as a part of the total education system of this state and constitutes an option for student learning that provides a rigorous course of study consistent with the required curriculum under Section 28.002 and under which a student may receive specific education in a career and technology program that:

(A) incorporates competencies leading to academic and technical skill attainment;

(B) leads to:

(i) an industry-recognized license, credential, or certificate; or

(ii) at the postsecondary level, an associate or baccalaureate degree;

(C) includes opportunities for students to earn college credit for coursework; and

(D) includes, as an integral part of the program, participation by students and teachers in activities of career and technical student organizations supported by the agency and the State Board of Education.

SECTION 52. Section 29.904(d), Education Code, is amended to read as follows:

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SECTION 41. Same as House version.

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(d) A plan developed under this section:

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

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

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

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

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

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

(E) graduate from high school;

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

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- (G) have taken college entrance examinations and the average score of those students on the examinations;
- (3) must cover a period of at least five years; and
- (4) may be directed at district students at any level of primary or secondary education.

SECTION 53. Section 29.906(e), Education Code, is amended to read as follows:

(e) The agency shall:

- (1) maintain a list of character education programs that school districts have implemented that meet the criteria under Subsection (b);
- (2) based on data reported by districts, annually designate as a Character Plus School each school that provides a character education program that:
 - (A) meets the criteria prescribed by Subsection (b); and
 - (B) is approved by the committee selected under Subsection (c); and
- (3) include in the report required under Section 39.332 [~~39.182~~]:
 - (A) based on data reported by districts, the impact of character education programs on student discipline and academic achievement; and
 - (B) other reported data relating to character education programs the agency considers appropriate for inclusion.

SECTION 54. Sections 29.918(a) and (c), Education Code, are amended to read as follows:

- (a) Notwithstanding Section 39.234 [~~39.114~~] or 42.152,

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SECTION 42. Same as House version.

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

- (a) Notwithstanding Section 39.234 [~~39.114~~] or 42.152,

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a school district or open-enrollment charter school with a high dropout rate, as determined by the commissioner, must submit a plan to the commissioner describing the manner in which the district or charter school intends to use the compensatory education allotment under Section 42.152 and the high school allotment under Section 42.2516(b)(3) for developing and implementing research-based strategies for dropout prevention. The district or charter school shall submit the plan not later than December 1 of each school year preceding the school year in which the district or charter school will receive the compensatory education allotment or high school allotment to which the plan applies.

(c) The commissioner shall adopt rules to administer this section. The commissioner may impose interventions or sanctions under Section 39.102 [~~39.131~~] or 39.104 [~~39.1321~~] if a school district or open-enrollment charter school fails to timely comply with this section.

SECTION 55. Section 30A.101, Education Code, is amended to read as follows:

Sec. 30A.101. ELIGIBILITY TO ACT AS PROVIDER SCHOOL DISTRICT OR SCHOOL. (a) A school district is eligible to act as a provider school district under this chapter only if the district is rated [~~academically~~] **acceptable or higher** under Section **39.054** [~~39.072~~].

(b) An open-enrollment charter school is eligible to act

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a school district or open-enrollment charter school with a high dropout rate, as determined by the commissioner, must submit a plan to the commissioner describing the manner in which the district or charter school intends to use the compensatory education allotment under Section 42.152 and the high school allotment under Section 42.2516(b)(3) for developing and implementing research-based strategies for dropout prevention. The district or charter school shall submit the plan not later than December 1 of each school year preceding the school year in which the district or charter school will receive the compensatory education allotment or high school allotment to which the plan applies.

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

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

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

(b) An open-enrollment charter school is eligible to act

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as a provider school under this chapter only if the school is rated **acceptable** [~~recognized~~] **or higher** under Section **39.054** [~~39.072~~], and may serve as a provider school only:

- (1) to a student within the school district in which the school is located or within its service area, whichever is smaller; or
- (2) to another student in the state through an agreement with the administering authority under Section 30A.153.

SECTION 56. Section 32.157(a), Education Code, is amended to read as follows:

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

SECTION 57. Section 29.917, Education Code, is amended by amending Subsection (a) and adding Subsection (d) to read as follows:

(a) From funds appropriated for the purpose, the commissioner may award grants to organizations that provide volunteers to teach classroom or after-school programs to students enrolled in a school district or open-enrollment charter school to enhance:

- (1) college readiness;

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as a provider school under this chapter only if the school **satisfies all performance standards** [~~is rated recognized or higher~~] under Section **39.054(d)** [~~39.072~~], and may serve as a provider school only:

- (1) to a student within the school district in which the school is located or within its service area, whichever is smaller; or
- (2) to another student in the state through an agreement with the administering authority under Section 30A.153.

SECTION 45. Same as House version.

No equivalent provision.

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- (2) workforce readiness;
- (3) dropout prevention; or
- (4) personal financial literacy.

(d) This section does not authorize the commissioner to award a grant to an organization to provide a comprehensive educational program to students that serves as a substitute for a regular educational program provided by a school district or open-enrollment charter school. This section authorizes the commissioner to award a grant to an organization only for the provision of supplemental programs described by Subsection (a).

SECTION 58. Section 32.252(b), Education Code, is amended to read as follows:

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

- (1) alleviate inequities in access to educational resources by providing access to on-line courses;
- (2) improve student academic performance by providing access to tutorial materials, instructional materials that have been shown to improve academic performance, and other interactive materials, including materials that assess an individual student's knowledge and prepare the student for the administration of a standardized assessment instrument, including an assessment

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SECTION 46. Same as House version.

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instrument administered under Section 39.023;

(3) provide school districts with access to administrative software and other electronic tools designed to promote administrative efficiency and intra-district communication; or

(4) ~~[provide secure access to student assessment data; or~~
~~[(5)]~~ provide links to appropriate educational resources and experts available through the Internet.

SECTION 59. Section 32.258, Education Code, is amended to read as follows:

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

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

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

(3) an authorized employee of a public institution of higher education can ~~access appropriate student data.~~

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

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

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

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

(3) an authorized employee of a public institution of higher education can ~~readily access individual assessment data of students applying for admission for~~

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

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

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

(1) include student performance data on assessment instruments over multiple years, beginning with the 2007-2008 school year, including any data indicating progress in student achievement; and

(2) be updated before the beginning of each school year to include current student assessment data.

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

SECTION 60. Section 33.006, Education Code, is

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use in developing strategies for improving student performance.

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

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

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

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

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

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

No equivalent provision.

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amended by adding Subsection (d) to read as follows:

(d) In accordance with rules adopted by the commissioner, the board of trustees of each school district shall adopt a policy that requires a school counselor to spend not more than 10 percent of the counselor's total work time on administering assessment instruments or providing other assistance in connection with assessment instruments. Each school in the district shall implement the policy. A copy of the policy shall be maintained in the office of each school in the district and made available on request during regular school hours to district employees, parents of district students, and the public.

SECTION 61. Chapter 39, Education Code, is amended by adding Subchapter A to read as follows:

SUBCHAPTER A. GENERAL PROVISIONS; STATE MASTER PLAN TO CLOSE ACADEMIC ACHIEVEMENT GAPS IN PUBLIC EDUCATION

Sec. 39.001. RULEMAKING AUTHORITY. The commissioner may adopt rules as necessary to administer this chapter.

Sec. 39.002. SELECT COMMITTEE ON CLOSING THE GAPS IN PUBLIC EDUCATION. (a) The select committee on closing the gaps in public education is established to:

(1) advise the governor, the legislature, the commissioner of higher education, and the commissioner, and to inform the public, regarding

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progress toward achieving the educational objectives and goals of the state; and

(2) serve as a public forum for the discussion of ideas regarding public education.

(b) The committee is composed of 19 members appointed as follows:

(1) the presiding officers of the standing committees of each house of the legislature with primary jurisdiction over public education;

(2) two members of the senate, appointed by the lieutenant governor;

(3) two members of the house of representatives, appointed by the speaker of the house of representatives;

(4) the commissioner;

(5) the commissioner of higher education;

(6) one public school teacher, one primary school principal, one secondary school principal, one open-enrollment charter school representative, and one public school district superintendent, each currently employed in this state and each appointed jointly by the lieutenant governor and the speaker of the house of representatives;

(7) one representative of the Texas Workforce Commission, appointed by the governor;

(8) one representative of the State Board of Education, appointed by the governor;

(9) one representative from the business community who has at least one child who attends public school in this state, appointed by the governor;

(10) one representative of the public who has at least

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one child who attends public school in this state, appointed by the governor;

(11) one representative from the college of education at an institution of higher education, appointed by the governor; and

(12) one student enrolled in a public school or open-enrollment charter school, appointed by the governor.

(c) Appointed members of the committee serve two-year terms that expire August 31 of each odd-numbered year. An appointed member of the committee may be reappointed.

(d) The governor, lieutenant governor, and speaker of the house of representatives shall make the first appointments required by Subsection (b) in a timely fashion to permit the committee to comply with Section 39.003(a). This subsection expires January 1, 2010.

Sec. 39.003. COMMITTEE MEETINGS. (a) Not later than October 1, 2009, the committee shall hold an organizational meeting.

(b) The presiding officers described by Section 39.002(b)(1) serve as co-chairs of the committee.

(c) Committee meetings shall be held at least quarterly at the written call of the co-chairs.

Sec. 39.004. COMPENSATION AND REIMBURSEMENT. (a) A member of the committee is entitled to reimbursement for actual and necessary expenses incurred in performing committee duties.

(b) A legislative member of the committee is entitled to reimbursement from the appropriate fund of the house of

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the legislature in which the member serves.

(c) A member other than a legislative member is entitled to reimbursement from funds appropriated to the Texas Legislative Council for the committee's operations.

Sec. 39.005. COMMITTEE STAFF. (a) The co-chairs of the committee may appoint a committee director and staff to support the work of the committee.

(b) The director and staff members are employees of the Texas Legislative Council and shall be paid from funds appropriated to the council for the committee's operations.

Sec. 39.006. MASTER PLAN FOR PUBLIC EDUCATION. (a) The committee shall develop, adopt, and periodically review and revise a master plan for public education. In adopting and revising the plan, the committee shall periodically conduct public hearings throughout the state and solicit testimony from public school students, parents of public school students, educators, employers, and other interested persons.

(b) The plan adopted by the committee must identify specific short-term goals that will assist the state in meeting the objectives and goals for public education as described in Chapter 4. The plan must include:

(1) methods to:

(A) close achievement gaps between students in this state and students in other states;

(B) reduce dropout rates;

(C) increase completion rates;

(D) define and measure readiness for college and

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employment:

(E) strengthen partnerships between primary and secondary education and higher education;

(F) implement revisions to the state public education accountability system; and

(G) promote efficient and effective support structures for public schools; and

(2) specific recommendations for passing standards for students, schools, and school districts that will ensure that the state will rank among the top 10 states by 2020 in terms of students' readiness for college.

(c) Not later than January 1, 2011, and January 1 of each following year, the committee shall adopt and publish a report that describes the progress toward accomplishing the educational objectives and goals of the state. The report must include specific recommendations for:

(1) passing standards on state achievement tests;

(2) school accreditation for the next academic year; and

(3) statutory changes as appropriate.

(d) The committee may commission external analyses and reviews as appropriate to support the committee's work.

(e) Nothing in this section may be construed to infringe on the responsibilities and duties of the governor, the legislature, the commissioner of higher education, or the commissioner as otherwise required by this code.

(f) The agency, the Texas Higher Education Coordinating Board, the comptroller, the Legislative Budget Board, the Texas Workforce Commission, and

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any other state agency shall assist the committee, including by responding to requests for information and participating in discussions regarding the future of public education in this state.

Sec. 39.007. STUDY OF ACCOUNTABILITY SYSTEM AND RELATED EDUCATIONAL ELEMENTS. (a) The commissioner shall contract with a qualified, experienced research entity to conduct a study of the changes made by H.B. No. 3, Acts of the 81st Legislature, Regular Session, 2009, to the public school accountability system this chapter, curriculum under Section 28.002, and high school graduation requirements under Section 28.025.

(b) The study must:

(1) include an analysis of the effect of those changes on student academic performance, dropout rates, and high school graduation rates; and

(2) disaggregate student data by sex, socioeconomic status, ethnicity, and race.

(c) Not later than December 1, 2012, the research entity shall report the results of the study to the commissioner, the governor, the lieutenant governor, the speaker of the house of representatives, and the chairs of the standing committees of the senate and house of representatives with primary jurisdiction over the public education system.

(d) This section expires January 15, 2013.

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SECTION 62. Subchapter B, Chapter 39, Education Code, is amended by adding Section 39.0221 to read as follows:

Sec. 39.0221. REQUIREMENTS FOR CERTAIN CONTRACTS FOR ASSESSMENT INSTRUMENTS. If the agency issues a request for proposal for a contract relating to services regarding assessment instruments under this chapter or accountability reporting and the request for proposal results in only one qualified proposal, the agency may not enter into the contract without the approval of the Legislative Budget Board.

SECTION 63. Section 39.023, Education Code, is amended by adding Subsections (a-1), (o), (p), and (q) and amending Subsections (b), (c), (c-4), (d), (e), (l), and (m) to read as follows:

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

(1) the score a student receives to provide reliable information relating to a student's satisfactory performance for each performance standard, as determined under Section 39.0241; and

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

(b) The agency shall develop or adopt appropriate criterion-referenced alternative assessment instruments to be administered to each student in a special education

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No equivalent provision.

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

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

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

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

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program under Subchapter A, Chapter 29, ~~[who receives modified instruction in the essential knowledge and skills identified under Section 28.002 for the assessed subject but]~~ for whom an assessment instrument adopted under Subsection (a), even with allowable accommodations ~~[modifications]~~, would not provide an appropriate measure of student achievement, as determined by the student's admission, review, and dismissal committee. ~~[The assessment instruments required under this subsection must assess essential knowledge and skills and growth in the subjects of reading, mathematics, and writing. A student's admission, review, and dismissal committee shall determine whether any allowable modification is necessary in administering to the student an assessment instrument required under this subsection. The assessment instruments required under this subsection shall be administered on the same schedule as the assessment instruments administered under Subsection (a).]~~

(c) The agency shall also adopt end-of-course assessment instruments for secondary-level courses in Algebra I, Algebra II, geometry, biology, chemistry, physics, English I, English II, English III, world geography, world history, and United States history. The Algebra I, Algebra II, and geometry end-of-course assessment instruments must be administered with the aid of technology. A school district shall comply with State Board of Education rules regarding administration of the assessment instruments listed in this subsection

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and shall adopt a policy that requires a student's performance on an end-of-course assessment instrument for a course listed in this subsection in which the student is enrolled to account for 15 percent of the student's final grade for the course. If a student retakes an end-of-course assessment instrument for a course listed in this subsection, as provided by Section 39.025, a school district is not required to use the student's performance on the subsequent administration or administrations of the assessment instrument to determine the student's final grade for the course. If a student is in a special education program under Subchapter A, Chapter 29, the student's admission, review, and dismissal committee shall determine whether any allowable modification is necessary in administering to the student an assessment instrument required under this subsection [~~or whether the student should be exempted under Section 39.027(a)(2)~~]. The State Board of Education shall administer the assessment instruments. The State Board of Education shall adopt a schedule for the administration of end-of-course assessment instruments that complies with the requirements of Subsection (c-3).

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

- (1) developed in a manner that measures a student's performance under the college readiness standards established under Section 28.008; and
- (2) validated by national postsecondary education

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

- (1) developed in a manner that measures a student's performance under the college readiness standards established under Section 28.008; and
- (2) validated by national postsecondary education

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experts for college readiness content and performance standards.

(d) The commissioner may participate in multistate efforts to develop voluntary standardized end-of-course assessment instruments. The commissioner by rule may require a school district to administer an end-of-course assessment instrument developed through the multistate efforts. The admission, review, and dismissal committee of a student in a special education program under Subchapter A, Chapter 29, shall determine whether any allowable modification is necessary in administering to the student an end-of-course assessment instrument ~~or whether the student should be exempted under Section 39.027(a)(2)].~~

(e) Under rules adopted by the State Board of Education, every third year, the agency shall release the questions and answer keys to each assessment instrument administered under Subsection (a), (b), (c), (d), or (l)₂ excluding any assessment instrument administered to a student for the purpose of retaking the assessment instrument, after the last time the instrument is administered for that school year. To ensure a valid bank of questions for use each year, the agency is not required to release a question that is being field-tested and was not used to compute the student's score on the instrument. The agency shall also release, under board rule, each question that is no longer being field-tested and that was not used to compute a student's score.

(l) The State Board of Education shall adopt rules for the

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experts for college readiness content and performance standards.

(e) Under rules adopted by the State Board of Education, every third year, the agency shall release the questions and answer keys to each assessment instrument administered under Subsection (a), (b), (c), (d), or (l)₂ excluding any assessment instrument administered to a student for the purpose of retaking the assessment instrument, after the last time the instrument is administered for that school year. To ensure a valid bank of questions for use each year, the agency is not required to release a question that is being field-tested and was not used to compute the student's score on the instrument. The agency shall also release, under board rule, each question that is no longer being field-tested and that was not used to compute a student's score.

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administration of the assessment instruments adopted under Subsection (a) in Spanish to students in grades three through five [~~six~~] who are of limited English proficiency, as defined by Section 29.052, whose primary language is Spanish, and who are not otherwise exempt from the administration of an assessment instrument under Section 39.027(a)(1) or (2) [~~39.027(a)(3) or (4)~~]. Each student of limited English proficiency whose primary language is Spanish, other than a student to whom Subsection (b) applies, may be assessed using assessment instruments in Spanish under this subsection for up to three years or assessment instruments in English under Subsection (a). The language proficiency assessment committee established under Section 29.063 shall determine which students are administered assessment instruments in Spanish under this subsection.

(m) The commissioner by rule shall develop procedures under which the language proficiency assessment committee established under Section 29.063 shall determine which students are exempt from the administration of the assessment instruments under Section 39.027(a)(1) or (2) [~~39.027(a)(3) and (4)~~]. The rules adopted under this subsection shall ensure that the language proficiency assessment committee provides that the exempted students are administered the assessment instruments under Subsections (a) and (c) at the earliest practical date.

(o) Notwithstanding Subsection (c) or Section 39.025, a

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student is exempt from the administration of an end-of-course assessment instrument otherwise required under Subsection (c) or Section 39.025 if the student receives college credit through a program implemented under Section 28.009 for a course in the subject area of the course for which the end-of-course assessment instrument was adopted. This subsection does not prohibit a student entitled to an exemption from electing to participate in the administration of an assessment instrument, provided that the student's performance on the assessment instrument in that circumstance is considered in the same manner as performance is considered for other students. The State Board of Education, the commissioner, and the Texas Higher Education Coordinating Board may adopt rules necessary to implement this subsection.

(p) On or before September 1 of each year, the commissioner shall make the following information available on the agency's Internet website for each assessment instrument administered under Subsection (a), (c), or (1):

(1) the number of questions on the assessment instrument;

(2) the number of questions that must be answered correctly to achieve satisfactory performance as determined by the commissioner under Section 39.0241(a);

(3) the number of questions that must be answered correctly to achieve satisfactory performance under the

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college readiness performance standard as provided by Section 39.0241; and

(4) the corresponding scale scores.

(q) If the agency, a school district, or a campus releases the results of an assessment instrument, the agency, district, or campus must include the agency Internet website address that provides the information required under Subsection (p).

SECTION 64. Section 39.0233(d), Education Code, is amended to read as follows:

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

SECTION 65. Subchapter B, Chapter 39, Education Code, is amended by amending Section 39.024 and adding Sections 39.0237, 39.0241, and 39.0242 to read as follows:

Sec. 39.0237. ALTERNATIVE ASSESSMENT METHODS PILOT PROJECT. (a) In this section, "alternative assessment" means a method of assessment in which a student is required to solve a problem or demonstrate a skill but is not required to answer questions from a list of possible answers. The term includes assessment through short-answer questions, an essay, a performance, an oral presentation, a

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SECTION 49. Same as House version.

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

No equivalent provision.

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demonstration, an experiment, or an exhibition.

(b) The agency shall establish a pilot project to use alternative assessment as provided by this section in assessing the performance of students.

(c) The agency shall select six public schools to participate in the pilot project. The selected schools must include two schools located in urban areas, two schools located in suburban areas, and two schools located in rural areas. The agency may not select to participate in the pilot project a school that has been rated as academically unacceptable during any of the five years preceding the initial year of the pilot project.

Notwithstanding any other provision of this chapter:

(1) the academic performance of students in the sixth, seventh, and eighth grade levels in the schools selected to participate in the pilot project shall be assessed in mathematics, science, reading, writing, and social studies using an alternative assessment method rather than any assessment instrument that would otherwise be required under Section 39.023; and

(2) the performance of each school selected to participate in the pilot project shall be measured based on student performance using an alternative assessment method rather than any assessment instrument that would otherwise be required under Section 39.023.

(d) Each alternative assessment shall be administered under this section to students near the end of each school year.

(e) The agency shall adopt rules as necessary to

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administer this section, including, notwithstanding any other provision of this chapter, rules for determining the level of performance considered to be satisfactory on the alternative assessments.

(f) The agency shall implement the pilot project beginning with the 2010-2011 school year. The agency may consult with an institution of higher education in implementing, administering, or evaluating the pilot project.

(g) Not later than December 1, 2012, the agency shall report to the governor, lieutenant governor, speaker of the house of representatives, and presiding officer of the standing committee of each house of the legislature with primary jurisdiction over public education concerning:

(1) based in part on assessment instrument results and other performance of fifth grade students before participating in the pilot project and of ninth grade students after participating in the project, any impact of alternative assessment under this section on:

(A) student academic performance;

(B) student performance on assessments;

(C) school attendance by or retention of students;

(D) curriculum enhancement; and

(E) teacher professional satisfaction; and

(2) any recommendation concerning retaining, modifying, or expanding the alternative assessment project under this section.

(h) This section expires September 1, 2013.

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Sec. 39.024. MEASURE OF COLLEGE READINESS.

(a) In this section, "college readiness" means the level of preparation, as established by scientifically validated research studies based on empirical evidence, a student must attain in English language arts and mathematics courses to enroll and succeed, without remediation, in an entry-level general education course for credit in that same content area for a baccalaureate degree or associate degree program at:

(1) a general academic teaching institution, as defined by Section 61.003, other than a research institution, as categorized under the Texas Higher Education Coordinating Board's accountability system; or

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

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

(c) Before the beginning of the 2012-2013 school year, the agency, in collaboration with the Texas Higher Education Coordinating Board, shall gather data and conduct scientifically validated research studies based on empirical evidence to substantiate the correlation between a certain level of performance by students on the Algebra II and English III end-of-course assessment

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Sec. 39.024. MEASURE OF COLLEGE READINESS.

(a) In this section, "college readiness" means the level of preparation a student must attain in English language arts and mathematics courses to enroll and succeed, without remediation, in an entry-level general education course for credit in that same content area at:

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

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

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

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

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instruments and college readiness. **The research studies conducted under this section must be publically available on the agency's Internet website.**

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

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

(f) The agency, in **collaboration** with the Texas Higher Education Coordinating Board, shall conduct research studies similar to the studies conducted under Subsection (c) for the appropriate science and social studies end-of-course assessment instruments.

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

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

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

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(f-1) Not later than December 1, 2012, the agency and the Texas Higher Education Coordinating Board shall deliver to the lieutenant governor, the speaker of the house of representatives, and the clerks of the standing committees of the senate and the house of representatives with primary jurisdiction over public education and higher education a report that includes:

- (1) an analysis of the feasibility of establishing college readiness performance standards for science and social studies end-of-course assessment instruments; and
- (2) if feasible, recommendations for implementing each standard.

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

(g) The agency, in collaboration with the Texas Higher Education Coordinating Board, shall continue to gather data to perform studies as provided under Subsections (c) and (f) at least once every three years.

(h) The agency and the Texas Higher Education Coordinating Board shall periodically review the college readiness performance standards established under this section and compare the performance standards to performance standards established nationally and internationally for comparable assessment instruments. Following each review, the agency and the Texas Higher Education Coordinating Board shall deliver to the lieutenant governor, the speaker of the house of representatives, and the clerks of the standing

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attained college readiness.

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

- (1) an analysis of the feasibility of establishing college readiness performance standards for science and social studies end-of-course assessment instruments; and
- (2) a summary of any implementation procedures adopted for each standard.

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

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

(h) The agency and the Texas Higher Education Coordinating Board jointly shall periodically review the college readiness performance standards established under this section and compare the performance standards to performance standards established nationally and internationally for comparable assessment instruments. Following each review, the agency and the Texas Higher Education Coordinating Board shall deliver to the lieutenant governor, the speaker of the house of representatives, and the clerks of the standing

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committees of the senate and the house of representatives with primary jurisdiction over public education and higher education a report on the results of the review indicating whether the college readiness performance standards established under this section are sufficiently rigorous to prepare students in this state to compete academically with students nationally and internationally. If the agency and the Texas Higher Education Coordinating Board determine that the college readiness performance standards established under this section are not sufficiently rigorous, the agency and the Texas Higher Education Coordinating Board shall recommend changes to the college readiness performance standards.

