

By: Taylor of Galveston

S.B. No. 1241

A BILL TO BE ENTITLED

1 AN ACT

2 relating to authority of school districts, home-rule school
3 districts, and open-enrollment charter schools to establish
4 innovation zones and the authority of school districts to obtain
5 designation as districts of innovation.

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

7 SECTION 1. Title 2, Education Code, is amended by adding
8 Chapter 12A to read as follows:

9 CHAPTER 12A. INNOVATION ZONES AND DISTRICTS OF INNOVATION

10 SUBCHAPTER A. INNOVATION ZONES

11 Sec. 12A.001. DEFINITIONS. In this subchapter:

12 (1) "Governing body" means the board of trustees of a
13 school district or the governing body of a home-rule school
14 district under Subchapter B, Chapter 12, or an open-enrollment
15 charter school under Subchapter D, Chapter 12.

16 (2) "School district" means an independent school
17 district or a home-rule school district under Subchapter B, Chapter
18 12.

19 Sec. 12A.002. AUTHORIZATION. (a) Subject to approval by
20 the commissioner, a governing body may establish a multiple-campus
21 innovation zone in accordance with this subchapter to:

22 (1) encourage local community-based initiatives to
23 improve educational outcomes with minimum state and local
24 requirements;

1 (2) enable collaboration by multiple campuses,
2 programs, and institutions of higher education; and

3 (3) encourage innovation through shared resources and
4 facilities.

5 (b) A governing body may:

6 (1) establish an innovation zone that includes only
7 designated campuses under the authority of the governing body;

8 (2) establish, in cooperation with one or more other
9 governing bodies, an innovation zone that includes one or more
10 designated campuses under the authority of each governing body; or

11 (3) seek inclusion of one or more campuses under the
12 authority of the governing body in an innovation zone established
13 by one or more other governing bodies.

14 (c) Establishment of an innovation zone or a request for
15 inclusion of a campus in an existing zone may be initiated by:

16 (1) a resolution of a governing body; or

17 (2) a request submitted by the principal of a campus to
18 the governing body with authority over the campus.

19 Sec. 12A.003. PARTICIPATION BY INSTITUTION OF HIGHER
20 EDUCATION. An institution of higher education may participate in
21 an innovation zone on terms acceptable to the governing board of the
22 institution.

23 Sec. 12A.004. INNOVATION ZONE PLAN. (a) The establishment
24 of an innovation zone or a request for inclusion of a campus in an
25 innovation zone must be based on a written innovation zone plan that
26 includes:

27 (1) a detailed description of the budget, staffing,

1 and financial resources necessary to implement the plan, including
2 resources to be provided by each individual campus and resources to
3 be provided collectively by all participating campuses;

4 (2) a detailed description of the academic programs to
5 be offered, including instructional methods, length of school day
6 and year, credit and promotion criteria, and programs to serve
7 special populations;

8 (3) a statement of the facilities to be used;

9 (4) the proposed term of the innovation zone, which
10 may not exceed five years;

11 (5) a statement of the reasons that the establishment
12 of the innovation zone or inclusion of the campus in the zone will
13 promote the ability of the campuses to achieve their academic
14 goals;

15 (6) a list of any local or state law, rule, or policy
16 exemption necessary for successful operation of the innovation
17 zone, subject to Section 12A.008;

18 (7) performance goals against which the success of the
19 innovation zone may be measured;

20 (8) written comments from the campus-level committee
21 established under Section 11.251, if applicable, and parents and
22 teachers at each campus proposed for inclusion in the innovation
23 zone; and

24 (9) any other information required by local policy.

25 (b) As requested by a governing body, a regional education
26 service center shall provide assistance in the development and
27 implementation of an innovation plan.

1 Sec. 12A.005. CONSIDERATION OF REQUEST BY PRINCIPAL. (a) A
2 request by a principal for the establishment of an innovation zone
3 or inclusion of a campus in an innovation zone must be considered at
4 a public meeting by the governing body with authority over the
5 principal's campus.

6 (b) Parents of students enrolled at the campus and teachers
7 and other staff assigned to the campus must be provided the
8 opportunity to make comments regarding the request at the public
9 meeting.

10 (c) After conducting the public meeting, the governing body
11 may:

12 (1) grant the request;

13 (2) grant the request subject to approval by another
14 governing body, if the request also involves a campus under the
15 authority of another governing body;

16 (3) delay a decision on the request, pending
17 resolution of suggestions or comments regarding the request made by
18 the governing body or parents, teachers, or other staff at the
19 campus; or

20 (4) reject the request.

21 (d) If the governing body approves a principal's request,
22 the governing body shall:

23 (1) seek approval by the commissioner in accordance
24 with Section 12A.007;

25 (2) adopt performance goals for the principal's
26 campus; and

27 (3) exempt the campus from any local requirement

1 identified in the innovation plan under Section 12A.004(a)(6) for
2 the term of the innovation zone.

