

By: Aycock, Meyer

H.B. No. 2804

A BILL TO BE ENTITLED

AN ACT

relating to evaluation of public school performance and to student physical fitness assessment.

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

SECTION 1. The heading to Section 39.053, Education Code, is amended to read as follows:

Sec. 39.053. PERFORMANCE INDICATORS: [STUDENT] ACHIEVEMENT.

SECTION 2. Section 39.053, Education Code, is amended by amending Subsections (a), (b), (c), (f), (g), and (g-1) and adding Subsection (a-1) to read as follows:

(a) The commissioner shall adopt a set of indicators of the quality of learning and [student] achievement. The commissioner biennially shall review the indicators for the consideration of appropriate revisions.

(a-1) The indicators adopted by the commissioner under Subsection (a), including the indicators identified under Subsection (c), must measure and evaluate school districts and campuses with respect to:

(1) improving student preparedness for success in:

(A) subsequent grade levels; and

(B) entering the workforce, the military, or postsecondary education;

(2) reducing, with the goal of eliminating, student

academic achievement differentials among students from different racial and ethnic groups and socioeconomic backgrounds; and

(3) informing parents and the community regarding campus and district performance in the domains described by Subsection (c) and, for the domain described by Subsection (c)(5), in accordance with local priorities and preferences.

(b) Performance on the ~~[student]~~ achievement indicators adopted under Subsections (c)(1)-(4) ~~[this section]~~ shall be compared to state-established standards. The indicators must be based on information that is disaggregated by race, ethnicity, and socioeconomic status.

(c) School districts and campuses must be evaluated based on five domains of indicators ~~[Indicators]~~ of ~~[student]~~ achievement adopted under this section that ~~[must]~~ include:

(1) in the first domain, the results of:

(A) assessment instruments required under Sections [39.023](#)(a), (c), and (l), including the results of assessment instruments required for graduation retaken by a student, aggregated across grade levels by subject area, including:

(i) ~~[(A)]~~ for the performance standard determined by the commissioner under Section [39.0241](#)(a), [+]

[(i)] the percentage of students who performed satisfactorily on the assessment instruments, aggregated across grade levels by subject area; and

(ii) ~~[for students who did not perform satisfactorily, the percentage of students who met the standard for annual improvement, as determined by the agency under Section~~

~~39.034, on the assessment instruments, aggregated across grade levels by subject area; and~~

~~[(B)]~~ for the college readiness performance standard as determined under Section 39.0241, ~~+~~

~~[(i)]~~ the percentage of students who performed satisfactorily on the assessment instruments, aggregated across grade levels by subject area; and

(B) assessment instruments required under Section 39.023(b), aggregated across grade levels by subject area, including the percentage of students who performed satisfactorily on the assessment instruments, as determined by the performance standard adopted by the agency, aggregated across grade levels by subject area;

(2) in the second domain:

(A) for assessment instruments under Subdivision

(1)(A):

(i) for the performance standard determined by the commissioner under Section 39.0241(a), the percentage of students who met the standard for annual improvement on the assessment instruments, as determined by the commissioner by rule or by the method for measuring annual improvement under Section 39.034, aggregated across grade levels by subject area; and

(ii) for the college readiness performance standard as determined under Section 39.0241, the percentage of students who met the standard for annual improvement on the assessment instruments, as determined by the commissioner by rule or by the method for measuring annual improvement under Section

1 39.034, aggregated across grade levels by subject area; and

2 (B) for assessment instruments under Subdivision
3 (1)(B), the percentage of students who met the standard for annual
4 improvement on the assessment instruments, as determined by the
5 commissioner by rule or by the method for measuring annual
6 improvement under Section 39.034, aggregated across grade levels by
7 subject area;

8 (3) in the third domain, the student academic
9 achievement differentials among students from different racial and
10 ethnic groups and socioeconomic backgrounds;

11 (4) in the fourth domain:

12 (A) for evaluating the performance of high school
13 campuses and districts that include high school campuses:

14 (i) [~~(ii)~~ for students who did not perform
15 satisfactorily, the percentage of students who met the standard for
16 annual improvement, as determined by the agency under Section
17 39.034, on the assessment instruments, aggregated across grade
18 levels by subject area;

19 [~~(2)~~] dropout rates, including dropout rates and
20 district completion rates for grade levels 9 through 12, computed
21 in accordance with standards and definitions adopted by the
22 National Center for Education Statistics of the United States
23 Department of Education;