(i) A student who successfully completes a dual credit course offered by an institution described by Subsection (a) is considered to have met the college readiness standard for the subject in that same content area assessed under Section 39.023(c).

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committees of the senate and the house of representatives with primary jurisdiction over public education and higher education a **joint** report on the results of the review indicating whether the college readiness performance standards established under this section are sufficiently rigorous to prepare students in this state to compete academically with students nationally and internationally. If the agency and the Texas Higher Education Coordinating Board determine that the college readiness performance standards established under this section are not sufficiently rigorous, the agency and **board jointly** shall recommend changes to the college readiness performance standards.

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

- (1) military service; or
- (2) a workforce training, certification, or other credential program at a postsecondary educational institution that primarily offers associate degrees or certificates or credentials other than baccalaureate or advanced degrees.

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Sec. 39.0241. **SATISFACTORY** PERFORMANCE. (a) The commissioner ~~[Except as otherwise provided by this subsection, the State Board of Education]~~ shall determine the level of performance considered to be satisfactory on the assessment instruments.

(a-1) Beginning with the 2012-2013 school year, satisfactory performance on English language arts and mathematics assessment instruments for purposes of this chapter means the performance across grade levels necessary to indicate:

- (1) college readiness, as defined by Section 39.024(a), except as modified by Section 39.0242(d); and
- (2) satisfactory performance as determined by the commissioner under Subsection (a).

(b) For the purpose of establishing performance across grade levels, the commissioner shall establish:

- (1) the performance standards for the Algebra II and English III end-of-course assessment instruments, as provided under Section 39.024(b) and under Subsection (a);
- (2) the performance standards for the Algebra I and English II end-of-course assessment instruments, as determined based on studies under Section 39.0242 that correlate student performance on the Algebra I and

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

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

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

- (1) the performance standards for the Algebra II and English III end-of-course assessment instruments, as provided under Section 39.024(b) and under Subsection (a);
- (2) the performance standards for the Algebra I and English II end-of-course assessment instruments, as determined based on studies under Section 39.0242 that correlate student performance on the Algebra I and

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

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

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

(5) the performance standards on the assessment instruments in each of grades three through seven, as determined based on studies under Section 39.0242 that correlate student performance in the same content area on the assessment instrument for each grade with student performance on the assessment instrument in the succeeding grade.

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

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

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

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

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

(7) the performance standards for the grade five

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

(c) The agency may ~~shall~~ develop study guides for the assessment instruments administered under Sections 39.023(a) and (c). To assist parents in providing assistance during the period that school is recessed for summer, each school district shall make [distribute] the study guides available to parents of students who do not

assessment instruments, as determined based on studies under Section 39.0242 that correlate student performance on the grade five assessment instruments with student performance on the grade six assessment instruments in the same content area;

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

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

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

(c) The agency shall develop study guides for the assessment instruments administered under Sections 39.023(a) and (c). To assist parents in providing assistance during the period that school is recessed for summer, each school district shall make available [distribute] the study guides to parents of students who

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perform satisfactorily as determined by the commissioner under Subsection (a) on one or more parts of an assessment instrument administered under this subchapter.

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

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

Sec. 39.0242. **SATISFACTORY** PERFORMANCE: RESEARCH STUDIES AND IMPLEMENTATION OF STANDARD. (a) During the 2009-2010 and 2010-2011 school years, the agency shall collect data through:
(1) the annual administration of assessment instruments required under Section 39.023(a) in grades three through eight; and
(2) the administration to a sufficiently large sample of

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do not perform satisfactorily on one or more parts of an assessment instrument administered under this subchapter.

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

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

Sec. 39.0242. PERFORMANCE **STANDARDS**: RESEARCH STUDIES AND IMPLEMENTATION OF STANDARDS. (a) During the 2009-2010 and 2010-2011 school years, the agency shall collect data through:
(1) the annual administration of assessment instruments required under Section 39.023(a) in grades three through eight; and
(2) the administration to a sufficiently large sample of

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students throughout the state of end-of-course assessment instruments required under Section 39.023(c) for the purpose of setting performance standards.

(b) Before the beginning of the 2012-2013 school year, the agency shall analyze the data collected under Subsection (a) to substantiate:

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

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

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

(4) the correlation between satisfactory student performance for each performance standard under Section 39.0241 on the English II end-of-course

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students throughout the state of end-of-course assessment instruments required under Section 39.023(c) for the purpose of setting performance standards.

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

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

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

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

(4) the correlation between satisfactory student performance for each performance standard under Section 39.0241 on the English II end-of-course

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assessment instrument with satisfactory performance under the same performance standard on the English III end-of-course assessment instrument; and

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

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

(d) Once the level of satisfactory performance for the college readiness performance standard has been established at the level indicating college readiness, the agency shall continue to gather data and perform studies as provided under this section at least once every three years.

If the data does not support the correlation between student performance standards and college readiness, the commissioner of education, in conjunction with the commissioner of higher education, shall revise the standard of performance considered to be satisfactory.

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assessment instrument with satisfactory performance under the same performance standard on the English III end-of-course assessment instrument; and

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

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

(d) The agency shall continue to gather data and perform studies as provided under this section at least once every three years.

If the data do not support the correlation between student performance standards and college readiness, the commissioner of education, in collaboration with the commissioner of higher education, shall revise the standard of performance considered to be satisfactory.

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

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SECTION 66. Section 39.025, Education Code, is amended by amending Subsections (a), (a-1), (b), (b-2), and (f) and adding Subsection (c-1) to read as follows:

(a) The commissioner shall adopt rules requiring a student participating in the basic, recommended, or advanced high school program to be administered each end-of-course assessment instrument listed in Section 39.023(c) ~~[and requiring a student participating in the minimum high school program to be administered an end-of-course assessment instrument listed in Section 39.023(e)]~~ only for courses ~~[a course]~~ in which the student is enrolled and for which an end-of-course assessment instrument is administered.

Except as provided under Subsection (a-1), a student participating in the basic high school program must perform satisfactorily, as determined by the commissioner under Section 39.0241(a), on the Algebra I and English III end-of-course assessment instruments and a student participating in the recommended or advanced high school program must perform satisfactorily, as determined by the commissioner under Section 39.0241(a), on the Algebra II and English III end-of-course assessment instruments.

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

(a) The commissioner shall adopt rules requiring a student participating in the recommended or advanced high school program to be administered each end-of-course assessment instrument listed in Section 39.023(c) and requiring a student participating in the minimum high school program to be administered an end-of-course assessment instrument listed in Section 39.023(c) only for Algebra I and English III and any other ~~[a]~~ course in which the student is enrolled and for which an end-of-course assessment instrument is administered.

[NOTE: the following paragraph moved here from below as indicated.]

Except as provided under Subsection (a-2), a student participating in the minimum high school program must perform satisfactorily on the Algebra I and English III end-of-course assessment instruments and a student participating in the recommended or advanced high school program must perform satisfactorily on the Algebra II and English III end-of-course assessment instruments.

A student who performs satisfactorily on the Algebra II and English III end-of-course assessment instruments under the college readiness performance standard, as

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determined under Section 39.024, is not required to comply with the requirement to perform satisfactorily on two of three end-of-course assessment instruments in those subjects

~~[A student is required to achieve, in each subject~~

Except as otherwise provided by this section, a [A] student is required to perform satisfactorily under either performance standard under Section 39.0241 on two of the three end-of-course assessment instruments [achieve,] in each subject in which the student is required to take end-of-course assessment instruments

~~in the foundation curriculum under Section 28.002(a)(1), a cumulative score that is at least equal to the product of the number of end-of-course assessment instruments administered to the student in that subject and 70, with each end-of-course assessment instrument scored on a scale of 100. A student must achieve a score of at least 60 on an end-of-course assessment instrument for the score to count towards the student's cumulative score.~~

~~[in the foundation curriculum under Section 28.002(a)(1), a cumulative score that is at least equal to the product of the number of end-of-course assessment instruments administered to the student in that subject and 70, with each end-of-course assessment instrument scored on a scale of 100. A student must achieve a score of at least 60 on an end-of-course assessment instrument for the score to count towards the student's cumulative score].~~

[Paragraph moved from here.]

~~For purposes of this subsection, a student's cumulative score is determined using the student's highest score on each end-of-course assessment instrument administered to the student.] A student may not receive a high school diploma until the student has performed satisfactorily on the end-of-course assessment instruments in the manner provided under this subsection. [This subsection does not require a student to demonstrate readiness to enroll in~~

~~[For purposes of this subsection, a student's cumulative score is determined using the student's highest score on each end-of-course assessment instrument administered to the student]. A student may not receive a high school diploma until the student has performed satisfactorily on the end-of-course assessment instruments in the manner provided under this subsection. [This subsection does not require a student to demonstrate readiness to enroll in~~

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~~an institution of higher education.]~~

(a-1) The commissioner by rule shall determine a method by which a student's satisfactory performance on an advanced placement test, international baccalaureate examination, an SAT [a Scholastic Assessment Test (SAT)] Subject Test, or another assessment instrument determined by the commissioner to be at least as rigorous as an end-of-course assessment instrument adopted under Section 39.023(c) may be used as a factor in determining whether the student satisfies the requirements of Subsection (a)[~~, including the cumulative score requirement of that subsection~~].

(b) Each time an end-of-course assessment instrument is administered, a student who failed to perform satisfactorily on an [achieve a score of at least 60 on the] assessment instrument required for graduation shall retake the assessment instrument.

A student who performs satisfactorily on an Algebra II or

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~~an institution of higher education.]~~

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

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

(b) Each time an end-of-course assessment instrument is administered, a student who failed to perform satisfactorily [achieve a score of at least 60] on the assessment instrument as determined by the commissioner under Section 39.0241(a) shall retake the assessment instrument.

A student who fails to perform satisfactorily on an

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English III end-of-course assessment instrument under the performance standard determined by the commissioner under Section 39.0241(a) but who fails to perform satisfactorily under the college readiness performance standard, as determined under Section 39.024, [Any other student] may retake the [an] end-of-course assessment instrument [for any reason]. A student is not required to retake a course as a condition of retaking an end-of-course assessment instrument.

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

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Algebra II or English III end-of-course assessment instrument under the college readiness performance standard, as determined under Section 39.024(b), may retake the assessment instrument [Any other student may retake an end-of-course assessment instrument for any reason]. A student is not required to retake a course as a condition of retaking an end-of-course assessment instrument.

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

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

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~~[for which an end-of-course assessment instrument has been adopted, if available]. A student who enrolls in a [college preparatory] course described by this subsection shall be administered the appropriate [an] end-of-course assessment instrument [for the course, with the end-of-course assessment instrument scored on a scale of 40. A student may use the student's score on the end-of-course assessment instrument for the college preparatory course towards satisfying the cumulative score requirements] prescribed by Subsection (a).~~

(c-1) A school district may not administer an assessment instrument required for graduation administered under this section as this section existed before September 1, 1999. A school district may administer to a student who failed to perform satisfactorily on an assessment instrument described by this subsection an alternate assessment instrument designated by the commissioner. The commissioner shall determine the level of performance considered to be satisfactory on an alternate assessment instrument. The district may not administer to the student an assessment instrument or a part of an assessment instrument that assesses a subject that was not assessed in an assessment instrument required for graduation administered under this section as this section existed before September 1, 1999. The commissioner shall make available to districts information necessary to administer the alternate assessment instrument authorized by this subsection.

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~~this subsection [for which an end-of-course assessment instrument has been adopted, if available]. A student who enrolls in a [college preparatory] course described by this subsection shall be administered an appropriate end-of-course assessment instrument [for the course, with the end-of-course assessment instrument scored on a scale of 40. A student may use the student's score on the end-of-course assessment instrument for the college preparatory course towards satisfying the cumulative score requirements] prescribed by Subsection (a).~~

(c-1) A school district may not administer an assessment instrument required for graduation administered under this section as this section existed before September 1, 1999. A school district may administer to a student who failed to perform satisfactorily on an assessment instrument described by this subsection an alternate assessment instrument selected from a list of assessment instruments approved by the commissioner. The commissioner shall determine the level of performance considered to be satisfactory on an alternate assessment instrument. The district may not administer to the student an assessment instrument or a part of an assessment instrument that assesses a subject that was not assessed in an assessment instrument required for graduation administered under this section as this section existed before September 1, 1999. The commissioner shall make available to districts information necessary to administer the alternate assessment instrument authorized by this subsection.

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The commissioner's determination regarding designation of an appropriate alternate assessment instrument under this subsection and the performance required on the assessment instrument is final and may not be appealed.

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

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

(2) a student subject to Subdivision (1) may not receive a high school diploma unless the student has performed

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The determination of the commissioner regarding the list of approved alternate assessment instruments under this subsection and the performance required on the assessment instruments are final and may not be appealed.

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

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

(2) a student subject to Subdivision (1) may not receive a high school diploma unless the student has performed

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satisfactorily on each required assessment instrument administered under Section 39.023(c) as that section existed before amendment by Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature, Regular Session, 2007; and

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

SECTION 67. Section 39.0262(a), Education Code, is amended to read as follows:

(a) In a subject area for which assessment instruments are administered under Section 39.023, a school district may not administer to any student on more than eight instructional days in any school year locally-required [district-required] assessment instruments designed to prepare students for state-administered assessment instruments [to any student on more than 10 percent of the instructional days in any school year].

No equivalent provision.

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satisfactorily on the English language arts, mathematics, science, and social studies assessment instruments administered under Section 39.023(c), as that section existed before amendment by Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature, Regular Session, 2007; and

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

No equivalent provision.

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

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

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

SECTION 68. Section 39.027, Education Code, is amended by amending Subsections (a) and (e) and adding Subsection (a-1) to read as follows:

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

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

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

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

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

[(3)] Section 39.023(a) or (l) for a period of up to one year after initial enrollment in a school in the United States if the student is of limited English proficiency, as

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

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

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

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

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

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

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

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defined by Section 29.052,

and has not demonstrated proficiency in English as determined by the assessment system under Subsection (e); or

(2) [(4)] Section 39.023(a) or (l) for a period of up to two years

in addition to the exemption period authorized by Subdivision (1) [(3)] if the student has received an exemption under Subdivision (1) [(3)] and:

(A) is a recent unschooled immigrant; [or]

(B) is in a grade for which no assessment instrument in the primary language of the student is available; or

(C) as a result of significant gaps in formal schooling, lacks the necessary foundation in the essential knowledge and skills of the curriculum prescribed under Section 28.002, as determined by the language proficiency assessment committee established under Section 29.063.

(a-1) The language proficiency assessment committee established under Section 29.063 shall determine whether a student meets the criteria under Subsection (a)(1), (2), or (3). The commissioner by rule shall

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student of limited English proficiency, as defined by Section 29.052, who, as a result of inadequate schooling outside of the United States, lacks the necessary foundation in the essential knowledge and skills of the curriculum

~~[and has not demonstrated proficiency in English as determined by the assessment system under Subsection (e)]; or~~

(4) Section 39.023(a), (b), (c), or (l) for a period of up to five ~~[two]~~ years, if the student is a student of limited English proficiency, as defined by Section 29.052, whose initial enrollment in a school in the United States was as an unschooled asylee or refugee

~~[in addition to the exemption period authorized by Subdivision (3) if the student has received an exemption under Subdivision (3) and;~~

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

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

(a-1) The language proficiency assessment committee established under Section 29.063 shall determine whether a student meets the criteria under Subsection (a)(3) or (4). The commissioner by rule shall develop

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develop procedures under which the language proficiency assessment committee makes a determination under this subsection. In adopting rules under this subsection, the commissioner shall:

- (1) consider the end-of-course requirements for graduation for students; and
- (2) ensure that the language proficiency assessment committee requires students to be administered assessment instruments under this section at the earliest practicable date.

(e) The commissioner shall develop an assessment system that shall be used for evaluating the academic progress, including reading proficiency in English, of all students of limited English proficiency, as defined by Section 29.052. A student who is exempt from the administration of an assessment instrument under Subsection (a)(1) or (2) ~~[(a)(3) or (4)]~~ who achieves

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procedures under which the language proficiency assessment committee makes a determination under this subsection. In adopting rules under this subsection, the commissioner shall:

- (1) consider the end-of-course requirements for graduation for students; and
- (2) ensure that the language proficiency assessment committee requires students to be administered assessment instruments under this section at the earliest practical date.

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

- (1) initially enrolled in a school in the United States as:
 - (A) an asylee as defined by 45 C.F.R. Section 400.41; or
 - (B) a refugee as defined by 8 U.S.C. Section 1101;
- (2) has a visa issued by the United States Department of State with a Form I-94 Arrival/Departure record, or a successor document, issued by the United States Citizenship and Immigration Services that is stamped with "Asylee," "Refugee," or "Asylum"; and
- (3) has had little or no formal schooling outside of the United States and lacks even rudimentary literacy skills.

(e) The commissioner shall develop an assessment system that shall be used for evaluating the academic progress, including reading proficiency in English, of all students of limited English proficiency, as defined by Section 29.052. A student who is exempt from the administration of an assessment instrument under Subsection (a)(3) or (4) who achieves reading

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reading proficiency in English as determined by the assessment system developed under this subsection shall be administered the assessment instruments described by Sections 39.023(a) and (c). The performance under the assessment system developed under this subsection of students to whom Subsection (a)(1) or (2) [(a)(3) or (4)] applies shall be included in the [academic excellence] indicator **systems [system]** under Section 39.301, as applicable [Section 39.051], the performance report under Section 39.306 [39.053], and the comprehensive annual report under Section 39.332 [39.182]. This information shall be provided in a manner that is disaggregated by the bilingual education or special language program, if any, in which the student is enrolled.

SECTION 69. Section 39.0301(a), Education Code, is amended to read as follows:

(a) The commissioner:

(1) shall establish procedures for the administration of assessment instruments adopted or developed under Section 39.023, including procedures designed to ensure:

(A) the security of the assessment instruments; and

(B) to ensure the appropriate local implementation of those procedures, including instructions for classroom monitoring during testing; and

(2) may establish record retention requirements for school district records related to the security of assessment instruments.

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proficiency in English as determined by the assessment system developed under this subsection shall be administered the assessment instruments described by Sections 39.023(a) and (c). The performance under the assessment system developed under this subsection of students to whom Subsection (a)(3) or (4) applies shall be included in the [academic excellence] indicator **system** under Section 39.301, as applicable [Section 39.051], the performance report under Section 39.306 [39.053], and the comprehensive annual report under Section 39.332 [39.182]. This information shall be provided in a manner that is disaggregated by the bilingual education or special language program, if any, in which the student is enrolled.

No equivalent provision.

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SECTION 70. Section 39.032, Education Code, is amended by amending Subsection (c) and adding Subsections (c-1) and (c-2) to read as follows:

(c) State and national norms of averages shall be computed using data that are not more than eight [~~six~~] years old at the time the assessment instrument is administered and that are representative of the group of students to whom the assessment instrument is administered.

(c-1) The standardization norms computed under Subsection (a) shall be:

(1) based on a national probability sample that meets accepted standards for educational and psychological testing; and

(2) [~~shall be~~] updated at least every eight [~~six~~] years using proven psychometric procedures approved by the State Board of Education.

(c-2) The eight-year limitation on data to compute norms under this section does not apply if only data older than eight years is available for an assessment instrument. The commissioner by rule may limit the exception created by this subsection based on the type of assessment instrument.

SECTION 71. Section 39.033(b), Education Code, is amended to read as follows:

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

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No equivalent provision.

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

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

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(1) as determined appropriate by the commissioner, provide to the commissioner the information described by Sections 39.053(c) and 39.301(b); [~~Section 39.051(b)~~] and
(2) [tø] maintain confidentiality in compliance with Section 39.030.

SECTION 72. Section 39.034, Education Code, is amended by amending Subsection (d) and adding Subsection (d-1) to read as follows:

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

(1) the grade five assessment instruments;

(2) the grade eight assessment instruments; and

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

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

SECTION 73. Subchapters C through L, Chapter 39, Education Code, as amended by Section 2.25, Chapter 396 (S.B. 4), and Section 4, Chapter 931 (H.B. 2307), Acts of the 76th Legislature, Regular Session, 1999, are amended to read as follows:

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(1) as determined appropriate by the commissioner, provide to the commissioner the information described by Sections 39.053(c) and 39.301(c); [~~Section 39.051(b)~~] and
(2) [tø] maintain confidentiality in compliance with Section 39.030.

SECTION 55. Same as House version.

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

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~~[PERFORMANCE INDICATORS~~

~~[SUBCHAPTER D. ACCREDITATION STATUS]~~

Sec. 39.051 ~~[39.074]~~. ACCREDITATION STATUS. ~~[(a)]~~ Accreditation of a school district is determined in accordance with this subchapter ~~[section]~~. The commissioner by rule shall determine in accordance with this subchapter the criteria for ~~[define]~~ the following accreditation statuses:

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

Sec. 39.052. DETERMINATION OF ACCREDITATION STATUS OR PERFORMANCE RATING. (a) ~~[(b)]~~ Each year, the commissioner shall determine the accreditation status of each school district.

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

(1) shall evaluate and consider:

(A) ~~[the]~~ performance on student achievement indicators described by Section 39.053(c)

~~[of the district under:~~

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~~[PERFORMANCE INDICATORS~~

~~[SUBCHAPTER D. ACCREDITATION STATUS]~~

Sec. 39.051 ~~[39.074]~~. ACCREDITATION STATUS. ~~[(a)]~~ Accreditation of a school district is determined in accordance with this subchapter ~~[section]~~. The commissioner by rule shall determine in accordance with this subchapter the criteria for ~~[define]~~ the following accreditation statuses:

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

Sec. 39.052. DETERMINATION OF ACCREDITATION STATUS. (a) Not later than August 8 of each ~~[(b) — Each]~~ year, the commissioner shall determine the accreditation status of each school district.

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

(1) shall evaluate and consider:

(A) ~~[the]~~ performance on student achievement indicators described by Section 39.053(c);

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

(1) ~~[of the district under:~~

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

B) performance under the financial accountability rating system developed under Subchapter D [F]; and

(2) may evaluate and consider:

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

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

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

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

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

(C) the effectiveness of the district's career and technology program; and

(D) the effectiveness of the district in promoting college aspirations for each student, including the district's plans for assisting students to achieve postsecondary success.

(c) In determining the performance rating of a campus, the commissioner:

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

(2) may evaluate and consider other factors the

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

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

(2) may evaluate and consider:

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

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

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

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

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

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

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commissioner considers appropriate.

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

- (1) assign each [a] district an accreditation status; or
- (2) revoke the accreditation of the district and order closure of the district under Subchapter E [~~this subchapter~~].

(e) A school district's accreditation status may be raised or lowered based on the district's performance or may be lowered based on the performance of one or more campuses in the district.

(f) [~~(d)~~] The commissioner shall notify a school district that receives an accreditation status of accredited-warned or accredited-probation that the performance of the district is below a standard required under this subchapter

[~~section~~] The commissioner shall require the district to notify the parents of students enrolled in the district and property owners in the district of the [~~district's~~] accreditation status of the district and the implications of that accreditation status.

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

- (1) assign each [a] district an accreditation status; or
- (2) revoke the accreditation of the district and order closure of the district under this subchapter.

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

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

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

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

Sec. 39.053. PERFORMANCE INDICATORS: STUDENT ACHIEVEMENT. (a) The commissioner shall adopt a set of indicators of the quality of learning and student achievement. The commissioner biennially shall review the indicators for the consideration of appropriate revisions.

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

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

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

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

Sec. 39.053. PERFORMANCE INDICATORS: STUDENT ACHIEVEMENT. (a) The commissioner shall adopt a set of indicators of the quality of learning and student achievement. The commissioner biennially shall review the indicators for the consideration of appropriate revisions.

