By:  Taylor S.B. No. 4

A BILL TO BE ENTITLED

AN ACT

relating to public school finance and public education.

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

ARTICLE 1. PUBLIC SCHOOL FINANCE

SECTION 1.001.  Section 5.001(4), Education Code, is amended to read as follows:

(4)  "Educationally disadvantaged" means:

(A)  eligible to participate in the national free or reduced-price lunch program established under 42 U.S.C. Section 1751 et seq.; or

(B)  economically disadvantaged in any manner that may reasonably impact educational achievement, as determined by the commissioner.

SECTION 1.002.  Section 41.002(a), Education Code, is amended to read as follows:

(a)  A school district may not have a wealth per student that exceeds:

(1)  the wealth per student that generates the amount of maintenance and operations tax revenue per weighted student available to a district with maintenance and operations tax revenue per cent of tax effort equal to the maximum amount provided per cent under Section 42.101(a) or (b), for the district's maintenance and operations tax effort equal to or less than the rate equal to the sum of the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year and any additional tax effort included in calculating the district's compressed tax rate under Section 42.101(a-1);

(2)  the wealth per student specified under Subdivision (1) multiplied by \_\_\_\_\_ [~~that generates the amount of maintenance and operations tax revenue per weighted student available to the Austin Independent School District, as determined by the commissioner in cooperation with the Legislative Budget Board~~], for the first six cents by which the district's maintenance and operations tax rate exceeds the rate equal to the sum of the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year and any additional tax effort included in calculating the district's compressed tax rate under Section 42.101(a-1), subject to Section 41.093(b-1); or

(3)  the wealth per student specified under Subdivision (1) multiplied by \_\_\_\_\_ [~~$319,500~~], for the district's maintenance and operations tax effort that exceeds the amount of tax effort described by Subdivision (2).

SECTION 1.003.  Section 41.004(a), Education Code, is amended to read as follows:

(a)  Not later than July 15 of each year, using the estimates [~~estimate~~] of enrollment and taxable property value under Section 42.254, the commissioner shall review the wealth per student of school districts in the state and shall notify:

(1)  each district with wealth per student exceeding the equalized wealth level;

(2)  each district to which the commissioner proposes to annex property detached from a district notified under Subdivision (1), if necessary, under Subchapter G; and

(3)  each district to which the commissioner proposes to consolidate a district notified under Subdivision (1), if necessary, under Subchapter H.

SECTION 1.004.  Section 41.093(b-1), Education Code, is amended to read as follows:

(b-1)  If the guaranteed level of state and local funds per weighted student per cent of tax effort under Section 42.302(a-1)(1) for which state funds are appropriated for a school year is an amount at least equal to the product of the amount of revenue per weighted student per cent of tax effort available to a school district with maintenance and operations tax revenue per weighted student per cent of tax effort equal to the maximum amount provided per cent under Section 42.101(a) or (b) multiplied by \_\_\_\_\_ [~~the Austin Independent School District, as determined by the commissioner in cooperation with the Legislative Budget Board~~], the commissioner, in computing the amounts described by Subsections (a)(1) and (2) and determining the cost of an attendance credit, shall exclude maintenance and operations tax revenue resulting from the tax rate described by Section 41.002(a)(2).

SECTION 1.005.  Section 42.101(a), Education Code, is amended to read as follows:

(a)  For each student in average daily attendance, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an additional allotment is made under Subchapter C, a district is entitled to an allotment equal to the lesser of $ \_\_\_\_\_\_ [~~$4,765~~] or the amount that results from the following formula:

A = $ \_\_\_\_\_\_ [~~$4,765~~] X (DCR/MCR)

where:

"A" is the allotment to which a district is entitled;

"DCR" is the district's compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year; and

"MCR" is the state maximum compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by $1.50.

SECTION 1.006.  Section 42.152(a), Education Code, is amended to read as follows:

(a)  For each student who is educationally disadvantaged or who is a student who does not have a disability and resides in a residential placement facility in a district in which the student's parent or legal guardian does not reside, a district is entitled to an annual allotment equal to the adjusted basic allotment multiplied by \_\_\_\_ [~~0.2~~], and by \_ [~~2.41~~] for each full-time equivalent student who is in a remedial and support program under Section 29.081 because the student is pregnant.

SECTION 1.007.  Section 42.153(a), Education Code, is amended to read as follows:

(a)  For each student in average daily attendance in a bilingual education or special language program under Subchapter B, Chapter 29, a district is entitled to an annual allotment equal to the [~~adjusted~~] basic allotment multiplied by:

(1)  0.1; or

(2)  \_\_\_\_\_  if the student is in a bilingual education program using a dual language immersion/one-way or two-way program model.

SECTION 1.008.  Sections 42.154(a) and (c), Education Code, are amended to read as follows:

(a)  For each full-time equivalent student in average daily attendance in an approved career and technology education program in grades 8 [~~nine~~] through 12 or in career and technology education programs for students with disabilities in grades 7 [~~seven~~] through 12, a district is entitled to:

(1)  an annual allotment equal to the [~~adjusted~~] basic allotment multiplied by a weight of 1.35; and

(2)  $50, if the student is enrolled in two or more advanced career and technology education classes for a total of three or more credits.

(c)  Funds allocated under this section, other than an indirect cost allotment established under State Board of Education rule, must be used in providing career and technology education programs in grades 8 [~~nine~~] through 12 or career and technology education programs for students with disabilities in grades 7 [~~seven~~] through 12 under Sections 29.182, 29.183, and 29.184.

SECTION 1.009.  Section 42.155, Education Code, is amended by amending Subsections (c), (g), and (i) and adding Subsection (m) to read as follows:

(c)  Each district or county operating a regular transportation system is entitled to a transportation [~~an~~] allotment based on the number of daily miles of approved route traveled by the system in providing transportation for [~~cost per~~] regular eligible students of the district or county multiplied by \_\_\_\_\_ cents per mile of approved route or a greater amount per mile of approved route set by appropriation [~~student of operating and maintaining the regular transportation system and the linear density of that system. In determining the cost, the commissioner shall give consideration to factors affecting the actual cost of providing these transportation services in each district or county. The average actual cost is to be computed by the commissioner and included for consideration by the legislature~~] in the General Appropriations Act. [~~The allotment per mile of approved route may not exceed the amount set by appropriation.~~]

(g)  A school district or county that provides special transportation services for eligible special education students is entitled to a state allocation paid on the basis of a previous year's miles of approved route traveled [~~cost-per-mile basis~~]. The maximum rate per mile allowable shall be set by appropriation [~~based on data gathered from the first year of each preceding biennium~~]. Districts may use a portion of their support allocation to pay transportation costs, if necessary. The commissioner may grant an amount set by appropriation for private transportation to reimburse parents or their agents for transporting eligible special education students. The mileage allowed shall be computed along the shortest public road from the student's home to school and back, morning and afternoon. The need for this type transportation shall be determined on an individual basis and shall be approved only in extreme hardship cases.

