By: Eissler

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H.B. No. 8

A BILL TO BE ENTITLED

AN ACT

2 relating to flexibility for public schools to administer primary 3 and secondary education efficiently.

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

5 SECTION 1. Sections 12.133(b), (b-1), (c), and (d-1), 6 Education Code, are amended to read as follows:

7 (b) Each school year, using state funds received by the charter holder for that purpose under Subsection (d), a charter 8 9 holder that participated in the program under Chapter 1579, Insurance Code, for the 2005-2006 school year shall provide 10 11 employees of the charter holder, other than administrators, 12 compensation in the form of annual salaries, incentives, or other compensation determined appropriate by the charter holder that 13 14 results in an average compensation increase for classroom teachers, full-time librarians, full-time counselors, and full-time school 15 16 nurses who are employed by the charter holder [and who would be entitled to a minimum salary under Section 21.402 if employed by a 17 school district,] in an amount at least equal to \$2,500. 18

19 (b-1) Using state funds received by the charter holder for 20 that purpose under Subsection (d-1), a charter holder that 21 participated in the program under Chapter 1579, Insurance Code, for 22 the 2005-2006 school year shall provide employees of the charter 23 holder, other than administrators, compensation in the form of 24 annual salaries, incentives, or other compensation determined

1 appropriate by the charter holder that results in average 2 compensation increases as follows:

3 (1) for full-time employees other than <u>full-time</u> 4 <u>classroom teachers, full-time librarians, full-time counselors,</u> 5 <u>and full-time nurses</u> [employees who would be entitled to a minimum 6 <u>salary under Section 21.402 if employed by a school district</u>], an 7 average increase at least equal to \$500; and

8 (2) for part-time employees, an average increase at
9 least equal to \$250.

(c) Each school year, using state funds received by the 10 charter holder for that purpose under Subsection (e), a charter 11 holder that did not participate in the program under Chapter 1579, 12 Insurance Code, for the 2005-2006 school year shall provide 13 14 employees of the charter holder, other than administrators, 15 compensation in the form of annual salaries, incentives, or other compensation determined appropriate by the charter holder that 16 17 results in an average compensation increase for classroom teachers, full-time librarians, full-time counselors, and full-time school 18 19 nurses who are employed by the charter holder [and who would be entitled to a minimum salary under Section 21.402 if employed by a 20 21 school district,] in an amount at least equal to \$2,000.

(d-1) In addition to any amounts to which a charter holder is entitled under this chapter, a charter holder that participated in the program under Chapter 1579, Insurance Code, for the 2005-2006 school year is entitled to state aid in an amount, as determined by the commissioner, equal to the sum of:

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(1) the product of \$500 multiplied by the number of

1 full-time employees other than <u>full-time classroom teachers</u>, 2 <u>full-time librarians</u>, full-time counselors, and full-time nurses 3 [employees who would be entitled to a minimum salary under Section 4 <u>21.402 if employed by a school district</u>]; and

5 (2) the product of \$250 multiplied by the number of 6 part-time employees.

7 SECTION 2. Section 19.007(f), Education Code, is amended to 8 read as follows:

In addition to other amounts received by the district 9 (f) under this section, the district is entitled to state aid in an 10 amount equal to the product of \$2,000 multiplied by the number of 11 classroom teachers, full-time librarians, full-time counselors 12 certified under Subchapter B, Chapter 21, and full-time school 13 14 nurses who are employed by the district [and who would be entitled 15 to a minimum salary under Section 21.402 if employed by a school district operating under Chapter 11]. 16

SECTION 3. Section 19.009(d-1), Education Code, is amended to read as follows:

(d-1) Each school year, the district shall pay an amount at 19 least equal to \$2,000 to each classroom teacher, full-time 20 librarian, full-time counselor certified under Subchapter B, 21 Chapter 21, and full-time school nurse who is employed by the 22 district [and who would be entitled to a minimum salary under 23 24 Section 21.402 if employed by a school district operating under Chapter 11]. A payment under this section is in addition to wages 25 26 the district would otherwise pay the employee during the school 27 year.