24 (ii) [~~(3)~~] high school graduation rates,
25 computed in accordance with standards and definitions adopted in
26 compliance with the No Child Left Behind Act of 2001 (20 U.S.C.
27 Section 6301 et seq.);

1 (iii) ~~[(4)]~~ the percentage of students who
2 successfully completed the curriculum requirements for the
3 distinguished level of achievement under the foundation high school
4 program;

5 (iv) ~~[(5)]~~ the percentage of students who
6 successfully completed the curriculum requirements for an
7 endorsement under Section 28.025(c-1); ~~and~~

8 (v) the percentage of students who
9 completed a coherent sequence of career and technical courses;

10 (vi) ~~[(6) at least three additional~~
11 ~~indicators of student achievement to evaluate district and campus~~
12 ~~performance, which must include either:~~

13 ~~[(A)]~~ the percentage of students who satisfy the
14 Texas Success Initiative (TSI) college readiness benchmarks
15 prescribed by the Texas Higher Education Coordinating Board under
16 Section 51.3062(f) on an assessment instrument in reading, writing,
17 or mathematics designated by the Texas Higher Education
18 Coordinating Board under Section 51.3062(c); ~~or~~

19 (vii) ~~[(B)]~~ the percentage ~~[number]~~ of
20 students who earn~~+~~

21 ~~[(i)]~~ at least 12 hours of postsecondary
22 credit required for the foundation high school program under
23 Section 28.025 or to earn an endorsement under Section 28.025(c-1);

24 (viii) the percentage of students who have
25 completed an advanced placement course;

26 (ix) the percentage of students who enlist
27 in the armed forces of the United States; and

1 (x) the percentage of students who earn
2 ~~[(ii) at least 30 hours of postsecondary credit required for the~~
3 ~~foundation high school program under Section 28.025 or to earn an~~
4 ~~endorsement under Section 28.025(c-1),~~

5 ~~[(iii) an associate's degree; or~~

6 ~~[(iv)]~~ an industry certification;

7 (B) for evaluating the performance of middle and
8 junior high school and elementary school campuses and districts
9 that include those campuses:

10 (i) student attendance;

11 (ii) the percentage of elementary school
12 students assigned for two consecutive school years to a teacher
13 who has less than one year of teaching experience or who does not
14 hold the appropriate certificate required under Section 21.003; and

15 (iii) for middle and junior high school
16 campuses, dropout rates, computed in the manner described by
17 Paragraph (A)(i); or

18 (C) any additional indicators of student
19 achievement not associated with performance on standardized
20 assessment instruments determined appropriate for consideration by
21 the commissioner in consultation with educators, parents, business
22 and industry representatives, and employers; and

23 (5) in the fifth domain, three programs or specific
24 categories of performance related to community and student
25 engagement locally selected and evaluated as provided by Section
26 39.0546.

27 (f) Annually, the commissioner shall define the state

1 standard for the current school year for each ~~[student]~~ achievement
2 indicator described by Subsections (c)(1)-(4) ~~[Subsection (c)]~~ and
3 shall project the state standards for each indicator for the
4 following two school years. The commissioner shall periodically
5 raise the state standards for the college readiness ~~[student]~~
6 achievement indicator described by Subsection (c)(1)(A)(ii)
7 ~~[(c)(1)(B)(i)]~~ for accreditation as necessary to reach the goals of
8 achieving, by not later than the 2019-2020 school year:

9 (1) student performance in this state, disaggregated
10 by race, ethnicity, and socioeconomic status, that ranks nationally
11 in the top 10 states in terms of college readiness; and

12 (2) student performance~~[7]~~ with no significant
13 achievement gaps by race, ethnicity, and socioeconomic status.

14 (g) In defining the required state standard for the dropout
15 rate indicator described by Subsections (c)(4)(A)(i) and (B)(iii)
16 ~~[Subsection (c)(2)]~~, the commissioner may not consider as a dropout
17 a student whose failure to attend school results from:

18 (1) the student's expulsion under Section 37.007; and

19 (2) as applicable:

20 (A) adjudication as having engaged in delinquent
21 conduct or conduct indicating a need for supervision, as defined by
22 Section 51.03, Family Code; or

23 (B) conviction of and sentencing for an offense
24 under the Penal Code.