(i)  In the case of a district belonging to a county transportation system, the district's transportation allotment for purposes of determining a district's foundation school program allocations is determined on the basis of the number of approved daily route miles in the district multiplied by the allotment per mile of approved route to which the county transportation system is entitled.

(m)  A school district that is required to take action under Chapter 41 to reduce its wealth per student to the equalized wealth level is entitled to a credit, in the amount of the allotments to which the district is entitled under this section, against the total amount required under Section 41.093 for the district to purchase attendance credits. The commissioner may adopt rules necessary to implement this subsection.

SECTION 1.010.  Subchapter C, Chapter 42, Education Code, is amended by adding Section 42.1561 to read as follows:

Sec. 42.1561.  ALLOTMENT FOR STUDENT WITH DYSLEXIA. (a) Subject to Subsection (b), for each student that a school district serves who has been identified as having dyslexia, the district is entitled to an annual allotment equal to the district's basic allotment multiplied by \_\_\_\_\_.

(b)  A school district is entitled to the allotment under Subsection (a) only for a student who:

(1)  is receiving instruction that:

(A)  meets applicable dyslexia program criteria established by the agency; and

(B)  is provided by a person with specific training in providing that instruction; or

(2)  has received the instruction described by Subdivision (1) and is permitted, on the basis of having dyslexia, to use modifications in the classroom and accommodations in the administration of assessment instruments.

(c)  Funds allotted under this section must be used in providing services to students with dyslexia.

(d)  A school district may receive funding for a student under this section and Section 42.151 if the student satisfies the requirements of both sections.

SECTION 1.011.  Section 42.158(d), Education Code, is amended to read as follows:

(d)  Subject to Subsection (d-1), the amount appropriated for allotments under this section may not exceed $ \_\_\_\_\_\_ [~~$25~~] million in a school year. If the total amount of allotments to which districts are entitled under this section for a school year exceeds the amount appropriated under this subsection, the commissioner shall reduce each district's allotment under this section in the manner provided by Section 42.253(h).

SECTION 1.012.  Subchapter C, Chapter 42, Education Code, is amended by adding Section 42.1581 to read as follows:

Sec. 42.1581.  STUDY ON NEW INSTRUCTIONAL FACILITY ALLOTMENT. (a) The agency shall conduct a study on the amount of funding necessary to fully fund the new instructional facility allotment under Section 42.158, taking into account estimated growth in student enrollment.

(b)  Not later than September 1, 2020, the agency shall submit to the legislature a report on the results of the study and any recommendations for legislative or other action.

(c)  This section expires September 1, 2021.

SECTION 1.013.  Subchapter C, Chapter 42, Education Code, is amended by adding Sections 42.162, 42.163, and 42.164 to read as follows:

Sec. 42.162.  THIRD GRADE READING ALLOTMENT. (a) For each student who is educationally disadvantaged and performed satisfactorily during the preceding school year on a third grade reading multidimensional assessment on the list adopted by the commissioner under Subsection (b), a school district is entitled to an annual allotment equal to the district's basic allotment multiplied by \_\_\_\_\_\_.

(b)  The commissioner shall:

(1)  adopt a list of at least two third grade reading multidimensional assessments approved for purposes of this section; and

(2)  for each assessment included on the list under Subdivision (1), set a score that indicates satisfactory performance for purposes of this section.

(c)  Funds allocated under this section must be used to fund programs and services designed to improve student performance on a third grade reading multidimensional assessment included on the list adopted by the commissioner under Subsection (b).

Sec. 42.163.  EARLY READING ALLOTMENT. (a) For each student in average daily attendance in kindergarten through third grade, a school district is entitled to an annual allotment equal to the district's basic allotment multiplied by \_\_\_\_\_\_ if the student is:

(1)  educationally disadvantaged; or

(2)  in a bilingual education or special language program under Subchapter B, Chapter 29.

(b)  Funds allocated under this section must be used to fund programs and services designed to improve student performance on a third grade reading multidimensional assessment included on the list adopted by the commissioner under Section 42.162.

(c)  A school district is entitled to an allotment under each subdivision of Subsection (a) for which a student qualifies.

(d)  A school district may receive funding for a student under this section and under Sections 42.152 and 42.153, as applicable, if the student satisfies the requirements of each applicable section.

Sec. 42.164.  SMALL AND MID-SIZED DISTRICT ALLOTMENT. (a) Small and mid-sized districts are entitled to an annual allotment in accordance with this section. In this section:

(1)  "AA" is the district's annual allotment per student;

(2)  "ADA" is the number of students in average daily attendance for which the district is entitled to an allotment under Section 42.101; and

(3)  "BA" is the basic allotment determined under Section 42.101.

(b)  A school district that contains at least 300 square miles and has not more than 1,600 students in average daily attendance is entitled to an annual allotment for each student in average daily attendance based on the following formula:

AA = ((1,600 - ADA) X .0004) X BA

(c)  A school district that contains less than 300 square miles and has not more than 1,600 students in average daily attendance is entitled to an annual allotment for each student in average daily attendance based on the following formulas:

(1)  for the fiscal year beginning September 1, 2019:

AA = ((1,600 - ADA) X .00030) X BA;

(2)  for the fiscal year beginning September 1, 2020:

AA = ((1,600 - ADA) X .000325) X BA;

(3)  for the fiscal year beginning September 1, 2021:

AA = ((1,600 - ADA) X .00035) X BA; and

(4)  for the fiscal year beginning September 1, 2022:

AA = ((1,600 - ADA) X .000375) X BA.

(d)  A school district that offers a kindergarten through grade 12 program and has less than 5,000 students in average daily attendance is entitled to an annual allotment for each student in average daily attendance based on the formula, of the following formulas, that results in the greatest annual allotment:

(1)  the formula in Subsection (b) or (c) for which the district is eligible; or

(2)  AA = ((5,000 - ADA) X .000025) X BA.

SECTION 1.014.  Effective September 1, 2023, Sections 42.164(b) and (d), Education Code, as added by this Act, are amended to read as follows:

(b)  A school district that [~~contains at least 300 square miles and~~] has not more than 1,600 students in average daily attendance is entitled to an annual allotment for each student in average daily attendance based on the following formula:

AA = ((1,600 - ADA) X .0004) X BA

(d)  A school district that offers a kindergarten through grade 12 program and has less than 5,000 students in average daily attendance is entitled to an annual allotment for each student in average daily attendance based on the formula, of the following formulas, that results in the greatest annual allotment:

(1)  the formula in Subsection (b), if [~~or (c) for which~~] the district is eligible for that formula; or

(2)  AA = ((5,000 - ADA) X .000025) X BA.