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

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

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

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

(A) the percentage of students who performed satisfactorily, as determined by the commissioner under Section 39.0241(a) on the assessment instruments, aggregated across grade levels by subject area;

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

(C) the percentage of students who performed satisfactorily, as determined under the college readiness performance standards under Section 39.0241, on the assessment instruments, aggregated across grade levels by subject area; and

(D) for students who did not perform satisfactorily as described by Paragraph (C), the percentage of students who met the standard for annual improvement, as

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

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

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

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

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

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

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

(ii) for students who did not perform satisfactorily, the percentage of students who met the standard for annual improvement, as determined by the agency under Section

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determined by the agency under Section 39.034, on assessment instruments, aggregated across grade levels by subject area;

(2) the percentage increase from school year to school year in students who performed satisfactorily as described by Subdivision (1)(C) or who met the standard for annual improvement as described by Subdivision (1)(D);

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

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

(d) [(Pub. L. No. 107-110);

[(4) student attendance rates;

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

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39.034, on the assessment instruments, aggregated across grade levels by subject area;

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

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

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

(e) [(Pub. L. No. 107-110);

[(4) student attendance rates;

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

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~~[(6) the percentage of graduating students who meet the course requirements established for the recommended high school program by State Board of Education rule;~~
~~[(7) the results of the Scholastic Assessment Test (SAT), the American College Test (ACT), articulated postsecondary degree programs described by Section 61.852, and certified workforce training programs described by Chapter 311, Labor Code;~~
~~[(8) the percentage of students, aggregated by grade level, provided accelerated instruction under Section 28.0211(c), the results of assessments administered under that section, the percentage of students promoted through the grade placement committee process under Section 28.0211, the subject of the assessment instrument on which each student failed to perform satisfactorily, and the performance of those students in the school year following that promotion on the assessment instruments required under Section 39.023;~~
~~[(9) for students who have failed to perform satisfactorily on an assessment instrument required under Section 39.023(a) or (c), the numerical progress of those students grouped by percentage on subsequent assessment instruments required under those sections, aggregated by grade level and subject area;~~
~~[(10) the percentage of students exempted, by exemption category, from the assessment program generally applicable under this chapter;~~
~~[(11) the percentage of students of limited English proficiency exempted from the administration of an~~

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~~[(6) the percentage of graduating students who meet the course requirements established for the recommended high school program by State Board of Education rule;~~
~~[(7) the results of the Scholastic Assessment Test (SAT), the American College Test (ACT), articulated postsecondary degree programs described by Section 61.852, and certified workforce training programs described by Chapter 311, Labor Code;~~
~~[(8) the percentage of students, aggregated by grade level, provided accelerated instruction under Section 28.0211(c), the results of assessments administered under that section, the percentage of students promoted through the grade placement committee process under Section 28.0211, the subject of the assessment instrument on which each student failed to perform satisfactorily, and the performance of those students in the school year following that promotion on the assessment instruments required under Section 39.023;~~
~~[(9) for students who have failed to perform satisfactorily on an assessment instrument required under Section 39.023(a) or (c), the numerical progress of those students grouped by percentage on subsequent assessment instruments required under those sections, aggregated by grade level and subject area;~~
~~[(10) the percentage of students exempted, by exemption category, from the assessment program generally applicable under this chapter;~~
~~[(11) the percentage of students of limited English proficiency exempted from the administration of an~~

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~~assessment instrument under Sections 39.027(a)(3) and (4);~~

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

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

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

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

~~[(e)] Performance on the student achievement indicators [indicator] under Subsections (c)(1) and (3) [Subsection (b)(1)] shall be compared to state standards and [;] required improvement~~[, and comparable improvement]~~. The state standard shall be established by the commissioner. Required improvement is ~~[defined as]~~ the progress necessary for the campus or district to meet~~

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~~assessment instrument under Sections 39.027(a)(3) and (4);~~

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

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

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

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

~~[(e)] Performance on the student achievement indicators [indicator] under Subsections (c)(1) and (2) [Subsection (b)(1)] shall be compared to state standards and [;] required improvement~~[, and comparable improvement]~~. The state standard shall be established by the commissioner. Required improvement is ~~[defined as]~~ the progress necessary for the campus or district to meet~~

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state standards and, for the student achievement indicator under Subsection (c)(1), for its students to meet each of the performance standards as determined under Section 39.0241.

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

~~[(d)] Annually, the commissioner shall define the state standard for the current school year for each student achievement [exemplary, recognized, and unacceptable performance for each academic excellence] indicator described by Subsection (c) [included under Subsections (b)(1) through (7)] and shall project the state standards for each [of those levels of performance for succeeding years. For the] indicator for the following two school [under Subsection (b)(8), the commissioner shall define exemplary, recognized, and unacceptable performance based on student performance for the period covering both the current and preceding academic] years. The commissioner shall periodically raise the state standards for the student achievement indicator described by Subsection (c)(1)(C) for accreditation as necessary to reach the goals of achieving, by not later than the 2019-2020 school year:~~

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state standards and, for the student achievement indicator under Subsection (c)(1), for its students to meet each of the performance standards as determined under Section 39.0241.

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

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

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(1) student performance in this state, disaggregated by race, ethnicity, and socioeconomic status, that ranks nationally in the top 10 states in terms of college readiness; and

(2) student performance, including the percentage of students graduating under the recommended or advanced high school program, with no significant achievement gaps by race, ethnicity, and socioeconomic status.

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

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

(2) as applicable:

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

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

(g) In computing dropout and completion rates under Subsection (c)(3), the commissioner shall exempt students who:

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

(2) are incarcerated in a correctional facility operated by

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

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

(2) as applicable:

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

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

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

(1) students who

are ordered by a court to attend a high school equivalency certificate program but who have not yet earned a high school equivalency certificate;

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or under contract with the Texas Department of Criminal Justice;

(3) were previously reported to the state as dropouts; or

(4) are not subject to compulsory school attendance under Section 25.085.

(h) In calculating the academic performance of a campus or school district, the commissioner may exclude assessment instruments results for a student eligible under Section 39.027(a)(2)(C) for exemption from the administration of an assessment instrument regardless of whether the student was tested.

(i) [(e)] Each school district shall cooperate with the agency in determining whether a student is a dropout for purposes of accreditation and evaluating performance by school districts and campuses under this chapter

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

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

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

(5) students who are in the district exclusively as a function of having been detained at a county detention facility but are otherwise not students of the district in which the facility is located;

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

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

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

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[section].

~~(j) [(f) The indicator under Subsection (b)(1) must include the results of assessment instruments required under Section 39.023(b).~~

~~[(g) The commissioner by rule shall adopt accountability measures to be used in assessing the progress of students who have failed to perform satisfactorily as described by Subsections (c)(1)(A) and (C) in the preceding school year on an assessment instrument required under Section 39.023(a), (c), or (l).~~

Sec. 39.054. METHODS AND STANDARDS FOR EVALUATING PERFORMANCE. (a) The commissioner shall adopt rules to evaluate school district and campus performance and, not later than August 8 of each year, assign each district and campus a performance rating that reflects acceptable performance, unacceptable performance, or, for campuses, performance eligible for distinction under Subchapter G. If a district or campus received a performance rating of unacceptable performance for the preceding school year the commissioner shall notify the district of a subsequent such designation on or before June 15.

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[section].

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

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

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

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

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(b) In evaluating performance, the commissioner shall evaluate against state standards and consider the performance of each campus in a school district and each open-enrollment charter school on the basis of the campus's or school's performance on the student achievement indicators adopted under Section 39.053(c).

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

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

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

and

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

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

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~~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.~~

~~[(e) 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)~~

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

~~be based on data collected through the Public Education~~

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~~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.~~

~~[(e) 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~~

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Information Management System (PEIMS) for purposes of accountability under this chapter or through a special accreditation investigation under Section 39.057 and include the results of assessments required under Section 39.023.

(c) In evaluating school district and campus performance on the student achievement indicators adopted under Sections 39.053(c)(1) and (3), the commissioner shall define acceptable performance as meeting the state standard determined by the commissioner under Section 39.053(e) 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) In evaluating performance under Subsection (c), the commissioner may assign an acceptable performance rating if:

(1) the campus or district:

(A) performs satisfactorily on 85 percent of the measures the commissioner determines appropriate with respect to the student achievement indicators adopted under Sections 39.053(c)(1) and (3); and

(B) does not fail to perform satisfactorily on the same measure described by Paragraph (A) for two consecutive school years; or

(2) the campus or district satisfies any additional criteria

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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.

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established by the commissioner.

(d-1) The commissioner may consider alternative performance criteria to Subsection (d)(1)(A) only in special circumstances, including campus or district performance on the same measure for student groups that are substantially similar in composition to all students on the same campus or district.

(d-2) The commissioner by rule may adopt a method of evaluation by which a district or campus is not assigned an unacceptable performance rating solely because the district or campus fails to satisfy the minimum performance standards on 15 percent or fewer of the measures of evaluation the commissioner determines appropriate with respect to the student achievement indicators adopted under Section 39.053(c). Under the method of evaluation adopted by the commissioner under this subsection, the commissioner:

(1) may grant an exception under this subsection to a district or campus only if the performance of the district or campus is within a certain percentage, as determined by the commissioner, of the minimum performance standard established by the commissioner for the measure of evaluation;

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

(3) may establish other performance criteria for a district or campus to obtain an exception under this subsection.

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~~(e) [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 rating program based on enhanced performance. The agency shall administer the program.~~

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

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~~(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 rating program based on enhanced performance. The agency shall administer the program.~~

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

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

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

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

~~[(B) other measures of proficiency determined by the commissioner;~~

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

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

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

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

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

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

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

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

~~[Sec. 39.073. DETERMINING ACCREDITATION STATUS. (a) The agency shall annually review the~~

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

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

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

~~[(B) other measures of proficiency determined by the commissioner;~~

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

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

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

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

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

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

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

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

~~[Sec. 39.073. DETERMINING ACCREDITATION STATUS. (a) The agency shall annually review the~~

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~~performance of each district and campus on the indicators adopted under Sections 39.051(b)(1) through (8) and determine if a change in the accreditation status of the district is warranted. The commissioner may determine how all indicators adopted under Section 39.051(b) may be used to determine accountability ratings and to select districts and campuses for acknowledgment.~~

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

- ~~(1) standards established for each indicator; and~~
- ~~(2) required improvement as defined under Section 39.053(d)~~

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~~performance of each district and campus on the indicators adopted under Sections 39.051(b)(1) through (8) and determine if a change in the accreditation status of the district is warranted. The commissioner may determine how all indicators adopted under Section 39.051(b) may be used to determine accountability ratings and to select districts and campuses for acknowledgment.~~

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

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

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

- (1) may grant an exception under this subsection to a district or campus only if the performance of the district or campus is within five percentage points of the

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[39.051(e); and
[(3) comparable improvement as defined by Section 39.051(e)].
[(e) A district's accreditation rating may be raised or lowered based on the district's performance or may be lowered based on the unacceptable performance of one or more campuses in the district.
[(d) The commissioner shall notify a district that is rated academically unacceptable that the performance of the district or a campus in the district is below each standard under Subsection (b) and shall require the district to notify property owners and parents in the district of the lowered accreditation rating and its implication.
[(e) In determining a district's accreditation rating, the agency shall consider:
[(1) the district's current special education compliance status with the agency; and
[(2) the progress of students who have failed to perform satisfactorily in the preceding school year on an assessment instrument required under Section 39.023(a), (e), or (f).]

minimum performance standard established by the commissioner for the measure of evaluation;
(2) may not grant an exception under this subsection if a district or campus fails to satisfy the minimum performance standard on the same measure of evaluation for two consecutive school years; and
(3) may establish other performance criteria for a district or campus to obtain an exception under this subsection
[39.051(e); and
[(3) comparable improvement as defined by Section 39.051(e)].
[(e) A district's accreditation rating may be raised or lowered based on the district's performance or may be lowered based on the unacceptable performance of one or more campuses in the district.
[(d) The commissioner shall notify a district that is rated academically unacceptable that the performance of the district or a campus in the district is below each standard under Subsection (b) and shall require the district to notify property owners and parents in the district of the lowered accreditation rating and its implication.]
(e) [In determining a district's accreditation rating, the agency shall consider:
[(1) the district's current special education compliance status with the agency; and
[(2) the progress of students who have failed to perform satisfactorily in the preceding school year on an assessment instrument required under Section 39.023(a), (e), or (f).]

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(f) In the computation of dropout rates under Section 39.053(c)(3) [39.051(b)(2)], a student who is released from a juvenile pre-adjudication secure detention facility or juvenile post-adjudication secure correctional facility and fails to enroll in school or a student who leaves a residential treatment center after receiving treatment for fewer than 85 days and fails to enroll in school may not be considered to have dropped out from the [~~campus or~~] school district or campus serving the facility or center unless that district or campus [~~or district~~] is the one to which the student is regularly assigned.

(g) Notwithstanding any other provision of this chapter, the commissioner may not consider performance on a student achievement indicator under Section 39.053(c) for purposes of determining the accreditation status of a district or the performance rating of a district, campus, or open-enrollment charter school until the data for that indicator has been available to all districts, campuses, and open-enrollment charter schools for at least two consecutive school years.

Sec. 39.055. STUDENTS ORDERED BY JUVENILE COURT TO CERTAIN RESIDENTIAL PROGRAMS OR FACILITIES OR IN A STATE SCHOOL NOT CONSIDERED FOR ACCOUNTABILITY PURPOSES.

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

Sec. 39.055. STUDENT ORDERED BY A JUVENILE COURT NOT CONSIDERED FOR ACCOUNTABILITY PURPOSES. Notwithstanding any other provision of this code, for purposes of

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Notwithstanding any other provision of this code, for purposes of determining the performance of a school district or campus under this chapter, a student ordered by a juvenile court to a residential program or facility operated by or under contract with the Texas Youth Commission, the Texas Juvenile Probation Commission, a juvenile board, or any other governmental entity is not considered to be a student of the school district in which the program or facility is physically located.

Additionally, a student resident of a state school is not considered to be a student of the district regardless of whether the student is court-ordered to the state school.

The performance of such a student on an assessment instrument or other student achievement indicator adopted under Section 39.053 or reporting indicator adopted under Section 39.301 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.

This section shall also apply to the performance and accreditation status of an open-enrollment charter school established by Subchapter D, Chapter 12, that provides educational services only to students confined by a court order to a juvenile correctional facility or facility operated by a county juvenile board.

Sec. 39.056 [39.074]. ON-SITE INVESTIGATIONS.

(a) The commissioner may:

(1) direct the agency to conduct on-site investigations of

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determining the performance of a school district or campus under this chapter, a student ordered by a juvenile court into a residential program or facility operated by or under contract with the Texas Youth Commission, the Texas Juvenile Probation Commission, a juvenile board, or any other governmental entity 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 student achievement indicator adopted under Section 39.053 or reporting indicator adopted under Section 39.301 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. 39.056 [39.074]. ON-SITE INVESTIGATIONS.

(a) The commissioner may:

(1) direct the agency to conduct on-site investigations of

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a school district at any time to answer any questions concerning a program, including special education, required by federal law or for which the district receives federal funds; and

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

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

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

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

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

(d) The agency shall give written notice to the superintendent and the board of trustees of a school

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a school district at any time to answer any questions concerning a program, including special education, required by federal law or for which the district receives federal funds; and

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

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

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

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

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

(d) The agency shall give written notice to the superintendent and the board of trustees of a school

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~~district of~~ any impending investigation of the district's accreditation.

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

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

(f) Before an investigation, the commissioner shall request that the district scheduled for the investigation assess the district's compliance with the policy adopted under Section 33.006(d) and provide a written copy of the assessment to the investigators on or before the date specified by the commissioner. As part of each investigation, the investigators shall interview a percentage of district school counselors determined by the commissioner to assess the district's compliance with the policy adopted under Section 33.006(d). The commissioner shall adopt rules to implement this subsection.

Sec. 39.057 [39:075]. SPECIAL ACCREDITATION INVESTIGATIONS. (a) The commissioner shall authorize special accreditation investigations to be

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~~district of~~ any impending investigation of the district's accreditation.

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

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

Sec. 39.057 [39:075]. SPECIAL ACCREDITATION INVESTIGATIONS. (a) The commissioner shall authorize special accreditation investigations to be

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conducted:

- (1) when excessive numbers of absences of students eligible to be tested on state assessment instruments are determined;
- (2) when excessive numbers of allowable exemptions from the required state assessment instruments are determined;
- (3) in response to complaints submitted to the agency with respect to alleged violations of civil rights or other requirements imposed on the state by federal law or court order;
- (4) in response to established compliance reviews of the district's financial accounting practices and state and federal program requirements;
- (5) when extraordinary numbers of student placements in disciplinary alternative education programs, other than placements under Sections 37.006 and 37.007, are determined;
- (6) in response to an allegation involving a conflict between members of the board of trustees or between the board and the district administration if it appears that the conflict involves a violation of a role or duty of the board members or the administration clearly defined by this code;
- (7) when excessive numbers of students in special education programs under Subchapter A, Chapter 29, are assessed through assessment instruments developed or adopted under Section 39.023(b);
- (8) in response to an allegation regarding or an analysis

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conducted:

- (1) when excessive numbers of absences of students eligible to be tested on state assessment instruments are determined;
- (2) when excessive numbers of allowable exemptions from the required state assessment instruments are determined;
- (3) in response to complaints submitted to the agency with respect to alleged violations of civil rights or other requirements imposed on the state by federal law or court order;
- (4) in response to established compliance reviews of the district's financial accounting practices and state and federal program requirements;
- (5) when extraordinary numbers of student placements in disciplinary alternative education programs, other than placements under Sections 37.006 and 37.007, are determined;
- (6) in response to an allegation involving a conflict between members of the board of trustees or between the board and the district administration if it appears that the conflict involves a violation of a role or duty of the board members or the administration clearly defined by this code;
- (7) when excessive numbers of students in special education programs under Subchapter A, Chapter 29, are assessed through assessment instruments developed or adopted under Section 39.023(b);
- (8) in response to an allegation regarding or an analysis

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using a statistical method result indicating a possible violation of an assessment instrument security procedure established under Section 39.0301, including for the purpose of investigating or auditing a school district under that section; [øf]

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

(10) when excessive numbers of students graduate under the basic high school program; or

(11) as the commissioner otherwise determines necessary.

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

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

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using a statistical method result indicating a possible violation of an assessment instrument security procedure established under Section 39.0301, including for the purpose of investigating or auditing a school district under that section; [øf]

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

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

(11) as the commissioner otherwise determines necessary.

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

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

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

- (1) take appropriate action under Subchapter E ~~[G]~~;
- (2) lower the school district's accreditation status or a district's or campus's accountability rating; or
- (3) take action under both Subdivisions (1) and (2).

~~(e) [(e) Based on the results of a special accreditation investigation, the commissioner may lower the district's accreditation rating and may take appropriate action under Subchapter G.]~~ Regardless of whether the commissioner lowers the school district's accreditation status or a district's or campus's performance rating under Subsection (d) [rating], the commissioner may take action under Sections 39.102(a)(1) through (8) or Section 39.103 ~~[39.131(a)(1) through (8)]~~ if the commissioner determines that the action is necessary to improve any area of a district's or campus's performance, including the district's financial accounting practices.

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

(b) After completing an investigation, the agency shall present preliminary findings to any person the agency

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

- (1) take appropriate action under Subchapter E ~~[G]~~;
- (2) lower the school district's accreditation status or the district's or campus's accountability rating; or
- (3) take action under both Subdivisions (1) and (2).

~~(e) [(e) Based on the results of a special accreditation investigation, the commissioner may lower the district's accreditation rating and may take appropriate action under Subchapter G.]~~ Regardless of whether the commissioner lowers the school district's accreditation status or the district's or campus's accountability rating under Subsection (d), the commissioner may take action under Sections 39.101(a)(1) through (8) or Section 39.102 ~~[39.131(a)(1) through (8)]~~ if the commissioner determines that the action is necessary to improve any area of a district's or campus's performance, including the district's financial accounting practices.

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

(b) After completing an investigation, the agency shall present preliminary findings to any person the agency

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finds has violated a law, rule, or policy. Before issuing a report with its final findings, the agency must provide a person the agency finds has violated a law, rule, or policy an opportunity for an informal review by the commissioner or a designated hearing examiner.

SUBCHAPTER D [H]. FINANCIAL ACCOUNTABILITY

Sec. 39.081 [~~39.204~~]. DEFINITIONS. In this subchapter:

- (1) "Parent" includes a guardian or other person having lawful control of a student.
- (2) "System" means a [~~the~~] financial accountability rating system developed under this subchapter.

Sec. 39.082 [~~39.202~~]. DEVELOPMENT AND IMPLEMENTATION. (a) The commissioner shall, in consultation with the comptroller, develop and implement separate [~~a~~] financial accountability rating systems [~~system~~] for school districts and open-enrollment charter schools in this state that:

- (1) distinguish [~~distinguishes~~] among school districts and distinguish among open-enrollment charter schools, as applicable, based on levels of financial performance; and
- (2) include [~~includes~~] procedures to:
 - (A) provide additional transparency to public education finance; and

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finds has violated a law, rule, or policy. Before issuing a report with its final findings, the agency must provide a person the agency finds has violated a law, rule, or policy an opportunity for an informal review by the commissioner or a designated hearing examiner.

SUBCHAPTER D [F]. FINANCIAL ACCOUNTABILITY

Sec. 39.081 [~~39.204~~]. DEFINITIONS. In this subchapter:

- (1) "Parent" includes a guardian or other person having lawful control of a student.
- (2) "System" means the financial accountability rating system.

Sec. 39.082 [~~39.202~~]. DEVELOPMENT AND IMPLEMENTATION. (a) The commissioner shall, in consultation with the comptroller, develop and implement a financial accountability rating system for school districts in this state that:

- (1) distinguishes among school districts based on levels of financial performance; and
- (2) includes procedures to:
 - (A) provide additional transparency to public education finance; and

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(B) enable the commissioner and school district and open-enrollment charter school administrators to provide meaningful financial oversight and improvement.

(b) The system must include uniform indicators adopted by the commissioner by which to measure the [a district's] financial management performance of a district or open-enrollment charter school.

(c) The system may not include an indicator under Subsection (b) or any other performance measure that:

(1) requires a school district to spend at least 65 percent or any other specified percentage of district operating funds for instructional purposes; or

(2) lowers the financial management performance rating of a school district for failure to spend at least 65 percent or any other specified percentage of district operating funds for instructional purposes.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(2) the rate of **depletion of** the district general fund balance;

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

(4) the adopted tax rate of the district;

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

(6) actual financial **data** for the district for the **month of September**.

(c) The agency shall consult school district **and open-enrollment charter school** financial officers in developing the review process under this section.

(d) The agency shall develop **a computer software**

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

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

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

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

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

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

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

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

(4) the adopted tax rate of the district;

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

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

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

(d) The agency shall develop **an electronic-based**

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template for school districts to use in submitting information to the agency for purposes of this section. Each district shall update information to the template within the period prescribed by the commissioner. The commissioner shall adopt rules under this subsection to allow a district to enter estimates of critical data into the template before the district adopts its budget. The template must:

- (1) be capable of importing, to the extent practicable, data a district has previously submitted to the agency;
- (2) include an entry space that allows a district to enter information explaining any irregularity in data submitted;
- and
- (3) provide alerts for:
 - (A) a student-to-staff ratio that is significantly outside the norm;
 - (B) a rapid depletion of the district general fund balance;
 - and
 - (C) a significant discrepancy between actual budget figures and projected revenues and expenditures.
- (e) An alert in the template developed under Subsection (d) must be developed to notify the agency immediately on the occurrence of a condition described by Subsection (d)(3). After the agency is alerted, the agency shall immediately notify the affected school district regarding the condition triggering the alert.

Sec. 39.0823. PROJECTED DEFICIT. (a) If the review process under Section 39.0822 indicates a projected

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program for school districts to use in submitting information to the agency for purposes of this section. Each district shall update information for purposes of the program within the period prescribed by the commissioner. The commissioner shall adopt rules under this subsection to allow a district to enter estimates of critical data into the program before the district adopts its budget. The program must:

- (1) be capable of importing, to the extent practicable, data a district has previously submitted to the agency;
- (2) include an entry space that allows a district to enter information explaining any irregularity in data submitted; and
- (3) provide alerts for:
 - (A) a student-to-staff ratio that is significantly outside the norm;
 - (B) a rapid depletion of the district general fund balance;
 - and
 - (C) a significant discrepancy between actual budget figures and projected revenues and expenditures.
- (e) An alert in the program developed under Subsection (d) must be developed to notify the agency immediately on the occurrence of a condition described by Subsection (d)(3). After the agency is alerted, the agency shall immediately notify the affected school district regarding the condition triggering the alert.

Sec. 39.0823. PROJECTED DEFICIT. (a) If the review process under Section 39.0822 indicates a

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deficit for a school district general fund within the following five school years, the district shall provide the agency interim financial reports, supplemented by staff and student count data, as needed, to evaluate the district's current budget status.

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

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

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

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

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

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

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

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

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projected deficit for a school district general fund within the following three school years, the district shall provide the agency interim financial reports, supplemented by staff and student count data, as needed, to evaluate the district's current budget status.

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

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

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

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

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

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

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

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

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- (2) the public is provided an opportunity to comment on the report at a hearing.
- (b) The annual financial management report must include:
- (1) a description of the district's financial management performance based on a comparison, provided by the agency, of the district's performance on the indicators adopted under Section 39.082(b) [~~39.202(b)~~] to:
 - (A) state-established standards; and
 - (B) the district's previous performance on the indicators; [~~and~~]
 - (2) a description of the data submitted using the computer software template developed under Section 39.0822; and
 - (3) any descriptive information required by the commissioner.
- (c) The report may include:
- (1) information concerning the district's:
 - (A) financial allocations;
 - (B) tax collections;
 - (C) financial strength;
 - (D) operating cost management;
 - (E) personnel management;
 - (F) debt management;
 - (G) facility acquisition and construction management;
 - (H) cash management;
 - (I) budgetary planning;
 - (J) overall business management;
 - (K) compliance with rules; and

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- (2) the public is provided an opportunity to comment on the report at a hearing.
- (b) The annual financial management report must include:
- (1) a description of the district's financial management performance based on a comparison, provided by the agency, of the district's performance on the indicators adopted under Section 39.082(b) [~~39.202(b)~~] to:
 - (A) state-established standards; and
 - (B) the district's previous performance on the indicators; [~~and~~]
 - (2) a description of the data submitted using the electronic-based program developed under Section 39.0822; and
 - (3) any descriptive information required by the commissioner.
- (c) The report may include:
- (1) information concerning the district's:
 - (A) financial allocations;
 - (B) tax collections;
 - (C) financial strength;
 - (D) operating cost management;
 - (E) personnel management;
 - (F) debt management;
 - (G) facility acquisition and construction management;
 - (H) cash management;
 - (I) budgetary planning;
 - (J) overall business management;
 - (K) compliance with rules; and

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- (L) data quality; and
- (2) any other information the board of trustees determines to be necessary or useful.
- (d) The board of trustees of each school district shall hold a public hearing on the report. The board shall give notice of the hearing to owners of real property in the district and to parents of district students. In addition to other notice required by law, notice of the hearing must be provided:
 - (1) to a newspaper of general circulation in the district; and
 - (2) through electronic mail to media serving the district.
- (e) After the hearing, the report shall be disseminated in the district in the manner prescribed by the commissioner.