H.B. No. 8 1 SECTION 4. Section 21.0031(b), Education Code, is amended 2 to read as follows:

3 (b) After an employee receives notice that the employee's
4 contract is void under Subsection (a), [+

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[(1)] a school district may:

(1) [(A)] terminate the employee;

(2) [(B)] suspend the employee with or without pay; or

8 (3) [(C)] retain the employee for the remainder of the 9 school year on an at-will employment basis in a position other than 10 classroom teacher at the employee's existing rate of pay or at a 11 reduced rate[; and

12 [(2) the employee is not entitled to the minimum 13 salary prescribed by Section 21.402].

SECTION 5. Section 21.103(a), Education Code, is amended to read as follows:

16 (a) The board of trustees of a school district may terminate 17 the employment of a teacher employed under a probationary contract at the end of the contract period if in the board's judgment the 18 best interests of the district will be served by terminating the 19 employment. The board of trustees must give notice of its decision 20 to terminate the employment to the teacher not later than the 15th 21 [45th] day before the last day of instruction required under the 22 23 contract. The notice must be delivered personally to the teacher or 24 mailed by prepaid certified mail to the teacher's address of record with the district. Notice that is mailed in accordance with this 25 26 subsection is considered given at the time of mailing. The board's decision is final and may not be appealed. 27

SECTION 6. Subchapter C, Chapter 21, Education Code, is 1 amended by adding Section 21.1041 to read as follows: 2 3 Sec. 21.1041. HEARING UNDER PROBATIONARY CONTRACT. Α teacher is entitled to: 4 5 (1) a hearing as provided by Subchapter F, if the teacher is protesting proposed action under Section 21.104; or 6 (2) a hearing in a manner provided under Section 7 8 21.207 for nonrenewal of a term contract or a hearing provided by Subchapter F, as determined by the board of trustees of the 9 district, if the teacher is protesting proposed action to terminate 10 a probationary contract before the end of the contract period on the 11 12 basis of a financial exigency declared under Section 44.011 that requires a reduction in personnel. 13 SECTION 7. Section 21.157, Education Code, is amended to 14 15 read as follows: Sec. 21.157. NECESSARY REDUCTION OF PERSONNEL. 16 A teacher 17 employed under a continuing contract may be released at the end of a school year and the teacher's employment with the school district 18 terminated at that time because of a necessary reduction of 19 personnel by the school district [, with those reductions made in 20 the reverse order of seniority in the specific teaching fields]. 21 SECTION 8. Section 21.159(b), Education Code, is amended to 22 read as follows: 23 24 (b) A teacher who notifies the board of trustees within the time prescribed by Subsection (a) is entitled to: 25 26 (1) a hearing as provided by Subchapter F, if the 27 teacher is protesting proposed action under Section 21.156; or

1 (2) a hearing in a manner provided under Section 2 21.207 for nonrenewal of a term contract or a hearing provided by 3 Subchapter F, as determined by the board, if the teacher is 4 protesting proposed action under Section 21.157 or proposed action 5 to terminate a term contract at any time on the basis of a financial 6 exigency declared under Section 44.011 that requires a reduction in 7 personnel.

8 SECTION 9. Section 21.206(a), Education Code, is amended to 9 read as follows:

10 (a) Not later than the <u>15th</u> [45th] day before the last day of instruction in a school year, the board of trustees shall notify in 11 12 writing each teacher whose contract is about to expire whether the 13 board proposes to renew or not renew the contract. The notice must be delivered personally to the teacher or mailed by prepaid 14 15 certified mail to the teacher's address of record with the district. Notice that is mailed in accordance with this subsection 16 is considered given at the time of mailing. 17

18 SECTION 10. Section 21.207, Education Code, is amended by 19 adding Subsection (b-1) and amending Subsection (c) to read as 20 follows:

