

By: Rodriguez of Travis

H.B. No. 2203

A BILL TO BE ENTITLED

AN ACT

relating to curriculum and end-of-course assessment requirements for high school graduation, including the establishment of a workforce certification program and the elimination of certain tax discounts to fund the program.

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

SECTION 1. Section 7.062(e), Education Code, is amended to read as follows:

(e) The rules must:

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

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

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

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

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

SECTION 2. Section 28.014(b), Education Code, is amended to read as follows:

(b) A student who successfully completes a course developed under this section may use the credit earned in the course toward satisfying the applicable mathematics or science curriculum requirement for the foundation ~~[recommended or advanced]~~ high school program under Section 28.025.

SECTION 3. (a) Sections 28.014(c) and (f), Education Code, are amended to read as follows:

(c) The agency, in consultation with the Texas Higher Education Coordinating Board, shall adopt an end-of-course assessment instrument for each course developed under this section to ensure the rigor of the course. A school district shall, in accordance with State Board of Education rules, administer the end-of-course assessment instrument to a student enrolled in a course developed under this section. ~~[Each school district shall adopt a policy that requires a student's performance on the end-of-course assessment instrument to account for 15 percent of the student's final grade for the course.]~~ A student's performance on an end-of-course assessment instrument administered under this subsection may be used, on a scale of 0-40, in calculating whether the student satisfies the graduation requirements established under Section 39.025.

(f) To the extent applicable, the commissioner shall draw from curricula and instructional materials developed under Section ~~[Sections]~~ 28.008 ~~[and 61.0763]~~ in developing a course and related instructional materials under this section. Not later than

1 September 1, 2010, the State Board of Education shall adopt
2 essential knowledge and skills for each course developed under this
3 section. The State Board of Education shall make each course
4 developed under this section and the related instructional
5 materials available to school districts not later than the
6 2014-2015 school year. ~~[As required by Subsection (c), a school~~
7 ~~district shall adopt a policy requiring a student's performance on~~
8 ~~an end-of-course assessment instrument administered under that~~
9 ~~subsection to account for 15 percent of the student's grade for a~~
10 ~~course developed under this section not later than the 2014-2015~~
11 ~~school year.]~~ This subsection expires September 1, 2015.

12 (b) This section applies beginning with the 2013-2014
13 school year.

14 SECTION 4. Section 28.025, Education Code, is amended by
15 amending Subsections (a), (b), (b-1), (b-2), (b-3), (b-4), (b-5),
16 (b-7), (b-9), (b-10), (b-11), and (e) and adding Subsections
17 (b-13), (h), and (h-1) to read as follows:

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

curriculum as requirements for the ~~[recommended]~~ 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 foundation ~~[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 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 foundation ~~[recommended and advanced]~~ high school program ~~[programs]~~ under Subsection (a) include a requirement that students successfully complete:

(1) ~~[(A)]~~ four credits in English language arts ~~[each subject of the foundation curriculum]~~ under Section 28.002(a)(1)(A), including one credit in English I, one credit in English II, one credit in English III, and one credit in English IV or an advanced English course authorized under Subsection (b-2);

1 (2) three credits in mathematics under Section
2 28.002(a)(1)(B), including one credit in Algebra I, one credit in
3 geometry, and one credit in Algebra II or an advanced mathematics
4 course authorized under Subsection (b-2);

5 (3) two credits in science under Section
6 28.002(a)(1)(C), including one credit in biology and one credit in
7 integrated physics and chemistry or an advanced science course
8 authorized under Subsection (b-2);

9 (4) three credits in social studies under Section
10 28.002(a)(1)(D) [~~28.002(a)(1)~~], including one credit in world
11 history, world geography, or an advanced social studies course
12 authorized under Subsection (b-2), one credit in United States
13 history, and at least one-half credit in government and at least
14 one-half credit in economics [~~to meet the social studies~~
15 requirement];

16 (5) [~~(B) for the recommended high school program, two~~
17 credits in the same language in a language other than English under
18 Section 28.002(a)(2)(A) and, for the advanced high school program,
19 three credits in the same language in a language other than English
20 under Section 28.002(a)(2)(A); [~~and~~]

21 (6) nine [~~(C) for the recommended high school~~
22 program, six] elective credits [~~and, for the advanced high school~~
23 program, five elective credits];

24 (7) [~~(2) one or more credits offered in the required~~
25 curriculum for the recommended and advanced high school programs
26 include a research writing component, and

27 [~~(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

(8) ~~[(B)]~~ except as provided by Subsection (b-11), one credit in physical education under Section 28.002(a)(2)(C).

(b-2) In adopting rules under Subsection (b-1), the State Board of Education shall provide for ~~[allow]~~ a student to comply with the curriculum requirements for an advanced English course under Subsection (b-1)(1) taken after successful completion of English I, English II, and English III, for an advanced ~~[a]~~ mathematics course under Subsection (b-1)(2) ~~[(b-1)(1)]~~ taken after the successful completion of Algebra I and geometry, for an advanced ~~[and either after the successful completion of or concurrently with Algebra II or a]~~ science course under Subsection (b-1)(3) ~~[(b-1)(1)]~~ taken after the successful completion of biology, and for an advanced social studies course under Subsection (b-1)(4) ~~[and chemistry and either after the successful completion of or concurrently with physics]~~ by successfully completing a course in the appropriate content area that has been approved as an advanced course by board rule ~~[career and technical course designated by the State Board of Education as containing substantively similar and rigorous academic content. A student may use the option provided by this subsection for not more than two courses]~~.

