

1-1 By: Aycock, Meyer H.B. No. 2804  
1-2 (Senate Sponsor - Taylor of Galveston)  
1-3 (In the Senate - Received from the House May 18, 2015;  
1-4 May 18, 2015, read first time and referred to Committee on  
1-5 Education; May 22, 2015, reported adversely, with favorable  
1-6 Committee Substitute by the following vote: Yeas 10, Nays 0;  
1-7 May 22, 2015, sent to printer.)

1-8 COMMITTEE VOTE

1-9		Yea	Nay	Absent	PNV
1-10	Taylor of Galveston	X			
1-11	Lucio	X			
1-12	Bettencourt	X			
1-13	Campbell	X			
1-14	Garcia	X			
1-15	Huffines	X			
1-16	Kolkhorst			X	
1-17	Rodríguez	X			
1-18	Seliger	X			
1-19	Taylor of Collin	X			
1-20	West	X			

1-21 COMMITTEE SUBSTITUTE FOR H.B. No. 2804 By: Taylor of Galveston

1-22 A BILL TO BE ENTITLED  
1-23 AN ACT

1-24 relating to evaluation of public school performance.  
1-25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:  
1-26 SECTION 1. The heading to Section 39.053, Education Code,  
1-27 is amended to read as follows:  
1-28 Sec. 39.053. PERFORMANCE INDICATORS: [STUDENT]  
1-29 ACHIEVEMENT.  
1-30 SECTION 2. Section 39.053, Education Code, is amended by  
1-31 amending Subsections (a), (b), (c), (f), (g), and (g-1) and adding  
1-32 Subsection (a-1) to read as follows:  
1-33 (a) The commissioner shall adopt a set of indicators of the  
1-34 quality of learning and [student] achievement. The commissioner  
1-35 biennially shall review the indicators for the consideration of  
1-36 appropriate revisions.  
1-37 (a-1) The indicators adopted by the commissioner under  
1-38 Subsection (a), including the indicators identified under  
1-39 Subsection (c), must measure and evaluate school districts and  
1-40 campuses with respect to:  
1-41 (1) improving student preparedness for success in:  
1-42 (A) subsequent grade levels; and  
1-43 (B) entering the workforce, the military, or  
1-44 postsecondary education;  
1-45 (2) reducing, with the goal of eliminating, student  
1-46 academic achievement differentials among students from different  
1-47 racial and ethnic groups and socioeconomic backgrounds; and  
1-48 (3) informing parents and the community regarding  
1-49 campus and district performance in the domains described by  
1-50 Subsection (c) and, for the domain described by Subsection (c)(5),  
1-51 in accordance with local priorities and preferences.  
1-52 (b) Performance on the [student] achievement indicators  
1-53 adopted under Subsections (c)(1)-(4) [this section] shall be  
1-54 compared to state-established standards. The indicators must be  
1-55 based on information that is disaggregated by race, ethnicity, and  
1-56 socioeconomic status.  
1-57 (c) School districts and campuses must be evaluated based on  
1-58 five domains of indicators [Indicators] of [student] achievement  
1-59 adopted under this section that [must] include:  
1-60 (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 39.034, aggregated across grade levels by subject area; and

(B) for assessment instruments under Subdivision (1)(B), 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;

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

(4) in the fourth domain:  
(A) for evaluating the performance of high school campuses and districts that include high school campuses:

~~(i) [(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;~~

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

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

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

program;

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

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

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

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

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

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

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

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

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

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

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

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

(i) student attendance; and

(ii) for middle and junior high school campuses:

(a) dropout rates, computed in the manner described by Paragraph (A)(i); and

(b) the percentage of students in grades seven and eight who receive instruction in preparing for high school, college, and a career that includes information regarding the creation of a high school personal graduation plan under Section 28.02121, the distinguished level of achievement described by Section 28.025(b-15), each endorsement described by Section 28.025(c-1), college readiness standards, and potential career choices and the education needed to enter those careers; and