(b-1) The board of trustees may designate an attorney
licensed to practice law in this state to hold the hearing on behalf
of the board, to create a hearing record for the board's
consideration and action, and to recommend an action to the board.
The attorney serving as the board's designee may not be employed by
a school district and neither the designee nor a law firm with which
the designee is associated may be serving as an agent or

representative of a school district, of a teacher in a dispute 1 between a district and a teacher, or of an organization of school 2 employees, school administrators, or school boards of trustees. 3 Not later than the 15th day after the completion of the hearing 4 under this subsection, the board's designee shall provide to the 5 board a record of the hearing and the designee's recommendation of 6 whether the contract should be renewed or not renewed. The board 7 shall consider the record of the hearing and the designee's 8 recommendation at the first board meeting for which notice can be 9 posted in compliance with Chapter 551, Government Code, following 10 the receipt of the record and recommendation from the board's 11 12 designee, unless the parties agree in writing to a different date. At the meeting, the board shall consider the hearing record and the 13 14 designee's recommendation and allow each party to present an oral 15 argument to the board. The board by written policy may limit the amount of time for oral argument. The policy must provide equal time 16 for each party. The board may obtain advice concerning legal 17 matters from an attorney who has not been involved in the 18 proceedings. The board may accept, reject, or modify the designee's 19 recommendation. The board shall notify the teacher in writing of 20 the board's decision not later than the 15th day after the date of 21 22 the meeting. 23 At the hearing before the board or the board's designee, (c) 24 the teacher may: (1) be 25 represented by a representative of the

27 (2) hear the evidence supporting the reason for

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teacher's choice;

2	(3) cross-examine adverse witnesses; and
3	(4) present evidence.
4	SECTION 11. Section 21.211, Education Code, is amended by
5	adding Subsection (a-1) to read as follows:
6	(a-1) A teacher whose term contract is terminated under
7	Subsection (a)(2) before the end of the contract period may request
8	a hearing before the board of trustees or the board's designee as
9	provided by Section 21.207 for a hearing on a proposed nonrenewal of
10	a contract. A teacher who is aggrieved by a decision of the board or
11	the board's designee at a hearing under this subsection may appeal
12	to the commissioner for review of the decision in accordance with
13	Subchapter G. The commissioner may not substitute the
14	commissioner's judgment for that of the board of trustees or the
15	board's designee unless the decision of the board or the board's
16	designee was not supported by substantial evidence based on the
17	record made at the hearing before the board or the board's designee.
18	SECTION 12. Section 21.251, Education Code, is amended to
19	read as follows:
20	Sec. 21.251. APPLICABILITY. (a) This subchapter applies
21	if a teacher requests a hearing after receiving notice of the
22	proposed decision to:
23	(1) terminate the teacher's continuing contract at any
24	time, except as provided by Subsection (b)(3);
25	(2) terminate the teacher's probationary or term
26	contract before the end of the contract period, except as provided
27	by Subsection (b)(3); or

1 nonrenewal;

1 (3) suspend the teacher without pay. 2 (b) This subchapter does not apply to: 3 (1)a decision to terminate a teacher's employment at the end of a probationary contract; [or] 4 5 (2) a decision not to renew a teacher's term contract, unless the board of trustees of the employing district has decided 6 to use the process prescribed by this subchapter for that purpose; 7 8 or (3) a decision, on the basis of a financial exigency 9 declared under Section 44.011 that requires a reduction in 10 personnel, to terminate a probationary or term contract before the 11 12 end of the contract period or to terminate a continuing contract at any time, unless the board of trustees has decided to use the 13 14 process prescribed by this subchapter for that purpose. 15 SECTION 13. Section 21.4031, Education Code, is amended by amending Subsections (a) and (c) and adding Subsection (d) to read 16 17 as follows: In this section, "service[+ (a) 18 [(1) "Salary schedule" means the minimum salary 19 schedule under Section 21.402 or a comparable salary schedule used 20 by a school district that specifies salary amounts based on an 21 employee's level of experience. 22 [(2) "Service] record" means a school 23 district 24 document that indicates the total years of service provided to the district by a classroom teacher, librarian, counselor, or nurse. 25 26 (c) If a school district fails to provide an individual's 27 service record as required by Subsection (b), the agency shall, to

1 the extent that information is available to the agency, provide the 2 employing school district with <u>the</u> information [sufficient to 3 enable the district to determine proper placement of the individual 4 on the district's salary schedule].

5 (d) The commissioner shall adopt rules for determining the experience as a classroom teacher, librarian, counselor, or nurse 6 7 for a school district for which an individual is to be given credit for years of service for purposes of a service record. 8 Each district shall maintain service records in accordance with 9 commissioner rules adopted under this subsection. A district is 10 not required to use commissioner rules adopted under this 11 12 subsection in creating a local compensation plan under Section 13 21.4032.