(b-3) In adopting rules for purposes of Subsection (b-2) ~~[to provide students with the option described by Subsection~~

~~(b-1)(1)(A)]~~, the State Board of Education must approve a variety of advanced English, mathematics, ~~[and]~~ science, and social studies courses that may be taken ~~[after the completion of Algebra II and physics]~~ to comply with the foundation high school ~~[recommended]~~ program requirements.

(b-4) A school district may offer the curriculum described in Subsections (b-1)(1) through (4) ~~[Subsection (b-1)(1)(A)]~~ in an applied manner. Courses delivered in an applied manner must cover the essential knowledge and skills, and the student shall be administered the applicable end-of-course assessment instrument as provided by Sections 39.023(c) and 39.025.

(b-5) A school district may offer a mathematics or science course to be taken by a student after completion of Algebra II and integrated physics and chemistry or another advanced science course authorized under Subsection (b-2) ~~[to comply with the recommended program requirements in Subsection (b-1)(1)(A)]~~. A course approved under this subsection must be endorsed by an institution of higher education as a course for which the institution would award course credit or as a prerequisite for a course for which the institution would award course credit.

(b-7) 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 foundation ~~[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

1 courses in the core curriculum of an institution of higher
2 education under Section 61.822.

3 (b-9) The agency shall establish a pilot program allowing a
4 student attending school in a county with a population of more than
5 one million and in which more than 75 percent of the population
6 resides in a single municipality to satisfy the fine arts credit
7 required under Subsection (b-1)(7) [~~(b-1)(3)(A)~~] by participating
8 in a fine arts program not provided by the school district in which
9 the student is enrolled. The fine arts program may be provided on
10 or off a school campus and outside the regular school day. [~~Not~~
11 ~~later than December 1, 2010, the agency shall provide to the~~
12 ~~legislature a report regarding the pilot program, including the~~
13 ~~feasibility of expanding the pilot program statewide.~~]

14 (b-10) A school district, with the approval of the
15 commissioner, may allow a student to comply with the curriculum
16 requirements for the physical education credit required under
17 Subsection (b-1)(8) [~~(b-1)(3)(B)~~] by participating in a private or
18 commercially sponsored physical activity program provided on or off
19 a school campus and outside the regular school day.

20 (b-11) In adopting rules under Subsection (b-1), the State
21 Board of Education shall allow a student who is unable to
22 participate in physical activity due to disability or illness to
23 substitute one credit in English language arts,
24 mathematics, science, or social studies or one academic elective
25 credit for the physical education credit required under Subsection
26 (b-1)(8) [~~(b-1)(3)(B)~~]. A credit allowed to be substituted under
27 this subsection may not also be used by the student to satisfy a

1 graduation requirement other than completion of the physical
2 education credit. The rules must provide that the determination
3 regarding a student's ability to participate in physical activity
4 will be made by:

5 (1) if the student receives special education services
6 under Subchapter A, Chapter 29, the student's admission, review,
7 and dismissal committee;

8 (2) if the student does not receive special education
9 services under Subchapter A, Chapter 29, but is covered by Section
10 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794), the
11 committee established for the student under that Act; or

12 (3) if each of the committees described by
13 Subdivisions (1) and (2) is inapplicable, a committee established
14 by the school district of persons with appropriate knowledge
15 regarding the student.

16 (b-13) The commissioner may adopt courses in English
17 language arts, mathematics, science, and social studies under
18 Subsection (b-2) as advanced courses that satisfy the requirements
19 of the foundation high school program.

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

1 (h) The commissioner by rule shall adopt a transition plan
2 to implement and administer the amendments made by __.B. No. __,
3 83rd Legislature, Regular Session, 2013, replacing the minimum,
4 recommended, and advanced high school programs with the foundation
5 high school program beginning with the 2014-2015 school year.
6 Under the transition plan, a student who entered the ninth grade
7 before the 2014-2015 school year must be permitted to complete the
8 curriculum requirements required for high school graduation under:

9 (1) the foundation high school program, if the student
10 chooses during the 2014-2015 school year to take courses under that
11 program;

12 (2) the minimum high school program, as that program
13 existed before the adoption of __.B. No. __, 83rd Legislature,
14 Regular Session, 2013, if the student was participating in that
15 program before the 2014-2015 school year;

16 (3) the recommended high school program, as that
17 program existed before the adoption of __.B. No. __, 83rd
18 Legislature, Regular Session, 2013, if the student was
19 participating in that program before the 2014-2015 school year; or

20 (4) the advanced high school program, as that program
21 existed before the adoption of __.B. No. __, 83rd Legislature,
22 Regular Session, 2013, if the student was participating in that
23 program before the 2014-2015 school year.

24 (h-1) This subsection and Subsection (h) expire September
25 1, 2018.

26 SECTION 5. Section 28.0253(e), Education Code, is amended
27 to read as follows:

1 (e) A student who receives a high school diploma through the
2 pilot program is considered to have completed the foundation
3 ~~[recommended]~~ high school program adopted under Section 28.025
4 ~~[28.025(a)]~~. The student is not guaranteed admission to any
5 institution of higher education or to any academic program at an
6 institution of higher education solely on the basis of having
7 received the diploma through the program.