25 (g-1) In computing dropout and completion rates under
26 Subsections (c)(4)(A)(i) and (B)(iii) ~~[Subsection (c)(2)]~~, the
27 commissioner shall exclude:

1 (1) students who are ordered by a court to attend a
2 high school equivalency certificate program but who have not yet
3 earned a high school equivalency certificate;

4 (2) students who were previously reported to the state
5 as dropouts, including a student who is reported as a dropout,
6 reenrolls, and drops out again, regardless of the number of times of
7 reenrollment and dropping out;

8 (3) students in attendance who are not in membership
9 for purposes of average daily attendance;

10 (4) students whose initial enrollment in a school in
11 the United States in grades 7 through 12 was as unschooled refugees
12 or asylees as defined by Section 39.027(a-1);

13 (5) students who are in the district exclusively as a
14 function of having been detained at a county detention facility but
15 are otherwise not students of the district in which the facility is
16 located; and

17 (6) students who are incarcerated in state jails and
18 federal penitentiaries as adults and as persons certified to stand
19 trial as adults.

20 SECTION 3. Effective September 1, 2015, Subchapter C,
21 Chapter 39, Education Code, is amended by adding Section 39.0535 to
22 read as follows:

23 Sec. 39.0535. TEMPORARY PROVISION: ASSIGNMENT OF
24 PERFORMANCE RATINGS. (a) Notwithstanding any other law, the
25 commissioner shall assign each district and campus a performance
26 rating not later than August 15 of each year.

27 (b) This section expires September 1, 2016.

SECTION 4. Effective September 1, 2016, Section 39.054(a), Education Code, is amended to read as follows:

(a) The commissioner shall adopt rules to evaluate school district and campus performance and assign each district and campus a performance rating ~~[of A, B, C, D, or F]~~. In adopting rules under this subsection, the commissioner shall determine the criteria for each ~~[designated letter]~~ performance rating. ~~[A district performance rating of A, B, or C reflects acceptable performance and a district performance rating of D or F reflects unacceptable performance. The commissioner shall also assign each campus a performance rating of exemplary, recognized, acceptable, or unacceptable. A campus performance rating of exemplary, recognized, or acceptable reflects acceptable performance, and a campus performance rating of unacceptable reflects unacceptable performance. A district may not receive a performance rating of A if the district includes any campus with a performance rating of unacceptable.]~~ Not later than August 15 ~~[8]~~ of each year, the performance rating of each district and campus shall be made publicly available as provided by rules adopted under this subsection. If a district or campus received a performance rating that reflected unacceptable performance for the preceding school year, the commissioner shall notify the district of a subsequent such designation on or before June 15.

SECTION 5. Effective September 1, 2017, Section 39.054, Education Code, is amended by amending Subsections (a), (c), (e), and (f) and adding Subsections (a-1), (a-2), (a-3), and (a-4) to read as follows:

1 (a) The commissioner shall, after consulting with the
 2 performance rating work group described by Subsection (a-3), adopt
 3 rules to evaluate school district and campus performance and assign
 4 each district and campus an overall [a] performance rating of A, B,
 5 C, D, or F. In addition to the overall performance rating, the
 6 commissioner shall assign each district and campus a separate
 7 domain performance rating of A, B, C, D, or F for each domain under
 8 Sections 39.053(c)(1)-(4). An overall or domain [In adopting rules
 9 ~~under this subsection, the commissioner shall determine the~~
 10 ~~criteria for each designated letter performance rating. A~~
 11 ~~district]~~ performance rating of A reflects exemplary performance.
 12 An overall or domain performance rating of B reflects recognized
 13 performance. An overall or domain performance rating of [~~, B, or~~] C
 14 reflects acceptable performance. An overall or domain [~~and a~~
 15 ~~district]~~ performance rating of D or F reflects unacceptable
 16 performance. [~~The commissioner shall also assign each campus a~~
 17 ~~performance rating of exemplary, recognized, acceptable, or~~
 18 ~~unacceptable. A campus performance rating of exemplary,~~
 19 ~~recognized, or acceptable reflects acceptable performance, and a~~
 20 ~~campus performance rating of unacceptable reflects unacceptable~~
 21 ~~performance.] A district may not receive an overall or domain [a]
 22 performance rating of A if the district includes any campus with a
 23 corresponding overall or domain performance rating of D or F
 24 [~~unacceptable~~]. A reference in law to an acceptable rating or
 25 acceptable performance includes an overall or domain performance
 26 rating of A, B, or C or exemplary, recognized, or acceptable
 27 performance.~~

1 (a-1) For purposes of assigning an overall performance
2 rating under Subsection (a), the commissioner shall attribute 55
3 percent of the performance evaluation to the achievement indicators
4 for the first, second, and third domains under Sections
5 39.053(c)(1)-(3), 35 percent of the performance evaluation to the
6 achievement indicators for the fourth domain under Section
7 39.053(c)(4), and 10 percent of the performance evaluation to the
8 locally selected and evaluated achievement indicators provided for
9 under the fifth domain under Section 39.053(c)(5). The
10 commissioner by rule shall adopt procedures to ensure that a
11 repeated performance rating of D or F or unacceptable in one domain,
12 particularly performance that is not significantly improving, is
13 reflected in the overall performance rating of a district or campus
14 and is not compensated for by a performance rating of A, B, or C in
15 another domain.