3 Sec. 12A.006. FORM OF AGREEMENT. An innovation zone that
4 involves more than one governing body or that involves an
5 institution of higher education may be governed by an agreement
6 between the affected school districts, schools, and institutions in
7 the form of a contract.

8 Sec. 12A.007. APPROVAL BY COMMISSIONER. (a) A governing
9 body must obtain approval from the commissioner before the
10 establishment or renewal of an innovation zone or the inclusion of a
11 campus in an existing zone may become effective.

12 (b) If the commissioner approves the establishment or
13 renewal of an innovation zone or the inclusion of a campus in an
14 existing zone, the commissioner shall identify each requirement of
15 state law, rule, or policy from which the campuses included in the
16 zone are exempt.

17 (c) A decision by the commissioner under this section is
18 final and may not be appealed.

19 Sec. 12A.008. APPLICABILITY OF CERTAIN LAWS. (a) An
20 open-enrollment charter school campus included in an innovation
21 zone continues to be subject to the requirements of Subchapter D,
22 Chapter 12.

23 (b) A campus included in an innovation zone other than an
24 open-enrollment charter school campus is subject only to
25 requirements imposed under this title that apply to an
26 open-enrollment charter school.

27 (c) An innovation zone plan or other agreement governing an

1 innovation zone may not conflict with the provisions of a home-rule
2 school district charter under Subchapter B, Chapter 12.

3 Sec. 12A.009. ACCOUNTABILITY. The commissioner shall
4 ensure that each campus included in an innovation zone is evaluated
5 for academic and financial performance and that performance of each
6 campus is attributed to the school district or open-enrollment
7 charter school of which the campus is a part.

8 Sec. 12A.010. TERMINATION OR RENEWAL. (a) A governing body
9 may terminate an innovation zone that contains only campuses under
10 the governing body's authority or withdraw campuses from
11 participation in an innovation zone that also contains campuses
12 under the authority of another governing body if the innovation
13 zone fails to meet performance goals established for the zone under
14 this subchapter.

15 (b) Subject to the approval of the participating governing
16 bodies and the commissioner, an innovation zone may be renewed
17 automatically for successive terms not to exceed five years each if
18 the zone meets performance goals established for the zone under
19 this subchapter.

20 (c) A decision by the commissioner under this section is
21 final and may not be appealed.

22 Sec. 12A.011. FISCAL AGENT. If an innovation zone includes
23 campuses under the authority of more than one governing body, the
24 governing bodies may jointly designate the participating school
25 district, school, or institution of higher education that will
26 serve as the zone's fiscal agent for matters relating to
27 employment, compliance, or reporting.

1 Sec. 12A.012. COMMISSIONER RULEMAKING. (a) Subject to
2 Subsection (b), the commissioner may adopt rules implementing this
3 subchapter.

4 (b) The commissioner's rulemaking authority under this
5 subchapter is limited to rules addressing reporting, federal
6 program compliance, state and federal accountability, and funding.
7 Except as authorized by this subsection, the rules may not govern
8 the local operations of an innovation zone.

9 Sec. 12A.013. COMMISSIONER'S AUTHORITY REGARDING
10 ACCOUNTABILITY AND FEDERAL REQUIREMENTS. Notwithstanding any
11 other provision of this subchapter, this subchapter does not limit
12 the commissioner's authority under Chapter 39 or federal law.

13 SUBCHAPTER B. DISTRICTS OF INNOVATION

14 Sec. 12A.051. AUTHORIZATION. (a) A school district may be
15 designated as a district of innovation in accordance with this
16 subchapter.

17 (b) Consideration of designation as a district of
18 innovation may be initiated by:

19 (1) a resolution adopted by the board of trustees of
20 the district; or

21 (2) a petition signed by a majority of the members of
22 the district-level committee established under Section [11.251](#).

23 Sec. 12A.052. PUBLIC HEARING. (a) Promptly after adopting
24 a resolution under Section 12A.051(b)(1) or receiving a petition
25 under Section 12A.051(b)(2), the board of trustees shall hold a
26 public hearing to consider whether the district should develop a
27 local innovation plan for the designation of the district as a

1 district of innovation.

2 (b) At the conclusion of the public hearing or as soon as
3 possible after conclusion of the public hearing, the board of
4 trustees may:

5 (1) decline to pursue designation of the district as a
6 district of innovation; or

7 (2) appoint a committee to develop a local innovation
8 plan in accordance with Section 12A.053.

9 Sec. 12A.053. LOCAL INNOVATION PLAN. (a) A local
10 innovation plan must be developed for a school district before the
11 district may be designated as a district of innovation.