8 SECTION 6. Section 28.027(b), Education Code, is amended to
9 read as follows:

10 (b) The State Board of Education shall establish a process
11 under which an applied STEM course may be reviewed and approved for
12 purposes of satisfying the mathematics and science curriculum
13 requirements for the foundation ~~[recommended]~~ high school program
14 ~~[imposed]~~ under Section 28.025 ~~[28.025(b-1)(1)(A)]~~ through
15 substitution of the applied STEM course for a specific mathematics
16 or science course otherwise authorized ~~[required]~~ under the
17 foundation ~~[recommended]~~ high school program ~~[and completed during~~
18 ~~the student's fourth year of mathematics or science course work]~~.
19 The State Board of Education may only approve a course to substitute
20 for a mathematics course taken after successful completion of
21 Algebra I and geometry and after successful completion of or
22 concurrently with Algebra II. The State Board of Education may only
23 approve a course to substitute for a science course taken after
24 successful completion of biology ~~[and chemistry and after~~
25 ~~successful completion of or concurrently with physics]~~.

26 SECTION 7. Subchapter B, Chapter 28, Education Code, is
27 amended by adding Section 28.028 to read as follows:

1 Sec. 28.028. WORKFORCE CERTIFICATION. (a) The State Board
2 of Education shall develop and adopt, in accordance with this
3 section, a workforce certification program for the purpose of
4 providing students an opportunity to earn a career or industry
5 certificate from a public junior college, as defined by Section
6 61.003.

7 (b) The workforce certification program developed and
8 adopted under Subsection (a) must:

9 (1) be administered in conjunction with a public
10 junior college; and

11 (2) provide certification based on successful
12 completion of curriculum requirements and of any additional
13 certification requirements in the following workforce areas:

14 (A) science, technology, engineering, and
15 mathematics;

16 (B) business and industry;

17 (C) human services; and

18 (D) humanities.

19 (c) The board shall establish a process under which a course
20 required for certification under Subsection (b) may be reviewed and
21 approved by the board for purposes of satisfying a curriculum
22 requirement for the foundation high school program under Section
23 28.025(b-1) through substitution of the course for a specified
24 course otherwise required under the foundation high school program.

25 (d) The commissioner shall adopt rules requiring a student
26 participating in the workforce certification program under this
27 section to be administered an end-of-course assessment instrument

1 listed in Section 39.023(c) only for a course in which the student
2 is enrolled and for which an end-of-course assessment is
3 administered. Notwithstanding Section 28.025(c) or 39.025(a), a
4 student may receive a high school diploma if the student performs
5 satisfactorily on the assessment instruments described by this
6 subsection in the manner provided under Section 39.025(a).

7 (e) In approving courses for the workforce certification
8 program, the board shall provide that a course completed as part of
9 the program may be transferred for course credit to a public junior
10 college or institution of higher education.

11 (f) A career or industry certificate earned under the
12 workforce certification program may be used to satisfy course
13 requirements at an institution of higher education.

14 (g) The board shall establish an advisory committee to
15 assist with the development and implementation of the workforce
16 certification program. The advisory committee must include:

- 17 (1) representatives of public junior colleges;
18 (2) a representative of the agency;
19 (3) a representative of the Texas Workforce
20 Commission;
21 (4) a representative of the Texas Higher Education
22 Coordinating Board; and
23 (5) industry representatives appointed by the
24 governor, lieutenant governor, and speaker of the house of
25 representatives.

26 SECTION 8. Section 29.096(e), Education Code, is amended to
27 read as follows:

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

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

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

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

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

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

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

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

26 (8) include any other requirements as determined by
27 the council.

SECTION 9. Section 29.402(b), Education Code, is amended to read as follows:

(b) A person who is under 26 years of age is eligible to enroll in a dropout recovery program under this subchapter if the person:

(1) must complete not more than three course credits to complete the curriculum requirements ~~[for the minimum, recommended, or advanced high school program, as appropriate,]~~ for high school graduation; or

(2) has failed to perform satisfactorily on an end-of-course assessment instrument administered under Section 39.023(c) or an assessment instrument administered under Section 39.023(c) as that section existed before amendment by Chapter 1312 (S.B. 1031), Acts of the 80th Legislature, Regular Session, 2007.

SECTION 10. Section 29.904(d), Education Code, is amended to read as follows:

(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:

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

6 (B) are enrolled in courses that meet the
7 curriculum requirements for the foundation [~~recommended or~~
8 ~~advanced~~] high school program as determined under Section 28.025;

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

11 (D) are exempt under Section 51.3062(p) or (q)
12 from administration of an assessment instrument under Section
13 51.3062 or have performed successfully on an assessment instrument
14 under Section 51.3062;

15 (E) graduate from high school;

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

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

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

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

23 SECTION 11. Section 33.007(b), Education Code, is amended
24 to read as follows:

25 (b) During the first school year a student is enrolled in a
26 high school or at the high school level in an open-enrollment
27 charter school, and again during a student's senior year, a

counselor shall provide information about higher education to the student and the student's parent or guardian. The information must include information regarding:

(1) the importance of higher education;

~~(2) [the advantages of completing the recommended or advanced high school program adopted under Section 28.025(a),~~

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

(3) ~~(4)]~~ financial aid eligibility;

(4) ~~(5)]~~ instruction on how to apply for federal financial aid;

(5) ~~(6)]~~ the center for financial aid information established under Section 61.0776;

(6) ~~(7)]~~ the automatic admission of certain students to general academic teaching institutions as provided by Section 51.803;

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

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

SECTION 12. (a) Section 39.023(c), Education Code, is amended to read as follows:

(c) The agency shall also adopt end-of-course assessment

1 instruments for secondary-level courses in Algebra I, Algebra II,
2 geometry, biology, chemistry, physics, English I, English II,
3 English III, world geography, world history, and United States
4 history. The Algebra I, Algebra II, and geometry end-of-course
5 assessment instruments must be administered with the aid of
6 technology. A school district shall comply with State Board of
7 Education rules regarding administration of the assessment
8 instruments listed in this subsection ~~[and shall adopt a policy~~
9 ~~that requires a student's performance on an end-of-course~~
10 ~~assessment instrument for a course listed in this subsection in~~
11 ~~which the student is enrolled to account for 15 percent of the~~
12 ~~student's final grade for the course. If a student retakes an~~
13 ~~end-of-course assessment instrument for a course listed in this~~
14 ~~subsection, as provided by Section 39.025, a school district is not~~
15 ~~required to use the student's performance on the subsequent~~
16 ~~administration or administrations of the assessment instrument to~~
17 ~~determine the student's final grade for the course]~~. If a student
18 is in a special education program under Subchapter A, Chapter 29,
19 the student's admission, review, and dismissal committee shall
20 determine whether any allowable modification is necessary in
21 administering to the student an assessment instrument required
22 under this subsection. The State Board of Education shall
23 administer the assessment instruments. The State Board of
24 Education shall adopt a schedule for the administration of
25 end-of-course assessment instruments that complies with the
26 requirements of Subsection (c-3).

27 (b) This section applies beginning with the 2013-2014

1 school year.

2 SECTION 13. (a) Sections 39.025(a), (a-1), and (b-2),
3 Education Code, are amended to read as follows:

4 (a) The commissioner shall adopt rules requiring a student
5 participating in the recommended or advanced high school program to
6 be administered each end-of-course assessment instrument listed in
7 Section 39.023(c) and requiring a student participating in the
8 minimum high school program to be administered an end-of-course
9 assessment instrument listed in Section 39.023(c) only for a course
10 in which the student is enrolled and for which an end-of-course
11 assessment instrument is administered. A student is required to
12 achieve~~[, in each subject in the foundation curriculum under~~
13 ~~Section 28.002(a)(1), a cumulative score that is at least equal to~~
14 ~~the product of the number of end-of-course assessment instruments~~
15 ~~administered to the student in that subject and]~~ a scale score that
16 indicates satisfactory performance, as determined by the
17 commissioner under Section 39.0241(a), on the Algebra I, English
18 III, biology, and United States history end-of-course assessment
19 instruments administered under Section 39.023(c). ~~[A student must~~
20 ~~achieve a minimum score as determined by the commissioner to be~~
21 ~~within a reasonable range of the scale score under Section~~
22 ~~39.0241(a) on an end-of-course assessment instrument for the score~~
23 ~~to count towards the student's cumulative score. For purposes of~~
24 ~~this subsection, a student's cumulative score is determined using~~
25 ~~the student's highest score on each end-of-course assessment~~
26 ~~instrument administered to the student.]~~ A student may not receive
27 a high school diploma until the student has performed

1 satisfactorily on ~~[the]~~ end-of-course assessment instruments in
 2 the manner provided under this subsection. This subsection does
 3 not require a student to demonstrate readiness to enroll in an
 4 institution of higher education.

5 (a-1) The commissioner by rule shall determine a method by
 6 which a student's satisfactory performance on an advanced placement
 7 test, international baccalaureate examination, an SAT Subject
 8 Test, or another assessment instrument determined by the
 9 commissioner to be at least as rigorous as an end-of-course
 10 assessment instrument adopted under Section 39.023(c) may be used
 11 to satisfy ~~[as a factor in determining whether the student~~
 12 ~~satisfies]~~ the requirements of Subsection (a) ~~[, including the~~
 13 ~~cumulative score requirement of that subsection]~~. The
 14 commissioner by rule may determine a method by which a student's
 15 satisfactory performance on a Preliminary Scholastic Assessment
 16 Test (PSAT) ~~[assessment]~~ or a preliminary American College Test
 17 (ACT) ~~[assessment]~~ may be used as a factor in determining whether
 18 the student satisfies the requirements of Subsection (a).

19 (b-2) If a school district determines that a student, on
 20 completion of grade 11, is unlikely to achieve the ~~[cumulative]~~
 21 score requirement under this section ~~[requirements]~~ for one or more
 22 end-of-course assessment instruments ~~[subjects]~~ prescribed under
 23 ~~[by]~~ Subsection (a) for receiving a high school diploma, the
 24 district shall require the student to enroll in a corresponding
 25 content-area college preparatory course for which an end-of-course
 26 assessment instrument has been adopted, if available. A student
 27 who enrolls in a college preparatory course described by this

subsection shall be administered an end-of-course assessment instrument for the course, with the end-of-course assessment instrument scored on a scale as determined by the commissioner [~~not to exceed 20 percent of the cumulative score requirements required to graduate as determined under Subsection (a)~~]. 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 requirement under this section [~~requirements prescribed by Subsection (a)~~].

(b) This section applies beginning with the 2013-2014 school year.

SECTION 14. Effective September 1, 2014, Section 39.025(a), Education Code, is amended to read as follows:

(a) The commissioner shall adopt rules requiring a student [~~participating~~] in the foundation [~~recommended or advanced~~] high school program under Section 28.025 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 a course in which the student is enrolled and for which an end-of-course assessment instrument is administered. A student is required to achieve [~~in each subject 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~~] a scale score that indicates satisfactory performance, as determined by the commissioner under Section

1 39.0241(a), on the Algebra I, English III, biology, and United
 2 States history end-of-course assessment instruments administered
 3 under Section 39.023(c). ~~[A student must achieve a minimum score~~
 4 ~~as determined by the commissioner to be within a reasonable range of~~
 5 ~~the scale score under Section 39.0241(a) on an end-of-course~~
 6 ~~assessment instrument for the score to count towards the student's~~
 7 ~~cumulative score. For purposes of this subsection, a student's~~
 8 ~~cumulative score is determined using the student's highest score on~~
 9 ~~each end-of-course assessment instrument administered to the~~
 10 ~~student.]~~ A student may not receive a high school diploma until
 11 the student has performed satisfactorily on ~~[the]~~ end-of-course
 12 assessment instruments in the manner provided under this
 13 subsection. This subsection does not require a student to
 14 demonstrate readiness to enroll in an institution of higher
 15 education.