16 (a-2) Not later than August 15 [8] of each year, the
17 performance ratings [rating] of each district and campus shall be
18 made publicly available as provided by rules adopted under this
19 section [subsection]. If a district or campus received an overall
20 or domain [a] performance rating of D or F [that reflected
21 unacceptable performance] for the preceding school year, the
22 commissioner shall notify the district of a subsequent such
23 designation on or before June 15.

24 (a-3) For the purpose of adopting rules under Subsection
25 (a), the commissioner shall convene a performance rating work group
26 comprised of individuals designated as follows:

27 (1) two members of a school district board of

trustees, each of whom:

(A) is nominated by a statewide association that serves school district board members; and

(B) serves on a separate school district board of trustees;

(2) two superintendents, each of whom is nominated by a statewide association that serves school superintendents;

(3) one elementary school principal who is nominated by a statewide association that serves elementary school principals;

(4) one secondary school principal who is nominated by a statewide association that serves secondary school principals;

(5) four classroom educators, with one each nominated by each of the four largest associations that serve educators in at least 20 counties in this state; and

(6) three parents designated by the commissioner, at least one of whom must be the parent of a student who was enrolled at a campus that has received the lowest performance rating in one or more of the three years preceding the designation of that parent by the commissioner.

(a-4) If an association described by Subsection (a-3) fails to nominate one or more individuals for a position on the performance rating work group, the commissioner may designate an individual who meets the appropriate qualifications to fill that position.

(c) In evaluating school district and campus performance on the ~~[student]~~ achievement indicators for student performance on

assessment instruments ~~[indicators]~~ adopted under Sections 39.053(c)(1) and (2) and the dropout rate indicator adopted under Sections 39.053(c)(4)(A)(i) and (B)(iii), the commissioner shall define acceptable performance as meeting the state standard determined by the commissioner under Section 39.053(f) ~~[39.053(e)]~~ for the current school year based on:

- (1) student performance in the current school year; or
- (2) student performance as averaged over the current school year and the preceding two school years.

(e) Each annual performance review under this section shall include an analysis of the ~~[student]~~ achievement indicators adopted under Sections 39.053(c)(1)-(4) ~~[Section 39.053(e)]~~ to determine school district and campus performance in relation to ~~[+]~~

- ~~[(1)] standards established for each indicator[, and~~
- ~~[(2) required improvement as defined under Section 39.053(e)].~~

(f) In the computation of dropout rates under Sections 39.053(c)(4)(A)(i) and (B)(iii) ~~[Section 39.053(c)(2)]~~, a student who is released from a juvenile pre-adjudication secure detention facility or juvenile post-adjudication secure correctional facility and fails to enroll in school or a student who leaves a residential treatment center after receiving treatment for fewer than 85 days and fails to enroll in school may not be considered to have dropped out from the school district or campus serving the facility or center unless that district or campus is the one to which the student is regularly assigned. The agency may not limit an appeal relating to dropout computations under this subsection.

SECTION 6. Sections 39.0545(b), (c), and (d), Education Code, as added by Chapter 167 (S.B. 1538), Acts of the 83rd Legislature, Regular Session, 2013, are amended to read as follows:

(b) Notwithstanding Section 39.053(c)(4)(A)(i) [39.053(c)(2)], the commissioner shall use the alternative completion rate under this subsection to determine the dropout rate [student achievement] indicator under Section 39.053(c)(4)(A)(i) [39.053(c)(2)] for a dropout recovery school. The alternative completion rate shall be the ratio of the total number of students who graduate, continue attending school into the next academic year, or receive a high school equivalency certificate to the total number of students in the longitudinal cohort of students.

(c) Notwithstanding Section 39.053(c)(4)(A)(i) [39.053(c)(2)], in determining the performance rating under Section 39.054 of a dropout recovery school, the commissioner shall include any student described by Section 39.053(g-1) who graduates or receives a high school equivalency certificate.