Sec. 39.084. POSTING OF DISTRICT GENERAL LEDGER. (a) A school district shall post on the district's Internet website the district's general ledger statement containing all asset, liability, capital, income, and expense accounts.

(b) The district shall:

- (1) post an updated general ledger statement at least once each fiscal year; and
- (2) maintain each general ledger statement until the third anniversary of the date of that statement.

(c) The general ledger must be prepared according to generally accepted accounting principles.

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- (L) data quality; and
- (2) any other information the board of trustees determines to be necessary or useful.
- (d) The board of trustees of each school district shall hold a public hearing on the report. The board shall give notice of the hearing to owners of real property in the district and to parents of district students. In addition to other notice required by law, notice of the hearing must be provided:
 - (1) to a newspaper of general circulation in the district; and
 - (2) through electronic mail to media serving the district.
- (e) After the hearing, the report shall be disseminated in the district in the manner prescribed by the commissioner.

No equivalent provision.

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Sec. 39.085. POSTING OF ADOPTED BUDGET. (a) On final approval of the budget by the board of trustees, the school district shall post on the district's Internet website a copy of the budget adopted by the board of trustees. The district's Internet website must prominently display the electronic link to the adopted budget.
(b) The district shall maintain the adopted budget on the district's Internet website until the third anniversary of the date the budget was adopted.

Sec. 39.086 [~~39.204~~]. RULES. The commissioner shall adopt rules as necessary for the implementation and administration of this subchapter.

SUBCHAPTER E [G]. ACCREDITATION INTERVENTIONS AND SANCTIONS

Sec. 39.102 [~~39.134~~]. INTERVENTIONS AND SANCTIONS FOR DISTRICTS. (a) If a school district does not satisfy the accreditation criteria under Section 39.052 [~~39.074~~], the **academic** performance standards under Section 39.053 or 39.054 [~~39.072~~], or any financial accountability standard as determined by commissioner rule, the commissioner shall take any of the following actions to the extent the commissioner determines necessary:
(1) issue public notice of the deficiency to the board of trustees;
(2) order a hearing conducted by the board of trustees of

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No equivalent provision.

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

SUBCHAPTER E [G]. ACCREDITATION INTERVENTIONS AND SANCTIONS

Sec. 39.101 [~~39.134~~]. INTERVENTIONS AND SANCTIONS FOR DISTRICTS. (a) If a school district does not satisfy the accreditation criteria under Section 39.052 [~~39.074~~], the **academic** performance standards under Section 39.053 or 39.054 [~~39.072~~], or any financial accountability standard as determined by commissioner rule, the commissioner shall take any of the following actions to the extent the commissioner determines necessary:
(1) issue public notice of the deficiency to the board of trustees;
(2) order a hearing conducted by the board of trustees of

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the district for the purpose of notifying the public of the insufficient [~~unacceptable~~] performance, the improvements in performance expected by the agency, and the sanctions that may be imposed under this section if the performance does not improve;

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

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

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

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

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

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

(9) if a district has a current accreditation status of accredited-warned or accredited-probation, fails to

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the district for the purpose of notifying the public of the insufficient [~~unacceptable~~] performance, the improvements in performance expected by the agency, and the interventions and sanctions that may be imposed under this section if the performance does not improve;

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

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

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

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

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

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

(9) if a district has a current accreditation status of accredited-warned or accredited-probation, fails to

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~~satisfy any standard under Section 39.054(e) [is rated academically unacceptable]~~, or fails to satisfy financial accountability standards as determined by commissioner rule, appoint a board of managers to exercise the powers and duties of the board of trustees;

(10) if for two consecutive school years, including the **current school year**, a district has received an accreditation status of accredited-warned or accredited-probation, has failed to satisfy any standard under Section 39.054(e) ~~[been rated academically unacceptable]~~, or has failed to satisfy financial accountability standards as determined by commissioner rule, revoke the district's accreditation and:

(A) order closure of the district and annex the district to one or more adjoining districts under Section 13.054; or
(B) in the case of a home-rule school district or open-enrollment charter school, order closure of all programs operated under the district's or school's charter; or

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

(A) ordering the development of a dropout prevention plan for approval by the commissioner;
(B) restructuring the district or appropriate school campuses to improve identification of and service to

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~~satisfy any standard under Section 39.054(d) [is rated academically unacceptable]~~, or fails to satisfy financial accountability standards as determined by commissioner rule, appoint a board of managers to exercise the powers and duties of the board of trustees;

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

(A) order closure of the district and annex the district to one or more adjoining districts under Section 13.054; or
(B) in the case of a home-rule school district or open-enrollment charter school, order closure of all programs operated under the district's or school's charter; or

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

(A) ordering the development of a dropout prevention plan for approval by the commissioner;
(B) restructuring the district or appropriate school campuses to improve identification of and service to

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students who are at risk of dropping out of school, as defined by Section 29.081;

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

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

(b) This subsection applies regardless of whether a district has satisfied the accreditation criteria. If for two consecutive school years, including the **current school year**, a district has had a conservator or management team assigned, the commissioner may appoint a board of managers, a majority of whom must be residents of the district, to exercise the powers and duties of the board of trustees.

Sec. 39.103 [~~39.132~~]. INTERVENTIONS AND SANCTIONS FOR [ACADEMICALLY UNACCEPTABLE] CAMPUSES. (a) If a campus performance is below any standard under Section 39.054(e), the commissioner [~~39.073(b), the campus is considered an academically unacceptable campus. The commissioner may permit the campus to participate in an innovative redesign of the campus to improve campus performance or~~] shall take [~~any of the other following~~] actions, to the extent the commissioner determines necessary, as provided by this subchapter.

(b) For a campus described by Subsection (a), the

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students who are at risk of dropping out of school, as defined by Section 29.081;

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

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

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

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

(b) For a campus described by Subsection (a), the

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commissioner, to the extent the commissioner determines necessary, may:

- (1) ~~issue public notice of the deficiency to the board of trustees;~~
- ~~[(2) order a hearing conducted by the board of trustees at the campus for the purpose of:
[(A) — notifying the public of the unacceptable performance, the improvements in performance expected by the agency, and the sanctions that may be imposed under this section if the performance does not improve within a designated period of time; and
[(B) — soliciting public comment on the initial steps being taken to improve performance;~~
- ~~[(3) — order the preparation of a report regarding the parental involvement program at the campus and a plan describing strategies for improving parental involvement at the campus;~~
- ~~[(4) — order the preparation of a report regarding the effectiveness of the district and campus level planning and decision-making committees established under Subchapter F, Chapter 11, and a plan describing strategies for improving the effectiveness of those committees;~~
- ~~[(5) — order the preparation of a student improvement plan that addresses each academic excellence indicator for which the campus's performance is unacceptable, the submission of the plan to the commissioner for approval, and implementation of the plan;~~
- ~~[(6)] order a hearing to be held before the commissioner~~

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commissioner, to the extent the commissioner determines necessary, may[:

- ~~[(1) issue public notice of the deficiency to the board of trustees;~~
- ~~[(2) order a hearing conducted by the board of trustees at the campus for the purpose of:
[(A) — notifying the public of the unacceptable performance, the improvements in performance expected by the agency, and the sanctions that may be imposed under this section if the performance does not improve within a designated period of time; and
[(B) — soliciting public comment on the initial steps being taken to improve performance;~~
- ~~[(3) — order the preparation of a report regarding the parental involvement program at the campus and a plan describing strategies for improving parental involvement at the campus;~~
- ~~[(4) — order the preparation of a report regarding the effectiveness of the district and campus level planning and decision-making committees established under Subchapter F, Chapter 11, and a plan describing strategies for improving the effectiveness of those committees;~~
- ~~[(5) — order the preparation of a student improvement plan that addresses each academic excellence indicator for which the campus's performance is unacceptable, the submission of the plan to the commissioner for approval, and implementation of the plan;~~
- ~~[(6)] order a hearing to be held before the commissioner~~

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or the commissioner's designee at which the president of the board of trustees, the superintendent, and the campus principal shall appear and explain the campus's low performance, lack of improvement, and plans for improvement; or

(2) establish a school community partnership team composed of members of the campus-level planning and decision-making committee established under Section 11.251 and additional representatives as determined appropriate by the commissioner, such as members of the board of trustees of the district, administrators, educators, parents of district students, representatives of municipal and county governments in which the district is located, and community and business representatives, including representatives of nonprofit entities

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

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

Sec. 39.104 ~~[39.1324]~~. INTERVENTIONS AND SANCTIONS FOR CHARTER SCHOOLS. (a) Interventions and sanctions ~~[Sanctions]~~ authorized under

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or the commissioner's designee at which the president of the board of trustees, the superintendent, and the campus principal shall appear and explain the campus's low performance, lack of improvement, and plans for improvement~~;~~~~or~~

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

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

Sec. 39.103 ~~[39.1324]~~. INTERVENTIONS AND SANCTIONS FOR CHARTER SCHOOLS. (a) Interventions and sanctions ~~[Sanctions]~~ authorized under

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this chapter for a school district or campus apply in the same manner to an open-enrollment charter school.

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

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

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

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

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

Sec. 39.105 [39.1322]. [~~TECHNICAL ASSISTANCE AND~~] CAMPUS IMPROVEMENT PLAN [~~INTERVENTION TEAMS~~]. (a) This section applies if [~~If~~] a campus performance satisfies performance standards under Section 39.054(e) [~~is rated academically acceptable~~] for the current school year but would not satisfy performance standards under Section 39.054(e) [~~be rated as academically unacceptable~~] if the

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this chapter for a school district or campus apply in the same manner to an open-enrollment charter school.

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

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

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

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

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

Sec. 39.104 [39.1322]. [~~TECHNICAL ASSISTANCE AND~~] CAMPUS IMPROVEMENT PLAN [~~INTERVENTION TEAMS~~]. (a) This section applies if [~~If~~] a campus performance satisfies performance standards under Section 39.054(d) [~~is rated academically acceptable~~] for the current school year but would not satisfy performance standards under Section 39.054(d) [~~be rated as academically unacceptable~~] if the

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~~[performance]~~ standards to be used for the following school year were applied to the current school year. On request of[;] the commissioner, **the campus-level committee established under Section 11.251** shall **revise and** submit to the commissioner in an electronic format the portions of the campus improvement plan developed under Section 11.253 that are relevant to those areas for which the campus would not satisfy performance standards

~~[select and assign a technical assistance team to assist the campus in executing a school improvement plan and any other school improvement strategies the commissioner determines appropriate. The commissioner may waive the requirement to assign a technical assistance team under this subsection if the improvement in performance standards among all student groups, including special populations, over the preceding three years indicates that the campus is likely to be rated academically acceptable in the following school year].~~

(b) If ~~the~~ [a] campus to which this section applies is an open-enrollment charter school, the school shall establish a campus-level planning and decision-making committee as provided for through procedures as much as practicable the same as those provided by Sections 11.251(b)-(e) and develop a campus improvement plan as provided by Section 11.253. On request of the commissioner, the school shall submit to the commissioner in an electronic format the portions of the campus improvement plan that are relevant to those areas

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~~[performance]~~ standards to be used for the following school year were applied to the current school year. On request of[;] the commissioner, **the campus shall** submit to the commissioner in an electronic format the portions of the campus improvement plan developed under Section 11.253 that are relevant to those areas for which the campus would not satisfy performance standards

~~[select and assign a technical assistance team to assist the campus in executing a school improvement plan and any other school improvement strategies the commissioner determines appropriate. The commissioner may waive the requirement to assign a technical assistance team under this subsection if the improvement in performance standards among all student groups, including special populations, over the preceding three years indicates that the campus is likely to be rated academically acceptable in the following school year].~~

(b) If ~~the~~ [a] campus to which this section applies is an open-enrollment charter school, the school shall establish a campus-level planning and decision-making committee as provided for through procedures as much as practicable the same as those provided by Sections 11.251(b)-(e) and develop a campus improvement plan as provided by Section 11.253. On request of the commissioner, the school shall submit to the commissioner in an electronic format the portions of the campus improvement plan that are relevant to those areas

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for which the campus would not satisfy performance standards ~~[has been identified as academically unacceptable under Section 39.132, the commissioner shall appoint a campus intervention team.~~

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

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

Sec. 39.106 [39.1323]. CAMPUS INTERVENTION TEAM [PROCEDURES]. (a) If a campus performance is below any standard under Section 39.054(e), the commissioner shall assign a campus intervention team. A campus intervention team shall:

(1) conduct, with the involvement and advice of the school community partnership team, if applicable:

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

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

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for which the school would not satisfy performance standards ~~[has been identified as academically unacceptable under Section 39.132, the commissioner shall appoint a campus intervention team.~~

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

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

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

(1) conduct:

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

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

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

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

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

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

(b) An [A campus intervention team assigned under Section 39.1322 to a campus shall conduct a comprehensive] on-site needs assessment of the campus under Subsection (a) must [to] determine the contributing education-related and other [causal] factors resulting in the campus's low performance and lack of progress. The team shall use all of the following guidelines and procedures relevant to each area of insufficient performance in conducting a targeted on-site needs assessment and shall use each of the following guidelines and procedures in conducting a comprehensive on-site needs assessment [of the campus]:

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

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

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

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

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

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- (1) an assessment of the staff to determine the percentage of certified teachers who are teaching in their field, **the percentage of teachers who are fully certified,** the number of teachers with **more** [~~less~~] than three years of experience, and teacher **retention** [~~turnover~~] rates;
- (2) compliance with the appropriate class-size rules and number of class-size waivers received;
- (3) an assessment of the quality, quantity, and appropriateness of instructional materials, including the availability of technology-based instructional materials;
- (4) a report on the parental involvement strategies and the effectiveness of the strategies;
- (5) an assessment of the extent and quality of the mentoring program provided for new teachers on the campus **and provided for experienced teachers on the campus who have less than two years of teaching experience in the subject or grade level to which the teacher is assigned;**
- (6) an assessment of the type and quality of the professional development provided to the staff;
- (7) a demographic analysis of the student population, including student demographics, at-risk populations, and special education percentages;
- (8) a report of disciplinary incidents and school safety information;
- (9) financial and accounting practices;
- (10) an assessment of the appropriateness of the curriculum and teaching strategies; [~~and~~]
- (11) **compare the findings from Subdivisions (1) through**

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- (1) an assessment of the staff to determine the percentage of certified teachers who are teaching in their field, the number of teachers with **less** than three years of experience, and teacher **turnover** rates;
- (2) compliance with the appropriate class-size rules and number of class-size waivers received;
- (3) an assessment of the quality, quantity, and appropriateness of instructional materials, including the availability of technology-based instructional materials;
- (4) a report on the parental involvement strategies and the effectiveness of the strategies;
- (5) an assessment of the extent and quality of the mentoring program provided for new teachers on the campus;

- (6) an assessment of the type and quality of the professional development provided to the staff;
- (7) a demographic analysis of the student population, including student demographics, at-risk populations, and special education percentages;
- (8) a report of disciplinary incidents and school safety information;
- (9) financial and accounting practices;
- (10) an assessment of the appropriateness of the curriculum and teaching strategies; and

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(10) to other campuses serving the same grade levels within the district or to other campuses within the campus's comparison group if there are no other campuses within the district serving the same grade levels as the campus; and

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

(A) recommending an action under Subsection (c); and
(B) executing a targeted [~~school~~] improvement plan under Subsection (d-3) [~~(d)~~].

(c) On completing the on-site needs assessment [~~evaluation~~] under this section, the campus intervention team shall, with the involvement and advice of the school community partnership team, if applicable,

recommend actions relating to any area of insufficient performance, including:

- (1) reallocation of resources;
- (2) technical assistance;
- (3) changes in school procedures or operations;
- (4) staff development for instructional and administrative staff;
- (5) intervention for individual administrators or teachers;
- (6) waivers from state statutes or rules; [~~or~~]

(7) teacher recruitment and/or retention strategies and incentives provided by the district to attract and retain teachers with the characteristics included in Subsection (b)(1); or

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

(A) recommending an action under Subsection (c); and
(B) executing a targeted [~~school~~] improvement plan under Subsection (d-1) [~~(d)~~].

(c) On completing the on-site needs assessment [~~evaluation~~] under this section, the campus intervention team shall

recommend actions relating to any area of insufficient performance, including:

- (1) reallocation of resources;
- (2) technical assistance;
- (3) changes in school procedures or operations;
- (4) staff development for instructional and administrative staff;
- (5) intervention for individual administrators or teachers;
- (6) waivers from state statutes or rules; or

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(8) other actions the campus intervention team considers appropriate.

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

(d-1) The commissioner may authorize a school community partnership team established under this subchapter to supersede the authority of and satisfy the requirements of establishing and maintaining a campus-level planning and decision-making committee under Subchapter F, Chapter 11.

(d-2) The commissioner may authorize a targeted improvement plan or updated plan developed under this subchapter to supersede the provisions of and satisfy the requirements of developing, reviewing, and revising a campus improvement plan under Subchapter F, Chapter 11.

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

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

(2) provide research-based technical assistance, including data analysis, academic deficiency identification, intervention implementation, and budget analysis, to strengthen and improve the instructional

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

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

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

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

(2) provide research-based technical assistance, including data analysis, academic deficiency identification, intervention implementation, and budget analysis, to strengthen and improve the instructional

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programs at the campus; and

(3) require the district to develop a teacher recruitment and retention plan to address the qualifications and retention of the teachers at the campus

~~[submit the school improvement plan to the commissioner for approval].~~

(e) For each year a campus is assigned an unacceptable performance rating, a [A] campus intervention team shall ~~[appointed under Section 39.1322(b)]:~~

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

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

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

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

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

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

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programs at the campus~~;~~ ~~and~~

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

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

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

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

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

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

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

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

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the board:

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

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

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

(2) shall provide a copy of the proposed targeted improvement plan or any proposed updated plan to each person who attends a hearing under this subsection;

(3) must post the targeted improvement plan on the district's Internet website before the hearing;

(4) may conduct one hearing relating to one or more campuses subject to a targeted improvement plan or an updated plan; and

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

(f) Notwithstanding any other provision of this subchapter, if the commissioner determines that a campus for which an intervention is ordered under Subsection (a) [Section 39.1322(b)] is not fully implementing the campus intervention team's recommendations or targeted [school] improvement plan, the commissioner may order the reconstitution of the campus as provided by Section 39.107.

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the board:

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

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

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

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

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

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

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Sec. 39.107 [~~39.1324~~]. RECONSTITUTION, REPURPOSING, ALTERNATIVE MANAGEMENT, AND CLOSURE [~~MANDATORY SANCTIONS~~]. (a) Unless otherwise provided under the procedures for approval of an updated targeted improvement plan under Section 39.106(e-1) or this subsection, after [~~if~~] a campus has been identified as [~~academically unacceptable~~] unacceptable for two consecutive school years, [~~including the current school year,~~] the commissioner shall order the reconstitution of the campus [~~and assign a campus intervention team~~].

The commissioner may waive the requirement to order reconstitution for not more than one school year if the commissioner determines that, on the basis of significant improvement in student performance over the preceding two school years, the campus is likely to be assigned an acceptable performance rating for the following school year.

(a-1) In reconstituting a [~~the~~] campus, a campus intervention team shall assist the campus in:

- (1) developing an updated targeted [~~a school~~] improvement plan;
- (2) submitting the updated targeted improvement plan to the board of trustees of the school district for approval and presenting the plan in a public hearing as provided by Section 39.106(e-1);
- (3) [(2)] obtaining approval of the updated plan from the commissioner; and
- (4) [(3)] executing the plan on approval by the

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Sec. 39.106 [~~39.1324~~]. RECONSTITUTION, REPURPOSING, ALTERNATIVE MANAGEMENT, AND CLOSURE [~~MANDATORY SANCTIONS~~]. (a) Unless otherwise provided under the procedures for approval of an updated targeted improvement plan under Section 39.105(e-1) or this subsection, after [~~if~~] a campus has been identified as below any standard under Section 39.054(d) [~~academically unacceptable~~] for two consecutive school years, [~~including the current school year,~~] the commissioner shall order the reconstitution of the campus [~~and assign a campus intervention team~~].

In reconstituting a [~~the~~] campus, a campus intervention team shall assist the campus in:

- (1) developing an updated targeted [~~a school~~] improvement plan;
- (2) submitting the updated targeted improvement plan to the board of trustees of the school district for approval and presenting the plan in a public hearing as provided by Section 39.105(e-1);
- (3) [(2)] obtaining approval of the updated plan from the commissioner; and
- (4) [(3)] executing the plan on approval by the

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commissioner.

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

retention is appropriate under Section 39.236.

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

(b-2) For each year that a campus is considered to have an unacceptable performance rating,

a campus intervention team shall:

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

(2) submit the updated plan to:

(A) the board of trustees of the school district; and

(B) the parents of campus students; and

(3) assist in submitting the updated plan to the

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commissioner.

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

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

(2) retention is appropriate under Section 39.236.

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

(b-2) For each year the performance of a campus is below any standard under Section 39.054(d) after the second consecutive school year the performance of the campus is below any standard under Section 39.054(d),

a campus intervention team shall:

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

(2) submit the updated plan to

the board of trustees of the school district; and

(3) assist in submitting the updated plan to the

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commissioner for approval.

(b-3) A district that operates a campus subject to Subsection (a) shall, in accordance with requirements of the commissioner, provide an e-mail address or telephone number that may be used by parents to provide comments to the school district about the targeted improvement plan. The school district shall publish comments provided by parents as required by the commissioner.

(c) A campus subject to Subsection (a) shall implement the updated targeted [school] improvement plan as approved by the commissioner. The commissioner may appoint a monitor, conservator, management team, or [a] board of managers to the district to ensure and oversee district-level support to low-performing campuses and the implementation of the updated targeted [school] improvement plan. In making appointments under this subsection, the commissioner shall consider individuals who have demonstrated success in managing campuses with student populations similar to the campus at which the individual appointed will serve.

(d) If [Notwithstanding any other provision of this subchapter, if] the commissioner determines that the [a] campus [subject to Subsection (a)] is not fully implementing the updated targeted [school] improvement plan or if the students enrolled at the campus fail to demonstrate substantial improvement in the areas

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commissioner for approval.

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

(d) If [Notwithstanding any other provision of this subchapter, if] the commissioner determines that the [a] campus [subject to Subsection (a)] is not fully implementing the updated targeted [school] improvement plan or if the students enrolled at the campus fail to demonstrate substantial improvement in the areas

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targeted by the updated plan, the commissioner may order:

- (1) repurposing of the campus under this section;
 - (2) ~~[pursue]~~ alternative management of the campus under this section; ~~[Section 39.1327]~~ or
 - (3) ~~[may order]~~ closure of the campus.
- (e) ~~[If a campus is considered an academically unacceptable campus for the subsequent school year after the campus is reconstituted under this section, the commissioner shall review the progress of the campus and may order closure of the campus or pursue alternative management under Section 39.1327.~~

~~[(f)] If a campus is considered to have an unacceptable performance rating~~ ~~[considered—academically unacceptable]~~ for three ~~[two]~~ consecutive school years after the campus is reconstituted under Subsection (a), the commissioner shall order:

- (1) repurposing of the campus under this section;
- (2) alternative management of the campus under this section; or
- (3) closure of the campus ~~[or pursue alternative management under Section 39.1327].~~

(e-1) The commissioner may waive the requirement to enter an order under Subsection (e) for not more than one school year if the commissioner determines that, on the basis of significant improvement in student performance over the preceding two school years, the campus is likely to be assigned an acceptable performance rating for the following school year.

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targeted by the updated plan, the commissioner may order:

- (1) repurposing of the campus under this section;
 - (2) ~~[pursue]~~ alternative management of the campus under this section; ~~[Section 39.1327]~~ or
 - (3) ~~[may order]~~ closure of the campus.
- (e) ~~[If a campus is considered an academically unacceptable campus for the subsequent school year after the campus is reconstituted under this section, the commissioner shall review the progress of the campus and may order closure of the campus or pursue alternative management under Section 39.1327.~~

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

- (1) repurposing of the campus under this section;
- (2) alternative management of the campus under this section; or
- (3) closure of the campus ~~[or pursue alternative management under Section 39.1327].~~

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(f) If the commissioner orders repurposing of a campus, the school district shall develop a comprehensive plan for repurposing the campus and submit the plan to the board of trustees for approval, using the procedures described by Section 39.106(e-1), and to the commissioner for approval. The plan must include a description of a rigorous and relevant academic program for the campus. The plan may include various instructional models. The commissioner may not approve the repurposing of a campus unless:

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

(2) the principal is not retained at the campus; and

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

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

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

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

(A) a teacher who provides instruction in a subject other

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(3) the principal assigned to the campus has reviewed the performance of all teachers employed at the campus in the school year immediately preceding the repurposing of the campus and determined, after consulting with the community and the campus intervention team assigned to the campus, which teachers may be retained at the campus, giving preference to teachers certified in the subject matter taught by those teachers.

