

BILL ANALYSIS

S.B. 1241
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Public Education
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties contend that there is a need to provide school districts, home-rule school districts, and open-enrollment charter schools with the ability to establish innovation zones. The parties also emphasize that school districts would benefit from the ability to obtain designation as districts of innovation. S.B. 1241 seeks to provide for these opportunities.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the commissioner of education in SECTION 1 of this bill.

ANALYSIS

S.B. 1241 amends the Education Code to authorize a governing body of an independent school district, a home-rule school district, or an open-enrollment charter school, subject to approval by the commissioner of education, to establish a multiple-campus innovation zone to encourage local community-based initiatives to improve educational outcomes with minimum state and local requirements, to enable collaboration by multiple campuses, programs, and institutions of higher education, and to encourage innovation through shared resources and facilities. The bill authorizes a governing body to establish an innovation zone that includes only designated campuses under the authority of the governing body, to establish, in cooperation with one or more other governing bodies, an innovation zone that includes one or more designated campuses under the authority of each governing body, or to seek inclusion of one or more campuses under the authority of the governing body in an innovation zone established by one or more other governing bodies. The bill authorizes the inclusion of a campus in an innovation zone only if the most recent performance rating for the campus reflects at least acceptable performance. The bill authorizes establishment of an innovation zone or a request for inclusion of a campus in an existing zone to be initiated by a resolution of a governing body or a request submitted by the principal of a campus to the governing body with authority over the campus.

S.B. 1241 authorizes an institution of higher education to participate in an innovation zone on terms acceptable to the governing board of the institution. The bill requires the establishment of an innovation zone or a request for inclusion of a campus in an innovation zone to be based on a written innovation zone plan and sets out the required components of the plan. The bill requires a regional education service center to provide assistance in the development and implementation of an innovation plan as requested by a governing body.

S.B. 1241 requires a request by a principal for the establishment of an innovation zone or inclusion of a campus in an innovation zone to be considered at a public meeting by the

governing body with authority over the principal's campus. The bill requires parents of students enrolled at the campus and teachers and other staff assigned to the campus to be provided the opportunity to make comments regarding the request at the public meeting. The bill authorizes the governing body, after conducting the public meeting, to grant the request; grant the request subject to approval by another governing body, if the request also involves a campus under the authority of another governing body; delay a decision on the request, pending resolution of suggestions or comments regarding the request made by the governing body or parents, teachers, or other staff at the campus; or reject the request. The bill requires a governing body that approves a principal's request to seek approval by the commissioner in accordance with the bill's provisions, adopt performance goals for the principal's campus, and exempt the campus from any applicable local requirement identified in the innovation plan for the term of the innovation zone.

S.B. 1241 authorizes an innovation zone that involves more than one governing body or that involves an institution of higher education to be governed by an agreement between the affected school districts, schools, and institutions in the form of a contract. The bill requires a governing body to obtain approval from the commissioner before the establishment or renewal of an innovation zone or the inclusion of a campus in an existing zone may become effective. The bill requires the commissioner, if the commissioner approves the establishment or renewal of an innovation zone or the inclusion of a campus in an existing zone, to identify each requirement of state law, rule, or policy from which the campuses included in the zone are exempt. The bill establishes that a decision by the commissioner regarding such approval or exemption is final and prohibits the appeal of the decision.

S.B. 1241 establishes that an open-enrollment charter school campus included in an innovation zone continues to be subject to the requirements of state law relating to such schools. The bill subjects a campus included in an innovation zone other than an open-enrollment charter school campus only to requirements imposed by state law relating to an open-enrollment charter school. The bill prohibits an innovation zone plan or other agreement governing an innovation zone from conflicting with the provisions of a home-rule school district charter. The bill requires the commissioner to ensure that each campus included in an innovation zone is evaluated for academic and financial performance and that performance of each campus is attributed to the school district or open-enrollment charter school of which the campus is a part.