(d) Notwithstanding Section 39.053(c), for purposes of evaluating [For] a dropout recovery school under the accountability procedures adopted by the commissioner to determine the performance rating of the school under Section 39.054:

(1) [7] only the best result from the primary administration or [and] any retake of an assessment instrument administered to a student in the school year evaluated [under the accountability procedures adopted by the commissioner] may be considered; and

(2) only a student enrolled continuously for at least

1 90 days during the school year evaluated may be considered [~~in~~
2 ~~determining the performance rating of the school under Section~~
3 39.054].

4 SECTION 7. Subchapter C, Chapter 39, Education Code, is
5 amended by adding Section 39.0546 to read as follows:

6 Sec. 39.0546. PERFORMANCE IN COMMUNITY AND STUDENT
7 ENGAGEMENT AS COMPONENT OF OVERALL DISTRICT AND CAMPUS RATING. (a)
8 For purposes of including the local evaluation of districts and
9 campuses under Section 39.053(c)(5) and assigning an overall rating
10 under Section 39.054, before the beginning of each school year:

11 (1) each school district shall:

12 (A) select and report to the agency three
13 programs or categories under Section 39.0545(b)(1), as added by
14 Chapter 211 (H.B. 5), Acts of the 83rd Legislature, Regular
15 Session, 2013, under which the district will evaluate district
16 performance;

17 (B) submit to the agency the criteria the
18 district will use to evaluate district performance and assign the
19 district a performance rating; and

20 (C) make the information described by Paragraphs
21 (A) and (B) available on the district's Internet website; and

22 (2) each campus shall:

23 (A) select and report to the agency three
24 programs or categories under Section 39.0545(b)(1), as added by
25 Chapter 211 (H.B. 5), Acts of the 83rd Legislature, Regular
26 Session, 2013, under which the campus will evaluate campus
27 performance;

1 (B) submit to the agency the criteria the campus
2 will use to evaluate campus performance and assign the campus a
3 performance rating; and

4 (C) make the information described by Paragraphs
5 (A) and (B) available on the Internet website of the campus.

6 (b) Based on the evaluation under this section, each school
7 district shall assign the district and each campus shall assign the
8 campus a performance rating of A, B, C, D, or F, for both overall
9 performance and for each program or category evaluated. An overall
10 or a program or category performance rating of A reflects exemplary
11 performance. An overall or a program or category performance rating
12 of B reflects recognized performance. An overall or a program or
13 category performance rating of C reflects acceptable performance.
14 An overall or a program or category performance rating of D or F
15 reflects unacceptable performance.

16 (c) On or before the date determined by the commissioner by
17 rule, each school district and campus shall report each performance
18 rating to the agency for the purpose of including the rating in
19 evaluating school district and campus performance and assigning an
20 overall rating under Section [39.054](#).

21 SECTION 8. Section [11.252](#)(a), Education Code, is amended to
22 read as follows:

23 (a) Each school district shall have a district improvement
24 plan that is developed, evaluated, and revised annually, in
25 accordance with district policy, by the superintendent with the
26 assistance of the district-level committee established under
27 Section [11.251](#). The purpose of the district improvement plan is to

1 guide district and campus staff in the improvement of student
2 performance for all student groups in order to attain state
3 standards in respect to the ~~[student]~~ achievement indicators
4 adopted under Sections 39.053(c)(1)-(4) ~~[Section 39.053]~~. The
5 district improvement plan must include provisions for:

6 (1) a comprehensive needs assessment addressing
7 district student performance on the ~~[student]~~ achievement
8 indicators, and other appropriate measures of performance, that are
9 disaggregated by all student groups served by the district,
10 including categories of ethnicity, socioeconomic status, sex, and
11 populations served by special programs, including students in
12 special education programs under Subchapter A, Chapter 29;

13 (2) measurable district performance objectives for
14 all appropriate ~~[student]~~ achievement indicators for all student
15 populations, including students in special education programs
16 under Subchapter A, Chapter 29, and other measures of student
17 performance that may be identified through the comprehensive needs
18 assessment;

19 (3) strategies for improvement of student performance
20 that include:

21 (A) instructional methods for addressing the
22 needs of student groups not achieving their full potential;

23 (B) methods for addressing the needs of students
24 for special programs, including:

25 (i) suicide prevention programs, in
26 accordance with Subchapter O-1, Chapter 161, Health and Safety
27 Code, which includes a parental or guardian notification procedure;

