

SENATE AMENDMENTS

2nd Printing

By: Huberty, VanDeaver, King of Hemphill,
Dutton, González of El Paso, et al.

H.B. No. 1525

A BILL TO BE ENTITLED

AN ACT

relating to the public school finance system.

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

SECTION 1. Section 12.106, Education Code, is amended by adding Subsections (a-5) and (a-6) to read as follows:

(a-5) To ensure compliance with the requirements for the maintenance of state financial support for special education under 20 U.S.C. Section 1412(a)(18), in determining the funding for an open-enrollment charter school under Subsection (a) for the Section 48.102 allotment, the commissioner shall:

(1) if necessary, increase the amount of that allotment to an amount equal to the amount the charter holder was entitled to receive for the charter school under the allotment under former Section 42.151, Education Code, for the 2018-2019 school year; and

(2) reduce the amount of the allotment the charter holder is entitled to receive for the charter school under Subsection (a-2) by the amount of any increase provided for the charter school under Subdivision (1).

(a-6) Subsection (a-5) and this subsection expire September 1, 2025.

SECTION 2. Sections 12.133(b), (b-1), and (c), Education Code, are amended to read as follows:

(b) Each school year, ~~[using state funds received by the~~

1 ~~charter holder for that purpose under Subsection (d),]~~ a charter
2 holder that participated in the program under Chapter 1579,
3 Insurance Code, for the 2005-2006 school year shall provide
4 employees of the charter holder, other than administrators,
5 compensation in the form of annual salaries, incentives, or other
6 compensation determined appropriate by the charter holder that
7 results in an average compensation increase for classroom teachers,
8 full-time librarians, full-time school counselors, and full-time
9 school nurses who are employed by the charter holder and who would
10 be entitled to a minimum salary under Section 21.402 if employed by
11 a school district, in an amount at least equal to \$2,500.

12 (b-1) A ~~[Using state funds received by the charter holder~~
13 ~~for that purpose under Subsection (d-1), a]~~ charter holder that
14 participated in the program under Chapter 1579, Insurance Code, for
15 the 2005-2006 school year shall provide employees of the charter
16 holder, other than administrators, compensation in the form of
17 annual salaries, incentives, or other compensation determined
18 appropriate by the charter holder that results in average
19 compensation increases as follows:

20 (1) for full-time employees other than employees who
21 would be entitled to a minimum salary under Section 21.402 if
22 employed by a school district, an average increase at least equal to
23 \$500; and

24 (2) for part-time employees, an average increase at
25 least equal to \$250.

26 (c) Each school year, ~~[using state funds received by the~~
27 ~~charter holder for that purpose under Subsection (e),]~~ a charter

1 holder that did not participate in the program under Chapter 1579,
2 Insurance Code, for the 2005-2006 school year shall provide
3 employees of the charter holder, other than administrators,
4 compensation in the form of annual salaries, incentives, or other
5 compensation determined appropriate by the charter holder that
6 results in an average compensation increase for classroom teachers,
7 full-time librarians, full-time school counselors, and full-time
8 school nurses who are employed by the charter holder and who would
9 be entitled to a minimum salary under Section 21.402 if employed by
10 a school district, in an amount at least equal to \$2,000.

11 SECTION 3. Section 21.3521(a), Education Code, is amended
12 to read as follows:

13 (a) Subject to Subsection (b), a school district or
14 open-enrollment charter school may designate a [~~certified~~]
15 classroom teacher as a master, exemplary, or recognized teacher for
16 a five-year period based on the results from single year or
17 multiyear appraisals that comply with Section 21.351 or 21.352.