SECTION 1.015.  Subchapter C, Chapter 42, Education Code, is amended by adding Sections 42.165 and 42.169 to read as follows:

Sec. 42.165.  FAST GROWTH ALLOTMENT. (a) A school district in which the growth in student enrollment in the district over the preceding three school years is in the top quartile of student enrollment growth in school districts in the state for that period, as determined by the commissioner, is entitled to an annual allotment of $\_\_\_\_\_\_\_ for each student in average daily attendance.

(b)  An open-enrollment charter school is not entitled to an allotment under this section.

Sec. 42.169.  ALLOTMENT FOR STUDENT ACHIEVEMENTS IN COLLEGE, CAREER, OR MILITARY READINESS. (a) For each student who is educationally disadvantaged and graduated high school in the preceding school year demonstrating college, career, or military readiness as described by Subsection (b), a school district is entitled to an annual allotment equal to the basic allotment multiplied by \_\_\_\_\_.

(b)  For purposes of this section, a student demonstrates college, career, or military readiness if the student achieves minimum scores set by commissioner rule on the ACT, the SAT, an assessment instrument designated by the Texas Higher Education Coordinating Board under Section 51.334, or the Armed Services Vocational Aptitude Battery and graduates from high school having:

(1)  enrolled at a postsecondary educational institution;

(2)  earned an industry-accepted certificate; or

(3)  enlisted in the armed forces of the United States.

SECTION 1.016.  Section 42.252(a), Education Code, is amended to read as follows:

(a)  Each school district's share of the Foundation School Program is determined by the following formula:

LFA = TR X DPV

where:

"LFA" is the school district's local share;

"TR" is a tax rate which for each hundred dollars of valuation is an effective tax rate of the amount equal to the product of the state compression percentage, as determined under Section 42.2516, multiplied by the lesser of:

(1)  $1.50; or

(2)  the maintenance and operations tax rate adopted by the district for the 2005 tax year; and

"DPV" is the taxable value of property in the school district for the current [~~preceding~~] tax year determined under Subchapter M, Chapter 403, Government Code.

SECTION 1.017.  Section 42.302(a-1), Education Code, is amended to read as follows:

(a-1)  For purposes of Subsection (a), the dollar amount guaranteed level of state and local funds per weighted student per cent of tax effort ("GL") for a school district is:

(1)  the product of [~~greater of~~] the amount of district tax revenue per weighted student per cent of tax effort [~~that would be~~] available to a [~~the Austin Independent School District, as determined by the commissioner in cooperation with the Legislative Budget Board, if the reduction of the limitation on tax increases as provided by Section 11.26(a-1), (a-2), or (a-3), Tax Code, did not apply, or the amount of~~] district with maintenance and operations tax revenue per weighted student per cent of tax effort equal to the maximum amount provided per cent under Section 42.101(a) or (b) multiplied by \_\_\_\_\_\_ [~~used for purposes of this subdivision in the preceding school year~~], for the first six cents by which the district's maintenance and operations tax rate exceeds the rate equal to the sum of the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year and any additional tax effort included in calculating the district's compressed tax rate under Section 42.101(a-1); and

(2)  the product of the amount of district tax revenue per weighted student per cent of tax effort available to a district with maintenance and operations tax revenue per cent of tax effort equal to the maximum amount provided per cent under Section 42.101(a) or (b), multiplied by \_\_\_\_\_\_ [~~$31.95~~], for the district's maintenance and operations tax effort that exceeds the amount of tax effort described by Subdivision (1).

ARTICLE 2. PUBLIC EDUCATION

SECTION 2.001.  Chapter 4, Education Code, is amended by adding Section 4.003 to read as follows:

Sec. 4.003.  60x30TX GOALS. To further the state's master plan developed under Section 61.051 for at least 60 percent of all adults aged 25 to 34 in this state to achieve a postsecondary degree or workforce credential by 2030, the following goals are established:

(1)  at least 60 percent of all public school students shall perform satisfactorily on a third grade reading multidimensional assessment included on the list adopted by the commissioner under Section 42.162 by 2030; and

(2)  at least 60 percent of all public school students graduating high school shall meet college, career, and military readiness standards by 2030.

SECTION 2.002.  Subchapter B, Chapter 7, Education Code, is amended by adding Section 7.038 to read as follows:

Sec. 7.038.  60x30TX PROGRESS REPORT. (a) Not later than December 1 of each even-numbered year, the agency and the Texas Higher Education Coordinating Board jointly shall prepare and submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the standing legislative committees with primary jurisdiction over public education a report assessing the state's progress toward achieving the 60x30TX goals established under Section 4.003.

(b)  The report must:

(1)  be combined with the Texas Higher Education Coordinating Board's report on the state's master plan for higher education required under Section 61.051(a-3);

(2)  analyze progress made toward the 60x30TX goals disaggregated by:

(A)  household income;

(B)  native language;

(C)  ethnicity;

(D)  gender; and

(E)  any other demographic category identified by the commissioner and the commissioner of higher education; and

(3)  include recommendations for legislative or other action, including statutory or funding changes, to assist the state in meeting those goals.

SECTION 2.003.  Section 11.252(a), Education Code, is amended to read as follows:

(a)  Each school district shall have a district improvement plan that is developed, evaluated, and revised annually, in accordance with district policy, by the superintendent with the assistance of the district-level committee established under Section 11.251. The purpose of the district improvement plan is to guide district and campus staff in the improvement of student performance for all student groups in order to attain state standards in respect to the achievement indicators adopted under Section 39.053(c). The district improvement plan must be aligned with the 60x30TX district plans developed under Section 11.2522 and include provisions for:

(1)  a comprehensive needs assessment addressing district student performance on the 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 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 2.004.  Subchapter F, Chapter 11, Education Code, is amended by adding Section 11.2522 to read as follows:

Sec. 11.2522.  60x30TX DISTRICT PLANS. (a) In addition to the district improvement plan developed under Section 11.252, each school district shall develop three-year and five-year district plans for achieving the 60x30TX goals established under Section 4.003.

(b)  Each plan developed under Subsection (a) must identify student achievement goals for each of the following demographic categories:

(1)  household income;

(2)  native language;

(3)  ethnicity;

(4)  gender; and

(5)  any other demographic category identified by the commissioner.

(c)  Not later than September 1 of each year, each school district shall submit to the agency and post on the district's Internet website a report assessing the progress of the district and each campus in the district toward achieving the goals identified in the district's plans developed under Subsection (a).

(d)  The commissioner may adopt rules as necessary to implement this section.