1 (ii) conflict resolution programs;
2 (iii) violence prevention programs; and
3 (iv) dyslexia treatment programs;
4 (C) dropout reduction;
5 (D) integration of technology in instructional
6 and administrative programs;
7 (E) discipline management;
8 (F) staff development for professional staff of
9 the district;
10 (G) career education to assist students in
11 developing the knowledge, skills, and competencies necessary for a
12 broad range of career opportunities; and
13 (H) accelerated education;
14 (4) strategies for providing to middle school, junior
15 high school, and high school students, those students' teachers and
16 school counselors, and those students' parents information about:
17 (A) higher education admissions and financial
18 aid opportunities;
19 (B) the TEXAS grant program and the Teach for
20 Texas grant program established under Chapter 56;
21 (C) the need for students to make informed
22 curriculum choices to be prepared for success beyond high school;
23 and
24 (D) sources of information on higher education
25 admissions and financial aid;
26 (5) resources needed to implement identified
27 strategies;

(6) staff responsible for ensuring the accomplishment of each strategy;

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

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

(9) the policy under Section 38.0041 addressing sexual abuse and other maltreatment of children.

SECTION 9. Sections 11.253(c) and (d), Education Code, are amended to read as follows:

(c) Each school year, the principal of each school campus, with the assistance of the campus-level committee, shall develop, review, and revise the campus improvement plan for the purpose of improving student performance for all student populations, including students in special education programs under Subchapter A, Chapter 29, with respect to the ~~[student]~~ achievement indicators adopted under Sections 39.053(c)(1)-(4) ~~[Section 39.053]~~ and any other appropriate performance measures for special needs populations.

(d) Each campus improvement plan must:

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

(2) set the campus performance objectives based on the ~~[student]~~ achievement indicator system, including objectives for special needs populations, including students in special education

1 programs under Subchapter A, Chapter 29;

2 (3) identify how the campus goals will be met for each
3 student;

4 (4) determine the resources needed to implement the
5 plan;

6 (5) identify staff needed to implement the plan;

7 (6) set timelines for reaching the goals;

8 (7) measure progress toward the performance
9 objectives periodically to ensure that the plan is resulting in
10 academic improvement;

11 (8) include goals and methods for violence prevention
12 and intervention on campus;

13 (9) provide for a program to encourage parental
14 involvement at the campus; and

15 (10) if the campus is an elementary, middle, or junior
16 high school, set goals and objectives for the coordinated health
17 program at the campus based on:

18 (A) student fitness assessment data, including
19 any data from research-based assessments such as the school health
20 index assessment and planning tool created by the federal Centers
21 for Disease Control and Prevention;

22 (B) student academic performance data;

23 (C) student attendance rates;

24 (D) the percentage of students who are
25 educationally disadvantaged;

26 (E) the use and success of any method to ensure
27 that students participate in moderate to vigorous physical activity

as required by Section 28.002(1); and

(F) any other indicator recommended by the local school health advisory council.

SECTION 10. Section 12.1013(c), Education Code, is amended to read as follows:

(c) The report must include the performance of each public school in each class described by Subsection (b) as measured by the ~~[student]~~ achievement indicators adopted under Sections 39.053(c)(1)-(4) ~~[Section 39.053]~~ and student attrition rates.

SECTION 11. Section 29.062(a), Education Code, is amended to read as follows:

(a) The legislature recognizes that compliance with this subchapter is an imperative public necessity. Therefore, in accordance with the policy of the state, the agency shall evaluate the effectiveness of programs under this subchapter based on the ~~[student]~~ achievement indicators adopted under Sections 39.053(c)(1)-(4) ~~[Section 39.053]~~, including the results of assessment instruments. The agency may combine evaluations under this section with federal accountability measures concerning students of limited English proficiency.

SECTION 12. Section 39.023(a-8), Education Code, as effective on or before September 1, 2015, is amended to read as follows:

(a-8) A school district or open-enrollment charter school may, for its own use in determining whether students are performing at a satisfactory level, administer to a student at the appropriate grade level, other than a student required to be assessed, an

1 assessment instrument developed for purposes of Subsection (a-4),
2 (a-5), or (a-6). At the request of a district or open-enrollment
3 charter school, the agency shall provide, allow for the
4 administration of, and score each assessment instrument
5 administered under this subsection in the same manner and at the
6 same cost as for assessment instruments required to be administered
7 under the applicable subsection. The results of an assessment
8 instrument administered under this subsection may not be included
9 as an indicator of ~~[student]~~ achievement under Section 39.053 or
10 any other provision.