S.B. 1241 establishes the conditions under which a governing body is authorized to terminate an innovation zone that contains only campuses under the governing body's authority or withdraw campuses from participation in an innovation zone that also contains campuses under the authority of another governing body and the conditions under which the commissioner is authorized or required to terminate an innovation zone. The bill establishes that a decision by the commissioner regarding the termination of an innovation zone is final and prohibits the appeal of the decision. The bill provides for the automatic renewal of an innovation zone for successive terms not to exceed five years and for the designation of a zone's fiscal agent.

S.B. 1241 authorizes the commissioner to adopt rules implementing the bill's provisions relating to innovation zones but limits the commissioner's rulemaking authority to rules addressing reporting, federal program compliance, state and federal accountability, and funding and prohibits the rules from governing the local operations of an innovation zone. The bill establishes that its provisions regarding innovation zones do not limit the commissioner's authority under statutory provisions relating to public school system accountability or under federal law.

S.B. 1241 authorizes the designation of a school district as a district of innovation. The bill makes a school district eligible for such designation only if the district's most recent performance rating reflects at least acceptable performance. The bill authorizes consideration of designation as a district of innovation to be initiated by a resolution adopted by the board of trustees of the district or a petition signed by a majority of the members of the district-level planning and decision-making committee. The bill requires the board of trustees, promptly after adopting such a resolution or receiving such a petition, to hold a public hearing to consider whether the district

should develop a local innovation plan for the designation of the district as a district of innovation. The bill authorizes the board, at the conclusion of the public hearing or as soon as possible after conclusion of the public hearing, to decline to pursue designation of the district as a district of innovation or appoint a committee to develop a local innovation plan. The bill requires such a local innovation plan to be developed for a school district before the district may be designated as a district of innovation and sets out the required components of the plan.

S.B. 1241 prohibits a local innovation plan for a district designated as a district of innovation from providing for the exemption of the district from a state or federal requirement applicable to an open-enrollment charter school, from certain provisions relating to boards of trustees, superintendents, and principals, from state curriculum and graduation requirements, and from academic and financial accountability and sanctions. The bill requires the commissioner to maintain a list of statutory provisions regarding public education from which school districts designated as districts of innovation are exempt under the bill's provisions and to notify the legislature of each provision from which districts enrolling a majority of students in Texas are exempt. The bill prescribes the actions that must be taken before the board of trustees may vote on adoption of a proposed local innovation plan. The bill authorizes a board of trustees to adopt a proposed local innovation plan by an affirmative vote of two-thirds of the membership of the board. The bill requires the board of trustees, on adoption of a proposed local innovation plan, to submit the plan to the commissioner for approval. The bill, on approval by the commissioner of such a local innovation plan, designates the district as a district of innovation for the term, not to exceed five years, specified in the plan; requires the district to begin operation in accordance with the plan; and exempts the district from certain state requirements as identified by the innovation plan. The bill includes within a district's exemption from such state requirements any subsequent amendment or redesignation of an identified state requirement, unless the subsequent amendment or redesignation specifically applies to a district of innovation. The bill establishes that a decision by the commissioner regarding a district's local innovation plan is final and prohibits the appeal of the decision.

S.B. 1241 provides for the amendment, rescission, or renewal of a local innovation plan, establishes that a decision by the commissioner regarding such amendment, rescission, or renewal is final, and prohibits the appeal of the decision. The bill establishes the conditions under which the commissioner is authorized to terminate a district's designation as a district of innovation and authorizes the commissioner, instead of terminating a district's designation under those conditions, to permit the district to amend the district's local innovation plan to address concerns specified by the commissioner. The bill establishes the conditions under which the commissioner is required to terminate a district's designation as a district of innovation, establishes that a decision by the commissioner regarding the termination of a district's designation as a district of innovation is final, and prohibits the appeal of the decision. The bill authorizes the commissioner to adopt rules to implement the bill's provisions relating to districts of innovation.

EFFECTIVE DATE

September 1, 2015.