Amend CSHB 1842 (senate committee printing) by adding the following appropriately numbered SECTIONS and renumbering subsequent SECTIONS of the bill accordingly:

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

- (a) Except as provided by Section 29.001(5), 29.010(a), [39.056,] or 39.057, the agency may monitor compliance with requirements applicable to a process or program provided by a school district, campus, program, or school granted charters under Chapter 12, including the process described by Subchapter F, Chapter 11, or a program described by Subchapter B, C, D, E, F, H, or I, Chapter 29, Subchapter A, Chapter 37, or Section 38.003, and the use of funds provided for such a program under Subchapter C, Chapter 42, only as necessary to ensure:
  - (1) compliance with federal law and regulations;
- (2) financial accountability, including compliance with grant requirements; and
  - (3) data integrity for purposes of:
- (A) the Public Education Information Management System (PEIMS); and
  - (B) accountability under Chapter 39.

SECTION \_\_\_\_. Section 29.315, Education Code, is amended to read as follows:

- Sec. 29.315. TEXAS SCHOOL FOR THE DEAF MEMORANDUM OF UNDERSTANDING. The Texas Education Agency and the Texas School for the Deaf shall develop, agree to, and by commissioner rule adopt no later than September 1, 1998, a memorandum of understanding to establish:
- (1) the method for developing and reevaluating a set of indicators of the quality of learning at the Texas School for the Deaf;
- (2) the process for the agency to conduct and report on an annual evaluation of the school's performance on the indicators;
- (3) the requirements for the school's board to publish, discuss, and disseminate an annual report describing the educational performance of the school;
  - (4) the process for the agency to assign an

accreditation status to the school, to reevaluate the status on an annual basis, and, if necessary, to <a href="conduct monitoring reviews">conduct monitoring reviews</a> [make on-site accreditation investigations]; and

(5) the type of information the school shall be required to provide through the Public Education Information Management System (PEIMS).

SECTION \_\_\_\_. Section 30.005, Education Code, is amended to read as follows:

Sec. 30.005. TEXAS SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED MEMORANDUM OF UNDERSTANDING. The Texas Education Agency and the Texas School for the Blind and Visually Impaired shall develop, agree to, and by commissioner rule adopt a memorandum of understanding to establish:

- (1) the method for developing and reevaluating a set of indicators of the quality of learning at the Texas School for the Blind and Visually Impaired;
- (2) the process for the agency to conduct and report on an annual evaluation of the school's performance on the indicators;
- (3) the requirements for the school's board to publish, discuss, and disseminate an annual report describing the educational performance of the school;
  - (4) the process for the agency to:
    - (A) assign an accreditation status to the school;
    - (B) reevaluate the status on an annual basis; and
- (C) if necessary, <u>conduct monitoring reviews</u>
  [make on-site accreditation investigations]; and
- (5) the type of information the school shall be required to provide through the Public Education Information Management System (PEIMS).

SECTION \_\_\_\_\_. Section 39.056, Education Code, is amended to read as follows:

Sec. 39.056. MONITORING REVIEWS [ON-SITE INVESTIGATIONS]. (a) The commissioner may  $[\div]$ 

[(1)] direct the agency to conduct monitoring reviews and random on-site visits [investigations] of a school district at any time as authorized by Section 7.028 [to answer any questions concerning a program, including special education, required by

federal law or for which the district receives federal funds; and

- [(2) as a result of the investigation, change the accreditation status of a district, change the accountability rating of a district or campus, or withdraw a distinction designation under Subchapter G].
- (b) The commissioner shall determine the frequency of  $\frac{\text{monitoring reviews}}{\text{according to}} \ [\frac{\text{on-site investigations}}{\text{investigations}}] \ \text{by the agency}$
- (1) annual comprehensive analyses of student performance and equity in relation to the student achievement indicators adopted under Section 39.053;
- (2) reviews of fiscal reports and other fiscal data as set forth in Section 44.010; or
- (3) comprehensive analyses of financial accountability standards under Subchapter D.
- (c) In <u>conducting a monitoring review</u> [making an on-site accreditation investigation], the <u>agency may</u> [investigators shall] obtain information from administrators, <u>other district employees</u> [teachers], [and] parents of students enrolled in the school district, and other persons as necessary. [The investigation may not be closed until information is obtained from each of those sources.] The <u>commissioner</u> [State Board of Education] shall adopt rules for:
- (1) obtaining information from parents and using that information in the <u>monitoring review</u> [<u>investigator's</u>] report; and
- (2) obtaining information from other district employees [teachers] in a manner that prevents a district or campus from screening the information.
- (d) The agency shall give written notice to the superintendent and the board of trustees of a school district of any impending monitoring review [investigation of the district's accreditation].
- (e) The <u>agency</u> [<u>investigators</u>] shall report [<u>orally and</u>] in writing to the <u>superintendent and president of the</u> board of trustees of the school district [<u>and, as appropriate, to campus administrators</u>] and shall make recommendations concerning any necessary improvements or sources of aid such as regional education

service centers.