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

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

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

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

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

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

(1) the student's expulsion under Section 37.007; and  
 (2) as applicable:  
 (A) adjudication as having engaged in delinquent conduct or conduct indicating a need for supervision, as defined by Section 51.03, Family Code; or

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

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

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

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

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

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

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

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

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

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

(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), and (a-3) to read as follows:

(a) The commissioner shall adopt rules to evaluate school



district and campus performance and assign each district and campus an overall ~~[a]~~ performance rating of A, B, C, D, or F. In addition to the overall performance rating, the commissioner shall assign each district and campus a separate domain performance rating of A, B, C, D, or F for each domain under Sections 39.053(c)(1)-(4). An overall or domain ~~[In adopting rules under this subsection, the commissioner shall determine the criteria for each designated letter performance rating. A district]~~ performance rating of A reflects exemplary performance. An overall or domain performance rating of B reflects recognized performance. An overall or domain performance rating of ~~[, B, or]~~ C reflects acceptable performance. An overall or domain ~~[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 an overall or domain ~~[a]~~ performance rating of A if the district includes any campus with a corresponding overall or domain performance rating of D or F ~~[unacceptable]~~. A reference in law to an acceptable rating or acceptable performance includes an overall or domain performance rating of A, B, or C or exemplary, recognized, or acceptable performance.

(a-1) For purposes of assigning an overall performance rating under Subsection (a), the commissioner shall attribute:

(1) 55 percent of the performance evaluation to the achievement indicators for the first, second, and third domains under Sections 39.053(c)(1)-(3);

(2) for middle and junior high school and elementary campuses and districts that include only those campuses, 35 percent of the performance evaluation to the applicable achievement indicators for the fourth domain under Section 39.053(c)(4);

(3) for high school campuses and districts that include those campuses:

(A) 20 percent of the performance evaluation to the high school graduation rate achievement indicator described by Section 39.053(c)(4)(A)(ii); and

(B) 15 percent to the remaining applicable achievement indicators for the fourth domain under Section 39.053(c)(4); and

(4) 10 percent of the performance evaluation to the locally selected and evaluated achievement indicators provided for under the fifth domain under Section 39.053(c)(5).

(a-2) The commissioner by rule shall adopt procedures to ensure that a repeated performance rating of D or F or unacceptable in one domain, particularly performance that is not significantly improving, is reflected in the overall performance rating of a district or campus and is not compensated for by a performance rating of A, B, or C in another domain.

(a-3) Not later than August 15 ~~[8]~~ of each year, the performance ratings ~~[rating]~~ of each district and campus shall be made publicly available as provided by rules adopted under this section ~~[subsection]~~. If a district or campus received an overall or domain ~~[a]~~ performance rating of D or F ~~[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.

(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)(ii)(a), 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)(ii)(a) ~~[Section 39.053(e)(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(e)(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(e)(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(e)(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) ~~[+]~~ 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 90 days during the school year evaluated may be considered ~~[in determining the performance rating of the school under Section 39.054]~~.

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

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

(1) each school district shall:

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

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

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

(2) each campus shall:

(A) select and report to the agency three

programs or categories under Section [39.0545](#)(b)(1), as added by Chapter 211 (H.B. 5), Acts of the 83rd Legislature, Regular Session, 2013, under which the campus will evaluate campus performance;

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

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

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

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

SECTION 8. Chapter 39, Education Code, is amended by adding Subchapter N to read as follows:

SUBCHAPTER N. TEXAS COMMISSION ON NEXT GENERATION ASSESSMENTS AND ACCOUNTABILITY

Sec. 39.501. DEFINITION. In this subchapter, "commission" means the Texas Commission on Next Generation Assessments and Accountability.

Sec. 39.502. TEXAS COMMISSION ON NEXT GENERATION ASSESSMENTS AND ACCOUNTABILITY. (a) The Texas Commission on Next Generation Assessments and Accountability is established to develop and make recommendations for new systems of student assessment and public school accountability.