SECTION 2.005.  Section 11.253(d), Education Code, is amended to read as follows:

(d)  Each campus improvement plan must be aligned with the 60x30TX district plans developed under Section 11.2522 and:

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

(2)  set the campus performance objectives based on the achievement indicator system, including objectives for special needs populations, including students in special education programs under Subchapter A, Chapter 29;

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

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

(5)  identify staff needed to implement the plan;

(6)  set timelines for reaching the goals;

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

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

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

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

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

(B)  student academic performance data;

(C)  student attendance rates;

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

(E)  the use and success of any method to ensure that students participate in moderate to vigorous physical activity as required by Section 28.002(l); and

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

SECTION 2.006.  Section 12.104(b), Education Code, as amended by Chapters 324 (S.B. 1488), 522 (S.B. 179), and 735 (S.B. 1153), Acts of the 85th Legislature, Regular Session, 2017, is reenacted and amended to read as follows:

(b)  An open-enrollment charter school is subject to:

(1)  a provision of this title establishing a criminal offense; and

(2)  a prohibition, restriction, or requirement, as applicable, imposed by this title or a rule adopted under this title, relating to:

(A)  the Public Education Information Management System (PEIMS) to the extent necessary to monitor compliance with this subchapter as determined by the commissioner;

(B)  criminal history records under Subchapter C, Chapter 22;

(C)  reading instruments and accelerated reading instruction programs under Section 28.006;

(D)  accelerated instruction under Section 28.0211;

(E)  high school graduation requirements under Section 28.025;

(F)  special education programs under Subchapter A, Chapter 29;

(G)  bilingual education under Subchapter B, Chapter 29;

(H)  prekindergarten programs under Subchapter E or E-1, Chapter 29;

(I)  extracurricular activities under Section 33.081;

(J)  discipline management practices or behavior management techniques under Section 37.0021;

(K)  health and safety under Chapter 38;

(L)  public school accountability under Subchapters B, C, D, F, G, and J, Chapter 39, and Chapter 39A;

(M)  the requirement under Section 21.006 to report an educator's misconduct;

(N)  intensive programs of instruction under Section 28.0213;

(O)  the right of a school employee to report a crime, as provided by Section 37.148; [~~and~~]

(P)  bullying prevention policies and procedures under Section 37.0832;

(Q)  the right of a school under Section 37.0052 to place a student who has engaged in certain bullying behavior in a disciplinary alternative education program or to expel the student; [~~and~~]

(R)  the right under Section 37.0151 to report to local law enforcement certain conduct constituting assault or harassment;

(S) [~~(P)~~]  a parent's right to information regarding the provision of assistance for learning difficulties to the parent's child as provided by Sections 26.004(b)(11) and 26.0081(c) and (d); and

(T)  the 60x30TX plans under Section 11.2522.

SECTION 2.007.  Subchapter H, Chapter 21, Education Code, is amended by adding Section 21.360 to read as follows:

Sec. 21.360.  EDUCATOR EFFECTIVENESS PROGRAM. (a) A school district may submit a request to the commissioner for state funding under this section to assist the district in providing merit salary increases under an educator effectiveness program approved by the agency and implemented by the district.

(b)  An educator effectiveness program must provide merit salary increases to educators based on an evaluation of the effectiveness of the educator under a multi-measure system developed by the district in partnership with stakeholders and the district's educators that includes measures that account for:

(1)  campus leader observations;

(2)  teacher peer review;

(3)  student surveys; and

(4)  student academic growth.

(c)  A school district must award higher merit salary increases under the district's educator effectiveness program to highly effective educators who are assigned to campuses with poor overall or domain performance ratings under Section 39.054.

(d)  To be eligible to receive funding for an educator effectiveness program under this section, a school district may:

(1)  implement a program developed by the agency;

(2)  collaborate with other school districts to develop a program to be approved by the agency; or

(3)  develop a program to be approved by the agency.

(e)  From funds appropriated for that purpose, the commissioner shall provide funding under this section in accordance with rules adopted by the commissioner. If funds are not available to provide funding to each school district that submits a request under Subsection (b), the commissioner shall give priority to:

(1)  school districts with the highest proportion of economically disadvantaged students; and

(2)  school districts with the highest number of campuses assigned an overall performance rating of F under Section 39.054.

(f)  From funds provided to a school district under this section, the district shall use:

(1)  a small percentage of the funds to:

(A)  provide signing bonuses to new classroom teachers who attend educator preparation programs;

(B)  implement a mentoring program in which classroom teachers receiving merit salary increases under the district's educator effectiveness program mentor students and new classroom teachers; and

(C)  pay for costs associated with the development and implementation of the district's educator effectiveness program; and

(2)  a small percentage of the funds, which may not be more than three percent, to provide merit salary increases to outstanding principals as determined under the educator effectiveness program.

(g)  The percentage of classroom teachers in this state receiving a merit salary increase under this section may not exceed:

(1)  for the 2019-2020 school year, 10 percent;

(2)  for the 2020-2021 school year, 20 percent;

(3)  for the 2021-2022 school year, 30 percent;

(4)  for the 2022-2023 school year, 40 percent;

(5)  for the 2023-2024 school year, 50 percent;

(6)  for the 2024-2025 school year, 60 percent;

(7)  for the 2025-2026 school year, 70 percent;

(8)  for the 2026-2027 school year, 80 percent;

(9)  for the 2027-2028 school year, 90 percent; and

(10)  for the 2028-2029 school year and each subsequent school year, 100 percent.

(h)  A school district that receives funding for the district's educator effectiveness program under this section must annually submit to the agency a report providing the number, percentage, and retention rate of educators employed by the district under the educator effectiveness program.

SECTION 2.008.  Section 28.006(d), Education Code, is amended to read as follows:

(d)  The superintendent of each school district shall:

(1)  report to the commissioner and the board of trustees of the district the results of the reading instruments;

(2)  not later than the 60th day after the date on which a reading instrument was administered report, in writing, to a student's parent or guardian the student's results on the [~~reading~~] instrument; and

(3)  using the school readiness certification system provided to the school district in accordance with Section 29.161(e), report electronically each student's raw score on the reading instrument to the agency for use in the school readiness certification system.

SECTION 2.009.  Section 28.025(c), Education Code, is amended to read as follows:

(c)  A person may receive a diploma if the person is eligible for a diploma under Section 28.0251. In other cases, a student may graduate and receive a diploma only if:

(1)  the student successfully completes the curriculum requirements identified by the State Board of Education under Subsection (a) and complies with Sections 28.0256 and [~~Section~~] 39.025; or

(2)  the student successfully completes an individualized education program developed under Section 29.005.

SECTION 2.010.  Subchapter B, Chapter 28, Education Code, is amended by adding Section 28.0256 to read as follows:

Sec. 28.0256.  FINANCIAL AID APPLICATION REQUIREMENT FOR HIGH SCHOOL GRADUATION. (a) Before graduating from high school, each student must complete and submit a free application for federal student aid (FAFSA) or, if applicable, a Texas application for state financial aid (TASFA).