18 SECTION 4. Section 28.0062(a), Education Code, is amended
19 to read as follows:

20 (a) Each school district and open-enrollment charter school
21 shall:

22 (1) provide for the use of a phonics curriculum that
23 uses systematic direct instruction in kindergarten through third
24 grade to ensure all students obtain necessary early literacy
25 skills;

26 (2) ensure that:

27 (A) not later than the 2023-2024 [~~2021-2022~~]

1 school year, each classroom teacher in kindergarten or first,
2 second, or third grade and each principal at a campus with
3 kindergarten or first, second, or third grade has attended a
4 teacher literacy achievement academy developed under Section
5 21.4552; and

6 (B) each classroom teacher and each principal
7 initially employed in a grade level or at a campus described by
8 Paragraph (A) for the 2023-2024 [~~2021-2022~~] school year or a
9 subsequent school year has attended a teacher literacy achievement
10 academy developed under Section 21.4552 by the end of [~~before~~] the
11 teacher's or principal's first year of placement in that grade level
12 or campus; and

13 (3) certify to the agency that the district or school:

14 (A) prioritizes placement of highly effective
15 teachers in kindergarten through second grade; and

16 (B) has integrated reading instruments used to
17 diagnose reading development and comprehension to support each
18 student in prekindergarten through third grade.

19 SECTION 5. Section 29.153, Education Code, is amended by
20 amending Subsection (d-1) and adding Subsection (d-2) to read as
21 follows:

22 (d-1) A district may not receive an exemption under
23 Subsection (d) unless the district has:

24 (1) solicited [and considered at a public meeting]
25 proposals for partnerships in accordance with guidance regarding
26 soliciting partnerships provided by the agency; and

27 (2) considered submitted proposals at a public meeting

1 with public or private entities regarding prekindergarten classes
2 required under this section [~~with public or private entities~~
3 ~~regarding prekindergarten classes required under this section~~].

4 (d-2) A decision of the board of trustees regarding a
5 partnership described by Subsection (d-1) [~~this subsection~~] is
6 final.

7 SECTION 6. Section 31.0211(c), Education Code, is amended
8 to read as follows:

9 (c) Subject to Subsection (d), funds allotted under this
10 section may be used to:

11 (1) purchase:

12 (A) materials on the list adopted by the
13 commissioner, as provided by Section 31.0231;

14 (B) instructional materials, regardless of
15 whether the instructional materials are on the list adopted under
16 Section 31.024;

17 (C) consumable instructional materials,
18 including workbooks;

19 (D) instructional materials for use in bilingual
20 education classes, as provided by Section 31.029;

21 (E) instructional materials for use in college
22 preparatory courses under Section 28.014, as provided by Section
23 31.031;

24 (F) supplemental instructional materials, as
25 provided by Section 31.035;

26 (G) state-developed open education resource
27 instructional materials, as provided by Subchapter B-1;

(H) instructional materials and technological equipment under any continuing contracts of the district in effect on September 1, 2011;

(I) technological equipment necessary to support the use of materials included on the list adopted by the commissioner under Section 31.0231 or any instructional materials purchased with an allotment under this section; and

(J) inventory software or systems for storing, managing, and accessing instructional materials and analyzing the usage and effectiveness of the instructional materials; and

(2) pay:

(A) for training educational personnel directly involved in student learning in the appropriate use of instructional materials and for providing for access to technological equipment for instructional use; ~~and~~

(B) the salary and other expenses of an employee who provides technical support for the use of technological equipment directly involved in student learning; and

(C) for costs associated with distance learning, including Wi-Fi, Internet access hotspots, wireless network service, broadband service, and other services and technological equipment necessary to facilitate Internet access.

SECTION 7. Section 37.108(b-1), Education Code, is amended to read as follows:

(b-1) In a school district's safety and security audit required under Subsection (b), the district must certify that the district used the funds provided to the district through the school

safety allotment under Section 48.115 [~~42.168~~] only for the purposes provided by that section.

SECTION 8. Section 39.0261, Education Code, is amended by adding Subsection (a-1) and amending Subsection (b) to read as follows:

(a-1) Notwithstanding Subsection (a)(3), the commissioner by rule may allow a student to take at state cost an assessment instrument described by that subdivision if circumstances existed that prevented the student from taking the assessment instrument before the student graduated from high school.

(b) The agency shall:

(1) select and approve vendors of the specific assessment instruments administered under this section and negotiate with each approved vendor a price for each assessment instrument; and

(2) provide reimbursement to a school district in the amount negotiated under Subdivision (1) for [~~all fees associated with~~] the administration of the assessment instrument from funds appropriated for that purpose.