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

(h) [Sec. 39.1327. — MANAGEMENT OF CERTAIN ACADEMICALLY UNACCEPTABLE CAMPUSES.

(a) A campus may be subject to this section if the campus has been identified as academically unacceptable under Section 39.132 and the commissioner orders alternative management under Section 39.1324(d), (e), or

than a subject for which an assessment instrument is administered under Section 39.023(a) or (c) who demonstrates to the commissioner satisfactory performance; or

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

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

(h) If the commissioner orders alternative management under this section, the

[Sec. 39.1327. — MANAGEMENT OF CERTAIN ACADEMICALLY UNACCEPTABLE CAMPUSES.

(a) A campus may be subject to this section if the campus has been identified as academically unacceptable under Section 39.132 and the commissioner orders alternative management under Section 39.1324(d), (e), or

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~~(f)~~.

~~(b)~~ The commissioner shall solicit proposals from qualified ~~nonprofit~~ entities to assume management of a campus subject to this section or may appoint to assume management of a campus subject to this section a school district other than the district in which the campus is located that is located in the boundaries of the same regional education service center as the campus is located. A district appointed under this section shall assume management of a campus subject to this section in the same manner provided by this section for a qualified ~~nonprofit~~ entity or in accordance with commissioner rule. **A for-profit entity may not operate as a qualified entity under this section.**

(i) ~~(e)~~ If the commissioner determines that the basis for identifying a campus as ~~academically~~ unacceptable

is limited to a specific condition that may be remedied with targeted technical assistance, the commissioner may:

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

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

(j) ~~(d)~~ The commissioner may annually solicit proposals under this section for the management of a campus subject to this section. The commissioner shall notify a qualified ~~nonprofit~~ entity that has been

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~~(f)~~.

~~(b) — The~~ commissioner shall solicit proposals from qualified ~~nonprofit~~ entities to assume management of a campus subject to this section or may appoint to assume management of a campus subject to this section a school district other than the district in which the campus is located that is located in the boundaries of the same regional education service center as the campus is located. A district appointed under this section shall assume management of a campus subject to this section in the same manner provided by this section for a qualified ~~nonprofit~~ entity or in accordance with commissioner rule.

(i) ~~(e)~~ If the commissioner determines that the basis for **the unsatisfactory performance of [identifying] a campus for more than two consecutive school years [as academically unacceptable]**

is limited to a specific condition that may be remedied with targeted technical assistance, the commissioner may[:

~~(1) — provide the campus a one year waiver under this section; and~~

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

(j) ~~(d)~~ The commissioner may annually solicit proposals under this section for the management of a campus subject to this section. The commissioner shall notify a qualified ~~nonprofit~~ entity that has been

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approved as a provider under this section. The district must execute a contract with an approved provider and relinquish control of the campus before January 1 of the school year.

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

(1) documented success in whole school interventions that increased the educational and performance levels of students in ~~[academically unacceptable]~~ campuses considered to have an unacceptable performance rating;

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

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

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

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

(k-1) For purposes of Subsection (k)(1), in demonstrating documented success, a managing entity must submit to the commissioner a side-by-side analysis of before and after conditions of campuses managed by individuals constituting the entity's management and leadership team that will participate in the management

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approved as a provider under this section. The district must execute a contract with an approved provider and relinquish control of the campus before January 1 of the school year.

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

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

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

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

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

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

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of the campus under consideration. The analysis must specify:

(1) the status of each campus before management of the campus began and at the time the management of the campus ended; and

(2) the demographic characteristics of each campus.

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

(1) meets any qualifications under this section; and

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

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

(n) ~~[(h)]~~ A management contract under this section shall include provisions approved by the commissioner that require the managing entity to demonstrate improvement in campus performance, including negotiated

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

(1) meets any qualifications under this section; and

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

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

(n) ~~[(h)]~~ A management contract under this section shall include provisions approved by the commissioner that require the managing entity to demonstrate improvement in campus performance, including negotiated

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performance measures. The performance measures must be consistent with the priorities of this chapter. The commissioner shall evaluate a managing entity's performance on the first and second anniversaries of the date of the management contract. If the evaluation fails to demonstrate improvement as negotiated under the contract by the first anniversary of the date of the management contract, the district may terminate the management contract, with the commissioner's consent, for nonperformance or breach of contract and select another provider from an approved list provided by the commissioner. If the evaluation fails to demonstrate significant improvement, as determined by the commissioner, by the second anniversary of the date of the management contract, the district shall terminate the management contract and select another provider from an approved list provided by the commissioner or resume operation of the campus if approved by the commissioner. If the commissioner approves the district's operation of the campus, the commissioner shall assign a technical assistance team to assist the campus.

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

(p) ~~[(+)]~~ Each campus operated by a managing entity under this section is subject to this chapter in the same

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performance measures. The performance measures must be consistent with the priorities of this chapter. The commissioner shall evaluate a managing entity's performance on the first and second anniversaries of the date of the management contract. If the evaluation fails to demonstrate improvement as negotiated under the contract by the first anniversary of the date of the management contract, the district may terminate the management contract, with the commissioner's consent, for nonperformance or breach of contract and select another provider from an approved list provided by the commissioner. If the evaluation fails to demonstrate significant improvement, as determined by the commissioner, by the second anniversary of the date of the management contract, the district shall terminate the management contract and select another provider from an approved list provided by the commissioner or resume operation of the campus if approved by the commissioner. If the commissioner approves the district's operation of the campus, the commissioner shall assign a technical assistance team to assist the campus.

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

(p) ~~[(+)]~~ Each campus operated by a managing entity under this section is subject to this chapter in the same

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manner as any other campus in the district.

~~(q)~~ [4] The commissioner may adopt rules necessary to implement this section.

~~(r)~~ [4] With respect to the management of a campus under this section:

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

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

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

Sec. 39.109 [~~39.133~~]. ACQUISITION OF

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manner as any other campus in the district.

~~(q)~~ [4] The commissioner may adopt rules necessary to implement this section.

~~(r)~~ [4] With respect to the management of a campus under this section:

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

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

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

Sec. 39.108 [~~39.133~~]. ACQUISITION OF

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PROFESSIONAL SERVICES. In addition to other interventions and sanctions authorized under this subchapter [~~Sections 39.131 and 39.132~~], the commissioner may order a school district or campus to acquire professional services at the expense of the district or campus to address the applicable financial, assessment, data quality, program, performance, or governance deficiency. The commissioner's order may require the district or campus to:

- (1) select or be assigned an external auditor, data quality expert, professional authorized to monitor district assessment instrument administration, or curriculum or program expert; or
- (2) provide for or participate in the appropriate training of district staff or board of trustees members in the case of a district, or campus staff, in the case of a campus.

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

- (1) pay the costs using amounts withheld from any funds to which the district is otherwise entitled; or
- (2) recover the amount of the costs in the manner provided for recovery of an overallocation of state funds

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PROFESSIONAL SERVICES. In addition to other interventions and sanctions authorized under this subchapter [~~Sections 39.131 and 39.132~~], the commissioner may order a school district or campus to acquire professional services at the expense of the district or campus to address the applicable financial, assessment, data quality, program, performance, or governance deficiency. The commissioner's order may require the district or campus to:

- (1) select or be assigned an external auditor, data quality expert, professional authorized to monitor district assessment instrument administration, or curriculum or program expert; or
- (2) provide for or participate in the appropriate training of district staff or board of trustees members in the case of a district, or campus staff, in the case of a campus.

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

- (1) pay the costs using amounts withheld from any funds to which the district is otherwise entitled; or
- (2) recover the amount of the costs in the manner provided for recovery of an overallocation of state funds

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under Section 42.258.

Sec. 39.111 [~~39.135~~]. CONSERVATOR OR MANAGEMENT TEAM. (a) The commissioner shall clearly define the powers and duties of a conservator or management team appointed to oversee the operations of the district.

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

(c) A conservator or management team, if directed by the commissioner, shall prepare a plan for the implementation of action under Section 39.102(a)(9) [~~39.131(a)(9)~~] or (10). The conservator or management team:

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

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

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

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

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under Section 42.258.

Sec. 39.110 [~~39.135~~]. CONSERVATOR OR MANAGEMENT TEAM. (a) The commissioner shall clearly define the powers and duties of a conservator or management team appointed to oversee the operations of the district.

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

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

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

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

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

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

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(5) may not set a tax rate for the district; and
(6) may not adopt a budget for the district that provides for spending a different amount, exclusive of required debt service, from that previously adopted by the board of trustees.

Sec. 39.112 [~~39.136~~]. BOARD OF MANAGERS. (a) A board of managers may exercise all of the powers and duties assigned to a board of trustees of a school district by law, rule, or regulation. This subchapter applies to a district governed by a board of managers in the same manner that this subchapter applies to any other district.

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

(c) If the commissioner appoints a board of managers to govern a campus, the powers of the board of trustees of the district in relation to the campus are suspended for the period of the appointment and the commissioner shall appoint a campus principal. Notwithstanding any other provision of this code, the board of managers may submit to the commissioner for approval amendments to the budget of the district for the benefit of the campus. If the commissioner approves the amendments, the board of trustees of the district shall adopt the amendments.

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(5) may not set a tax rate for the district; and
(6) may not adopt a budget for the district that provides for spending a different amount, exclusive of required debt service, from that previously adopted by the board of trustees.

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

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

(c) If the commissioner appoints a board of managers to govern a campus, the powers of the board of trustees of the district in relation to the campus are suspended for the period of the appointment and the commissioner shall appoint a campus principal. Notwithstanding any other provision of this code, the board of managers may submit to the commissioner for approval amendments to the budget of the district for the benefit of the campus. If the commissioner approves the amendments, the board of trustees of the district shall adopt the amendments.

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

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

Sec. 39.113 [~~39.137~~]. [SPECIAL] CAMPUS INTERVENTION TEAM. A [~~special~~] campus intervention team appointed under this subchapter may consist of teachers, principals, other educational professionals, and superintendents recognized for excellence in their roles and appointed by the commissioner to serve as members of a team.

Sec. 39.114 [~~39.138~~]. IMMUNITY FROM CIVIL LIABILITY. An employee, volunteer, or contractor acting on behalf of the commissioner under this subchapter is immune from civil liability to the same extent as a professional employee of a school district under Section 22.051.

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

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

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

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

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Sec. 39.115. **CAMPUS NAME CHANGE PROHIBITED.** In reconstituting, repurposing, or imposing any other intervention or sanction on a campus under this subchapter, the commissioner may not require that the name of the campus be changed.

Sec. 39.116. **TRANSITIONAL INTERVENTIONS AND SANCTIONS.** (a) During the period of transition to the accreditation system established under H.B. No. 3, Acts of the 81st Legislature, Regular Session, 2009, to be implemented in August 2013, the commissioner may suspend assignment of accreditation statuses and performance ratings for the 2011-2012 school year.

(b) During the 2011-2012 school year,

the commissioner shall continue to implement interventions and sanctions for **districts** and campuses identified as having **unacceptable** performance in the 2010-2011 school year in accordance with the performance standards applicable during the 2010-2011 school year and may increase or decrease the level of interventions and sanctions based on an evaluation of the district's or campus's performance.

(c) For purposes of determining multiple years of **unacceptable** performance and required district and

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

Sec. 39.115. **TRANSITIONAL INTERVENTIONS AND SANCTIONS.** (a) During the period of transition to the accreditation system established under H.B. No. 3, Acts of the 81st Legislature, Regular Session, 2009, to be implemented in August 2014, the commissioner may suspend assignment of accreditation statuses and performance ratings for the 2011-2012 school year **and, with respect to the college readiness indicators under Section 39.053(c)(1)(B), for the 2012-2013 school year.**

(b) During the 2011-2012 school year **and, with respect to the college readiness indicators under Section 39.053(c)(1)(B), the 2012-2013 school year,**

the commissioner shall continue to implement interventions and sanctions for **those districts** and campuses identified as having **unsatisfactory** performance in the 2010-2011 school year in accordance with the performance standards applicable during the 2010-2011 school year and may increase or decrease the level of interventions and sanctions based on an evaluation of the district's or campus's performance.

(c) For purposes of determining multiple years of **unsatisfactory** performance and required district and

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campus interventions and sanctions under this subchapter, the performance ratings and accreditation statuses issued in the 2010-2011 and 2012-2013 school years

shall be considered consecutive.

(d) This section expires September 1, 2014.

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

Sec. 39.151 [39.304]. REVIEW BY COMMISSIONER: ACCOUNTABILITY DETERMINATION [RATINGS].

(a) The commissioner by rule shall provide a process for a school district or open-enrollment charter school to challenge an agency decision made under this chapter relating to an academic or financial accountability rating that affects the district or school.

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

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campus interventions and sanctions under this subchapter, the performance ratings and accreditation statuses issued in the 2010-2011 and 2012-2013 school years and, with respect to the college readiness indicators under Section 39.053(c)(1)(B), the 2010-2011 and 2013-2014 school years,

shall be considered consecutive.

(d) This section expires September 1, 2015.

SUBCHAPTER F [K]. PROCEDURES FOR CHALLENGE OF ACCOUNTABILITY DETERMINATION [RATING OR SANCTION]

Sec. 39.151 [39.304]. REVIEW BY COMMISSIONER: ACCOUNTABILITY DETERMINATION [RATINGS].

(a) The commissioner by rule shall provide a process for a school district or open-enrollment charter school to challenge an agency decision made under this chapter relating to an academic or financial accountability rating that affects the district or school.

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

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

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

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

Sec. 39.152 [~~39.302~~]. REVIEW BY STATE OFFICE OF ADMINISTRATIVE HEARINGS: SANCTIONS.

(a) A school district or open-enrollment charter school that intends to challenge a decision by the commissioner under this chapter to close the district or a district campus or the charter school or to pursue alternative management of a district campus or the charter school must appeal the decision under the procedures provided for a contested case under Chapter 2001, Government Code.

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

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

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

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

Sec. 39.152 [~~39.302~~]. REVIEW BY STATE OFFICE OF ADMINISTRATIVE HEARINGS: SANCTIONS.

(a) A school district or open-enrollment charter school that intends to challenge a decision by the commissioner under this chapter to close the district or a district campus or the charter school or to pursue alternative management of a district campus or the charter school must appeal the decision under the procedures provided for a contested case under Chapter 2001, Government Code.

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

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(c) Notwithstanding other law:

- (1) the State Office of Administrative Hearings shall provide an expedited review of a challenge under this section;
- (2) the administrative law judge shall issue a final order not later than the 30th day after the date on which the hearing is finally closed; and
- (3) the decision of the administrative law judge is final and may not be appealed.

SUBCHAPTER G. DISTINCTION DESIGNATIONS

No equivalent provision.

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(c) Notwithstanding other law:

- (1) the State Office of Administrative Hearings shall provide an expedited review of a challenge under this section;
- (2) the administrative law judge shall issue a final order not later than the 30th day after the date on which the hearing is finally closed; and
- (3) the decision of the administrative law judge is final and may not be appealed.

SUBCHAPTER G. DISTINCTION DESIGNATIONS

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

- (1) the district or campus attains a minimum percentage, as determined by the commissioner, of:
 - (A) students who performed satisfactorily, as determined under the college readiness performance standard under Section 39.0241, on assessment instruments required under Section 39.023(a), (b), (c), or (l), aggregated across grade levels by subject area; or
 - (B) students who met the standard for annual improvement, as determined by the agency under Section 39.034, on assessment instruments required under Section 39.023(a), (b), (c), or (l), aggregated across grade levels by subject area, for students who did not perform satisfactorily as described by Paragraph (A); or

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

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

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

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

No equivalent provision.

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

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

Sec. 39.201. CAMPUS DISTINCTION DESIGNATIONS. (a) Not later than August 8 of each year, the commissioner shall award distinction designations under this subchapter. A campus may not

Sec. 39.203. CAMPUS DISTINCTION DESIGNATIONS.

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be awarded a distinction designation under this subchapter unless the campus has acceptable performance under Section 39.054.

(b) The commissioner shall award a campus a distinction designation if the campus is ranked in the top 25 percent of campuses in the state in annual improvement in student achievement as determined under Section 39.034.

(c) In addition to the distinction designation described by Subsection (b), the commissioner shall award a campus a distinction designation if the campus demonstrates an ability to significantly diminish or eliminate performance differentials between student subpopulations.

The commissioner shall adopt rules related to the distinction designation under this subsection to ensure that a campus does not artificially diminish or eliminate performance differentials through inhibiting the achievement of the highest achieving student subpopulation or other means.

(d) In addition to the distinction designations described by Subsections (b) and (c), a campus that satisfies the criteria developed under Section 39.202 shall be awarded a distinction designation by the commissioner for the following programs or the following specific categories of performance:

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(a) The commissioner shall award a campus a distinction designation if the campus is ranked in the top 25 percent of campuses eligible under Section 39.201 in annual improvement in student achievement, as determined under Section 39.034, in English language arts, mathematics, science, or social studies.

(b) In addition to the distinction designation described by Subsection (a), the commissioner shall award a campus a distinction designation if the campus demonstrates an ability to significantly diminish or eliminate performance differentials between student subpopulations and is ranked in the top 25 percent of campuses eligible under Section 39.201 under the performance criteria described by this subsection.

The commissioner shall adopt rules related to the distinction designation under this subsection to ensure that a campus does not artificially diminish or eliminate performance differentials through inhibiting the achievement of the highest achieving student subpopulation.

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

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- (1) academic achievement in English language arts, mathematics, science, or social studies;
- (2) fine arts;
- (3) physical education;
- (4) 21st Century Workforce Development program;
- (5) second language acquisition program; and
- (6) recognized achievement in placing high school graduates in institutions of higher education.

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

- (1) standards for considering campuses for distinction designations under Section 39.201(d); and
- (2) methods for awarding distinction designations to campuses.
- (b) In adopting rules under this section, the commissioner shall establish a separate committee to develop criteria for each distinction designation under Section 39.201(d).
- (c) Each committee established under this section must include:
 - (1) individuals who practice as professionals in the content area relevant to the distinction designation, as applicable;

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- (1) academic achievement in English language arts, mathematics, science, or social studies;
- (2) fine arts;
- (3) physical education;
- (4) 21st Century Workforce Development program; and
- (5) second language acquisition program.

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

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

- (1) standards for considering campuses for distinction designations under Section 39.203(c); and
- (2) methods for awarding distinction designations to campuses.
- (b) In adopting rules under this section, the commissioner shall establish a separate committee to develop criteria for each distinction designation under Section 39.203(c).
- (c) Each committee established under this section must include:
 - (1) individuals who practice as professionals in the content area relevant to the distinction designation, as applicable;

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

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

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

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

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

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

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

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

(B) the student enrollment of a campus.

Sec. 39.203. STUDY REGARDING ADDITIONAL CATEGORIES FOR DISTINCTION DESIGNATION.

(a) The agency shall conduct a study on the feasibility and appropriateness of including additional categories of performance for a distinction designation under Section 39.201(d), including library services and the campus learning environment.

(b) The study must include an analysis of the following campus learning environment indicators:

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

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

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

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

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

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

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

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

(B) the student enrollment of a campus.

No equivalent provision.

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- (1) the percentage of teachers assigned out of field;
- (2) the percentage of teachers with less than three years' experience;
- (3) teacher turnover rates;
- (4) the number of class-size waivers by grade level; and
- (5) the results of an organizational health survey that includes questions relating to:
 - (A) the quality of professional development activities offered or for which attendance is supported;
 - (B) administrative support of teacher disciplinary actions and needs;
 - (C) consideration of teacher perspective in policy development and implementation;
 - (D) the extent to which noninstructional duties are minimized; and
 - (E) the extent to which collaborative and planning activities are supported and worthwhile.
- (c) The agency shall adopt rules to include additional performance categories for a distinction designation under Section 39.201(d) if the agency determines that it is an appropriate category based on the results of the study.

SUBCHAPTER H [F]. ADDITIONAL REWARDS

Sec. 39.231 [39.444]. RECOGNITION AND REWARDS. The commissioner [~~State Board of Education~~] shall develop a plan for recognizing and rewarding school [~~districts and~~] campuses that receive a

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SUBCHAPTER H [F]. ADDITIONAL REWARDS

Sec. 39.231 [39.444]. RECOGNITION AND REWARDS. The State Board of Education shall develop a plan for recognizing and rewarding school districts and campuses that are rated as exemplary or

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~~distinction designation~~ under Subchapter G and ~~develop~~ ~~[are rated as exemplary or recognized and for developing]~~ a network for sharing proven successful practices statewide and regionally. The reward may be used to provide educators with summer stipends to develop curricula based on the cited successful strategies. The educators may copyright the curricula they develop.

Sec. 39.232 [39.112]. **DISTINCTION** [EXCELLENCE] EXEMPTIONS. (a) Except as provided by Subsection (b), a school campus ~~[or district]~~ that ~~holds a distinction designation under Section 39.201(b) or (d)(1) [is rated exemplary]~~ is exempt from requirements and prohibitions imposed under this code including rules adopted under this code.

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

- (1) a prohibition on conduct that constitutes a criminal offense;
- (2) requirements imposed by federal law or rule, including requirements for special education or bilingual education programs; or
- (3) a requirement, restriction, or prohibition relating to:
 - (A) curriculum essential knowledge and skills under Section 28.002 or high school ~~[minimum]~~ graduation requirements under Section 28.025;
 - (B) public school accountability as provided by Subchapters B, C, D, E, and J [~~G~~];
 - (C) extracurricular activities under Section 33.081;

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~~recognized~~ under Subchapter G and ~~for developing~~ a network for sharing proven successful practices statewide and regionally. The reward may be used to provide educators with summer stipends to develop curricula based on the cited successful strategies. The educators may copyright the curricula they develop.

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

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

- (1) a prohibition on conduct that constitutes a criminal offense;
- (2) requirements imposed by federal law or rule, including requirements for special education or bilingual education programs; or
- (3) a requirement, restriction, or prohibition relating to:
 - (A) curriculum essential knowledge and skills under Section 28.002 or high school ~~[minimum]~~ graduation requirements under Section 28.025;
 - (B) public school accountability as provided by Subchapters B, C, D, E, and J [~~G~~];
 - (C) extracurricular activities under Section 33.081;

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- (D) health and safety under Chapter 38;
 - (E) purchasing [~~competitive bidding~~] under Subchapter B, Chapter 44;
 - (F) elementary school class size limits, except as provided by Subsection (d) or Section 25.112;
 - (G) removal of a disruptive student from the classroom under Subchapter A, Chapter 37;
 - (H) at risk programs under Subchapter C, Chapter 29;
 - (I) prekindergarten programs under Subchapter E, Chapter 29;
 - (J) rights and benefits of school employees;
 - (K) special education programs under Subchapter A, Chapter 29; or
 - (L) bilingual education programs under Subchapter B, Chapter 29.
- (c) The agency shall monitor and evaluate deregulation of a school **campus** [~~or district~~] under this section and Section 7.056.
- (d) The commissioner may exempt **a [an exemplary] school campus that receives a distinction designation under Section 39.201(b) or (d)(1)** from elementary class size limits under this section if the school campus submits to the commissioner a written plan showing steps that will be taken to ensure that the exemption from the class size limits will not be harmful to the academic achievement of the students on the school campus. The commissioner shall review achievement levels annually. The exemption remains in effect until the commissioner determines that achievement levels of the campus have

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- (D) health and safety under Chapter 38;
 - (E) purchasing [~~competitive bidding~~] under Subchapter B, Chapter 44;
 - (F) elementary school class size limits, except as provided by Subsection (d) or Section 25.112;
 - (G) removal of a disruptive student from the classroom under Subchapter A, Chapter 37;
 - (H) at risk programs under Subchapter C, Chapter 29;
 - (I) prekindergarten programs under Subchapter E, Chapter 29;
 - (J) rights and benefits of school employees;
 - (K) special education programs under Subchapter A, Chapter 29; or
 - (L) bilingual education programs under Subchapter B, Chapter 29.
- (c) The agency shall monitor and evaluate deregulation of a school **campus or district** under this section and Section 7.056.
- (d) The commissioner may exempt **an exemplary school campus under Subchapter C** from elementary class size limits under this section if the school campus submits to the commissioner a written plan showing steps that will be taken to ensure that the exemption from the class size limits will not be harmful to the academic achievement of the students on the school campus. The commissioner shall review achievement levels annually. The exemption remains in effect until the commissioner determines that achievement levels of the campus have

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declined.

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

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

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

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

(b) The commissioner may adopt rules for the administration of this section.

Sec. 39.234 [~~39.114~~]. HIGH SCHOOL ALLOTMENT.