(b) The commission is composed of 15 members, consisting of the following:

(1) four members appointed by the governor;  
(2) three members appointed by the lieutenant governor;

(3) three members appointed by the speaker of the house of representatives;

(4) the chair of the senate committee on education, or a representative designated by the chair;

(5) the chair of the senate committee on higher education, or a representative designated by the chair;

(6) the chair of the house of representatives committee on public education, or a representative designated by the chair;

(7) the chair of the house of representatives committee on higher education, or a representative designated by the chair; and

(8) a member of the State Board of Education, as designated by the chair of that board.

(c) In making appointments under Subsections (b)(1), (2), and (3), the governor, lieutenant governor, and speaker of the house of representatives shall coordinate to ensure that the commission includes at least one of each of the following representatives:

(1) a parent or person standing in parental relation to a student enrolled in the public school system;

(2) an educator in the public school system;

(3) an educator in a school district that is a participant in the Texas High Performance Schools Consortium under Section [7.0561](#);

(4) a member of the business community;

(5) a member of the civic community;

(6) a leader in student assessment development and



8-1 use; and

8-2 (7) a leader in research concerning student assessment  
8-3 and education outcomes.

8-4 Sec. 39.503. PRESIDING OFFICER. The governor shall  
8-5 designate the presiding officer of the commission.

8-6 Sec. 39.504. COMPENSATION AND REIMBURSEMENT. A member of  
8-7 the commission is not entitled to compensation for service on the  
8-8 commission but is entitled to reimbursement for actual and  
8-9 necessary expenses incurred in performing commission duties.

8-10 Sec. 39.505. ADMINISTRATIVE SUPPORT AND FUNDING.  
8-11 (a) Staff members of the agency shall provide administrative  
8-12 support for the commission.

8-13 (b) Funding for the administrative and operational expenses  
8-14 of the commission shall be provided by appropriation to the agency  
8-15 for that purpose.

8-16 Sec. 39.506. RECOMMENDATIONS. The commission shall develop  
8-17 recommendations under this subchapter to address:

8-18 (1) the purpose of a state accountability system and  
8-19 the role of student assessment in that system;

8-20 (2) opportunities to assess students that:  
8-21 (A) provide actionable information for a parent  
8-22 or person standing in parental relation to a student, an educator,  
8-23 and the public;

8-24 (B) support learning activities;  
8-25 (C) recognize application of skills and  
8-26 knowledge;

8-27 (D) measure student educational growth toward  
8-28 mastery; and

8-29 (E) value critical thinking;  
8-30 (3) alignment of state performance standards with  
8-31 college and career readiness requirements in collaboration with the  
8-32 Texas Workforce Commission and Texas Higher Education Coordinating  
8-33 Board;

8-34 (4) policy changes necessary to enable a student to  
8-35 progress through subject matter and grade levels on demonstration  
8-36 of mastery; and

8-37 (5) policy changes necessary to establish a student  
8-38 assessment and public school accountability system that meets state  
8-39 goals, is community based, promotes parent and community  
8-40 involvement, and reflects the unique needs of each community.

8-41 Sec. 39.507. REPORT. (a) The commission shall prepare and  
8-42 deliver a report to the governor and the legislature that  
8-43 recommends statutory changes to improve systems of student  
8-44 assessment and public school accountability not later than  
8-45 September 1, 2016.

8-46 (b) In preparing the report, the commission shall consider  
8-47 the recommendations of the Texas High Performance Schools  
8-48 Consortium established under Section 7.0561, including  
8-49 recommendations related to innovative, next-generation learning  
8-50 standards and assessment and accountability systems.

8-51 Sec. 39.508. PUBLIC MEETINGS AND PUBLIC INFORMATION.  
8-52 (a) The commission may hold public meetings as needed to fulfill  
8-53 its duties under this subchapter.

8-54 (b) The commission is subject to Chapters 551 and 552,  
8-55 Government Code.

8-56 Sec. 39.509. COMMISSION ABOLISHED; EXPIRATION OF  
8-57 SUBCHAPTER. (a) The commission is abolished January 1, 2017.