SECTION 9. Section 39.053(g-4), Education Code, is amended to read as follows:

(g-4) For purposes of the computation of dropout and completion rates such as high school graduation rates under Subsection (c)(1)(B)(ix), the commissioner shall exclude a student who was reported as having dropped out of school under Section 48.009(b-4) [~~42.006(a-9)~~], and the student may not be considered to have dropped out from the school district or campus in which the

1 student was last enrolled.

2 SECTION 10. Section 45.0021, Education Code, is amended by
3 amending Subsection (a) and adding Subsections (c), (d), (e), (f),
4 and (g) to read as follows:

5 (a) A school district may not levy ~~[increase the rate of]~~
6 the district's maintenance taxes described by Section 45.002 at a
7 rate intended to create a surplus in maintenance tax revenue for the
8 purpose of paying the district's debt service.

9 (c) The agency shall:

10 (1) develop a method to identify school districts that
11 may have adopted a maintenance tax rate in violation of Subsection
12 (a), which must include a review of data over multiple years;

13 (2) for each school district identified under the
14 method developed under Subdivision (1), investigate as necessary to
15 determine whether the district has adopted a maintenance tax rate
16 in violation of Subsection (a); and

17 (3) if the agency determines that a school district
18 has adopted a maintenance tax rate in violation of Subsection (a):

19 (A) order the district to comply with Subsection
20 (a) not later than three years after the date of the order;

21 (B) assist the district in developing a
22 corrective action plan that, to the extent feasible, does not
23 result in a net increase in the district's total tax rate; and

24 (C) post the name of the school district on the
25 agency's Internet website.

26 (d) The implementation of a corrective action plan under
27 Subsection (c)(3)(B) does not prohibit a school district from

1 increasing the district's total tax rate as necessary to achieve
2 other legal purposes.

3 (e) If a school district fails to take action under a
4 corrective action plan developed under Subsection (c)(3)(B), the
5 commissioner may reduce the district's entitlement under Chapter 48
6 by an amount equal to the difference between:

7 (1) the amount of state and local funding the district
8 received as a result of adopting a maintenance tax rate in violation
9 of Subsection (a); and

10 (2) the amount of state and local funding the district
11 would have received if the district had not adopted a maintenance
12 tax rate in violation of Subsection (a).

13 (f) This section does not prohibit a school district from
14 using a surplus in maintenance tax revenue to pay the district's
15 debt service if:

16 (1) the district's interest and sinking fund tax
17 revenue is insufficient to pay the district's debt service due to
18 circumstances beyond the district's control; and

19 (2) the use of the surplus maintenance tax revenue to
20 pay the district's debt service is necessary to prevent a default on
21 the district's debt.

22 (g) This section may not be construed to prohibit a school
23 district from:

24 (1) paying a portion of the district's maintenance tax
25 revenue into the tax increment fund for a reinvestment zone under
26 Chapter 311, Tax Code; or

27 (2) using money disbursed from the tax increment fund

1 for a reinvestment zone under Chapter 311, Tax Code, in accordance
2 with the agreement entered into by the district with the governing
3 body of the municipality or county that designated the zone under
4 Section 311.013(f) of that code.

5 SECTION 11. Section 48.009, Education Code, is amended by
6 amending Subsection (b) and adding Subsection (b-4) to read as
7 follows:

8 (b) The commissioner by rule shall require each school
9 district and open-enrollment charter school to report through the
10 Public Education Information Management System information
11 regarding:

12 (1) the number of students enrolled in the district or
13 school who are identified as having dyslexia;

14 (2) the availability of school counselors, including
15 the number of full-time equivalent school counselors, at each
16 campus;

17 (3) the availability of expanded learning
18 opportunities as described by Section 33.252 at each campus;

19 (4) the total number of students, other than students
20 described by Subdivision (5), enrolled in the district or school
21 with whom the district or school, as applicable, used intervention
22 strategies, as that term is defined by Section 26.004, at any time
23 during the year for which the report is made; ~~and~~