(b)  A student is not required to comply with Subsection (a) if:

(1)  the student's parent or other person standing in parental relation submits a signed form indicating that the parent or other person authorizes the student to decline to complete and submit the financial aid application; or

(2)  the student signs and submits the form described by Subdivision (1) on the student's own behalf if the student is 18 years of age or older or the student's disabilities of minority have been removed for general purposes under Chapter 31, Family Code.

(c)  A school district or open-enrollment charter school shall adopt a form to be used for purposes of Subsection (b).

SECTION 2.011.  Subchapter D, Chapter 29, Education Code, is amended by adding Section 29.124 to read as follows:

Sec. 29.124.  REPORT. (a) Not later than December 1 of each year, the agency shall submit to the legislature a report comparing the number of students identified as gifted and talented students during each of the two preceding school years.

(b)  The report must include any recommendations for legislative or other action necessary to ensure that the number of students identified as gifted and talented students does not decline for any school year.

SECTION 2.012.  Section 29.153, Education Code, is amended by amending Subsections (b), (c), (d), and (f) and adding Subsections (c-1) and (d-1) to read as follows:

(b)  A child is eligible for enrollment in a prekindergarten class under this section if the child is at least three years of age and:

(1)  is unable to speak and comprehend the English language;

(2)  is educationally disadvantaged;

(3)  is a homeless child, as defined by 42 U.S.C. Section 11434a, regardless of the residence of the child, of either parent of the child, or of the child's guardian or other person having lawful control of the child;

(4)  is the child of an active duty member of the armed forces of the United States, including the state military forces or a reserve component of the armed forces, who is ordered to active duty by proper authority;

(5)  is the child of a member of the armed forces of the United States, including the state military forces or a reserve component of the armed forces, who was injured or killed while serving on active duty;

(6)  is or ever has been in the conservatorship of the Department of Family and Protective Services following an adversary hearing held as provided by Section 262.201, Family Code; [~~or~~]

(7)  is the child of a person eligible for the Star of Texas Award as:

(A)  a peace officer under Section 3106.002, Government Code;

(B)  a firefighter under Section 3106.003, Government Code; or

(C)  an emergency medical first responder under Section 3106.004, Government Code; or

(8)  is the child of an educator employed by a school district in this state.

(c)  A prekindergarten class under this section may [~~shall~~] be operated on a half-day basis for children under four years of age and shall be operated on a full-day basis for children who are at least four years of age. A district is not required to provide transportation for a prekindergarten class, but transportation, if provided, is included for funding purposes as part of the regular transportation system.

(c-1)  A prekindergarten class under this section for children who are least four years of age must comply with the program standards required for high quality prekindergarten programs under Subchapter E-1.

(d)  On application of a district, the commissioner may exempt a district from the application of all or any part of this section, including all or any part of Subchapter E-1 for a prekindergarten class described by Subsection (c-1), if the commissioner determines that:

(1)  the district would be required to construct classroom facilities in order to provide prekindergarten classes; or

(2)  implementing any part of this section would result in fewer eligible children being enrolled in a prekindergarten class under this section.

(d-1)  If the number of children who are eligible for enrollment in a prekindergarten class offered by a school district under this section exceeds the total number of open seats available in prekindergarten classes in the district, the district shall give enrollment preference to children who are eligible for enrollment under Subsection (b)(1), (2), (3), (4), (5), (6), or (7).

(f)  A child who is eligible for enrollment in a prekindergarten class under Subsection (b)(4), [~~or~~] (5), or (8) remains eligible for enrollment after the child begins a prekindergarten class if, as applicable, the child's parent:

(1)  leaves the armed forces;

(2)  [~~, or~~] is no longer on active duty; or

(3)  is no longer employed as an educator by a school district in this state[~~, after the child begins a prekindergarten class~~].

SECTION 2.013.  Section 29.1531(a), Education Code, is amended to read as follows:

(a)  A school district may offer on a tuition basis or use district funds to provide:

(1)  an additional half-day of prekindergarten classes to children who are eligible for classes under Section 29.153 and are under four years of age; and

(2)  half-day and full-day prekindergarten classes to children not eligible for classes under Section 29.153.

SECTION 2.014.  Section 29.1543, Education Code, is amended to read as follows:

Sec. 29.1543.  EARLY EDUCATION REPORTS. The agency shall produce and make available to the public on the agency's Internet website annual district and campus-level reports containing information from the previous school year on early education in school districts and open-enrollment charter schools. A report under this section must contain:

(1)  the information required by Section 29.1532(c) to be reported through the Public Education Information Management System (PEIMS);

(2)  a description of the diagnostic reading instruments administered in accordance with Section 28.006(c);

(3)  the number of students who were administered a diagnostic reading instrument administered in accordance with Section 28.006(c);

(4)  the number of students whose scores from a diagnostic reading instrument administered in accordance with Section 28.006(c) indicate reading proficiency; [~~and~~]

(5)  the number of kindergarten students who were enrolled in a prekindergarten program in the previous school year in the same district or school as the district or school in which the student attends kindergarten; and

(6)  the number and percentage of students who perform satisfactorily on a third grade reading multidimensional assessment included on the list adopted by the commissioner under Section 42.162, disaggregated by whether the student was eligible for free prekindergarten under Section 29.153 and whether the student attended kindergarten in the district.

SECTION 2.015.  The heading to Subchapter E-1, Chapter 29, Education Code, is amended to read as follows:

SUBCHAPTER E-1. HIGH QUALITY PREKINDERGARTEN [~~GRANT~~] PROGRAM REQUIREMENTS

SECTION 2.016.  Section 29.164, Education Code, is amended to read as follows:

Sec. 29.164.  DEFINITION. In this subchapter, "program" means a high quality prekindergarten [~~grant~~] program required under Section 29.153(c-1) to be provided free of tuition or fees in accordance with this subchapter.

SECTION 2.017.  Section 29.167(a), Education Code, is amended to read as follows:

(a)  A school district shall select and implement a curriculum for a prekindergarten [~~grant~~] program [~~under this subchapter~~] that:

(1)  includes the prekindergarten guidelines established by the agency;

(2)  measures the progress of students in meeting the recommended learning outcomes; and

(3)  does not use national curriculum standards developed by the Common Core State Standards Initiative.

SECTION 2.018.  Section 29.170(a), Education Code, is amended to read as follows:

(a)  The commissioner shall evaluate the use and effectiveness of prekindergarten funding [~~provided under this subchapter~~] in improving student learning. The commissioner shall identify effective instruction strategies implemented by school districts under this subchapter.

SECTION 2.019.  Section 29.171(a), Education Code, is amended to read as follows:

(a)  A school district that offers a prekindergarten [~~participating in the grant~~] program under this subchapter may enter into a contract with an eligible private provider to provide services or equipment for the program.