SECTION 14. Subchapter I, Chapter 21, Education Code, is amended by adding Section 21.4032 to read as follows:

Sec. 21.4032. LOCAL COMPENSATION PLAN. (a) Except as 16 provided under Subsection (g), a school district shall adopt a 17 strategic plan for determining the compensation of the district's 18 classroom teachers, full-time librarians, full-time counselors 19 certified under Subchapter B, and full-time school nurses. A 20 district's strategic compensation plan must be designed to recruit, 21 reward, and retain effective classroom teachers, librarians, 22 counselors, and nurses. 23

24 (b) In developing a plan under Subsection (a), a school 25 district shall consider including provisions under which the 26 district may analyze any of several factors when determining 27 compensation, including, as applicable:

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1	(1) demonstrated effectiveness in improving student
2	achievement;
3	(2) service as a mentor for other classroom teachers;
4	(3) assumption of responsibilities in addition to
5	regular duties;
6	(4) results of performance evaluations;
7	(5) whether a classroom teacher teaches in a subject
8	area or position that is an acute shortage area as determined by the
9	board of trustees of the district, if the classroom teacher meets
10	state and federal qualifications to teach in that subject area or
11	position;
12	(6) whether a classroom teacher teaches a greater
13	number of students than the average teacher in the district;
14	(7) whether an employee teaches at or is assigned to a
15	district school at which, as determined by the board of trustees of
16	the district, the district has difficulty hiring or retaining
17	classroom teachers or other professional employees; or
18	(8) other job-related duties, as determined by the
19	district.
20	(c) A school district must adopt a process to consider input
21	from classroom teachers, librarians, counselors, and nurses before
22	adoption or revision of a plan under Subsection (a).
23	(d) A plan adopted under Subsection (a) may provide for
24	nonfinancial compensation, including flexible scheduling or
25	additional leave, and compensation for employees who meet
26	campus-wide goals.
27	(e) A plan adopted under Subsection (a) may not consider

H.B. No. 8 1 athletic coaching or other athletic performance or achievement in 2 determining compensation. Payment for service as a coach or with 3 regard to extracurricular activities must be determined separately 4 from the plan. 5 (f) A plan adopted under Subsection (a) may not provide for an annual salary of a classroom teacher, full-time librarian, 6 7 full-time counselor certified under Subchapter B, or full-time 8 school nurse that is less than the minimum salary prescribed by Section 21.4033. 9 (g) A school district that, before the effective date of a 10 law requiring adoption of such a plan, adopted a strategic 11 12 compensation plan to recruit, reward, and retain effective classroom teachers, librarians, counselors, and nurses is not 13 14 required to adopt a strategic compensation plan under this section. 15 SECTION 15. Subchapter I, Chapter 21, Education Code, is amended by adding Section 21.4033 to read as follows: 16 17 Sec. 21.4033. MINIMUM SALARY FOR CERTAIN PROFESSIONAL STAFF. A school district shall pay each district classroom 18 19 teacher, full-time librarian, full-time counselor certified under Subchapter B, or full-time school nurse not less than an annual 20 salary of \$27,320. 21 SECTION 16. Section 21.4551(e), Education Code, is amended 22 23 to read as follows: 24 (e) From funds appropriated for that purpose, a teacher who

25 attends a reading academy is entitled to receive a stipend in the 26 amount determined by the commissioner. [A stipend received under 27 this subsection is not considered in determining whether a district

1 is paying the teacher the minimum monthly salary under Section
2 21.402.]

3 SECTION 17. Section 22.107(a), Education Code, is amended 4 to read as follows:

5 (a) A school district shall pay each full-time district 6 employee, other than an administrator or <u>a classroom teacher</u>, 7 <u>full-time librarian</u>, <u>full-time counselor certified under</u> 8 <u>Subchapter B, Chapter 21, or full-time school nurse</u> [an employee 9 subject to the minimum salary schedule under Section 21.402], an 10 amount at least equal to \$500.

11 SECTION 18. Section 25.112, Education Code, is amended by 12 amending Subsection (d) and adding Subsections (d-1) and (e-1) to 13 read as follows:

(d) On application of a school district, the commissioner
<u>shall</u> [may] except the district from the limit in Subsection (a),
<u>except as provided by Subsection (d-1)</u> [if the commissioner finds
the limit works an undue hardship on the district]. An exception
expires at the end of the school year for which it is granted.