8-58 (b) This subchapter expires January 1, 2017.

8-59 SECTION 9. Section 11.252(a), Education Code, is amended to  
8-60 read as follows:

8-61 (a) Each school district shall have a district improvement  
8-62 plan that is developed, evaluated, and revised annually, in  
8-63 accordance with district policy, by the superintendent with the  
8-64 assistance of the district-level committee established under  
8-65 Section 11.251. The purpose of the district improvement plan is to  
8-66 guide district and campus staff in the improvement of student  
8-67 performance for all student groups in order to attain state  
8-68 standards in respect to the [student] achievement indicators  
8-69 adopted under Sections 39.053(c)(1)-(4) [Section 39.053]. The



district improvement plan must include provisions for:

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

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

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

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

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

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

(ii) conflict resolution programs;

(iii) violence prevention programs; and

(iv) dyslexia treatment programs;

(C) dropout reduction;

(D) integration of technology in instructional and administrative programs;

(E) discipline management;

(F) staff development for professional staff of the district;

(G) career education to assist students in developing the knowledge, skills, and competencies necessary for a broad range of career opportunities; and

(H) accelerated education;

(4) strategies for providing to middle school, junior high school, and high school students, those students' teachers and school counselors, and those students' parents information about:

(A) higher education admissions and financial aid opportunities;

(B) the TEXAS grant program and the Teach for Texas grant program established under Chapter 56;

(C) the need for students to make informed curriculum choices to be prepared for success beyond high school; and

(D) sources of information on higher education admissions and financial aid;

(5) resources needed to implement identified 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 10. 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

10-1 populations.

10-2 (d) Each campus improvement plan must:

10-3 (1) assess the academic achievement for each student  
10-4 in the school using the ~~[student]~~ achievement indicator system as  
10-5 described by Section 39.053;

10-6 (2) set the campus performance objectives based on the  
10-7 ~~[student]~~ achievement indicator system, including objectives for  
10-8 special needs populations, including students in special education  
10-9 programs under Subchapter A, Chapter 29;

10-10 (3) identify how the campus goals will be met for each  
10-11 student;

10-12 (4) determine the resources needed to implement the  
10-13 plan;

10-14 (5) identify staff needed to implement the plan;

10-15 (6) set timelines for reaching the goals;

10-16 (7) measure progress toward the performance  
10-17 objectives periodically to ensure that the plan is resulting in  
10-18 academic improvement;

10-19 (8) include goals and methods for violence prevention  
10-20 and intervention on campus;

10-21 (9) provide for a program to encourage parental  
10-22 involvement at the campus; and

10-23 (10) if the campus is an elementary, middle, or junior  
10-24 high school, set goals and objectives for the coordinated health  
10-25 program at the campus based on:

10-26 (A) student fitness assessment data, including  
10-27 any data from research-based assessments such as the school health  
10-28 index assessment and planning tool created by the federal Centers  
10-29 for Disease Control and Prevention;

10-30 (B) student academic performance data;

10-31 (C) student attendance rates;

10-32 (D) the percentage of students who are  
10-33 educationally disadvantaged;

10-34 (E) the use and success of any method to ensure  
10-35 that students participate in moderate to vigorous physical activity  
10-36 as required by Section 28.002(1); and

10-37 (F) any other indicator recommended by the local  
10-38 school health advisory council.

10-39 SECTION 11. Section 12.1013(c), Education Code, is amended  
10-40 to read as follows:

10-41 (c) The report must include the performance of each public  
10-42 school in each class described by Subsection (b) as measured by the  
10-43 ~~[student]~~ achievement indicators adopted under Sections  
10-44 39.053(c)(1)-(4) ~~[Section 39.053]~~ and student attrition rates.