24 (5) the total number of students enrolled in the
25 district or school to whom the district or school provided aids,
26 accommodations, or services under Section 504, Rehabilitation Act
27 of 1973 (29 U.S.C. Section 794), at any time during the year for

1 which the report is made;

2 (6) disaggregated by campus and grade, the number of:

3 (A) children who are required to attend school
4 under Section 25.085, are not exempted under Section 25.086, and
5 fail to attend school without excuse for 10 or more days or parts of
6 days within a six-month period in the same school year;

7 (B) students for whom the district initiates a
8 truancy prevention measure under Section 25.0915(a-4); and

9 (C) parents of students against whom an
10 attendance officer or other appropriate school official has filed a
11 complaint under Section 25.093; and

12 (7) the number of students who are enrolled in a high
13 school equivalency program, a dropout recovery school, or an adult
14 education program provided under a high school diploma and industry
15 certification charter school program provided by the district or
16 school and who:

17 (A) are at least 18 years of age and under 26
18 years of age;

19 (B) have not previously been reported to the
20 agency as dropouts; and

21 (C) enroll in the program at the district or
22 school after not attending school for a period of at least nine
23 months.

24 (b-4) A student reported under Subsection (b)(7) as having
25 enrolled in a high school equivalency program, a dropout recovery
26 school, or an adult education program provided under a high school
27 diploma and industry certification charter school program must be

1 reported through the Public Education Information Management
2 System as having previously dropped out of school.

3 SECTION 12. Section 48.051, Education Code, is amended by
4 adding Subsection (c-1) to read as follows:

5 (c-1) A school district employee who received a salary
6 increase under Subsection (c) from a school district for the
7 2019-2020 school year is, as long as the employee remains employed
8 by the same district, entitled to salary that is at least equal to
9 the salary the employee received for the 2019-2020 school year.
10 This subsection does not apply if the board of trustees of the
11 school district at which the employee is employed:

12 (1) complies with Sections 21.4021, 21.4022, and
13 21.4032 in reducing the employee's salary; and

14 (2) has adopted a resolution declaring a financial
15 exigency for the district under Section 44.011.

16 SECTION 13. Section 48.104, Education Code, is amended by
17 adding Subsection (e-1) and amending Subsections (j-1) and (k) to
18 read as follows:

19 (e-1) For each student who is a homeless child or youth as
20 defined by 42 U.S.C. Section 11434a, a school district is entitled
21 to an annual allotment equal to the basic allotment multiplied by
22 the highest weight provided under Subsection (d).

23 (j-1) In addition to other purposes for which funds
24 allocated under this section may be used, those funds may also be
25 used to:

26 (1) provide child-care services or assistance with
27 child-care expenses for students at risk of dropping out of school,

as described by Section 29.081(d)(5); ~~or~~]

(2) pay the costs associated with services provided through a life skills program in accordance with Sections 29.085(b)(1) and (3)-(7); or

(3) pay costs for services provided by an instructional coach to raise student achievement at a campus in which educationally disadvantaged students are enrolled.

(k) At least 55 percent of the funds allocated under this section must be used to:

(1) fund supplemental programs and services, including services provided by an instructional coach, designed to eliminate any disparity in performance on assessment instruments administered under Subchapter B, Chapter 39, or disparity in the rates of high school completion between:

(A) students who are educationally disadvantaged and students who are not educationally disadvantaged; and

(B) students at risk of dropping out of school, as defined by Section 29.081, and all other students; or

(2) support a program eligible under Title I of the Elementary and Secondary Education Act of 1965, as provided by Pub. L. No. 103-382 and its subsequent amendments, and by federal regulations implementing that Act.