19(d-1) The commissioner may not grant an exception to a20school district under Subsection (d) if the exception would:

21 (1) allow the district to enroll more than 25 students
22 in a class at a grade level subject to the limit in Subsection (a);
23 (2) result in the district exceeding a district-wide
24 average enrollment of 22 students in classes at grade levels

25 subject to the limit under Subsection (a); or

26 (3) negatively affect the education of students
27 enrolled in the district or at a district campus, as applicable, as

1 determined by the commissioner.

2 (e-1) The board of trustees of a school district may adopt a
3 policy authorizing the superintendent of the district to apply on
4 behalf of the district, as needed, for an exception under
5 Subsection (d).

6 SECTION 19. Section 25.113(a), Education Code, is amended 7 to read as follows:

8 (a) A campus or district that is granted an exception under 9 Section 25.112(d) from class size limits shall provide written 10 notice of the exception to the parent of or person standing in 11 parental relation to each student affected by the exception <u>or</u> 12 <u>shall post notice of the exception on the district's Internet</u> 13 <u>website</u>. The notice <u>under this subsection</u> must be in conspicuous 14 bold or underlined print <u>or type</u> and:

(1) specify the class for which an exception from thelimit imposed by Section 25.112(a) was granted;

17 (2) state the number of children in the class for which18 the exception was granted; and

19 (3) <u>unless posted on the district's Internet website</u>,
20 be included in a regular mailing or other communication from the
21 campus or district, such as information sent home with students.

22 SECTION 20. Section 28.0211(c), Education Code, is amended 23 to read as follows:

(c) Each time a student fails to perform satisfactorily on
an assessment instrument specified under Subsection (a), the school
district in which the student attends school shall provide to the
student accelerated instruction in the applicable subject area,

1 including reading instruction for a student who fails to perform satisfactorily on a reading assessment instrument. After a student 2 3 fails to perform satisfactorily on an assessment instrument a second time, a grade placement committee shall be established to 4 prescribe the accelerated instruction the district shall provide to 5 the student before the student is administered the assessment 6 instrument the third time. The grade placement committee shall be 7 8 composed of the principal or the principal's designee, the student's parent or guardian, and the teacher of the subject of an 9 10 assessment instrument on which the student failed to perform satisfactorily. The district shall notify the parent or guardian 11 12 of the time and place for convening the grade placement committee and the purpose of the committee. 13 [An accelerated instruction group administered by a school district under this section may not 14 have a ratio of more than 10 students for each teacher.] 15

SECTION 21. Section 30.022(f), Education Code, is amended to read as follows:

(f) Before the beginning of each fiscal year, the board shall adopt a calendar for the school's operation that provides for at least[+

21 [(1)] the minimum number of days of instruction 22 required by Section 25.081[; and

23 [(2) the minimum number of days of service required by
24 Section 21.401].

25 SECTION 22. Section 30.052(f), Education Code, is amended 26 to read as follows:

27 (f) Before the beginning of each fiscal year, the board

H.B. No. 8 1 shall adopt a calendar for the school's operation that: 2 (1) provides for at least[+ [(1)] the minimum number of days of instruction 3 required by Section 25.081; and 4 5 is consistent with the number of days of service in (2) contracts between the school and classroom teachers [the minimum 6 number of days of service required by Section 21.401]. 7 8 SECTION 23. Section 42.2513(a), Education Code, is amended to read as follows: 9 A school district, including a school district that is 10 (a) otherwise ineligible for state aid under this chapter, is entitled 11 12 to state aid in an amount equal to the sum of: (1) the product of \$500 multiplied by the number of 13 14 full-time district employees, other than administrators or 15 classroom teachers, full-time librarians, full-time counselors certified under Subchapter B, Chapter 21, or full-time school 16 17 nurses [employees subject to the minimum salary schedule under Section 21.402]; and 18 (2) the product of \$250 multiplied by the number of 19 part-time district employees, other than administrators. 20 21 SECTION 24. Subchapter A, Chapter 44, Education Code, is amended by adding Section 44.011 to read as follows: 22 Sec. 44.011. FINANCIAL EXIGENCY. (a) The board of trustees 23 24 of a school district may adopt a resolution declaring a financial exigency for the district. The declaration expires at the end of the 25 26 fiscal year during which the declaration is made unless the board

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adopts a resolution before the end of the fiscal year declaring

1 continuation of the financial exigency for the following fiscal
2 year.