16 SECTION 15. Section 39.053(f), Education Code, is amended
 17 to read as follows:

18 (f) Annually, the commissioner shall define the state
 19 standard for the current school year for each student achievement
 20 indicator described by Subsection (c) and shall project the state
 21 standards for each indicator for the following two school years.
 22 The commissioner shall periodically raise the state standards for
 23 the student achievement indicator described by Subsection
 24 (c)(1)(B)(i) for accreditation as necessary to reach the goals of
 25 achieving, by not later than the 2019-2020 school year:

26 (1) student performance in this state, disaggregated
 27 by race, ethnicity, and socioeconomic status, that ranks nationally

1 in the top 10 states in terms of college readiness; and

2 (2) student performance, [~~including the percentage of~~
3 ~~students graduating under the recommended or advanced high school~~
4 ~~program,~~] with no significant achievement gaps by race, ethnicity,
5 and socioeconomic status.

6 SECTION 16. Section 39.057(a), Education Code, is amended
7 to read as follows:

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

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

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

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

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

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

24 (6) in response to an allegation involving a conflict
25 between members of the board of trustees or between the board and
26 the district administration if it appears that the conflict
27 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 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;

(9) when 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 (l);

~~(10) [when excessive numbers of students graduate under the minimum high school program,~~

~~(11)]~~ when excessive numbers of students eligible to enroll fail to complete an advanced mathematics ~~[Algebra II]~~ course or any other advanced 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]~~;

(11) ~~(12)]~~ when resource allocation practices as evaluated under Section 39.0821 indicate a potential for significant improvement in resource allocation; or

1 (12) [~~(13)~~] as the commissioner otherwise determines
2 necessary.

3 SECTION 17. Section 39.301(c), Education Code, is amended
4 to read as follows:

5 (c) Indicators for reporting purposes must include:

6 (1) [~~the percentage of graduating students who meet~~
7 ~~the course requirements established by State Board of Education~~
8 ~~rule for the minimum high school program, the recommended high~~
9 ~~school program, and the advanced high school program,~~

10 ~~(2)~~ the results of the SAT, ACT, articulated
11 postsecondary degree programs described by Section 61.852, and
12 certified workforce training programs described by Chapter 311,
13 Labor Code;

14 (2) [~~(3)~~] for students who have failed to perform
15 satisfactorily, under each performance standard under Section
16 39.0241, on an assessment instrument required under Section
17 39.023(a) or (c), the performance of those students on subsequent
18 assessment instruments required under those sections, aggregated
19 by grade level and subject area;

20 (3) [~~(4)~~ ~~for each campus, the number of students,~~
21 ~~disaggregated by major student subpopulations, that agree under~~
22 ~~Section 28.025(b) to take courses under the minimum high school~~
23 ~~program,~~

24 ~~(5)~~ the percentage of students, aggregated by grade
25 level, provided accelerated instruction under Section 28.0211(c),
26 the results of assessment instruments administered under that
27 section, the percentage of students promoted through the grade

1 placement committee process under Section 28.0211, the subject of
 2 the assessment instrument on which each student failed to perform
 3 satisfactorily under each performance standard under Section
 4 39.0241, and the performance of those students in the school year
 5 following that promotion on the assessment instruments required
 6 under Section 39.023;

7 (4) [~~(6)~~] the percentage of students of limited
 8 English proficiency exempted from the administration of an
 9 assessment instrument under Sections 39.027(a)(1) and (2);

10 (5) [~~(7)~~] the percentage of students in a special
 11 education program under Subchapter A, Chapter 29, assessed through
 12 assessment instruments developed or adopted under Section
 13 39.023(b);

14 (6) [~~(8)~~] the percentage of students who satisfy the
 15 college readiness measure;

16 (7) [~~(9)~~] the measure of progress toward dual language
 17 proficiency under Section 39.034(b), for students of limited
 18 English proficiency, as defined by Section 29.052;

19 (8) [~~(10)~~] the percentage of students who are not
 20 educationally disadvantaged;

21 (9) [~~(11)~~] the percentage of students who enroll and
 22 begin instruction at an institution of higher education in the
 23 school year following high school graduation; and

24 (10) [~~(12)~~] the percentage of students who
 25 successfully complete the first year of instruction at an
 26 institution of higher education without needing a developmental
 27 education course.

SECTION 18. Section 39.305(b), Education Code, is amended to read as follows:

(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 (3) ~~[(5)]~~;

(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.