(a) Except as provided by Subsection (b), a school district or campus must use funds allocated under Section 42.2516(b)(3) to:

(1) implement or administer a college readiness program that provides academic support and instruction to prepare underachieving students for entrance into an institution

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declined.

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

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

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

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

(b) The commissioner may adopt rules for the administration of this section.

Sec. 39.234 [~~39.114~~]. HIGH SCHOOL ALLOTMENT.

(a) Except as provided by Subsection (b), a school district or campus must use funds allocated under Section 42.2516(b)(3) to:

(1) implement or administer a college readiness program that provides academic support and instruction to prepare underachieving students for entrance into an institution

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of higher education;

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

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

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

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

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

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

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

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of higher education;

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

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

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

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

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

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

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

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~~39.072~~].

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

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

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

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

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

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

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

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

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~~39.072~~].

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

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

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

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

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

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

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

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

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- (1) obtain local matching funds; or
- (2) meet other conditions, including developing a personal graduation plan under Section 28.0212 for each student enrolled at the campus or in a district high school.
- (c) The commissioner may:
 - (1) accept gifts, grants, or donations from a private foundation to implement a grant program under this section; and
 - (2) coordinate gifts, grants, or donations with other available funding to implement a grant program under this section.
- (d) The commissioner may use funds appropriated under this section to support technical assistance services for school districts and open-enrollment charter schools to implement a high school improvement program under this section.

Sec. 39.236 [~~39.116~~]. INITIATIVE FOR RETAINING QUALITY EDUCATORS. Notwithstanding Section 39.107(b) [~~39.1324(b)~~], a school district, to assist in preventing dropouts and disruptions that may result from certain mandatory sanctions, may retain at a campus a principal who has been employed at the campus as a principal during the [~~two-year~~] period described by Section 39.107(a) [~~39.1324(a)~~] if the campus intervention team determines that retention of the principal would be more beneficial to student achievement and campus stability than removal [~~students~~

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- (1) obtain local matching funds; or
- (2) meet other conditions, including developing a personal graduation plan under Section 28.0212 for each student enrolled at the campus or in a district high school.
- (c) The commissioner may:
 - (1) accept gifts, grants, or donations from a private foundation to implement a grant program under this section; and
 - (2) coordinate gifts, grants, or donations with other available funding to implement a grant program under this section.
- (d) The commissioner may use funds appropriated under this section to support technical assistance services for school districts and open-enrollment charter schools to implement a high school improvement program under this section.

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

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~~enrolled at the campus have demonstrated a pattern of significant academic improvement].~~

Sec. 39.237. GIFTED AND TALENTED STANDARDS. The commissioner shall adopt standards to evaluate school district programs for gifted and talented students to determine whether a district operates a program for gifted and talented students in accordance with:

- (1) the Texas Performance Standards Project; or
- (2) another program approved by the commissioner that meets the requirements of the state plan for the education of gifted and talented students under Section 29.123.

SUBCHAPTER I [E]. SUCCESSFUL SCHOOL AWARDS

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

Sec. 39.262 [39.092]. TYPES OF AWARDS. (a) The governor may present a financial award to the schools or districts that the commissioner determines have demonstrated the highest levels of sustained success or the greatest improvement in achieving the education goals. For each student in average daily attendance, each

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No equivalent provision.

SUBCHAPTER I [E]. SUCCESSFUL SCHOOL AWARDS

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of those schools or districts is entitled to an amount set for the award for which the school or district is selected by the commissioner, subject to any limitation set by the commissioner on the total amount that may be awarded to a school or district.

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

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

Sec. 39.263 [~~39.093~~]. AWARDS. (a) The criteria that the commissioner shall use to select successful schools and districts must be related to the goals in Section 4.002 and must include:

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

(2) for campuses, consideration of the distinction designation criteria prescribed by or developed under Subchapter G [~~39.054~~].

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

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of those schools or districts is entitled to an amount set for the award for which the school or district is selected by the commissioner, subject to any limitation set by the commissioner on the total amount that may be awarded to a school or district.

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

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

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

(d) [~~(e)~~] The agency shall notify each school district of the manner in which the district or a school in the district may qualify for a successful school award.

Sec. 39.264 [~~39.094~~]. USE OF AWARDS. (a) In determining the use of a monetary award received under this subchapter, a school or district shall give priority to academic enhancement purposes. The award may not be used for any purpose related to athletics, and it may not be used to substitute for or replace funds already in the regular budget for a school or district.

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

Sec. 39.265 [~~39.095~~]. FUNDING. The award system may be funded by donations, grants, or legislative appropriations. The commissioner may solicit and receive grants and donations for the purpose of making awards under this subchapter. A small portion of the award funds may be used by the commissioner to pay for the costs associated with sponsoring a ceremony to

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

(d) [~~(e)~~] The agency shall notify each school district of the manner in which the district or a school in the district may qualify for a successful school award.

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recognize or present awards to schools or districts under this subchapter. The donations, grants, or legislative appropriations shall be accounted for and distributed by the agency. The awards are subject to audit requirements established by the State Board of Education.

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

SUBCHAPTER J. PARENT AND EDUCATOR REPORTS

Sec. 39.301. ADDITIONAL PERFORMANCE INDICATORS: REPORTING. (a) In addition to the indicators adopted under Section 39.053, the commissioner shall adopt indicators of the quality of learning on a campus for the purpose of preparing reports under this chapter. The commissioner biennially shall review the indicators for the consideration of appropriate revisions.

(b) Indicators for reporting purposes must include:

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recognize or present awards to schools or districts under this subchapter. The donations, grants, or legislative appropriations shall be accounted for and distributed by the agency. The awards are subject to audit requirements established by the State Board of Education.

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

(c) Indicators for reporting purposes must include:

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- (1) the percentage of graduating students who meet the course requirements established for the recommended high school program by State Board of Education rule;
(2) the results of the SAT, ACT, articulated postsecondary degree programs described by Section 61.852, and certified workforce training programs described by Chapter 311, Labor Code;
(3) for students who have failed to perform satisfactorily, as determined under each performance standard under Section 39.0241, on an assessment instrument required under Section 39.023(a) or (c), the numerical progress of those students grouped by percentage on subsequent assessment instruments required under those sections, aggregated across grade levels by subject area;
(4) the percentage of students, aggregated across grade levels, provided accelerated instruction under Section 28.0211(c), the results of assessment instruments administered under that section, the percentage of students promoted through the grade placement committee process under Section 28.0211, the subject of the assessment instrument on which each student failed to perform satisfactorily, and the performance of those students in the school year following that promotion on the assessment instruments required under Section 39.023;

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- (1) the percentage of graduating students who meet the course requirements established for the recommended high school program by State Board of Education rule;
(2) the results of the Scholastic Assessment Test (SAT), the American College Test (ACT), articulated postsecondary degree programs described by Section 61.852, and certified workforce training programs described by Chapter 311, Labor Code;
(3) for students who have failed to perform satisfactorily, under each performance standard under Section 39.0241, on an assessment instrument required under Section 39.023(a) or (c), the numerical progress of those students grouped by percentage on subsequent assessment instruments required under those sections, aggregated by grade level and subject area;
(4) the percentage of students, aggregated by grade level, provided accelerated instruction under Section 28.0211(c), the results of assessment instruments administered under that section, the percentage of students promoted through the grade placement committee process under Section 28.0211, the subject of the assessment instrument on which each student failed to perform satisfactorily under each performance standard under Section 39.0241, and the performance of those students in the school year following that promotion on the assessment instruments required under Section 39.023;
(5) the percentage of students exempted, by exemption

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(5) the percentage of students of limited English proficiency exempted from the administration of an assessment instrument under Sections 39.027(a)(1) and (2);

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

(7) the measure of progress toward college readiness;

(8) the measure of progress toward dual language proficiency under Section 39.034(b), for students of limited English proficiency, as defined by Section 29.052;

(9) the percentage of students who are not educationally disadvantaged; and

(10) the percentage of students who enroll and begin instruction at an institution of higher education in the school year following graduation.

(c) Performance on the indicators described by Section 39.053(c) and Subsections (b)(3), (4), and (8) must be based on longitudinal student data that is disaggregated by the bilingual education or special language program, if any, in which students of limited English proficiency,

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category, from the assessment program generally applicable under this chapter;

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

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

(8) the measure of progress toward college readiness;

(9) the measure of progress toward dual language proficiency under Section 39.034(b), for students of limited English proficiency, as defined by Section 29.052;

(10) the percentage of students who enroll and begin instruction at an institution of higher education in the school year following high school graduation; and

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

(d) Performance on the indicators described by Section 39.053(c) and Subsections (c)(3), (4), and (9) must be based on longitudinal student data that is disaggregated by the bilingual education or special language program, if any, in which students of limited English proficiency,

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

(d) Section 39.055 applies in evaluating indicators described by Subsection (b).

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

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

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

(b) For a student who failed to perform satisfactorily as determined under either performance standard under Section 39.0241 on an assessment instrument administered under Section 39.023(a), (c), or (l), the

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

(e) Section 39.055 applies in evaluating indicators described by Subsection (c).

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

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

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

(b) For a student who failed to perform satisfactorily as determined by the commissioner under Section 39.0241(a) on an assessment instrument administered under Section 39.023(a), (c), or (l), the school district

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school district shall include in the notice specific information relating to access to online educational resources at the appropriate assessment instrument content level, including educational resources described by Section 32.252(b)(2) and assessment instruments questions and answers released under Section 39.023(e).

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

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

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

Sec. 39.305 [39.052]. CAMPUS REPORT CARD. (a) The agency shall report the performance of each campus in a school district on the basis of the campus's performance on the indicators described by Section 39.053(c).

(b) Each school year, the agency shall prepare and distribute to each school district a report card for each campus. The campus report cards must be based on the most current data available disaggregated by student groups. Campus performance must be compared to previous campus and district performance, current

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shall include in the notice specific information relating to access to online educational resources at the appropriate assessment instrument content level, including educational resources described by Section 32.252(b)(2) and assessment instruments questions and answers released under Section 39.023(e).

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

Sec. 39.305 [39.052]. CAMPUS REPORT CARD.

(a) Each school year, the agency shall prepare and distribute to each school district a report card for each campus. The campus report cards must be based on the most current data available disaggregated by student groups. Campus performance must be compared to previous campus and district performance, current

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district performance, and state established standards[; ~~and comparable campus group performance~~].

(c) [~~(b)~~] The report card shall include the following information:

(1) where applicable, the student achievement indicators described by Section 39.053(c) and the reporting indicators described by Sections 39.301(b)(1) through (4) and (10) [~~academic excellence indicators adopted under Sections 39.051(b)(1) through (10)~~];

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

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

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

(5) the number of students taking courses under the minimum high school program.

(d) [~~(e)~~] The commissioner shall adopt rules requiring dissemination of the information required under Subsection (c)(4) [~~(b)(4)~~] and appropriate class size and student performance portions of campus report cards annually to the parent, guardian, conservator, or other person having lawful control of each student at the campus. On written request, the school district shall provide a copy of a campus report card to any other party.

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district performance, and state established standards[; ~~and comparable campus group performance~~].

(b) The report card shall include the following information:

(1) where applicable, the student achievement indicators described by Section 39.053(c) and the reporting indicators described by Sections 39.301(c)(1) through (4) [~~academic excellence indicators adopted under Sections 39.051(b)(1) through (10)~~];

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

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

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

(c) The commissioner shall adopt rules requiring dissemination of the information required under Subsection (b)(4) and appropriate class size and student performance portions of campus report cards annually to the parent, guardian, conservator, or other person having lawful control of each student at the campus. On written request, the school district shall provide a copy of a campus report card to any other party.

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

- (1) campus performance objectives established under Section 11.253 and the progress of each campus toward those objectives, which shall be available to the public;
- (2) information indicating the district's accreditation status and identifying each district campus awarded a distinction designation under Subchapter G or considered an unacceptable campus under Subchapter E [~~the performance rating for the district as provided under Section 39.072(a) and the performance rating of each campus in the district as provided under Section 39.072(e)~~];
- (3) the district's current special education compliance status with the agency;
- (4) a statement of the number, rate, and type of violent or criminal incidents that occurred on each district campus, to the extent permitted under the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g);
- (5) information concerning school violence prevention and violence intervention policies and procedures that the district is using to protect students; [~~and~~]
- (6) the findings that result from evaluations conducted

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

- (1) campus performance objectives established under Section 11.253 and the progress of each campus toward those objectives, which shall be available to the public;
- (2) information indicating the district's accreditation status and identifying each district campus awarded a distinction designation under Subchapter G or considered a low-performing campus under Subchapter E [~~the performance rating for the district as provided under Section 39.072(a) and the performance rating of each campus in the district as provided under Section 39.072(e)~~];
- (3) the district's current special education compliance status with the agency;
- (4) a statement of the number, rate, and type of violent or criminal incidents that occurred on each district campus, to the extent permitted under the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g);
- (5) information concerning school violence prevention and violence intervention policies and procedures that the district is using to protect students; [~~and~~]
- (6) the findings that result from evaluations conducted

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under the Safe and Drug-Free Schools and Communities Act of 1994 (20 U.S.C. Section 7101 et seq.) ~~and its subsequent amendments~~; ~~and~~

(7) information received under Section 51.403(e) for each high school campus in the district, presented in a form determined by the commissioner; ~~and~~

(8) the number of students taking courses under the minimum high school program.

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

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

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

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under the Safe and Drug-Free Schools and Communities Act of 1994 (20 U.S.C. Section 7101 et seq.) ~~and its subsequent amendments~~; and

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

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

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

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

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- (1) the performance of each campus to its previous performance and to state-established standards; and
- (2) the performance of each district to its previous performance and to state-established standards~~;~~and
- ~~[(3) the performance of each campus or district to comparable improvement].~~
- (e) The report may include the following information:
 - (1) student information, including total enrollment, enrollment by ethnicity, socioeconomic status, and grade groupings and retention rates;
 - (2) financial information, including revenues and expenditures;
 - (3) staff information, including number and type of staff by sex [~~gender~~], ethnicity, years of experience, and highest degree held, teacher and administrator salaries, and teacher turnover;
 - (4) program information, including student enrollment by program, teachers by program, and instructional operating expenditures by program; and
 - (5) the number of students placed in a disciplinary alternative education program under Chapter 37.
- (f) The commissioner [~~State Board of Education~~] by rule shall authorize the combination of this report with other reports and financial statements and shall restrict the number and length of reports that school districts, school district employees, and school campuses are required to prepare.
- (g) The report must include a statement of the amount, if any, of the school district's unencumbered surplus fund

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- (1) the performance of each campus to its previous performance and to state-established standards; and
- (2) the performance of each district to its previous performance and to state-established standards~~;~~and
- ~~[(3) the performance of each campus or district to comparable improvement].~~
- (e) The report may include the following information:
 - (1) student information, including total enrollment, enrollment by ethnicity, socioeconomic status, and grade groupings and retention rates;
 - (2) financial information, including revenues and expenditures;
 - (3) staff information, including number and type of staff by sex [~~gender~~], ethnicity, years of experience, and highest degree held, teacher and administrator salaries, and teacher turnover;
 - (4) program information, including student enrollment by program, teachers by program, and instructional operating expenditures by program; and
 - (5) the number of students placed in a disciplinary alternative education program under Chapter 37.
- (f) The commissioner [~~State Board of Education~~] by rule shall authorize the combination of this report with other reports and financial statements and shall restrict the number and length of reports that school districts, school district employees, and school campuses are required to prepare.
- (g) The report must include a statement of the amount, if any, of the school district's unencumbered surplus fund

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balance as of the last day of the preceding fiscal year and the percentage of the preceding year's budget that the surplus represents.

(h) The report must include an additional evaluation of a campus that has significantly declined in enrollment due to voluntary transfers of students to other campuses in the district. The board of trustees shall develop a plan to attract students who reside in the campus attendance zone through the establishment of innovative programs, magnet programs, or other programs. If the campus has been assigned an accreditation status below accredited, the board shall hold a hearing on the plan at the campus to discuss district support for the plan and resource allocation to support implementation of the plan. A campus intervention team shall incorporate a plan under this subsection into a targeted improvement plan required under Section 39.106.

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

- (1) the subject of public hearings or meetings required under Sections 11.252, 11.253, and 39.306 [~~39.053~~];
- (2) a primary consideration in school district and campus planning; and
- (3) a primary consideration of:
 - (A) the State Board of Education in the evaluation of the performance of the commissioner;

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balance as of the last day of the preceding fiscal year and the percentage of the preceding year's budget that the surplus represents.

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

- (1) the subject of public hearings or meetings required under Sections 11.252, 11.253, and 39.306 [~~39.053~~];
- (2) a primary consideration in school district and campus planning; and
- (3) a primary consideration of:
 - (A) the State Board of Education in the evaluation of the performance of the commissioner;

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- (B) the commissioner in the evaluation of the performance of the directors of the regional education service centers;
- (C) the board of trustees of a school district in the evaluation of the performance of the superintendent of the district; and
- (D) the superintendent in the evaluation of the performance of the district's campus principals.

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

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

(c) If the risk-based system indicates that a school district is at high risk of having inaccurate dropout records, the district is entitled to an opportunity to respond to the commissioner's determination before on-site monitoring may be conducted. The district must respond not later than the 30th day after the date the

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- (B) the commissioner in the evaluation of the performance of the directors of the regional education service centers;
- (C) the board of trustees of a school district in the evaluation of the performance of the superintendent of the district; and
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Sec. 39.308 [~~39.055~~]. ANNUAL AUDIT OF DROPOUT RECORDS; REPORT. (a) The commissioner shall develop a process for auditing school district dropout records electronically. The commissioner shall also develop a system and standards for review of the audit or use systems already available at the agency. The system must be designed to identify districts that are at high risk of having inaccurate dropout records and that, as a result, require on-site monitoring of dropout records.

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(c) If the risk-based system indicates that a school district is at high risk of having inaccurate dropout records, the district is entitled to an opportunity to respond to the commissioner's determination before on-site monitoring may be conducted. The district must respond not later than the 30th day after the date the

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commissioner notifies the district of the commissioner's determination. If the district's response does not change the commissioner's determination that the district is at high risk of having inaccurate dropout records or if the district does not respond in a timely manner, the commissioner shall order agency staff to conduct on-site monitoring of the district's dropout records.

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

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

SUBCHAPTER K ~~H~~. REPORTS BY TEXAS EDUCATION AGENCY

Sec. 39.331 ~~[39.184]~~. GENERAL REQUIREMENTS.

(a) Each report required by this subchapter must:

(1) unless otherwise specified, contain summary information and analysis only, with an indication that the

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commissioner notifies the district of the commissioner's determination. If the district's response does not change the commissioner's determination that the district is at high risk of having inaccurate dropout records or if the district does not respond in a timely manner, the commissioner shall order agency staff to conduct on-site monitoring of the district's dropout records.

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

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

SUBCHAPTER K ~~H~~. REPORTS BY TEXAS EDUCATION AGENCY

Sec. 39.331 ~~[39.184]~~. GENERAL REQUIREMENTS.

(a) Each report required by this subchapter must:

(1) unless otherwise specified, contain summary information and analysis only, with an indication that the

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agency will provide the data underlying the report on request;

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

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

(b) Each component of a report required by this subchapter must:

(1) identify the substantive goal underlying the information required to be reported;

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

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

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

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

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

(e) Unless otherwise provided by law, any report required by statute that the agency or the State Board of

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agency will provide the data underlying the report on request;

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

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

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(1) identify the substantive goal underlying the information required to be reported;

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

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

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

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

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

(e) Unless otherwise provided by law, any report required by statute that the agency or the State Board of

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Education must prepare and deliver to the governor, lieutenant governor, speaker of the house of representatives, or legislature may be combined, at the discretion of the commissioner, with a report required by this subchapter.

Sec. 39.332 [~~39.182~~]. COMPREHENSIVE ANNUAL REPORT. (a) Not later than December 1 of each year, the agency shall prepare and deliver to the governor, the lieutenant governor, the speaker of the house of representatives, each member of the legislature, the Legislative Budget Board, and the clerks of the standing committees of the senate and house of representatives with primary jurisdiction over the public school system a comprehensive report covering the preceding school year and containing the information described by Subsection (b).

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

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

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

(B) the reporting indicators described by Section 39.301.

(3) The report must contain a summary compilation of overall student performance on academic skills

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Education must prepare and deliver to the governor, lieutenant governor, speaker of the house of representatives, or legislature may be combined, at the discretion of the commissioner, with a report required by this subchapter.

Sec. 39.332 [~~39.182~~]. COMPREHENSIVE ANNUAL REPORT. (a) Not later than December 1 of each year, the agency shall prepare and deliver to the governor, the lieutenant governor, the speaker of the house of representatives, each member of the legislature, the Legislative Budget Board, and the clerks of the standing committees of the senate and house of representatives with primary jurisdiction over the public school system a comprehensive report covering the preceding school year and containing the information described by Subsection (b). [?]

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

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

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

(B) the reporting indicators described by Section 39.301.

(3) The report must contain a summary compilation of overall student performance on academic skills

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assessment instruments required by Section 39.023 with the number and percentage of students exempted from the administration of those instruments and the basis of the exemptions, aggregated by grade level, subject area, campus, and district, with appropriate interpretations and analysis, and disaggregated by race, ethnicity, gender, and socioeconomic status.[;]

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

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

(6) The report must contain an evaluation of the correlation between student grades and student

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assessment instruments required by Section 39.023 with the number and percentage of students exempted from the administration of those instruments and the basis of the exemptions, aggregated by grade level, subject area, campus, and district, with appropriate interpretations and analysis, and disaggregated by race, ethnicity, gender, and socioeconomic status.[;]

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

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

(6) The report must contain an evaluation of the correlation between student grades and student

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performance on academic skills assessment instruments required by Section 39.023.^[;]

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

(8) The report must contain a statement of:

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

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

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

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

(E) the number and percentage of all students who have not been accounted for under Paragraph (A), (B), (C), or (D).^[;]

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

(10) The report must contain a description of a systematic, measurable plan for reducing the projected

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performance on academic skills assessment instruments required by Section 39.023.^[;]

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

(8) The report must contain a statement of:

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

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

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

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

(E) the number and percentage of all students who have not been accounted for under Paragraph (A), (B), (C), or (D).^[;]

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

(10) The report must contain a description of a systematic, measurable plan for reducing the projected

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cross-sectional and longitudinal dropout rates to five percent or less for the **2017-2018** [~~1997-1998~~] school year.[;]

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

(A) the number and percentage of students retained; and
(B) the performance of retained students on assessment instruments required under Section 39.023(a).[;]

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

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

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

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

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

(13) The report must contain a list of each school district or campus that does not satisfy performance standards, with an explanation of the actions taken by the commissioner to improve student performance in the

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cross-sectional and longitudinal dropout rates to five percent or less for the **1997-1998** school year.[;]

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

(A) the number and percentage of students retained; and
(B) the performance of retained students on assessment instruments required under Section 39.023(a).[;]

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

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

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

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

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

(13) The report must contain a list of each school district or campus that does not satisfy performance standards, with an explanation of the actions taken by the commissioner to improve student performance in the

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district or campus and an evaluation of the results of those actions.[;]

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

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

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

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

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

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

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

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district or campus and an evaluation of the results of those actions.[;]

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

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

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

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

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

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

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

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- (B) the manner in which the agency considered the district's failure to comply in determining the district's accreditation status; and
- (C) an explanation of the actions taken by the commissioner to ensure compliance and an evaluation of the results of those actions. [;]
- (20) The report must contain a comparison of the performance of open-enrollment charter schools and school districts on the student achievement [~~academic excellence~~] indicators described by Section 39.053(c), the reporting indicators described by Section 39.301(b), [~~specified in Section 39.051(b)~~] and the accountability measures adopted under Section 39.053(j) [~~39.051(g)~~], with a separately aggregated comparison of the performance of open-enrollment charter schools predominantly serving students at risk of dropping out of school, as described [~~defined~~] by Section 29.081(d), with the performance of school districts. [;]
- (21) The report must contain a summary of the information required by Section 38.0141 regarding student health and physical activity from each school district. [;]
- (22) The report must contain a summary compilation of overall student performance under the assessment system developed to evaluate the longitudinal academic progress as required by Section 39.027(e), disaggregated by bilingual education or special language program instructional model, if any. [~~and~~]
- (23) The report must contain any additional information

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- (B) the manner in which the agency considered the district's failure to comply in determining the district's accreditation status; and
- (C) an explanation of the actions taken by the commissioner to ensure compliance and an evaluation of the results of those actions. [;]
- (20) The report must contain a comparison of the performance of open-enrollment charter schools and school districts on the student achievement [~~academic excellence~~] indicators described by Section 39.053(c), the reporting indicators described by Section 39.301(c), [~~specified in Section 39.051(b)~~] and the accountability measures adopted under Section 39.053(i) [~~39.051(g)~~], with a separately aggregated comparison of the performance of open-enrollment charter schools predominantly serving students at risk of dropping out of school, as described [~~defined~~] by Section 29.081(d), with the performance of school districts. [;]
- (21) The report must contain a summary of the information required by Section 38.0141 regarding student health and physical activity from each school district. [;]
- (22) The report must contain a summary compilation of overall student performance under the assessment system developed to evaluate the longitudinal academic progress as required by Section 39.027(e), disaggregated by bilingual education or special language program instructional model, if any. [~~and~~]
- (23) The report must contain any additional information

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considered important by the commissioner or the State Board of Education.