SECTION 14. Section 48.106, Education Code, is amended by amending Subsection (a) and adding Subsections (a-1) and (d) 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 7 through 12, a district is entitled to[+]

[~~(1)~~] an annual allotment equal to the basic allotment, or, if applicable, the sum of the basic allotment and the allotment under Section 48.101 to which the district is entitled, multiplied by:

(1) 1.1 for a full-time equivalent student in career and technology education courses not in an approved program of study;

(2) 1.28 for a full-time equivalent student in levels one and two career and technology education courses in an approved program of study, as identified by the agency [~~a weight of 1.35~~]; and

(3) 1.47 for a full-time equivalent student in levels three and four career and technology education courses in an approved program of study, as identified by the agency.

(a-1) In addition to the amounts under Subsection (a), for each student in average daily attendance, a district is entitled to

[~~(2)~~] \$50 for each of the following in which the student is enrolled:

(1) [(A) two or more advanced career and technology education classes for a total of three or more credits,

[(B)] a campus designated as a P-TECH school under Section 29.556; or

(2) [(C)] a campus that is a member of the New Tech Network and that focuses on project-based learning and work-based education.

(d) The agency shall annually publish a list of career and

1 technology courses that qualify for an allotment under Subsection
2 (a), disaggregated by the weight for which the course qualifies.

3 SECTION 15. Section 48.106(b), Education Code, is amended
4 by amending Subdivision (1) and adding Subdivision (1-a) to read as
5 follows:

6 (1) "Approved [~~Career and technology education class~~"
7 ~~and~~"]career and technology education program":

8 (A) means a sequence of career and technology
9 education courses, including [~~include~~] technology applications
10 courses, authorized by the State Board of Education; and

11 (B) includes only courses that qualify for high
12 school credit.

13 (1-a) "Approved program of study" means a course
14 sequence that:

15 (A) provides students with the knowledge and
16 skills necessary for success in the students' chosen careers; and

17 (B) is approved by the agency for purposes of the
18 Strengthening Career and Technical Education for the 21st Century
19 Act (Pub. L. No. 115-224).

20 SECTION 16. Section 48.110(f), Education Code, is amended
21 to read as follows:

22 (f) For purposes of this section, an annual graduate
23 demonstrates:

24 (1) college readiness if the annual graduate:

25 (A) both:

26 (i) achieves college readiness standards
27 used for accountability purposes under Chapter 39 on the ACT, the

SAT, or an assessment instrument designated by the Texas Higher Education Coordinating Board under Section 51.334; and

(ii) ~~[(B)]~~ during a time period established by commissioner rule, enrolls at a postsecondary educational institution; or

(B) earns an associate degree from a postsecondary educational institution approved by the Texas Higher Education Coordinating Board while attending high school or during a time period established by commissioner rule;

(2) career readiness if the annual graduate:

(A) achieves college readiness standards used for accountability purposes under Chapter 39 on the ACT, the SAT, or an assessment instrument designated by the Texas Higher Education Coordinating Board under Section 51.334; and

(B) during a time period established by commissioner rule, earns an industry-accepted certificate; and

(3) military readiness if the annual graduate:

(A) achieves a passing score set by the applicable military branch on the Armed Services Vocational Aptitude Battery; and

(B) during a time period established by commissioner rule, enlists in the armed forces of the United States.

SECTION 17. Section 48.111, Education Code, is amended to read as follows:

Sec. 48.111. FAST GROWTH ALLOTMENT. (a) Except as provided by Subsection (b), a [A] school district ~~[in which the growth in~~

1 ~~student enrollment in the district over the preceding three school~~
 2 ~~years is in the top quartile of student enrollment growth in school~~
 3 ~~districts in the state for that period, as determined by the~~
 4 ~~commissioner,~~ is entitled to an annual allotment equal to the
 5 basic allotment multiplied by 0.35 [~~0.04~~] for each enrolled student
 6 equal to the difference, if the difference is greater than zero,
 7 that results from subtracting 250 from the difference between the
 8 number of students enrolled in the district during the school year
 9 immediately preceding the current school year and the number of
 10 students enrolled in the district during the school year six years
 11 preceding the current school year [~~in average daily attendance~~].

12 (a-1) For purposes of Subsection (a), in determining the
 13 number of students enrolled in a school district, the commissioner
 14 shall exclude students enrolled in the district who receive
 15 full-time instruction through the state virtual school network
 16 under Chapter 30A.