SECTION 19. Section 51.3062(q-1), Education Code, is amended to read as follows:

(q-1) A student who has completed the foundation ~~[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 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 20. Sections 51.803(a) and (d), Education Code, are amended to read as follows:

1 (a) Subject to Subsection (a-1), each general academic
2 teaching institution shall admit an applicant for admission to the
3 institution as an undergraduate student if the applicant graduated
4 with a grade point average in the top 10 percent of the student's
5 high school graduating class in one of the two school years
6 preceding the academic year for which the applicant is applying for
7 admission and:

8 (1) the applicant graduated from a public or private
9 high school in this state accredited by a generally recognized
10 accrediting organization or from a high school operated by the
11 United States Department of Defense;

12 (2) the applicant:

13 (A) successfully completed:

14 (i) at a public high school, the curriculum
15 requirements established under Section 28.025 for the foundation
16 ~~[recommended or advanced]~~ high school program; or

17 (ii) at a high school to which Section
18 28.025 does not apply, a curriculum that is equivalent in content
19 and rigor to the foundation ~~[recommended or advanced]~~ high school
20 program; or

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

25 (3) if the applicant graduated from a high school
26 operated by the United States Department of Defense, the applicant
27 is a Texas resident under Section 54.052 or is entitled to pay

tuition fees at the rate provided for Texas residents under Section 54.241(d) [~~54.058(d)~~] for the term or semester to which admitted.

(d) For purposes of Subsection (c)(2), a student's official transcript or diploma must, not later than the end of the student's junior year, indicate[+]

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

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

SECTION 21. Section 51.804, Education Code, is amended to read as follows:

Sec. 51.804. ADDITIONAL AUTOMATIC ADMISSIONS: SELECTED INSTITUTIONS. For each academic year, the governing board of each general academic teaching institution shall determine whether to adopt an admissions policy under which an applicant to the institution as a first-time freshman student, other than an applicant eligible for admission under Section 51.803, shall be admitted to the institution if the applicant:

(1) graduated from a public or private high school in this state accredited by a generally recognized accrediting organization with a grade point average in the top 25 percent of the applicant's high school graduating class; and

(2) satisfies the requirements of:

(A) Section 51.803(a)(2)(A) or (B) [~~51.803(b)~~],

1 ~~as applicable to the student, or Section 51.803(a)(2)(B)]~~; and

2 (B) Sections 51.803(c)(2) and 51.803(d).

3 SECTION 22. Section 51.805(a), Education Code, is amended
4 to read as follows:

5 (a) A graduating student who does not qualify for admission
6 under Section 51.803 or 51.804 may apply to any general academic
7 teaching institution if the student satisfies the requirements of:

8 (1) Section 51.803(a)(2)(A) or (B) ~~[51.803(b), as~~
9 ~~applicable to the student, or Section 51.803(a)(2)(B)]~~; and

10 (2) Sections 51.803(c)(2) and 51.803(d).

11 SECTION 23. Section 51.807(b), Education Code, is amended
12 to read as follows:

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

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

18 (2) whether a person completed a high school
19 curriculum that is equivalent in content and rigor to the
20 curriculum requirements established under Section 28.025 for the
21 foundation ~~[recommended or advanced]~~ high school program.

22 SECTION 24. Subchapter A, Chapter 56, Education Code, is
23 amended by adding Section 56.009 to read as follows:

24 Sec. 56.009. ELIGIBILITY BASED ON GRADUATION UNDER CERTAIN
25 HIGH SCHOOL PROGRAMS. To the extent that a person's eligibility to
26 participate in any program under this chapter, including
27 Subchapters K, M, Q, and R, is contingent on the person graduating

1 under the recommended or advanced high school program, as those
2 programs existed before the adoption of __.B. No. ____, 83rd
3 Legislature, Regular Session, 2013, the Texas Higher Education
4 Coordinating Board and the commissioner of education shall jointly
5 adopt rules to modify, clarify, or otherwise establish for affected
6 programs appropriate eligibility requirements regarding high
7 school curriculum completion.

8 SECTION 25. Section 61.0517(a), Education Code, is amended
9 to read as follows:

10 (a) In this section, "applied STEM course" means an applied
11 science, technology, engineering, or mathematics course offered as
12 part of a school district's career and technology education
13 curriculum and approved, as provided by Section 28.027, by the
14 State Board of Education for purposes of satisfying the mathematics
15 and science curriculum requirements for the foundation
16 ~~[recommended]~~ high school program ~~[imposed]~~ under Section 28.025
17 ~~[28.025(b-1)(1)(A)]~~.

18 SECTION 26. Section 61.792(b), Education Code, is amended
19 to read as follows:

20 (b) To qualify for a scholarship under this section, a
21 student must:

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

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

1 ~~[28.025(a)]~~; and

2 (3) maintain an overall grade point average of at
3 least 3.0 on a four-point scale at the general academic teaching
4 institution or the private or independent institution of higher
5 education in which the student is enrolled.

6 SECTION 27. Section 61.852(a), Education Code, is amended
7 to read as follows:

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

9 (1) combines at least two years of secondary education
10 with at least two years of postsecondary education in a
11 nonduplicative, sequential course of study based on the foundation
12 ~~[recommended]~~ high school program adopted by the State Board of
13 Education under Section 28.025 ~~[28.025(a)]~~;

14 (2) integrates academic instruction and vocational
15 and technical instruction;

16 (3) uses work-based and worksite learning where
17 available and appropriate;

18 (4) provides technical preparation in a career field
19 such as engineering technology, applied science, a mechanical,
20 industrial, or practical art or trade, agriculture, health
21 occupations, business, or applied economics;

22 (5) builds student competence in mathematics,
23 science, reading, writing, communications, economics, and
24 workplace skills through applied, contextual academics and
25 integrated instruction in a coherent sequence of courses;

26 (6) leads to an associate degree, two-year
27 postsecondary certificate, or postsecondary two-year

1 apprenticeship with provisions, to the extent applicable, for
2 students to continue toward completion of a baccalaureate degree;
3 and

4 (7) leads to placement in appropriate employment or to
5 further education.