SECTION 2.020.  Subchapter Z, Chapter 29, Education Code, is amended by adding Section 29.924 to read as follows:

Sec. 29.924.  BLENDED LEARNING MATERIALS. (a) In this section, "blended learning" means an instructional delivery method that combines classroom and online instruction.

(b)  The commissioner shall develop a list of professional development materials for use by school districts that assist educators in implementing blended learning. The materials must be based on best practices for blended learning.

SECTION 2.021.  Sections 39.0261(a), (e), and (f), Education Code, are amended to read as follows:

(a)  In addition to the assessment instruments otherwise authorized or required by this subchapter:

(1)  each school year and at state cost, a school district may administer to students in the spring of the eighth grade an established, valid, reliable, and nationally norm-referenced preliminary college preparation assessment instrument for the purpose of diagnosing the academic strengths and deficiencies of students before entrance into high school;

(2)  each school year and at state cost, a school district may administer to students in the 10th grade an established, valid, reliable, and nationally norm-referenced preliminary college preparation assessment instrument for the purpose of measuring a student's progress toward readiness for college and the workplace; and

(3)  high school students in the spring of the 11th grade or during the 12th grade may select and take once, at state cost:

(A)  [~~,~~] one of the valid, reliable, and nationally norm-referenced assessment instruments used by colleges and universities as part of their undergraduate admissions processes; or

(B)  the assessment instrument designated by the Texas Higher Education Coordinating Board under Section 51.334.

(e)  Subsection (a)(3) does not prohibit a high school student [~~in the spring of the 11th grade or during the 12th grade~~] from selecting and taking, at the student's own expense, an assessment instrument described by that subdivision [~~one of the valid, reliable, and nationally norm-referenced assessment instruments used by colleges and universities as part of their undergraduate admissions processes more than once~~].

(f)  The provisions of this section regarding assessment instruments administered under Subsection (a)(1) or (2) apply only if the legislature appropriates funds for those purposes [~~of this section~~].

SECTION 2.022.  Section 39A.105, Education Code, is amended to read as follows:

Sec. 39A.105.  CONTENTS OF CAMPUS TURNAROUND PLAN. (a) A campus turnaround plan must include:

(1)  details on the method for restructuring, reforming, or reconstituting the campus;

(2)  a detailed description of the academic programs to be offered at the campus, including:

(A)  instructional methods;

(B)  length of school day and school year;

(C)  academic credit and promotion criteria; and

(D)  programs to serve special student populations;

(3)  if a district charter is to be granted for the campus under Section 12.0522:

(A)  the term of the charter; and

(B)  information on the implementation of the charter;

(4)  written comments from:

(A)  the campus-level committee established under Section 11.251, if applicable;

(B)  parents; and

(C)  teachers at the campus; and

(5)  a detailed description of the budget, staffing, and financial resources required to implement the plan, including any supplemental resources to be provided by the school district or other identified sources.

(b)  If the campus is an elementary or middle school campus, the campus may submit a campus turnaround plan that provides for staffing of the campus with highly effective educators if the campus has implemented an educator effectiveness program under Section 21.360. From funds appropriated for that purpose, the commissioner shall provide matching funds to the school district at which the campus is located for a campus that submits a campus turnaround plan that includes the provisions of this subsection.

ARTICLE 3. CONFORMING CHANGES

SECTION 3.001.  Section 7.062(c), Education Code, is amended to read as follows:

(c)  Except as otherwise provided by this subsection, if the commissioner certifies that the amount appropriated for a state fiscal year for purposes of Subchapters A and B, Chapter 46, exceeds the amount to which school districts are entitled under those subchapters for that year, the commissioner shall use the excess funds, in an amount not to exceed $20 million in any state fiscal year, for the purpose of making grants under this section. The use of excess funds under this subsection has priority over any provision of Chapter 42 that permits or directs the use of excess foundation school program funds, including Sections [~~42.2517,~~] 42.2521, 42.2522, and 42.2531. The commissioner is required to use excess funds as provided by this subsection only if the commissioner is not required to reduce the total amount of state funds allocated to school districts under Section 42.253(h).

SECTION 3.002.  Section 8.051(d), Education Code, is amended to read as follows:

(d)  Each regional education service center shall maintain core services for purchase by school districts and campuses. The core services are:

(1)  training and assistance in:

(A)  teaching each subject area assessed under Section 39.023; and

(B)  providing instruction in personal financial literacy as required under Section 28.0021;

(2)  training and assistance in providing a gifted and talented program and each program that qualifies for a funding allotment under Section 42.151, 42.152, or 42.153[~~, or 42.156~~];

(3)  assistance specifically designed for a school district or campus assigned an unacceptable performance rating under Section 39.054;

(4)  training and assistance to teachers, administrators, members of district boards of trustees, and members of site-based decision-making committees;

(5)  assistance specifically designed for a school district that is considered out of compliance with state or federal special education requirements, based on the agency's most recent compliance review of the district's special education programs; and

(6)  assistance in complying with state laws and rules.

SECTION 3.003.  Section 12.106(a-1), Education Code, is amended to read as follows:

(a-1)  In determining funding for an open-enrollment charter school under Subsection (a):

(1)  the adjustment [~~adjustments~~] under Section [~~Sections 42.102, 42.104, and~~] 42.105 is [~~are~~] based on the average adjustment for the state; and

(2)  the charter holder is entitled to an [~~the~~] adjustment under former Section 42.103 [~~is~~] based on the average adjustment for the state that would have been provided under that section as it existed on January 1, 2018.

SECTION 3.004.  Section 29.014(d), Education Code, is amended to read as follows:

(d)  The basic allotment for a student enrolled in a district to which this section applies is adjusted by[~~:~~

[~~(1)  the cost of education adjustment under Section 42.102 for the school district in which the district is geographically located; and~~

[~~(2)~~]  the weight for a homebound student under Section 42.151(a).

SECTION 3.005.  Sections 29.918(a) and (b), Education Code, are amended to read as follows:

(a)  Notwithstanding Section [~~39.234 or~~] 42.152, a school district or open-enrollment charter school with a high dropout rate, as determined by the commissioner, must submit a plan to the commissioner describing the manner in which the district or charter school intends to use the compensatory education allotment under Section 42.152 [~~and the high school allotment under Section 42.160~~] for developing and implementing research-based strategies for dropout prevention.  The district or charter school shall submit the plan not later than December 1 of each school year preceding the school year in which the district or charter school will receive the compensatory education allotment [~~or high school allotment~~] to which the plan applies.