11 SECTION 13. Section 39.052(b), Education Code, is amended
12 to read as follows:

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

15 (1) shall evaluate and consider:

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

18 (B) performance under the financial
19 accountability rating system developed under Subchapter D; and

20 (2) may evaluate and consider:

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

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

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

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

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

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

SECTION 14. Section 39.055, Education Code, is amended to read as follows:

Sec. 39.055. STUDENT ORDERED BY A JUVENILE COURT OR STUDENT IN RESIDENTIAL FACILITY NOT CONSIDERED FOR ACCOUNTABILITY PURPOSES. Notwithstanding any other provision of this code except to the extent otherwise provided under Section 39.054(f), for purposes of determining the performance of a school district, campus, or open-enrollment charter school under this chapter, a student ordered by a juvenile court into a residential program or facility operated by or under contract with the Texas Juvenile Justice Department, a juvenile board, or any other governmental entity or any student who is receiving treatment in a residential facility is not considered to be a student of the school district in which the program or facility is physically located or of an open-enrollment charter school, as applicable. The performance of such a student on an assessment instrument or other ~~[student]~~ achievement indicator adopted under Section 39.053 or reporting indicator adopted under Section 39.301 shall be determined, reported, and considered separately from the performance of

1 students attending a school of the district in which the program or
2 facility is physically located or an open-enrollment charter
3 school, as applicable.

4 SECTION 15. Section 39.056(b), Education Code, is amended
5 to read as follows:

6 (b) The commissioner shall determine the frequency of
7 on-site investigations by the agency according to annual
8 comprehensive analyses of student performance and equity in
9 relation to the ~~[student]~~ achievement indicators adopted under
10 Section 39.053.

11 SECTION 16. Section 39.102(a), Education Code, is amended
12 to read as follows:

13 (a) If a school district does not satisfy the accreditation
14 criteria under Section 39.052, the academic performance standards
15 under Section 39.053 or 39.054, or any financial accountability
16 standard as determined by commissioner rule, the commissioner shall
17 take any of the following actions to the extent the commissioner
18 determines necessary:

19 (1) issue public notice of the deficiency to the board
20 of trustees;

21 (2) order a hearing conducted by the board of trustees
22 of the district for the purpose of notifying the public of the
23 insufficient performance, the improvements in performance expected
24 by the agency, and the interventions and sanctions that may be
25 imposed under this section if the performance does not improve;

26 (3) order the preparation of a student achievement
27 improvement plan that addresses each academic ~~[student]~~

1 achievement indicator under Section 39.053(c) for which the
2 district's performance is insufficient, the submission of the plan
3 to the commissioner for approval, and implementation of the plan;

4 (4) order a hearing to be held before the commissioner
5 or the commissioner's designee at which the president of the board
6 of trustees of the district and the superintendent shall appear and
7 explain the district's low performance, lack of improvement, and
8 plans for improvement;

9 (5) arrange an on-site investigation of the district;

10 (6) appoint an agency monitor to participate in and
11 report to the agency on the activities of the board of trustees or
12 the superintendent;

13 (7) appoint a conservator to oversee the operations of
14 the district;

15 (8) appoint a management team to direct the operations
16 of the district in areas of insufficient performance or require the
17 district to obtain certain services under a contract with another
18 person;

19 (9) if a district has a current accreditation status
20 of accredited-warned or accredited-probation, fails to satisfy any
21 standard under Section 39.054(e), or fails to satisfy financial
22 accountability standards as determined by commissioner rule,
23 appoint a board of managers to exercise the powers and duties of the
24 board of trustees;

25 (10) if for two consecutive school years, including
26 the current school year, a district has received an accreditation
27 status of accredited-warned or accredited-probation, has failed to

1 satisfy any standard under Section 39.054(e), or has failed to
2 satisfy financial accountability standards as determined by
3 commissioner rule, revoke the district's accreditation and:

4 (A) order closure of the district and annex the
5 district to one or more adjoining districts under Section 13.054;
6 or

7 (B) in the case of a home-rule school district or
8 open-enrollment charter school, order closure of all programs
9 operated under the district's or school's charter; or

10 (11) if a district has failed to satisfy any standard
11 under Section 39.054(e) due to the district's dropout rates, impose
12 sanctions designed to improve high school completion rates,
13 including:

14 (A) ordering the development of a dropout
15 prevention plan for approval by the commissioner;

16 (B) restructuring the district or appropriate
17 school campuses to improve identification of and service to
18 students who are at risk of dropping out of school, as defined by
19 Section 29.081;

20 (C) ordering lower student-to-counselor ratios
21 on school campuses with high dropout rates; and

22 (D) ordering the use of any other intervention
23 strategy effective in reducing dropout rates, including mentor
24 programs and flexible class scheduling.