- (f) A district which takes action with regard to the recommendations provided by the <u>agency</u> [<u>investigators</u>] as prescribed by Subsection (e) shall make a reasonable effort to seek assistance from a third party in developing an action plan to improve district performance using improvement techniques that are goal oriented and research based.
- (g) A monitoring review may include desk reviews and on-site visits, including random on-site visits.
- (h) The commissioner may at any time convert a monitoring review to a special accreditation investigation under Section 39.057, provided the commissioner promptly notifies the school district of the conversion.

SECTION \_\_\_\_. Section 39.058, Education Code, is amended to read as follows:

- Sec. 39.058. CONDUCT OF SPECIAL ACCREDITATION INVESTIGATIONS. (a) The agency shall adopt written procedures for conducting special accreditation [on-site] investigations under this subchapter, including procedures that allow the agency to obtain information from district employees in a manner that prevents a district or campus from screening the information. The agency shall make the procedures available on the agency Internet website [to the complainant, the alleged violator, and the public]. Agency staff must be trained in the procedures and must follow the procedures in conducting the special accreditation investigation.
- (b) After completing <u>a special accreditation</u> [an] investigation, the agency shall present preliminary findings to any person <u>or entity</u> the agency finds has violated a law, rule, or policy. Before issuing a report with its final findings, the agency must provide a person <u>or entity</u> the agency finds has violated a law, rule, or policy an opportunity for an informal review by the commissioner or a designated hearing examiner.

SECTION \_\_\_\_\_. Section 39.102(a), Education Code, is amended to read as follows:

(a) If a school district does not satisfy the accreditation criteria under Section 39.052, the academic performance standards under Section 39.053 or 39.054, or any financial accountability

appropriate by the commissioner on the basis of a special accreditation investigation under Section 39.057, the commissioner shall take any of the following actions to the extent the commissioner determines necessary:

- (1) issue public notice of the deficiency to the board of trustees;
- (2) order a hearing conducted by the board of trustees of the district for the purpose of notifying the public of the insufficient performance, the improvements in performance expected by the agency, and the interventions and sanctions that may be imposed under this section if the performance does not improve;
- (3) order the preparation of a student achievement improvement plan that addresses each student achievement indicator under Section 39.053(c) for which the district's performance is insufficient, the submission of the plan to the commissioner for approval, and implementation of the plan;
- (4) order a hearing to be held before the commissioner or the commissioner's designee at which the president of the board of trustees of the district and the superintendent shall appear and explain the district's low performance, lack of improvement, and plans for improvement;
- (5) arrange <u>a monitoring review</u> [<del>an on-site</del> investigation] of the district;
- (6) appoint an agency monitor to participate in and report to the agency on the activities of the board of trustees or the superintendent;
- (7) appoint a conservator to oversee the operations of the district;
- (8) appoint a management team to direct the operations of the district in areas of insufficient performance or require the district to obtain certain services under a contract with another person;
- (9) if a district has a current accreditation status of accredited-warned or accredited-probation, fails to satisfy any standard under Section 39.054(e), or fails to satisfy financial accountability standards as determined by commissioner rule,

appoint a board of managers to exercise the powers and duties of the board of trustees;

- (10) if for two consecutive school years, including the current school year, a district has received an accreditation status of accredited-warned or accredited-probation, has failed to satisfy any standard under Section 39.054(e), or has failed to satisfy financial accountability standards as determined by commissioner rule, revoke the district's accreditation and:
- (A) order closure of the district and annex the district to one or more adjoining districts under Section 13.054; or
- (B) in the case of a home-rule school district or open-enrollment charter school, order closure of all programs operated under the district's or school's charter; or
- (11) if a district has failed to satisfy any standard under Section 39.054(e) due to the district's dropout rates, impose sanctions designed to improve high school completion rates, including:
- (A) ordering the development of a dropout prevention plan for approval by the commissioner;
- (B) restructuring the district or appropriate school campuses to improve identification of and service to students who are at risk of dropping out of school, as defined by Section 29.081;
- (C) ordering lower student-to-counselor ratios on school campuses with high dropout rates; and
- (D) ordering the use of any other intervention strategy effective in reducing dropout rates, including mentor programs and flexible class scheduling.