(b)  A school district or open-enrollment charter school to which this section applies may not spend or obligate more than 25 percent of the district's or charter school's compensatory education allotment [~~or high school allotment~~] unless the commissioner approves the plan submitted under Subsection (a).  The commissioner shall complete an initial review of the district's or charter school's plan not later than March 1 of the school year preceding the school year in which the district or charter school will receive the compensatory education allotment [~~or high school allotment~~] to which the plan applies.

SECTION 3.006.  Section 39.0233(a), Education Code, is amended to read as follows:

(a)  The agency, in coordination with the Texas Higher Education Coordinating Board, shall adopt a series of questions to be included in an end-of-course assessment instrument administered under Section 39.023(c) to be used for purposes of Subchapter F-1, Chapter 51. The questions adopted under this subsection must be developed in a manner consistent with any college readiness standards adopted under [~~Section 39.233 and~~] Subchapter F-1, Chapter 51.

SECTION 3.007.  Section 41.034(a), Education Code, is amended to read as follows:

(a)  For the first and second school years after creation of a consolidated district under this subchapter, the commissioner shall:

(1)  adjust allotments to the consolidated district to the extent necessary to preserve the effects of an adjustment under Section [~~42.102, 42.103, or~~] 42.105 to which either of the consolidating districts would have been entitled but for the consolidation; and

(2)  if either of the consolidating districts would have been entitled to an allotment under Section 42.164 but for the consolidation, adjust allotments to the consolidated district in the amount of the allotment to which the district would have been entitled under that section.

SECTION 3.008.  Section 41.099(a), Education Code, is amended to read as follows:

(a)  Sections [~~41.002(e),~~] 41.094 and[~~,~~] 41.097[~~, and 41.098~~] apply only to a district that:

(1)  executes an agreement to purchase all attendance credits necessary to reduce the district's wealth per student to the equalized wealth level;

(2)  executes an agreement to purchase attendance credits and an agreement under Subchapter E to contract for the education of nonresident students who transfer to and are educated in the district but who are not charged tuition; or

(3)  executes an agreement under Subchapter E to contract for the education of nonresident students:

(A)  to an extent that does not provide more than 10 percent of the reduction in wealth per student required for the district to achieve a wealth per student that is equal to or less than the equalized wealth level; and

(B)  under which all revenue paid by the district to other districts, in excess of the reduction in state aid that results from counting the weighted average daily attendance of the students served in the contracting district, is required to be used for funding a consortium of at least three districts in a county with a population of less than 40,000 that is formed to support a technology initiative.

SECTION 3.009.  Section 41.257, Education Code, is amended to read as follows:

Sec. 41.257.  APPLICATION OF SPARSITY ADJUSTMENT [~~SMALL AND SPARSE ADJUSTMENTS~~] AND TRANSPORTATION AND SMALL DISTRICT ALLOTMENTS [~~ALLOTMENT~~]. The budget of the consolidated district must apply the benefit of the adjustment or allotment to the schools of the consolidating district to which Section [~~42.103,~~] 42.105, [~~or~~] 42.155, or 42.164 would have applied in the event that the consolidated district still qualifies as a small or sparse district.

SECTION 3.010.  Section 42.007(c), Education Code, is amended to read as follows:

(c)  The funding elements must include:

(1)  a basic allotment for the purposes of Section 42.101 that, when combined with the guaranteed yield component provided by Subchapter F, represents the cost per student of a regular education program that meets all mandates of law and regulation;

(2)  [~~adjustments designed to reflect the variation in known resource costs and costs of education beyond the control of school districts;~~

[~~(3)~~]  appropriate program cost differentials and other funding elements for the programs authorized under Subchapter C, with the program funding level expressed as dollar amounts and as weights applied to the [~~adjusted~~] basic allotment for the appropriate year;

(3) [~~(4)~~]  the maximum guaranteed level of qualified state and local funds per student for the purposes of Subchapter F;

(4) [~~(5)~~]  the enrichment [~~and facilities~~] tax rate under Subchapter F;

(5) [~~(6)~~]  the computation of students in weighted average daily attendance under Section 42.302; and

(6) [~~(7)~~]  the amount to be appropriated for the school facilities assistance program under Chapter 46.

SECTION 3.011.  Sections 42.105(a) and (c), Education Code, are amended to read as follows:

(a)  Notwithstanding Section [~~Sections~~] 42.101[~~, 42.102, and 42.103~~], a school district that has fewer than 130 students in average daily attendance shall be provided a [~~an adjusted~~] basic allotment on the basis of 130 students in average daily attendance if it offers a kindergarten through grade 12 program and has preceding or current year's average daily attendance of at least 90 students or is 30 miles or more by bus route from the nearest high school district. A district offering a kindergarten through grade 8 program whose preceding or current year's average daily attendance was at least 50 students or which is 30 miles or more by bus route from the nearest high school district shall be provided a [~~an adjusted~~] basic allotment on the basis of 75 students in average daily attendance. An average daily attendance of 60 students shall be the basis of providing the [~~adjusted~~] basic allotment if a district offers a kindergarten through grade 6 program and has preceding or current year's average daily attendance of at least 40 students or is 30 miles or more by bus route from the nearest high school district.

(c)  Notwithstanding Subsection (a) or Section [~~Sections~~] 42.101[~~, 42.102, and 42.103~~], a school district to which this subsection applies, as provided by Subsection (b), that has fewer than 130 students in average daily attendance shall be provided a [~~an adjusted~~] basic allotment on the basis of 130 students in average daily attendance if it offers a kindergarten through grade four program and has preceding or current year's average daily attendance of at least 75 students or is 30 miles or more by bus route from the nearest high school district.

SECTION 3.012.  Sections 42.151(a) and (k), Education Code, are amended to read as follows:

(a)  For each student in average daily attendance in a special education program under Subchapter A, Chapter 29, in a mainstream instructional arrangement, a school district is entitled to an annual allotment equal to the [~~adjusted~~] basic allotment multiplied by 1.1. For each full-time equivalent student in average daily attendance in a special education program under Subchapter A, Chapter 29, in an instructional arrangement other than a mainstream instructional arrangement, a district is entitled to an annual allotment equal to the [~~adjusted~~] basic allotment multiplied by a weight determined according to instructional arrangement as follows:

Homebound 5.0

Hospital class 3.0

Speech therapy 5.0

Resource room 3.0

Self-contained, mild and moderate,

regular campus 3.0

Self-contained, severe, regular campus 3.0

Off home campus 2.7

Nonpublic day school 1.7

Vocational adjustment class 2.3

(k)  A school district that provides an extended year program required by federal law for special education students who may regress is entitled to receive funds in an amount equal to 75 percent, or a lesser percentage determined by the commissioner, of the [~~adjusted~~] basic allotment [~~or adjusted allotment, as applicable,~~] for each full-time equivalent student in average daily attendance, multiplied by the amount designated for the student's instructional arrangement under this section, for each day the program is provided divided by the number of days in the minimum school year. The total amount of state funding for extended year services under this section may not exceed $10 million per year. A school district may use funds received under this section only in providing an extended year program.