3 (b) The board is not limited in the number of times the board 4 may adopt a resolution declaring continuation of the financial 5 <u>exigency.</u>

6 (c) A board may terminate a financial exigency declaration
7 at any time if the board considers it appropriate.

8 (d) Each time the board adopts a resolution under this 9 section, the board must notify the commissioner. The commissioner 10 by rule shall prescribe the time and manner in which notice must be 11 given to the commissioner under this subsection.

12 SECTION 25. Section 825.405, Government Code, is amended by 13 amending Subsections (a) and (b) and adding Subsection (j) to read 14 as follows:

15 (a) For members in a personnel position that would have been entitled to the minimum salary for certain school personnel under 16 17 Section 21.402, Education Code, as that section existed on January 1, 2011, and for members who would have been entitled to the minimum 18 19 salary for certain school personnel under former Section 16.056, Education Code, as that section existed on January 1, 1995, the 20 employing district shall pay the state's contribution on the 21 portion of the member's salary that exceeds the statutory minimum 22 23 salary, based on the member's years of experience.

(b) For purposes of this section, [+
[(1)] the statutory minimum salary <u>is the amount</u>
<u>specified below</u> [for certain school personnel under Section 21.402,
Education Code, is the salary provided by that section] multiplied

1 by the cost of education adjustment applicable under Section 2 42.102, Education Code, to the district in which the member is 3 employed:

4	Years of	Monthly
5	Experience	Salary
6	<u>0</u>	2,732
7	<u>1</u>	2,791
8	<u>2</u>	2,849
9	<u>3</u>	2,908
10	<u>4</u>	3,032
11	<u>5</u>	3,156
12	<u>6</u>	3,280
13	<u>7</u>	3,395
14	<u>8</u>	3,504
15	<u>9</u>	3,607
16	<u>10</u>	3,704
17	<u>11</u>	3,796
18	<u>12</u>	3,884
19	<u>13</u>	3,965
20	14	4,043
21	<u>15</u>	4,116
22	16	4,186
23	<u>17</u>	4,251
24	18	4,313
25	<u>19</u>	4,372
26	20 & Over	4,427
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27 [; and

[(2) the statutory minimum salary for members who 1 would have been entitled to the minimum salary for certain school 2 personnel under former Section 16.056, Education Code, as that 3 section existed on January 1, 1995, is a minimum salary computed in 4 5 the same manner as the minimum salary for certain school personnel under Section 21.402, Education Code, multiplied by the cost of 6 7 education adjustment applicable under Section 42.102, Education 8 Code, to the district in which the member is employed.] 9 (j) At least once every four years, the Legislative Budget Board shall review and make recommendations regarding revision of 10 the portion of the state's contribution for which school districts 11 12 are responsible under this section. SECTION 26. (a) The following provisions of the Education 13 14 Code are repealed: 15 (1)Section 21.401; 16 (2) Section 21.402; 17 (3) Section 21.403; Section 21.410(1); 18 (4) 19 (5) Section 21.411(1); Section 21.412(1); 20 (6) 21 Section 21.413(1); (7) Section 29.0821(c); and 22 (8) Section 30.102(b). (9) 23 24 (b) Section 823.404, Government Code, is repealed. SECTION 27. A plan adopted by a school district under 25 26 Section 21.4032, Education Code, as added by this Act, may not be used by the district for determining employee compensation paid 27

1 before the 2012-2013 school year.

2 SECTION 28. This Act applies beginning with the 2011-2012
3 school year.

4 SECTION 29. The repeal by this Act of Section 823.404, 5 Government Code, does not affect equivalent membership service 6 credit established under that section before the effective date of 7 this Act.

8 SECTION 30. This Act takes effect immediately if it 9 receives a vote of two-thirds of all the members elected to each 10 house, as provided by Section 39, Article III, Texas Constitution. 11 If this Act does not receive the vote necessary for immediate 12 effect, this Act takes effect on the 91st day after the last day of 13 the legislative session.