10-45 SECTION 12. Section 29.062(a), Education Code, is amended  
10-46 to read as follows:

10-47 (a) The legislature recognizes that compliance with this  
10-48 subchapter is an imperative public necessity. Therefore, in  
10-49 accordance with the policy of the state, the agency shall evaluate  
10-50 the effectiveness of programs under this subchapter based on the  
10-51 ~~[student]~~ achievement indicators adopted under Sections  
10-52 39.053(c)(1)-(4) ~~[Section 39.053]~~, including the results of  
10-53 assessment instruments. The agency may combine evaluations under  
10-54 this section with federal accountability measures concerning  
10-55 students of limited English proficiency.

10-56 SECTION 13. Section 39.023(a-8), Education Code, as  
10-57 effective on or before September 1, 2015, is amended to read as  
10-58 follows:

10-59 (a-8) A school district or open-enrollment charter school  
10-60 may, for its own use in determining whether students are performing  
10-61 at a satisfactory level, administer to a student at the appropriate  
10-62 grade level, other than a student required to be assessed, an  
10-63 assessment instrument developed for purposes of Subsection (a-4),  
10-64 (a-5), or (a-6). At the request of a district or open-enrollment  
10-65 charter school, the agency shall provide, allow for the  
10-66 administration of, and score each assessment instrument  
10-67 administered under this subsection in the same manner and at the  
10-68 same cost as for assessment instruments required to be administered  
10-69 under the applicable subsection. The results of an assessment

instrument administered under this subsection may not be included as an indicator of ~~[student]~~ achievement under Section 39.053 or any other provision.

SECTION 14. Section 39.052(b), Education Code, is amended to read as follows:

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

(1) shall evaluate and consider:

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

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

(2) may evaluate and consider:

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

(i) reporting data through the Public Education Information Management System (PEIMS) or other reports 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 15. 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 students attending a school of the district in which the program or facility is physically located or an open-enrollment charter school, as applicable.

SECTION 16. Section 39.056(b), Education Code, is amended to read as follows:

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

SECTION 17. 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 standard as determined by commissioner rule, 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 academic ~~[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 an on-site 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.

SECTION 18. Section 39.263(a), Education Code, is amended to read as follows:

(a) The criteria that the commissioner shall use to select successful schools and districts must be related to the goals in Section 4.002 and must include consideration of performance on the ~~[student]~~ achievement indicators adopted under Section 39.053(c) and consideration of the distinction designation criteria prescribed by or developed under Subchapter G.

SECTION 19. Section 39.301(b), Education Code, is amended to read as follows:

(b) Performance on the indicators adopted under this section shall be evaluated in the same manner provided for evaluation of the ~~[student]~~ achievement indicators under Sections



39.053(c)(1)-(4) [Section 39.053(c)].

SECTION 20. 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 (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 21. Sections 39.332(b)(2) and (20), Education Code, are amended to read as follows:

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

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

(B) the reporting indicators described by Section 39.301.

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

SECTION 22. Sections 39.053(e) and 39.054(b), (d), and (d-1), Education Code, are repealed.

SECTION 23. Not later than December 1, 2016, the commissioner of education shall adopt the set of indicators to measure and evaluate school districts and campuses as required by Section 39.053, Education Code, as amended by this Act.

SECTION 24. Not later than January 1, 2017, the commissioner of education shall submit a report to the standing committees of the legislature having primary jurisdiction over primary and secondary education that provides for a preliminary 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; and

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

(b) Section 39.0535, Education Code, as added by this Act, applies beginning with the 2015-2016 school year.

(c) Section 39.054(a), Education Code, as amended by this Act effective September 1, 2016, applies beginning with the

14-1 2016-2017 school year.

14-2 (d) Subchapter N, Chapter 39, Education Code, as added by  
14-3 this Act, applies beginning with the effective date of this Act.

14-4 SECTION 26. Except as otherwise provided by this Act, this  
14-5 Act takes effect immediately if it receives a vote of two-thirds of  
14-6 all the members elected to each house, as provided by Section 39,  
14-7 Article III, Texas Constitution. If this Act does not receive the  
14-8 vote necessary for immediate effect, this Act takes effect  
14-9 September 1, 2015.

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