6 SECTION 28. Section 61.855(d), Education Code, is amended
7 to read as follows:

8 (d) A tech-prep program must:

9 (1) be implemented under an articulation agreement
10 between the participants in the consortium;

11 (2) consist of two to four years of secondary school
12 preceding graduation and:

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

14 (B) two or more years of apprenticeship following
15 secondary instruction;

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

22 (4) include the development of tech-prep program
23 curricula for both secondary and postsecondary participants in the
24 consortium that:

25 (A) meets academic standards developed by the
26 state;

27 (B) links secondary schools and two-year

1 postsecondary institutions, and, if practicable, four-year
2 institutions of higher education through nonduplicative sequences
3 of courses in career fields, including the investigation of
4 opportunities for tech-prep students to enroll concurrently in
5 secondary and postsecondary course work;

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

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

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

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

15 (B) provides for joint training for teachers in
16 the tech-prep consortium;

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

20 (D) focuses on training postsecondary education
21 faculty in the use of contextual and applied curricula and
22 instruction; and

23 (E) provides training in the use and application
24 of technology;

25 (6) include training programs for counselors designed
26 to enable counselors to more effectively:

27 (A) provide information to students regarding

1 tech-prep programs;

2 (B) support student progress in completing
3 tech-prep programs;

4 (C) provide information on related employment
5 opportunities;

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

8 (E) stay current with the needs, expectations,
9 and methods of business and of all aspects of an industry;

10 (7) provide equal access to the full range of
11 tech-prep programs for individuals who are members of special
12 populations, including by the development of tech-prep program
13 services appropriate to the needs of special populations; and

14 (8) provide for preparatory services that assist
15 participants in tech-prep programs.

16 SECTION 29. Section 61.861(c), Education Code, is amended
17 to read as follows:

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

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

22 (2) incorporate college and career readiness skills as
23 part of the curriculum;

24 (3) be offered for dual credit; and

25 (4) satisfy a mathematics or science requirement under
26 the foundation [~~recommended or advanced~~] high school program as
27 determined under Section 28.025.

SECTION 30. Section 61.864, Education Code, is amended to read as follows:

Sec. 61.864. REVIEW OF COURSES. Courses 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 foundation [~~recommended or advanced~~] high school program as determined under Section 28.025.

SECTION 31. Section 78.10(b), Education Code, is amended to read as follows:

(b) The Texas Academy of Mathematics and Science is a division of The University of Texas at Brownsville and is under the management and control of the board. The academy serves the following purposes:

(1) to provide academically gifted and highly motivated junior and senior high school students with a challenging university-level curriculum that:

(A) allows students to complete high school graduation requirements [~~, including requirements adopted~~] under Section 28.025 for the foundation [~~advanced~~] high school program,

1 while attending for academic credit a public institution of higher
2 education;

3 (B) fosters students' knowledge of real-world
4 mathematics and science issues and applications and teaches
5 students to apply critical thinking and problem-solving skills to
6 those issues and problems;

7 (C) includes the study of English, foreign
8 languages, social studies, mathematics, science, and technology;
9 and

10 (D) offers students learning opportunities
11 related to mathematics and science through in-depth research and
12 field-based studies;

13 (2) to provide students with an awareness of
14 mathematics and science careers and professional development
15 opportunities through seminars, workshops, collaboration with
16 postsecondary and university students including opportunities for
17 summer studies, internships in foreign countries, and similar
18 methods; and

19 (3) to provide students with social development
20 activities that enrich the academic curriculum and student life,
21 including, as determined appropriate by the academy, University
22 Interscholastic League activities and other extracurricular
23 activities.

24 SECTION 32. Section 87.505(b), Education Code, is amended
25 to read as follows:

26 (b) The Texas Academy of International Studies is a division
27 of Texas A&M International University and is under the management

1 and control of the board. The academy serves the following
2 purposes:

3 (1) to provide academically gifted and highly
4 motivated junior and senior high school students with a challenging
5 university-level curriculum that:

6 (A) allows students to complete high school
7 graduation requirements[~~, including requirements adopted~~] under
8 Section 28.025 for the foundation [~~advanced~~] high school program,
9 while attending for academic credit a public institution of higher
10 education;

11 (B) fosters students' knowledge of real-world
12 international issues and problems and teaches students to apply
13 critical thinking and problem-solving skills to those issues and
14 problems;

15 (C) includes the study of English, foreign
16 languages, social studies, anthropology, and sociology;

17 (D) is presented through an interdisciplinary
18 approach that introduces and develops issues, especially issues
19 related to international concerns, throughout the curriculum; and

20 (E) offers students learning opportunities
21 related to international issues through in-depth research and
22 field-based studies;

23 (2) to provide students with an awareness of
24 international career and professional development opportunities
25 through seminars, workshops, collaboration with postsecondary
26 students from other countries, summer academic international
27 studies internships in foreign countries, and similar methods; and

1 (3) to provide students with social development
2 activities that enrich the academic curriculum and student life,
3 including, as determined appropriate by the academy, University
4 Interscholastic League activities and other extracurricular
5 activities generally offered by public high schools.

6 SECTION 33. Section 303.003, Labor Code, is amended by
7 amending Subsections (a) and (b) and adding Subsection (b-2) to
8 read as follows:

9 (a) To achieve the purposes of this chapter, the skills
10 development fund is created. The fund is composed of:

11 (1) money transferred into the fund under Section
12 204.123; ~~and~~

13 (2) money deposited into the fund under Section
14 151.801(a-1), Tax Code; and

15 (3) any amounts appropriated by the legislature for
16 the purpose of this chapter from the general revenue fund.