12 (b) A local innovation plan must:

13 (1) provide for a comprehensive educational program
14 for the district, which program may include:

15 (A) innovative curriculum, instructional
16 methods, and provisions regarding community participation, campus
17 governance, and parental involvement;

18 (B) modifications to the school day or year;

19 (C) provisions regarding the district budget and
20 sustainable program funding;

21 (D) accountability and assessment measures that
22 exceed the requirements of state and federal law; and

23 (E) any other innovations prescribed by the board
24 of trustees; and

25 (2) identify requirements imposed by this code that
26 inhibit the goals of the plan and from which the district should be
27 exempted on adoption of the plan, subject to Section 12A.054.

1 Sec. 12A.054. LIMITATION OF PERMISSIBLE EXEMPTIONS. (a) A
2 local innovation plan may not provide for the exemption of a
3 district designated as a district of innovation from the following
4 provisions of this title:

5 (1) a state or federal requirement applicable to an
6 open-enrollment charter school operating under Subchapter D,
7 Chapter 12;

8 (2) Subchapters A, C, D, and E, Chapter 11, except that
9 a district may be exempt from Sections 11.1511(b)(5) and (14) and
10 Section 11.162;

11 (3) state curriculum and graduation requirements
12 adopted under Chapter 28; and

13 (4) academic and financial accountability and
14 sanctions under Chapter 39.

15 (b) The commissioner shall:

16 (1) maintain a list of provisions of this title from
17 which school districts designated as districts of innovation are
18 exempt under this subchapter; and

19 (2) notify the legislature of each provision from
20 which districts enrolling a majority of students in this state are
21 exempt.

22 Sec. 12A.055. ADOPTION OF LOCAL INNOVATION PLAN;
23 COMMISSIONER APPROVAL. (a) The board of trustees may not vote on
24 adoption of a proposed local innovation plan unless:

25 (1) the final version of the proposed plan has been
26 available on the district's Internet website for at least 30 days;

27 (2) the board of trustees has notified the

1 commissioner of the board's intention to vote on adoption of the
2 proposed plan; and

3 (3) the district-level committee established under
4 Section 11.251 has held a public meeting to consider the final
5 version of the proposed plan and has approved the plan by a majority
6 vote of the committee members, provided that the meeting required
7 by this subdivision may occur immediately before and on the same
8 date as the meeting at which the board intends to vote on adoption
9 of the proposed plan.

10 (b) A board of trustees may adopt a proposed local
11 innovation plan by an affirmative vote of two-thirds of the
12 membership of the board.

13 (c) On adoption of a proposed local innovation plan, the
14 board of trustees shall submit the plan to the commissioner for
15 approval.

16 (d) On approval by the commissioner of a local innovation
17 plan submitted under Subsection (c):

18 (1) the district is designated as a district of
19 innovation under this subchapter for the term specified in the
20 plan, subject to Section 12A.056;

21 (2) the district shall begin operation in accordance
22 with the plan; and

23 (3) the district is exempt from state requirements
24 identified under Section 12A.053(b)(2).

25 (e) A district's exemption described by Subsection (d)(3)
26 includes any subsequent amendment or redesignation of an identified
27 state requirement, unless the subsequent amendment or

1 redesignation specifically applies to a district of innovation.

2 (f) A decision by the commissioner under this section is
3 final and may not be appealed.

4 Sec. 12A.056. TERM. The term of a district's designation as
5 a district of innovation may not exceed five years.

6 Sec. 12A.057. AMENDMENT, RESCISSION, OR RENEWAL OF LOCAL
7 INNOVATION PLAN. (a) Subject to approval by the commissioner, a
8 local innovation plan may be amended, rescinded, or renewed if the
9 action is approved by a vote of the district-level committee
10 established under Section 11.251, or a comparable committee if the
11 district is exempt from that section, and the board of trustees in
12 the same manner as required for initial adoption of a local
13 innovation plan under Section 12A.055.

14 (b) A decision by the commissioner under this section is
15 final and may not be appealed.

16 Sec. 12A.058. TERMINATION BY COMMISSIONER. (a) The
17 commissioner may terminate a district's designation as a district
18 of innovation if the district receives for two consecutive school
19 years:

20 (1) an unacceptable academic performance rating under
21 Section 39.054;

22 (2) an unacceptable financial accountability rating
23 under Section 39.082; or

24 (3) an unacceptable academic performance rating under
25 Section 39.054 for one of the school years and an unacceptable
26 financial accountability rating under Section 39.082 for the other
27 school year.

1 (b) Instead of terminating a district's designation as
2 authorized by Subsection (a), the commissioner may permit the
3 district to amend the district's local innovation plan to address
4 concerns specified by the commissioner.

5 (c) A decision by the commissioner under this section is
6 final and may not be appealed.

7 Sec. 12A.059. COMMISSIONER RULEMAKING. The commissioner
8 may adopt rules to implement this subchapter.

9 SECTION 2. This Act takes effect September 1, 2015.