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

(d) [~~(b-1)~~] In reporting the information required by Subsections (b)(3), (5), and (7) [~~(a)(3), (5), and (7)~~], the agency shall separately aggregate the longitudinal performance data of all students identified as students of limited English proficiency, as defined by Section 29.052, or former students of limited English proficiency, disaggregated by bilingual education or special language program instructional model, if any, in which the students are or were enrolled.

(e) [~~(e)~~] Each report must contain the most recent data available.

Sec. 39.333 [~~39.183~~]. REGIONAL AND DISTRICT LEVEL REPORT. The agency shall prepare and deliver to the governor, the lieutenant governor, the speaker of the house of representatives, each member of the legislature, the Legislative Budget Board, and the clerks of the standing committees of the senate and house of representatives with primary jurisdiction over the public school system a regional and district level report covering the preceding two school years and containing:

(1) a summary of school district compliance with the

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considered important by the commissioner or the State Board of Education.

(c) [~~(b)~~] In reporting the information required by Subsection (b)(3) or (4) [~~(a)(3) or (4)~~], the agency may separately aggregate the performance data of students enrolled in a special education program under Subchapter A, Chapter 29.

(d) [~~(b-1)~~] In reporting the information required by Subsections (b)(3), (5), and (7) [~~(a)(3), (5), and (7)~~], the agency shall separately aggregate the longitudinal performance data of all students identified as students of limited English proficiency, as defined by Section 29.052, or former students of limited English proficiency, disaggregated by bilingual education or special language program instructional model, if any, in which the students are or were enrolled.

(e) [~~(e)~~] Each report must contain the most recent data available.

Sec. 39.333 [~~39.183~~]. REGIONAL AND DISTRICT LEVEL REPORT. The agency shall prepare and deliver to the governor, the lieutenant governor, the speaker of the house of representatives, each member of the legislature, the Legislative Budget Board, and the clerks of the standing committees of the senate and house of representatives with primary jurisdiction over the public school system a regional and district level report covering the preceding two school years and containing:

(1) a summary of school district compliance with the

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student/teacher ratios and class-size limitations prescribed by Sections 25.111 and 25.112, including:

(A) the number of campuses and classes at each campus granted an exception from Section 25.112; and

(B) for [the performance rating under Subchapter D of] each campus granted an exception from Section 25.112, a statement of whether the campus has been awarded a distinction designation under Subchapter G or has been identified as **an unacceptable** campus under Subchapter E;

(2) a summary of the exemptions and waivers granted to campuses and school districts under Section 7.056 or 39.232 [39.112] and a review of the effectiveness of each campus or district following deregulation;

(3) an evaluation of the performance of the system of regional education service centers based on the indicators adopted under Section 8.101 and client satisfaction with services provided under Subchapter B, Chapter 8;

(4) an evaluation of accelerated instruction programs offered under Section 28.006, including an assessment of the quality of such programs and the performance of students enrolled in such programs; and

(5) the number of classes at each campus that are currently being taught by individuals who are not certified in the content areas of their respective classes.

Sec. 39.334 [39.184]. TECHNOLOGY REPORT. The agency shall prepare and deliver to the governor, the lieutenant governor, the speaker of the house of

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student/teacher ratios and class-size limitations prescribed by Sections 25.111 and 25.112, including:

(A) the number of campuses and classes at each campus granted an exception from Section 25.112; and

(B) for [the performance rating under Subchapter D of] each campus granted an exception from Section 25.112, a statement of whether the campus has been awarded a distinction designation under Subchapter G or has been identified as **a low-performing** campus under Subchapter E;

(2) a summary of the exemptions and waivers granted to campuses and school districts under Section 7.056 or 39.232 [39.112] and a review of the effectiveness of each campus or district following deregulation;

(3) an evaluation of the performance of the system of regional education service centers based on the indicators adopted under Section 8.101 and client satisfaction with services provided under Subchapter B, Chapter 8;

(4) an evaluation of accelerated instruction programs offered under Section 28.006, including an assessment of the quality of such programs and the performance of students enrolled in such programs; and

(5) the number of classes at each campus that are currently being taught by individuals who are not certified in the content areas of their respective classes.

Sec. 39.334 [39.184]. TECHNOLOGY REPORT. The agency shall prepare and deliver to the governor, the lieutenant governor, the speaker of the house of

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representatives, each member of the legislature, the Legislative Budget Board, and the clerks of the standing committees of the senate and house of representatives with primary jurisdiction over the public school system a technology report covering the preceding two school years and containing information on the status of the implementation of and revisions to the long-range technology plan required by Section 32.001, including the equity of the distribution and use of technology in public schools.

Sec. 39.335 [~~39.185~~]. INTERIM REPORT. Not later than December 1 of each odd-numbered year, the agency shall prepare and deliver to the governor, the lieutenant governor, the speaker of the house of representatives, each member of the legislature, the Legislative Budget Board, and the clerks of the standing committees of the senate and house of representatives with primary jurisdiction over the public school system an interim report containing, for the previous school year, the information required by Section 39.333(2) [~~39.183(2)~~].

SUBCHAPTER L [J]. NOTICE OF PERFORMANCE

Sec. 39.361 [~~39.251~~]. NOTICE IN STUDENT GRADE REPORT. The first written notice of a student's performance that a school district gives during a school year as required by Section 28.022(a)(2) must include [the following information]:

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representatives, each member of the legislature, the Legislative Budget Board, and the clerks of the standing committees of the senate and house of representatives with primary jurisdiction over the public school system a technology report covering the preceding two school years and containing information on the status of the implementation of and revisions to the long-range technology plan required by Section 32.001, including the equity of the distribution and use of technology in public schools.

Sec. 39.335 [~~39.185~~]. INTERIM REPORT. Not later than December 1 of each odd-numbered year, the agency shall prepare and deliver to the governor, the lieutenant governor, the speaker of the house of representatives, each member of the legislature, the Legislative Budget Board, and the clerks of the standing committees of the senate and house of representatives with primary jurisdiction over the public school system an interim report containing, for the previous school year, the information required by Section 39.333(2) [~~39.183(2)~~].

SUBCHAPTER L [J]. NOTICE OF PERFORMANCE

Sec. 39.361 [~~39.251~~]. NOTICE IN STUDENT GRADE REPORT. The first written notice of a student's performance that a school district gives during a school year as required by Section 28.022(a)(2) must include [the following information]:

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- (1) a statement of whether the campus at which the student is enrolled has been awarded a distinction designation under Subchapter G or has been identified as an unacceptable campus under Subchapter E [the most recent performance rating of the campus at which the student is enrolled, as determined under Section 39.072]; and
- (2) an explanation of the significance of the information provided under Subdivision (1) [a definition and explanation of each performance rating described by Section 39.072(a)].

Sec. 39.362 [~~39.252~~]. NOTICE ON DISTRICT WEBSITE. Not later than the 10th day after the first day of instruction of each school year, a school district that maintains an Internet website shall make the following information available to the public on the website:

- (1) the information contained in the most recent campus report card for each campus in the district[~~as determined~~] under Section 39.305 [~~39.052~~];
- (2) the information contained in the most recent performance report for the district[~~as determined~~] under Section 39.306 [~~39.053~~];
- (3) the most recent accreditation status [~~performance rating~~] of the district[~~as determined~~] under Section 39.052 [~~39.072~~]; and
- (4) a definition and explanation of each accreditation status under [~~performance rating described by~~] Section 39.051, based on commissioner rule adopted under that

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- (1) a statement of whether the campus at which the student is enrolled has been awarded a distinction designation under Subchapter G or has been identified as a low-performing campus under Subchapter E [the most recent performance rating of the campus at which the student is enrolled, as determined under Section 39.072]; and
- (2) an explanation of the significance of the information provided under Subdivision (1) [a definition and explanation of each performance rating described by Section 39.072(a)].

Sec. 39.362 [~~39.252~~]. NOTICE ON DISTRICT WEBSITE. Not later than the 10th day after the first day of instruction of each school year, a school district that maintains an Internet website shall make the following information available to the public on the website:

- (1) the information contained in the most recent campus report card for each campus in the district[~~as determined~~] under Section 39.305 [~~39.052~~];
- (2) the information contained in the most recent performance report for the district[~~as determined~~] under Section 39.306 [~~39.053~~];
- (3) the most recent accreditation status [~~performance rating~~] of the district[~~as determined~~] under Section 39.052 [~~39.072~~]; and
- (4) a definition and explanation of each accreditation status under [~~performance rating described by~~] Section 39.051, based on commissioner rule adopted under that

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section [39.072(a)].

SUBCHAPTER M [~~L~~]. HIGH SCHOOL COMPLETION AND SUCCESS INITIATIVE

Sec. 39.401 [~~39.351~~]. DEFINITION. In this subchapter, "council" means the High School Completion and Success Initiative Council.

Sec. 39.402 [~~39.352~~]. HIGH SCHOOL COMPLETION AND SUCCESS INITIATIVE COUNCIL. (a) The High School Completion and Success Initiative Council is established to identify strategic priorities for and make recommendations to improve the effectiveness, coordination, and alignment of high school completion and college and workforce readiness efforts.

(b) The council is composed of:

- (1) the commissioner of education;
- (2) the commissioner of higher education; and
- (3) seven members appointed by the commissioner of education.

(c) In making appointments required by Subsection (b)(3), the commissioner of education shall appoint:

- (1) three members from a list of nominations provided by the governor;
- (2) two members from a list of nominations provided by the lieutenant governor; and
- (3) two members from a list of nominations provided by the speaker of the house of representatives.

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section [39.072(a)].

SUBCHAPTER M [~~L~~]. HIGH SCHOOL COMPLETION AND SUCCESS INITIATIVE

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(b) The council is composed of:

- (1) the commissioner of education;
- (2) the commissioner of higher education; and
- (3) seven members appointed by the commissioner of education.

(c) In making appointments required by Subsection (b)(3), the commissioner of education shall appoint:

- (1) three members from a list of nominations provided by the governor;
- (2) two members from a list of nominations provided by the lieutenant governor; and
- (3) two members from a list of nominations provided by the speaker of the house of representatives.

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(d) In making nominations under Subsection (c), the governor, lieutenant governor, and speaker of the house of representatives shall nominate persons who have distinguished experience in:

- (1) developing and implementing high school reform strategies; and
- (2) promoting college and workforce readiness.

Sec. 39.403 [~~39.353~~]. TERMS. Members of the council appointed under Section 39.402(b)(3) [~~39.352(b)(3)~~] serve terms of two years and may be reappointed for additional terms.

Sec. 39.404 [~~39.354~~]. PRESIDING OFFICER. The commissioner of education serves as the presiding officer of the council.

Sec. 39.405 [~~39.355~~]. COMPENSATION AND REIMBURSEMENT. A member of the council is not entitled to compensation for service on the council but is entitled to reimbursement for actual and necessary expenses incurred in performing council duties.

Sec. 39.406 [~~39.356~~]. COUNCIL STAFF AND FUNDING. (a) Except as otherwise provided, staff members of the agency, with the assistance of the Texas Higher Education Coordinating Board, shall provide administrative support for the council.

(b) Funding for the administrative and operational

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(d) In making nominations under Subsection (c), the governor, lieutenant governor, and speaker of the house of representatives shall nominate persons who have distinguished experience in:

- (1) developing and implementing high school reform strategies; and
- (2) promoting college and workforce readiness.

Sec. 39.403 [~~39.353~~]. TERMS. Members of the council appointed under Section 39.402(b)(3) [~~39.352(b)(3)~~] serve terms of two years and may be reappointed for additional terms.

Sec. 39.404 [~~39.354~~]. PRESIDING OFFICER. The commissioner of education serves as the presiding officer of the council.

Sec. 39.405 [~~39.355~~]. COMPENSATION AND REIMBURSEMENT. A member of the council is not entitled to compensation for service on the council but is entitled to reimbursement for actual and necessary expenses incurred in performing council duties.

Sec. 39.406 [~~39.356~~]. COUNCIL STAFF AND FUNDING. (a) Except as otherwise provided, staff members of the agency, with the assistance of the Texas Higher Education Coordinating Board, shall provide administrative support for the council.

(b) Funding for the administrative and operational

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expenses of the council shall be provided by appropriation to the agency for that purpose and by gifts, grants, and donations solicited and accepted by the agency for that purpose.

Sec. 39.407 [~~39.357~~]. STRATEGIC PLAN. (a) The council shall adopt a strategic plan under this subchapter to:

- (1) specify strategies to identify, support, and expand programs to improve high school completion rates and college and workforce readiness;
 - (2) establish specific goals with which to measure the success of the strategies identified under Subdivision (1) in improving high school completion rates and college and workforce readiness;
 - (3) identify strategies for alignment and coordination of federal and other funding sources that may be pursued for high school reform, dropout prevention, and preparation of students for postsecondary coursework or employment; and
 - (4) identify key objectives for appropriate research and program evaluation conducted as provided by this subchapter.
- (b) The commissioner of education and the commissioner of higher education shall adopt rules as necessary to administer the strategic plan adopted by the council under this section.
- (c) The commissioner of education or the commissioner of higher education may not, in a manner inconsistent

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expenses of the council shall be provided by appropriation to the agency for that purpose and by gifts, grants, and donations solicited and accepted by the agency for that purpose.

Sec. 39.407 [~~39.357~~]. STRATEGIC PLAN. (a) The council shall adopt a strategic plan under this subchapter to:

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 - (2) establish specific goals with which to measure the success of the strategies identified under Subdivision (1) in improving high school completion rates and college and workforce readiness;
 - (3) identify strategies for alignment and coordination of federal and other funding sources that may be pursued for high school reform, dropout prevention, and preparation of students for postsecondary coursework or employment; and
 - (4) identify key objectives for appropriate research and program evaluation conducted as provided by this subchapter.
- (b) The commissioner of education and the commissioner of higher education shall adopt rules as necessary to administer the strategic plan adopted by the council under this section.
- (c) The commissioner of education or the commissioner of higher education may not, in a manner inconsistent

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with the strategic plan, spend money, award a grant, or enter into a contract in connection with a program relating to high school success and completion.

Sec. 39.408 [~~39.358~~]. ELIGIBILITY CRITERIA FOR CERTAIN GRANT PROGRAMS. A school district or campus is eligible to participate in programs under Sections 21.4541, 29.095, 29.096, 29.097, and 29.098 if the district or campus exhibited during each of the three preceding school years characteristics that strongly correlate with high dropout rates.

Sec. 39.409 [~~39.359~~]. PRIVATE FOUNDATION PARTNERSHIPS. (a) The commissioner of education or the commissioner of higher education, as appropriate, and the council may coordinate with private foundations that have made a substantial investment in the improvement of high schools in this state to maximize the impact of public and private investments.

(b) A private foundation is not required to obtain the approval of the appropriate commissioner or the council under Subsection (a) before allocating resources to a school in this state.

Sec. 39.410 [~~39.360~~]. GRANT PROGRAM EVALUATION. (a) The commissioner of education shall annually set aside not more than five percent of the funds appropriated for high school completion and success to contract for the evaluation of programs

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with the strategic plan, spend money, award a grant, or enter into a contract in connection with a program relating to high school success and completion.

Sec. 39.408 [~~39.358~~]. ELIGIBILITY CRITERIA FOR CERTAIN GRANT PROGRAMS. A school district or campus is eligible to participate in programs under Sections 21.4541, 29.095, 29.096, 29.097, and 29.098 if the district or campus exhibited during each of the three preceding school years characteristics that strongly correlate with high dropout rates.

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Sec. 39.410 [~~39.360~~]. GRANT PROGRAM EVALUATION. (a) The commissioner of education shall annually set aside not more than five percent of the funds appropriated for high school completion and success to contract for the evaluation of programs

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supported by grants approved under this subchapter. In awarding a contract under this subsection, the commissioner shall consider centers for education research established under Section 1.005.

(b) A person who receives a grant approved under this subchapter must consent to an evaluation under this section as a condition of receiving the grant.

(c) The commissioner shall ensure that an evaluation conducted under this section includes an assessment of whether student achievement has improved. Results of the evaluation shall be provided through the online clearinghouse of information relating to the best practices of campuses and school districts established under Section 7.009.

Sec. 39.411 [~~39.364~~]. COUNCIL RECOMMENDATIONS. (a) Based on the strategic plan adopted under this subchapter [~~section~~], the council shall make recommendations to the commissioner of education or the commissioner of higher education, as applicable, for the use of federal and state funds appropriated or received for high school reform, college readiness, and dropout prevention, including grants awarded under Sections 21.4511, 21.4541, 29.095-29.098, 29.917, 29.919, and 39.235 [~~39.115~~].

(b) The council shall include recommendations under this section for:

- (1) key elements of program design;
- (2) criteria for awarding grants and evaluating programs;

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supported by grants approved under this subchapter. In awarding a contract under this subsection, the commissioner shall consider centers for education research established under Section 1.005.

(b) A person who receives a grant approved under this subchapter must consent to an evaluation under this section as a condition of receiving the grant.

(c) The commissioner shall ensure that an evaluation conducted under this section includes an assessment of whether student achievement has improved. Results of the evaluation shall be provided through the online clearinghouse of information relating to the best practices of campuses and school districts established under Section 7.009.

Sec. 39.411 [~~39.364~~]. COUNCIL RECOMMENDATIONS. (a) Based on the strategic plan adopted under this subchapter [~~section~~], the council shall make recommendations to the commissioner of education or the commissioner of higher education, as applicable, for the use of federal and state funds appropriated or received for high school reform, college readiness, and dropout prevention, including grants awarded under Sections 21.4511, 21.4541, 29.095-29.098, 29.917, 29.919, and 39.235 [~~39.115~~].

(b) The council shall include recommendations under this section for:

- (1) key elements of program design;
- (2) criteria for awarding grants and evaluating programs;

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- (3) program funding priorities; and
- (4) program evaluation as provided by this subchapter.
- (c) To meet the goals of the council's strategic plan, the ~~The~~ commissioner of education or the commissioner of higher education, as applicable, shall consider the council's recommendations and based on those recommendations may award grants listed in Subsection (a) to school districts, open-enrollment charter schools, institutions of higher education, regional education service centers, and nonprofit organizations that provide technical assistance, professional development, case-managed student services, and programs for the benefit of students enrolled in school districts or open-enrollment charter schools ~~[to meet the goals of the council's strategic plan]~~.
- (d) The commissioner of education or the commissioner of higher education, as applicable:
 - (1) is not required under this section to allocate funds to a program or initiative recommended by the council; and
 - (2) may not initiate a program funded under this section that does not conform to the recommended use of funds as provided under Subsections (a) and (b).

Sec. 39.412 ~~[39.362]~~. FUNDING PROVIDED TO SCHOOL DISTRICTS. From funds appropriated, the commissioner of education may provide funding to school districts to permit a school district to obtain technical assistance in preparing a grant proposal for a grant program administered under this subchapter.

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- (3) program funding priorities; and
- (4) program evaluation as provided by this subchapter.
- (c) The commissioner of education or the commissioner of higher education, as applicable, shall consider the council's recommendations and based on those recommendations may award grants to school districts, open-enrollment charter schools, institutions of higher education, regional education service centers, and nonprofit organizations to meet the goals of the council's strategic plan.
- (d) The commissioner of education or the commissioner of higher education, as applicable:
 - (1) is not required under this section to allocate funds to a program or initiative recommended by the council; and
 - (2) may not initiate a program funded under this section that does not conform to the recommended use of funds as provided under Subsections (a) and (b).

Sec. 39.412 ~~[39.362]~~. FUNDING PROVIDED TO SCHOOL DISTRICTS. From funds appropriated, the commissioner of education may provide funding to school districts to permit a school district to obtain technical assistance in preparing a grant proposal for a grant program administered under this subchapter.

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Sec. 39.413 [~~39.363~~]. FUNDING FOR CERTAIN PROGRAMS. (a) From funds appropriated, the Texas Higher Education Coordinating Board shall allocate \$8.75 million each year to establish mathematics, science, and technology teacher preparation academies under Section 21.462 and implement and administer the program under Section 29.098.

(b) The Texas Higher Education Coordinating Board shall establish mathematics, science, and technology teacher preparation academies under Section 21.462 and implement and administer the program under Section 29.098 in a manner consistent with the goals of this subchapter and the goals in "Closing the Gaps," the state's master plan for higher education.

Sec. 39.414 [~~39.364~~]. PRIVATE FUNDING. The commissioner of education or the commissioner of higher education, as appropriate, may accept gifts, grants, or donations to fund a grant administered under this subchapter.

Sec. 39.415 [~~39.365~~]. REPORTS. (a) Not later than December 1 of each even-numbered year, the agency shall prepare and deliver a report to the legislature that recommends any statutory changes the council considers appropriate to promote high school completion and college and workforce readiness.

(b) Not later than March 1 and September 1 of each year, the commissioner of education shall prepare and

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Sec. 39.413 [~~39.363~~]. FUNDING FOR CERTAIN PROGRAMS. (a) From funds appropriated, the Texas Higher Education Coordinating Board shall allocate \$8.75 million each year to establish mathematics, science, and technology teacher preparation academies under Section 21.462 and implement and administer the program under Section 29.098.

(b) The Texas Higher Education Coordinating Board shall establish mathematics, science, and technology teacher preparation academies under Section 21.462 and implement and administer the program under Section 29.098 in a manner consistent with the goals of this subchapter and the goals in "Closing the Gaps," the state's master plan for higher education.

Sec. 39.414 [~~39.364~~]. PRIVATE FUNDING. The commissioner of education or the commissioner of higher education, as appropriate, may accept gifts, grants, or donations to fund a grant administered under this subchapter.

Sec. 39.415 [~~39.365~~]. REPORTS. (a) Not later than December 1 of each even-numbered year, the agency shall prepare and deliver a report to the legislature that recommends any statutory changes the council considers appropriate to promote high school completion and college and workforce readiness.

(b) Not later than March 1 and September 1 of each year, the commissioner of education shall prepare and

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deliver a progress report to the presiding officers of the standing committees of each house of the legislature with primary jurisdiction over public education, the Legislative Budget Board, and the Governor's Office of Policy and Planning on:

- (1) the implementation of Sections 7.031, 21.4511, 21.4541, 21.462, 28.008(d-1), 28.0212(d), 29.095-29.098, 29.911, 29.917-29.919, and 39.235 [~~39.115~~] and this subchapter;
- (2) the programs supported by grants approved under this subchapter; and
- (3) the alignment of grants and programs to the strategic plan adopted under Section 39.407 [~~39.357~~].

Sec. 39.416 [~~39.366~~]. RULES. The commissioner of education and the commissioner of higher education shall adopt rules as necessary to administer this subchapter and any programs under the authority of the commissioner of education or the commissioner of higher education and the council under this subchapter.

Sec. 39.417. CERTAIN GRANTS TO NONPROFIT ORGANIZATIONS NOT AUTHORIZED. This subchapter does not authorize the commissioner to award a grant to a nonprofit organization for services provided as a private school or to a private school.

SECTION 74. Section 42.002(b), Education Code, is amended to read as follows:

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deliver a progress report to the presiding officers of the standing committees of each house of the legislature with primary jurisdiction over public education, the Legislative Budget Board, and the Governor's Office of Policy and Planning on:

- (1) the implementation of Sections 7.031, 21.4511, 21.4541, 21.462, 28.008(d-1), 28.0212(d), 29.095-29.098, 29.911, 29.917-29.919, and 39.235 [~~39.115~~] and this subchapter;
- (2) the programs supported by grants approved under this subchapter; and
- (3) the alignment of grants and programs to the strategic plan adopted under Section 39.407 [~~39.357~~].

Sec. 39.416 [~~39.366~~]. RULES. The commissioner of education and the commissioner of higher education shall adopt rules as necessary to administer this subchapter and any programs under the authority of the commissioner of education or the commissioner of higher education and the council under this subchapter.

No equivalent provision.

SECTION 57. Subsection (b), Section 42.002, Education Code, is amended to read as follows:

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- (b) The Foundation School Program consists of:
- (1) two tiers that in combination provide for:
 - (A) sufficient financing for all school districts to provide a basic program of education that is rated ~~[academically]~~ **acceptable or higher** under Section **39.054** [39.072] and meets other applicable legal standards; and
 - (B) substantially equal access to funds to provide an enriched program; and
 - (2) a facilities component as provided by Chapter 46.

SECTION 75. Section 44.008, Education Code, is amended by adding Subsection (d-1) to read as follows:

(d-1) If a school district has not filed a copy of the school district's annual audit report in compliance with Subsection (d) by the 180th day after the date specified by that subsection:

(1) the agency shall promptly report the school district's failure to comply to each member of the legislature whose district contains any portion of the territory included in the school district;

(2) the agency shall provide a written notification to the district that specifies the date on which the audit report was required by this section to be filed with the agency; and

(3) the district shall:

(A) if the district has an Internet website:

(i) post a statement on the website informing interested persons that the district is more than six months late in

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- (b) The Foundation School Program consists of:
- (1) two tiers that in combination provide for:
 - (A) sufficient financing for all school districts to provide a basic program of education that is rated **accredited** ~~[academically acceptable or higher]~~ under Section **39.052** [39.072] and meets other applicable legal standards; and
 - (B) substantially equal access to funds to provide an enriched program; and
 - (2) a facilities component as provided by Chapter 46.