SECTION 3.013.  Section 42.152(a), Education Code, is amended to read as follows:

(a)  For each student who is educationally disadvantaged or who is a student who does not have a disability and resides in a residential placement facility in a district in which the student's parent or legal guardian does not reside, a district is entitled to an annual allotment equal to the [~~adjusted~~] basic allotment multiplied by 0.2, and by 2.41 for each full-time equivalent student who is in a remedial and support program under Section 29.081 because the student is pregnant.

SECTION 3.014.  Section 42.157(a), Education Code, is amended to read as follows:

(a)  Except as provided by Subsection (b), for each student in average daily attendance who is using a public education grant under Subchapter G, Chapter 29, to attend school in a district other than the district in which the student resides, the district in which the student attends school is entitled to an annual allotment equal to the [~~adjusted~~] basic allotment multiplied by a weight of 0.1.

SECTION 3.015.  Section 42.2518(a), Education Code, is amended to read as follows:

(a)  Beginning with the 2017-2018 school year, a school district is entitled to additional state aid to the extent that state and local revenue under this chapter and Chapter 41 is less than the state and local revenue that would have been available to the district under Chapter 41 and this chapter as those chapters existed on September 1, 2015, excluding any state aid or adjustment in wealth per student that would have been provided under former Sections 41.002(e)-(g) or former Section 42.2516, if the increase in the residence homestead exemption under Section 1-b(c), Article VIII, Texas Constitution, and the additional limitation on tax increases under Section 1-b(d) of that article as proposed by S.J.R. 1, 84th Legislature, Regular Session, 2015, had not occurred.

SECTION 3.016.  Section 42.302(a), Education Code, is amended to read as follows:

(a)  Each school district is guaranteed a specified amount per weighted student in state and local funds for each cent of tax effort over that required for the district's local fund assignment up to the maximum level specified in this subchapter.  The amount of state support, subject only to the maximum amount under Section 42.303, is determined by the formula:

GYA = (GL X WADA X DTR X 100) - LR

where:

"GYA" is the guaranteed yield amount of state funds to be allocated to the district;

"GL" is the dollar amount guaranteed level of state and local funds per weighted student per cent of tax effort, which is an amount described by Subsection (a-1) or a greater amount for any year provided by appropriation;

"WADA" is the number of students in weighted average daily attendance, which is calculated by dividing the sum of the school district's allotments under Subchapters B and C, less any allotment to the district for transportation and[~~,~~] any allotment under Section 42.158 [~~or 42.160, and 50 percent of the adjustment under Section 42.102~~], by the basic allotment for the applicable year;

"DTR" is the district enrichment tax rate of the school district, which is determined by subtracting the amounts specified by Subsection (b) from the total amount of maintenance and operations taxes collected by the school district for the applicable school year and dividing the difference by the quotient of the district's taxable value of property as determined under Subchapter M, Chapter 403, Government Code, or, if applicable, under Section 42.2521, divided by 100; and

"LR" is the local revenue, which is determined by multiplying "DTR" by the quotient of the district's taxable value of property as determined under Subchapter M, Chapter 403, Government Code, or, if applicable, under Section 42.2521, divided by 100.

SECTION 3.017.  Section 322.008(b), Government Code, is amended to read as follows:

(b)  The general appropriations bill may include for purposes of information the funding elements computed by the Legislative Budget Board under Section 42.007, Education Code[~~, excluding the values for each school district calculated under Section 42.007(c)(2), Education Code~~]. If the funding elements are included, the funding elements under Section 42.007(c)(2) [~~42.007(c)(3)~~], Education Code, shall be reported in dollar amounts per pupil.

SECTION 3.018.  Section 825.405(b), Government Code, is amended to read as follows:

(b)  For purposes of this section:

(1)  the statutory minimum salary for certain school personnel under Section 21.402, Education Code, is the salary provided by that section multiplied by the cost of education index adjustment adopted by the foundation school fund budget committee and contained in Chapter 203, Title 19, Texas Administrative Code, as that chapter existed on March 26, 1997, applicable [~~under Section 42.102, Education Code,~~] to the district in which the member is employed; and

(2)  the statutory minimum salary for members who would have been entitled to the minimum salary for certain school personnel under former Section 16.056, Education Code, as that section existed on January 1, 1995, is a minimum salary computed in the same manner as the minimum salary for certain school personnel under Section 21.402, Education Code, multiplied by the cost of education index adjustment adopted by the foundation school fund budget committee and contained in Chapter 203, Title 19, Texas Administrative Code, as that chapter existed on March 26, 1997, applicable [~~under Section 42.102, Education Code,~~] to the district in which the member is employed.

ARTICLE 4. REPEALER

SECTION 4.001.  (a) The following provisions of the Education Code are repealed:

(1)  Section 29.097(g);

(2)  Section 29.098(e);

(3)  Section 29.165;

(4)  Section 29.166;

(5)  Section 39.233;

(6)  Section 39.234;

(7)  Sections 41.002(e), (f), and (g);

(8)  Section 41.098;

(9)  Section 42.102;

(10)  Section 42.103;

(11)  Section 42.104;

(12)  Section 42.155(b)(3);

(13)  Section 42.156;

(14)  Section 42.160;

(15)  Section 42.2513; and

(16)  Section 42.2517.

(b)  Effective September 1, 2023, Section 42.164(c), Education Code, as added by this Act, is repealed.

ARTICLE 5. TRANSITION

SECTION 5.001.  (a) Except as provided by Subsection (b) of this section, Article 2 of this Act applies beginning with the 2019-2020 school year.

(b)  Section 28.025, Education Code, as amended by this Act, and Section 28.0256, Education Code, as added by this Act, apply beginning with students enrolled at the 12th grade level during the 2020-2021 school year.

SECTION 5.002.  Not later than September 1, 2019, the commissioner of education shall adopt the list of approved third grade reading multidimensional assessments as required under Section 42.162, Education Code, as added by this Act.

SECTION 5.003.  Not later than September 1, 2020, each school district shall submit and post on the district's Internet website the initial report required under Section 11.2522, Education Code, as added by this Act.

SECTION 5.004.  Not later than December 1, 2020, the Texas Education Agency and the Texas Higher Education Coordinating Board jointly shall prepare and submit the initial report required under Section 7.038, Education Code, as added by this Act.

SECTION 5.005.  To the extent of any conflict, this Act prevails over another Act of the 86th Legislature, Regular Session, 2019, relating to nonsubstantive additions to and corrections in enacted codes.

ARTICLE 6. EFFECTIVE DATE

SECTION 6.001.  Except as otherwise provided by this Act, this Act takes effect September 1, 2019.