

BILL ANALYSIS

C.S.H.B. 3635
By: Krause
Public Education
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties believe that the eligibility and performance standards for a public school district's designation as a district of innovation are too low. C.S.H.B. 3635 seeks to strengthen such standards and the ability to enforce those standards.

CRIMINAL JUSTICE IMPACT

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

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 3635 amends the Education Code to require the commissioner of education to adopt objective eligibility standards applicable to a public school district seeking designation as a district of innovation, including academic performance eligibility standards and financial accountability eligibility standards. The bill requires such eligibility standards to be posted on the Texas Education Agency website and makes meeting those standards a required condition of eligibility for such designation. The bill requires the local innovation plan developed by a district before the district may be designated a district of innovation to establish performance objectives for the district under the plan and requires commissioner notification to a district board of trustees that the district satisfies all eligibility standards adopted by the commissioner before the board may vote on adoption of a proposed local innovation plan. The bill requires a district, on adoption of a local innovation plan, to notify the commissioner of the adoption of the plan.

C.S.H.B. 3635 adds as a condition under which the commissioner may terminate a district's designation as a district of innovation certain failure of the district to satisfy any eligibility standards adopted by the commissioner. The bill removes from those conditions the condition that a district receives for two consecutive school years an unacceptable academic performance rating for one of the school years and an unacceptable financial accountability rating for the other school year.

EFFECTIVE DATE

August 1, 2019.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3635 may differ from the original in minor or nonsubstantive ways, the

following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Section 12A.001, Education Code, is amended by amending Subsections (a) and (b), and adding Subsection (d), to read as follows:

(a) Subject to Subsections [Subsection] (b) and (d), a school district may be designated as a district of innovation in accordance with this chapter.

(b) A school district is eligible for designation as a district of innovation only if the district's most recent performance rating under Section 39.054 reflects at least acceptable performance and the district satisfies eligibility standards adopted by the commissioner under Subsection (d).

(d) The commissioner shall establish objective eligibility and performance standards in addition to those required under subsection (b), including academic performance standards and financial accountability standards. The agency shall post the eligibility standards adopted under this subsection on the agency's internet website.

SECTION 2. Section 12A.003(b), Education Code, is amended.

No equivalent provision.

SECTION 3. Section 12A.005, Education Code, is amended by amending Subsections (a) and (c), to read as follows:

(a) The board of trustees may not vote on adoption of a proposed local innovation plan unless:

(1) the final version of the proposed plan

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 12A.001, Education Code, is amended by amending Subsection (b) and adding Subsection (b-1) to read as follows:

(b) A school district is eligible for designation as a district of innovation only if:

(1) the district's most recent performance rating under Section 39.054 reflects at least acceptable performance; and

(2) the district satisfies eligibility standards adopted by the commissioner under Subsection (b-1).

(b-1) In addition to the eligibility standard imposed under Subsection (b)(1), the commissioner shall adopt objective eligibility standards applicable to a school district seeking designation as a district of innovation, including academic performance eligibility standards and financial accountability eligibility standards. The agency shall post the eligibility standards adopted under this subsection on the agency's Internet website.

SECTION 2. Same as introduced version.

SECTION 3. The heading to Section 12A.005, Education Code, is amended to read as follows:

Sec. 12A.005. ADOPTION OF LOCAL INNOVATION PLAN; COMMISSIONER DETERMINATION OF ELIGIBILITY [APPROVAL].

SECTION 4. Sections 12A.005(a) and (c), Education Code, are amended to read as follows:

(a) The board of trustees may not vote on adoption of a proposed local innovation plan unless:

(1) the final version of the proposed plan

has been available on the district's Internet website for at least 30 days;

(2) the board of trustees has notified the commissioner of the board's intention to vote on adoption of the proposed plan; ~~[and]~~

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

(4) the commissioner has notified the board that the district satisfies all eligibility standards adopted by the commissioner.

(c) On adoption of a local innovation plan, the district:

(1) is designated as a district of innovation under this chapter for the term specified in the plan, subject to Section 12A.006;

(2) shall begin operation in accordance with the plan; ~~[and]~~

(3) is exempt from state requirements identified under Section 12A.003(b)(2); and

(4) shall notify the commissioner that the district has adopted a local innovation plan.

SECTION 4. Section 12A.008, Education Code, is amended by amending Subsections (a) and (c), to read as follows:

(a) The commissioner may terminate a district's designation as a district of innovation if the district ~~[receives for two consecutive school years]~~:

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

(2) receives an unacceptable financial accountability rating under Section 39.082; ~~[or]~~

(3) for two consecutive school years, fails to satisfy any eligibility standards established by the commissioner under Section 12A.001 [an unacceptable academic performance rating under Section 39.054 for one of the school years and an unacceptable financial accountability rating under Section 39.082 for the other school year].

(c) The commissioner shall terminate a district's designation as a district of innovation if the district receives for two

has been available on the district's Internet website for at least 30 days;

(2) the board of trustees has notified the commissioner of the board's intention to vote on adoption of the proposed plan; ~~[and]~~

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

(4) the commissioner has notified the board that the district satisfies all eligibility standards adopted by the commissioner under Section 12A.001.

(c) On adoption of a local innovation plan, the district:

(1) is designated as a district of innovation under this chapter for the term specified in the plan, subject to Section 12A.006;

(2) shall begin operation in accordance with the plan; ~~[and]~~

(3) is exempt from state requirements identified under Section 12A.003(b)(2); and

(4) shall notify the commissioner of the adoption of the plan.

SECTION 5. Sections 12A.008(a) and (c), Education Code, are amended to read as follows:

(a) The commissioner may terminate a district's designation as a district of innovation if the district ~~receives for two consecutive school years~~:

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

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

(3) fails to satisfy any eligibility standards adopted by the commissioner under Section 12A.001

~~[an unacceptable academic performance rating under Section 39.054 for one of the school years and an unacceptable financial accountability rating under Section 39.082 for the other school year].~~

~~three~~ consecutive school years:

- (1) an unacceptable academic performance rating under Section 39.054;
- (2) an unacceptable financial accountability rating under Section 39.082; or
- (3) any combination of one or more unacceptable ratings under Subdivision (1) and one or more unacceptable ratings under Subdivision (2).

SECTION 5. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

SECTION 6. This Act takes effect August 1, 2019.