25 SECTION 17. Section 39.263(a), Education Code, is amended
26 to read as follows:

27 (a) The criteria that the commissioner shall use to select

1 successful schools and districts must be related to the goals in
2 Section 4.002 and must include consideration of performance on the
3 ~~[student]~~ achievement indicators adopted under Section 39.053(c)
4 and consideration of the distinction designation criteria
5 prescribed by or developed under Subchapter G.

6 SECTION 18. Section 39.301(b), Education Code, is amended
7 to read as follows:

8 (b) Performance on the indicators adopted under this
9 section shall be evaluated in the same manner provided for
10 evaluation of the ~~[student]~~ achievement indicators under Sections
11 39.053(c)(1)-(4) ~~[Section 39.053(c)]~~.

12 SECTION 19. Section 39.305(b), Education Code, is amended
13 to read as follows:

14 (b) The report card shall include the following
15 information:

16 (1) where applicable, the ~~[student]~~ achievement
17 indicators described by Section 39.053(c) and the reporting
18 indicators described by Sections 39.301(c)(1) through (5);

19 (2) average class size by grade level and subject;

20 (3) the administrative and instructional costs per
21 student, computed in a manner consistent with Section 44.0071; and

22 (4) the district's instructional expenditures ratio
23 and instructional employees ratio computed under Section 44.0071,
24 and the statewide average of those ratios, as determined by the
25 commissioner.

26 SECTION 20. Sections 39.332(b)(2) and (20), Education Code,
27 are amended to read as follows:

1 (2) The report must contain an evaluation of the
2 status of education in the state as reflected by:

3 (A) the ~~[student]~~ achievement indicators
4 described by Section 39.053; and

5 (B) the reporting indicators described by
6 Section 39.301.

7 (20) The report must contain a comparison of the
8 performance of open-enrollment charter schools and school
9 districts on the ~~[student]~~ achievement indicators described by
10 Section 39.053(c), the reporting indicators described by Section
11 39.301(c), and the accountability measures adopted under Section
12 39.053(i), with a separately aggregated comparison of the
13 performance of open-enrollment charter schools predominantly
14 serving students at risk of dropping out of school, as described by
15 Section 29.081(d), with the performance of school districts.

16 SECTION 21. Subchapter C, Chapter 38, and Sections
17 39.053(e) and 39.054(b), (d), and (d-1), Education Code, are
18 repealed.

19 SECTION 22. Not later than December 1, 2016, the
20 commissioner of education shall adopt the set of indicators to
21 measure and evaluate school districts and campuses as required by
22 Section 39.053, Education Code, as amended by this Act.

23 SECTION 23. Not later than January 1, 2017, the
24 commissioner of education shall submit a report to the standing
25 committees of the legislature having primary jurisdiction over
26 primary and secondary education that provides for a preliminary
27 evaluation of school districts and campuses under Section 39.054,

Education Code. The report must include:

(1) the rating each school district and campus would have received for the first through fourth domains of indicators as provided by Sections 39.053(c)(1)-(4), Education Code, as amended by this Act, for the 2015-2016 school year if the indicators adopted by the commissioner of education under Section 39.053, Education Code, as amended by this Act, existed during the 2015-2016 school year;

(2) the correlation between each designated letter performance rating the school district or campus would have received and the percentage of students at each district and campus:

(A) qualifying for the free or reduced-price breakfast under the national school breakfast programs provided for by the Child Nutrition Act of 1966 (42 U.S.C. Section 1773);

(B) that are students of limited English proficiency as defined by Section 29.052, Education Code; and

(C) disaggregated by race, ethnicity, and socioeconomic status used to assign ratings in the system.

SECTION 24. (a) Except as provided by Subsections (b) and (c) of this section, this Act applies beginning with the 2017-2018 school year.

(b) Section 3 of this Act applies beginning with the 2015-2016 school year.

(c) Section 4 of this Act applies beginning with the 2016-2017 school year.

SECTION 25. Except as otherwise provided by this Act, this

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1 Act takes effect immediately if it receives a vote of two-thirds of
2 all the members elected to each house, as provided by Section 39,
3 Article III, Texas Constitution. If this Act does not receive the
4 vote necessary for immediate effect, this Act takes effect
5 September 1, 2015.