No equivalent provision.

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filing the district's audit report as required by this section; and

(ii) maintain the statement described by Subparagraph (i) on the website until the district files the district's audit report in compliance with this section; and

(B) conduct a public meeting specifically for the purpose of:

(i) publicizing, by reading into the record of the meeting, the notification received by the district from the agency under Subdivision (2); and

(ii) discussing the date on which the district anticipates the audit report will be filed, as well as the reasons for the district's failure to comply with the filing requirement in a timely manner.

SECTION 76. Section 51.3062, Education Code, is amended by adding Subsection (q-1) to read as follows:

(q-1) A student who has completed a recommended or advanced high school program as determined under Section 28.025 and demonstrated the performance standard for college readiness as provided by Section 39.024 on the Algebra II and English III end-of-course assessment instruments is exempt from the requirements

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SECTION 58. Section 51.3062, Education Code, is amended by adding Subsections (i-1) and (q-1) to read as follows:

(i-1) The commissioner of higher education may by rule require an institution of higher education to adopt uniform standards for the placement of a student under this section.

(q-1) A student who has completed a recommended or advanced high school program as determined under Section 28.025 and demonstrated the performance standard for college readiness as provided by Section 39.024 on the Algebra II and English III end-of-course assessment instruments is exempt from the requirements

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of this section with respect to those content areas. The commissioner of higher education by rule shall establish the period for which an exemption under this subsection is valid.

SECTION 77. Section 51.807, Education Code, as amended by Chapters 941 (H.B. 3826) and 1369 (H.B. 3851), Acts of the 80th Legislature, Regular Session, 2007, is reenacted to read as follows:

Sec. 51.807. RULEMAKING. (a) The Texas Higher Education Coordinating Board may adopt rules relating to the operation of admissions programs under this subchapter, including rules relating to the identification of eligible students.

(b) The Texas Higher Education Coordinating Board, after consulting with the Texas Education Agency, by rule shall establish standards for determining for purposes of this subchapter:

(1) whether a private high school is accredited by a generally recognized accrediting organization; and

(2) whether a person completed a high school curriculum that is equivalent in content and rigor to the curriculum requirements established under Section 28.025 for the recommended or advanced high school program.

SECTION 78. Chapter 61, Education Code, is amended by adding Subchapter T-1 to read as follows:

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of this section with respect to those content areas. The commissioner of higher education by rule shall establish the period for which an exemption under this subsection is valid.

SECTION 59. Same as House version.

SECTION 60. Chapter 61, Education Code, is amended by adding Subchapter T-1 to read as follows:

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SUBCHAPTER T-1. CAREER AND TECHNICAL EDUCATION

Sec. 61.861. DEVELOPMENT OF MATHEMATICS AND SCIENCE COURSES FOR HIGH-DEMAND OCCUPATIONS. (a) The commissioner of higher education, in consultation with the comptroller and the Texas Workforce Commission, may award a grant in an amount not to exceed \$1 million to an institution of higher education to develop advanced mathematics and science courses to prepare high school students for employment in a high-demand occupation. The commissioner of higher education, the comptroller, and the Texas Workforce Commission shall jointly determine what is considered a high-demand occupation for purposes of this subchapter.

(b) An institution of higher education shall work in partnership with at least one independent school district and a business entity in developing a course for purposes of this section.

(c) A course developed for purposes of this section must:

- (1) provide content that enables a student to develop the relevant and critical skills needed to be prepared for employment or additional training in a high-demand occupation;
- (2) incorporate college and career readiness skills as part of the curriculum;
- (3) be offered for dual credit; and

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SUBCHAPTER T-1. CAREER AND TECHNICAL EDUCATION

Sec. 61.861. DEVELOPMENT OF MATHEMATICS AND SCIENCE COURSES FOR HIGH-DEMAND OCCUPATIONS. (a) The commissioner of higher education and the commissioner of education, in consultation with the comptroller and the Texas Workforce Commission, may award a grant in an amount not to exceed \$1 million to an institution of higher education to develop advanced mathematics and science courses to prepare high school students for employment in a high-demand occupation. The commissioner of higher education, the commissioner of education, the comptroller, and the Texas Workforce Commission shall jointly determine what is considered a high-demand occupation for purposes of this subchapter.

(b) An institution of higher education shall work in partnership with at least one independent school district and a business entity in developing a course for purposes of this section.

(c) A course developed for purposes of this section must:

- (1) provide content that enables a student to develop the relevant and critical skills needed to be prepared for employment or additional training in a high-demand occupation;
- (2) incorporate college and career readiness skills as part of the curriculum;
- (3) be offered for dual credit; and

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(4) satisfy a mathematics or science requirement under the recommended or advanced high school program as determined under Section 28.025.

(d) An institution of higher education shall periodically review and revise the curriculum for a course developed for purposes of this section to accommodate changes in industry standards for the high-demand occupation.

Sec. 61.862. GRANT APPLICATION CRITERIA. The commissioner of higher education, in consultation with the comptroller and the Texas Workforce Commission, shall establish application criteria for a grant under this subchapter and in making an award, shall give priority to courses that:

(1) will prepare students for high-demand, high-wage, and high-skill occupations;

(2) may be transferred as college credit to multiple institutions of higher education; and

(3) are developed as part of a sequence of courses that includes statewide availability of the instructional materials and training for the courses at a nominal cost to public educational institutions in this state.

Sec. 61.863. USE OF FUNDS. An institution of higher education may use funds awarded under this section to develop, in connection with a course described by Section 61.861:

(1) curriculum;

(2) assessments; or

(3) instructional materials, including technology-based

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(4) satisfy a mathematics or science requirement under the recommended or advanced high school program as determined under Section 28.025.

(d) An institution of higher education shall periodically review and revise the curriculum for a course developed for purposes of this section to accommodate changes in industry standards for the high-demand occupation.

Sec. 61.862. GRANT APPLICATION CRITERIA. The commissioner of higher education and the commissioner of education, in consultation with the comptroller and the Texas Workforce Commission, shall establish application criteria for a grant under this subchapter and in making an award shall give priority to courses that:

(1) will prepare students for high-demand, high-wage, and high-skill occupations and further postsecondary study;

(2) may be transferred as college credit to multiple institutions of higher education; and

(3) are developed as part of a sequence of courses that includes statewide availability of the instructional materials and training for the courses at a nominal cost to public educational institutions in this state.

Sec. 61.863. USE OF FUNDS. An institution of higher education may use funds awarded under this section to develop, in connection with a course described by Section 61.861:

(1) curriculum;

(2) assessments;

(3) instructional materials, including technology-based

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supplemental materials.

Sec. 61.864. REVIEW OF COURSES. Courses developed for which a grant is awarded under this subchapter shall be reviewed by the commissioner of higher education, in consultation with the comptroller and the Texas Workforce Commission, once every four years to determine whether the course:

- (1) is being used by public educational institutions in this state; and
- (2) prepares high school students with the skills necessary for employment in the high-demand occupation.

Sec. 61.865. MATCHING CONTRIBUTION REQUIRED. An institution of higher education awarded a grant under this subchapter must obtain from one or more business entities in the industry for which students taking courses developed under Section 61.861 are training, in a total amount equal to the amount of the state grant:

- (1) gifts, grants, or donations of funds; or
- (2) contributions of property that may be used in providing the courses.

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supplemental materials; or

(4) professional development programs for secondary grade-level teachers teaching a course described by Section 61.861.

Sec. 61.864. REVIEW OF COURSES. Courses developed for which a grant is awarded under this subchapter shall be reviewed by the commissioner of higher education and the commissioner of education, in consultation with the comptroller and the Texas Workforce Commission, once every four years to determine whether the course:

- (1) is being used by public educational institutions in this state;
- (2) prepares high school students with the skills necessary for employment in the high-demand occupation and further postsecondary study; and
- (3) satisfies a mathematics or science requirement for the recommended or advanced high school program as determined under Section 28.025.

Sec. 61.865. MATCHING CONTRIBUTION REQUIRED. An institution of higher education awarded a grant under this subchapter must obtain from one or more business entities in the industry for which students taking courses developed under Section 61.861 are training, in a total amount equal to the amount of the state grant:

- (1) gifts, grants, or donations of funds; or
- (2) contributions of property that may be used in providing the courses.

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Sec. 61.866. LIMITATION ON TOTAL AMOUNT OF GRANTS. In any state fiscal biennium, the total amount of grants awarded under this subchapter may not exceed \$10 million.

Sec. 61.867. FUNDING OF GRANTS. The commissioner of higher education shall administer this section using available appropriations and gifts, grants, and donations made for the purposes of this subchapter.

SECTION 79. Subtitle G, Title 3, Education Code, is amended by adding Chapter 134 to read as follows:

CHAPTER 134. JOBS AND EDUCATION FOR TEXANS (JET) GRANT PROGRAM

Sec. 134.001. DEFINITIONS. In this chapter:

(1) "Nonprofit organization" means an organization exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c)(3) of that code.

(2) "Public junior college" and "public technical institute" have the meanings assigned by Section 61.003.

Sec. 134.002. JOBS AND EDUCATION FOR TEXANS (JET) FUND. (a) The comptroller shall establish and administer the Jobs and Education for Texans (JET) fund as a dedicated account in the general revenue fund.

(b) The following amounts shall be deposited in the fund:

(1) any amounts appropriated by the legislature for the fund for purposes of this chapter;

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Sec. 61.866. LIMITATION ON TOTAL AMOUNT OF GRANTS. In any state fiscal biennium, the total amount of grants awarded under this subchapter may not exceed \$10 million.

Sec. 61.867. FUNDING OF GRANTS. The commissioner of higher education shall administer this section using available appropriations and gifts, grants, and donations made for the purposes of this subchapter.

No equivalent provision.

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(2) interest earned on the investment of money in the fund; and

(3) gifts, grants, and other donations received for the fund.

Sec. 134.003. ADVISORY BOARD. (a) An advisory board of education and workforce stakeholders is created to assist the comptroller in administering this chapter.

(b) The advisory board is composed of seven members who serve two-year terms and are appointed as follows:

(1) one member appointed by the governor;

(2) one member appointed by the lieutenant governor;

(3) one member appointed by the speaker of the house of representatives;

(4) one member appointed by the Texas Higher Education Coordinating Board;

(5) one member appointed by the Texas Workforce Commission;

(6) one member of the public appointed by the comptroller; and

(7) the comptroller, who serves as the presiding officer.

(c) The advisory board shall meet at least once each quarter to review received applications and recommend awarding grants under this chapter.

Sec. 134.004. JOBS AND EDUCATION FOR TEXANS (JET) GRANT PROGRAM. The comptroller shall establish and administer the Jobs and Education for Texans (JET) Grant Program to provide grants to public junior colleges, public technical institutes, and eligible nonprofit organizations that apply to the advisory board

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in the manner prescribed by the advisory board. The comptroller shall award the grants on the advice and recommendations of the advisory board. Grants may be awarded under this chapter from the Jobs and Education for Texans (JET) fund for the following purposes:

(1) to develop, support, or expand programs of nonprofit organizations that meet the requirements of Section 134.005 and that prepare low-income students for careers in high-demand occupations;

(2) to defray the start-up costs associated with the development of new career and technical education programs at public junior colleges and public technical institutes that meet the requirements of Section 134.006; and

(3) to provide scholarships for students in career and technical education programs who meet the requirements of Section 134.007.

Sec. 134.005. GRANTS TO NONPROFIT ORGANIZATIONS FOR INNOVATIVE AND SUCCESSFUL PROGRAMS. (a) The comptroller may award a grant to a nonprofit organization eligible under Subsection (b) for the development, support, or expansion of programs to prepare low-income students for careers in high-demand occupations.

(b) To be eligible to receive a grant under this section, a nonprofit organization must:

(1) provide a program to offer assistance to low-income high school students in preparing for, applying to, and enrolling in a public junior college or public technical

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institute;

(2) be governed by a board or other governing structure that includes recognized leaders of broad-based community organizations and members of the local business community;

(3) demonstrate to the satisfaction of the advisory board that the organization's program has achieved or will achieve the following measures of success among program participants, to the extent applicable to the type of program the organization provides:

(A) above average completion of developmental education among participating public junior college or public technical institute students;

(B) above average persistence rates among participating public junior college or public technical institute students;

(C) above average certificate or degree completion rates by participating students within a three-year period compared to demographically comparable public junior college and public technical institute students; and

(D) employment of participating students at an average full-time starting wage that is equal to or greater than the prevailing wage for the occupation entered; and

(4) provide matching funds in accordance with rules adopted under Section 134.008.

(c) The matching funds required under Subsection (b)(4) may be obtained from any source available to the nonprofit organization, including in-kind contributions, community or foundation grants, individual

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contributions, and local governmental agency operating funds.

(d) Grants awarded under this section must be awarded in a manner that takes a balanced geographical distribution into consideration.

Sec. 134.006. GRANTS TO EDUCATIONAL INSTITUTIONS FOR CAREER AND TECHNICAL EDUCATION PROGRAMS. (a) The comptroller may award a grant for the development of new career and technical education courses or programs at public junior colleges and public technical institutes.

(b) A grant received under this section may be used only:

(1) to support courses or programs that prepare students for career employment in occupations that are identified by local businesses as being in high demand, including courses offered for dual credit;

(2) to finance initial costs of career and technical education course or program development, including the costs of constructing or renovating facilities, purchasing equipment, and other expenses associated with the development of a new course; and

(3) to finance a career and technical education course or program that leads to a license, certificate, or postsecondary degree.

(c) In awarding a grant under this section, the comptroller shall primarily consider the potential economic returns to the state from the development of the career and technical education course or program.

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The comptroller may also consider whether the course or program:

(1) is part of a new, emerging industry or high-demand occupation;

(2) offers new or expanded dual credit career and technical educational opportunities in public high schools; or

(3) is provided in cooperation with other public junior colleges or public technical institutes across existing service areas.

(d) To be eligible to receive a grant under this section, a public junior college or public technical institute must provide matching funds in accordance with rules adopted under Section 134.008. The matching funds may be obtained from any source available to the junior college or technical institute, including in-kind contributions, industry consortia, community or foundation grants, individual contributions, and local governmental agency operating funds.

Sec. 134.007. SCHOLARSHIPS. (a) The comptroller may award a scholarship to a public junior college or public technical institute student.

(b) To be eligible to receive a scholarship under this section, a student must:

(1) demonstrate financial need; and

(2) be enrolled in a training program for a high-demand occupation, as determined by the comptroller on the recommendation of the advisory board.

Sec. 134.008. RULES. The comptroller shall adopt

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rules as necessary for the administration of this chapter.

SECTION 80. Section 302.006(c), Labor Code, is amended to read as follows:

(c) To be eligible to receive a scholarship awarded under this section, a person must:

(1) be employed in a child-care facility, as defined by Section 42.002, Human Resources Code;

(2) intend to obtain a credential, certificate, or degree specified in Subsection (b);

(3) agree to work for at least 18 additional months in a child-care facility, as defined by Section 42.002, Human Resources Code, that accepts federal Child Care Development Fund subsidies and that, at the time the person begins to fulfill the work requirement imposed by this subdivision, is located:

(A) within the attendance zone of a public school campus considered low-performing under **Subchapter E, Chapter 39** [~~Section 39.132~~], Education Code; or

(B) in an economically disadvantaged community, as determined by the commission; and

(4) satisfy any other requirements adopted by the commission.

SECTION 81. (a) The State Board of Education shall establish the Dallas Independent School District Education Improvement Commission to examine the following issues:

SECTION 61. Subsection (c), Section 302.006, Labor Code, is amended to read as follows:

(c) To be eligible to receive a scholarship awarded under this section, a person must:

(1) be employed in a child-care facility, as defined by Section 42.002, Human Resources Code;

(2) intend to obtain a credential, certificate, or degree specified in Subsection (b);

(3) agree to work for at least 18 additional months in a child-care facility, as defined by Section 42.002, Human Resources Code, that accepts federal Child Care Development Fund subsidies and that, at the time the person begins to fulfill the work requirement imposed by this subdivision, is located:

(A) within the attendance zone of a public school campus considered low-performing under **Section 39.102** [~~39.132~~], Education Code; or

(B) in an economically disadvantaged community, as determined by the commission; and

(4) satisfy any other requirements adopted by the commission.

No equivalent provision.

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- (1) the potential efficiencies realized in the administrative operations of a small or medium size school district compared to a large size school district;
 - (2) the potential improvements in the systematic management of a small or medium size school district compared to large size school district;
 - (3) the financial stability of operating a small or medium size school district in Dallas County, including bond structure, tax revenue, and state assistance;
 - (4) the ability of the Dallas County School District to provide for the overall transportation or other general needs of multiple school districts located in Dallas County;
 - (5) any increase in parent accessibility to school district administration in a small or medium size district;
 - (6) the effects of a small or medium size district on enhancing feeder pattern continuity; and
 - (7) the effect of a projected student's enrollment on the ability of the current school district to meet the educational needs of the student.
- (b) The commission is composed of:
- (1) one person appointed by the board of trustees of the Dallas Independent School District;
 - (2) one person appointed by the Greater Dallas Chamber of Commerce;
 - (3) one person appointed by the Dallas Black Chamber of Commerce;
 - (4) one person appointed by the Greater Dallas Asian Chamber of Commerce;

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- (5) one person appointed by the Greater Dallas Hispanic Chamber of Commerce;
- (6) one person appointed by the mayor of the City of Dallas;
- (7) one person appointed by the mayor of the City of Seagoville;
- (8) one person who lives in the district of a state representative whose territory includes territory located in the Dallas Independent School District, appointed by the governor;
- (9) one person who lives in the district of a state senator whose territory includes territory located in the Dallas Independent School District, appointed by the governor;
- (10) one representative from the Dallas Council of the Parent-Teacher Association.
- (11) one person appointed by Dallas County Commissioners Court;
- (12) one representative appointed by the Dallas County Tax Appraisal District;
- (13) a dean or representative from the college of education - University of North Texas-Dallas;
- (14) a dean or representative of the college of education - Southern Methodist University;
- (15) a dean or representative of the college of education - Paul Quinn College;
- (16) a dean or representative of the college of education - Dallas Baptist University;
- (17) one person appointed by the Region 10 Education Service Center;

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- (18) one person appointed by the Dallas Achieve Commission;
- (19) the State Board of Education member that represents District 13;
- (20) one member appointed by the Texas Education Agency; and
- (21) the comptroller.
- (c) The State Board of Education member serves as the chair of the commission.
- (d) The Texas Education Agency shall provide all necessary administrative and research support.
- (e) The commission may seek research support from the Council of Greater Cities School and the North Texas Central Council of Governments or any other entity.
- (f) Not later than September 1, 2010, the commission shall submit a preliminary report regarding the commission's findings to the governor, lieutenant governor, speaker of the house of representatives, the presiding officer of each legislative standing committee with primary jurisdiction over primary and secondary education, Dallas Independent School District, Dallas County, the City of Seagoville, and the City of Dallas. Not later than December 31, 2010, a final report must be submitted to the entities listed above.

SECTION 82. The following sections of the Education Code are repealed:

(1) Section 39.0234;

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SECTION 62. The following provisions of the Education Code are repealed:

(1) Subsections (e), (f), and (g), Section 39.034; and

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- (2) Section 39.025(b-1);
- (3) Sections 39.032(a), (b), and (d); and
- (4) Sections 39.034(e), (f), and (g).

SECTION 83. (a) Section 21.054(b), Education Code, is repealed.

(b) This repeal applies beginning with the 2009-2010 school year.

SECTION 84. It is the intent of the legislature that the grants that may not be awarded to an organization or nonprofit organization under Sections 29.917(d) and 39.417, Education Code, as added by this Act, include dropout recovery grants, such as the grants awarded in 2008 in response to the Texas Education Agency's Request for Applications (RFA) 701-08-116.

SECTION 85. (a) Not later than **January** 1, 2010, the Texas Education Agency shall prepare

a transition plan containing

a detailed description of the process the commissioner of

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- (2) Section 44.011.

No equivalent provision.

No equivalent provision.

SECTION 63. (a) Not later than **December** 1, 2010, the Texas Education Agency shall prepare and deliver to the **governor, the lieutenant governor, the speaker of the house of representatives, each member of the legislature, the clerks of the standing committees of the senate and the house of representatives with primary jurisdiction over public education, and the Legislative Budget Board a transition plan containing the information described by Subsections (b) and (c) of this section.**

(b) The transition plan referred to in Subsection (a) of this section must contain

a detailed description of the process the commissioner of

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education will use to implement this Act.

(b) In developing the transition plan, the Texas Education Agency shall consult with stakeholders in public primary and secondary education.

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education will use to develop and implement this Act, including:

- (1) the timeline;
 - (2) the means by which public school educators who are representative of this state and other stakeholders, including parents of public primary and secondary school students, and business and community leaders, will be included in the process to develop and implement this Act, in accordance with Subdivision (11), Subsection (b), Section 7.055, Education Code;
 - (3) the resources required to implement this Act, including resources that may be required by districts and campuses;
 - (4) the scope and sequence of tasks that must be accomplished to implement this Act; and
 - (5) the use of the standard rulemaking process to adopt any procedures necessary to implement this Act.
- (c) Except as provided by this subsection, the transition plan referred to in Subsection (a) of this section must provide for the implementation during the 2011-2012 school year of changes made by this Act to the accreditation and academic accountability system. The assignment of accreditation statuses and any other academic accountability designations under this Act must be implemented beginning with the 2012-2013 school year.

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(c) In conjunction with the transition plan prepared under this section, the commissioner of education shall provide for an equivalence of a performance rating, accreditation status, distinction designation, or performance indicator, as applicable, for each statutory reference to a performance rating or performance indicator that is superseded by this Act.

SECTION 86. To the extent of any conflict, the reenactment by this Act of Section 51.807, Education Code, prevails over another Act of the 81st Legislature, Regular Session, 2009, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 87. Section 11.203(d), Education Code, as amended by this Act, applies only to a principal employed at a school that is rated academically unacceptable during the 2008-2009 school year.

SECTION 88. (a) Each school district shall implement a policy adopted under Section 33.006(d), Education Code, as added by this Act, beginning with the 2009-2010 school year.

(b) Section 33.006(e), Education Code, as added by this Act, applies only to a contract executed on or after the effective date of this Act. A contract executed before the

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(d) In conjunction with the transition plan prepared **and delivered** under this section, the commissioner of education shall provide for an equivalence of a performance rating, accreditation status, distinction designation, or performance indicator, as applicable, for each statutory performance rating or performance indicator that is superseded by this Act.

SECTION 64. Same as House version.

No equivalent provision.

No equivalent provision.

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effective date of this Act is governed by the law in effect on the date the contract was executed, and the former law is continued in effect for that purpose.

(c) Section 39.056(f), Education Code, as added by this Act, applies beginning with the 2009-2010 school year.

SECTION 89. (a) Except as provided by this section, this Act applies beginning with the 2009-2010 school year.

(a-1) Section 28.002(n-1), Education Code, as added by this Act, applies beginning with the 2010-2011 school year.

(b) Sections 39.023(e) and 39.053(g), Education Code, as amended by this Act, apply immediately.

(c) Section 39.023(o), Education Code, as added by this Act, applies beginning with a student who earns college credit during the 2010-2011 school year.

(d) Except as provided by Subsection (b) of this section, Subchapter C, Chapter 39, Education Code, as amended by this Act, applies beginning with the 2011-2012 school year.

(e) Except as provided by Subsection (f) of this section, Subchapter E, Chapter 39, Education Code, as amended by this Act, applies as provided by the transition plan adopted by the commissioner of education under Section

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SECTION 65. (a) Except as provided by Subsections (b) and (c) of this section, this Act applies beginning with the 2009-2010 school year.

(b) Subsection (c-3), Section 28.002, Education Code, as added by this Act, applies beginning with the 2011-2012 school year.

(c) Subchapter E, Chapter 39, Education Code, as amended by this Act, applies as provided by the transition plan adopted by the commissioner of education under Section

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39.116, Education Code, as added by this Act.

(f) Notwithstanding any other provision of this Act, the commissioner of education may immediately apply any exceptions to interventions and sanctions under Subchapter E, Chapter 39, Education Code, as amended by this Act, to interventions and sanctions under Subchapter G, Chapter 39, Education Code, as that law existed prior to amendment by this Act.

No equivalent provision.

SECTION 90. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009.

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39.115, Education Code, as added by this Act.

SECTION 66. Notwithstanding any other provision of this Act, the commissioner of education may immediately apply any provisions related to interventions and sanctions under Subchapter E, Chapter 39, Education Code, as amended by this Act, to interventions and sanctions under Subchapter G, Chapter 39, Education Code, as that law existed prior to amendment by this Act.

SECTION 67. This Act does not make an appropriation. This Act takes effect only if a specific appropriation for the implementation of the Act is provided in a general appropriations act of the 81st Legislature.

SECTION 68. Except as provided by Section 67 of this Act, this Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009, except as provided by Section 67 of this Act.

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