17 (b) Except as provided by Subsection (b-2), the ~~[The]~~ skills
18 development fund may be used by public community and technical
19 colleges, community-based organizations, and the Texas Engineering
20 Extension Service as start-up or emergency funds for the following
21 job-training purposes:

22 (1) developing customized training programs for
23 businesses and trade unions; and

24 (2) sponsoring small and medium-sized business
25 networks and consortiums.

26 **(b-2) Money deposited into the fund under Section**
27 **151.801(a-1), Tax Code, may be used only to fund certification**

1 programs offered by public junior colleges in partnership with
2 public high schools in this state. To be eligible for money under
3 this subsection, a program must provide a high school student with
4 training necessary for the student to be eligible to obtain, at the
5 time the student completes the program, an occupational license or
6 another certification required to obtain skilled employment.

7 SECTION 34. Section 151.419(b), Tax Code, is amended to
8 read as follows:

9 (b) The application must be accompanied with:

10 (1) an agreement that is signed by the applicant or a
11 responsible officer of an applicant corporation, that is in a form
12 prescribed by the comptroller, and that provides that the applicant
13 agrees to:

14 (A) accrue and pay all taxes imposed by
15 Subchapter D ~~[of this chapter]~~ on the storage and use of all taxable
16 items sold to or leased or rented by the permit holder unless the
17 items are exempted from the taxes imposed by this chapter; and

18 (B) pay the imposed taxes monthly on or before
19 the 20th day of the month following the end of each calendar month;
20 ~~[and~~

21 ~~[(C) waive the discount permitted by Section~~
22 ~~151.423 of this code on the payment of all taxes under the direct~~
23 ~~payment permit only,]~~

24 (2) a description, in the amount of detail that the
25 comptroller requires, of the accounting method by which the
26 applicant proposes to differentiate between taxable and exempt
27 transactions; and

1 (3) records establishing that the applicant is a
2 responsible person who annually purchases taxable items that have a
3 value when purchased of \$800,000 or more excluding the value of
4 taxable items for which resale certificates were or could have been
5 given.

6 SECTION 35. Section 151.428(c), Tax Code, is amended to
7 read as follows:

8 (c) The reporting, collection, refund, and penalty
9 provisions of this chapter and Subtitle B ~~[of this title]~~ apply to
10 the payments required by this section~~[, except that Sections~~
11 ~~151.423 and 151.424 of this code do not apply to this section]~~.

12 SECTION 36. Section 151.801, Tax Code, is amended by
13 amending Subsection (a) and adding Subsection (a-1) to read as
14 follows:

15 (a) Except for the amounts allocated under Subsections
16 (a-1), (b), and (c), all proceeds from the collection of the taxes
17 imposed by this chapter shall be deposited to the credit of the
18 general revenue fund.

19 (a-1) In each state fiscal year, the comptroller shall
20 determine the difference between the amount of proceeds derived
21 from the collection of the taxes imposed by this chapter and the
22 amount of proceeds that would be derived from the collection of
23 those taxes if Sections 151.423 and 151.424, as those sections
24 existed on September 1, 2012, were still in effect. The comptroller
25 shall deposit an amount equal to that difference to the credit of
26 the skills development fund created under Section 303.003, Labor
27 Code.

SECTION 37. Section 152.047(a), Tax Code, is amended to read as follows:

(a) Except as inconsistent with this chapter and rules adopted under this chapter, the seller of a motor vehicle shall report and pay the tax imposed on a seller-financed sale to the comptroller on the seller's receipts from seller-financed sales in the same manner as the sales tax is reported and paid by a retailer under Sections 151.401, 151.402, 151.405, 151.406, and 151.409[~~7~~ ~~151.423, 151.424, and 151.425~~].

SECTION 38. (a) The following provisions of the Education Code are repealed:

- (1) Section 28.002(q);
- (2) Sections 28.025(b-6), (b-8), and (g);
- (3) Sections 39.025(a-2) and (a-3); and
- (4) Section 51.803(b).

(b) Sections 151.423, 151.424, and 151.425, Tax Code, are repealed.

SECTION 39. The State Board of Education and the commissioner of education shall adopt rules as necessary to implement Section 28.028, Education Code, as added by this Act, beginning with the 2014-2015 school year.

SECTION 40. Not later than October 1, 2013, the State Board of Education shall establish the advisory committee required under Section 28.028(g), Education Code, as added by this Act.

SECTION 41. Section 39.025, Education Code, as amended by Sections 13 and 14 of this Act, as related to reducing end-of-course testing requirements applies only to students who have entered or

1 will enter the ninth grade during the 2011-2012 school year or a
2 later school year.

3 SECTION 42. The change in law made by this Act does not
4 affect tax liability accruing before the effective date of this
5 Act. That liability continues in effect as if this Act had not been
6 enacted, and the former law is continued in effect for the
7 collection of taxes due and for civil and criminal enforcement of
8 the liability for those taxes.

9 SECTION 43. Except as otherwise provided by this Act, this
10 Act applies beginning with the 2014-2015 school year.

11 SECTION 44. Except as otherwise provided by this Act:

12 (1) this Act takes effect immediately if it receives a
13 vote of two-thirds of all the members elected to each house, as
14 provided by Section 39, Article III, Texas Constitution; and

15 (2) if this Act does not receive the vote necessary for
16 immediate effect, this Act takes effect September 1, 2013.