17 (a-2) Notwithstanding Subsection (a), instead of using the
 18 weight of "0.35" in Subsection (a), the agency shall substitute the
 19 following weights:

- 20 (1) for the 2021-2022 school year, "0.30"; and
- 21 (2) for the 2022-2023 school year, "0.348".

22 (a-3) Subsection (a-2) and this subsection expire September
 23 1, 2024.

24 (b) Notwithstanding Subsection (a), the total amount that
 25 may be used to provide allotments under Subsection (a) may not
 26 exceed \$320 million. If the total amount of allotments to which
 27 districts are entitled under Subsection (a) for a school year

1 exceeds the amount permitted under this subsection, the
2 commissioner shall reduce each district's allotment under this
3 section in the manner provided by Section 48.266(f).

4 (b-1) Notwithstanding Subsection (b), the total amount that
5 may be used to provide allotments under Subsection (a) may not
6 exceed:

7 (1) for the 2021-2022 school year, \$270 million;

8 (2) for the 2022-2023 school year, \$310 million; and

9 (3) for the 2023-2024 school year, \$315 million.

10 (b-2) Subsection (b-1) and this subsection expire September
11 1, 2025.

12 (c) For the 2021-2022 school year, the agency shall provide
13 to each school district that received an allotment under this
14 section for the 2019-2020 school year but is not entitled to an
15 allotment for the 2021-2022 school year an amount equal to the
16 amount of the allotment provided to the district under this section
17 for the 2019-2020 school year.

18 (c-1) The total amount that may be used to provide funding
19 under Subsection (c) may not exceed \$40 million. If the total amount
20 of funding to which districts are entitled under Subsection (c) for
21 a school year exceeds the amount permitted under this subsection,
22 the commissioner shall reduce each district's amount under
23 Subsection (c) in the manner provided by Section 48.266(f).

24 (c-2) The amounts to which school districts are entitled
25 under Subsection (c) are not subject to the amount limitations
26 described by Subsections (b) and (b-1).

27 (c-3) Subsections (c), (c-1), (c-2), and this subsection

1 expire September 1, 2023.

2 SECTION 18. Section 48.112, Education Code, is amended by
3 adding Subsection (j) to read as follows:

4 (j) The Texas School for the Deaf and the Texas School for
5 the Blind and Visually Impaired are entitled to an allotment under
6 this section. If the commissioner determines that assigning point
7 values under Subsections (e) and (f) to students enrolled in the
8 Texas School for the Deaf or the Texas School for the Blind and
9 Visually Impaired is impractical, the commissioner may use the
10 average point value assigned for those students' home districts for
11 purposes of calculating the high needs and rural factor.

12 SECTION 19. Section 42.168, Education Code, as added by
13 Chapter 464 (S.B. 11), Acts of the 86th Legislature, Regular
14 Session, 2019, is transferred to Subchapter C, Chapter 48,
15 Education Code, redesignated as Section 48.115, Education Code, and
16 amended to read as follows:

17 Sec. 48.115 [~~42.168~~]. SCHOOL SAFETY ALLOTMENT. (a) From
18 funds appropriated for that purpose, the commissioner shall provide
19 to a school district an annual allotment in the amount provided by
20 appropriation for each student in average daily attendance.

21 (b) Funds allocated under this section must be used to
22 improve school safety and security, including costs associated
23 with:

24 (1) securing school facilities, including:

25 (A) improvements to school infrastructure;

26 (B) the use or installation of physical barriers;

27 and

(C) the purchase and maintenance of:

(i) security cameras or other security equipment; and

(ii) technology, including communications systems or devices, that facilitates communication and information sharing between students, school personnel, and first responders in an emergency;

(2) providing security for the district, including:

(A) employing school district peace officers, private security officers, and school marshals; and

(B) collaborating with local law enforcement agencies, such as entering into a memorandum of understanding for the assignment of school resource officers to schools in the district;

(3) school safety and security training and planning, including:

(A) active shooter and emergency response training;

(B) prevention and treatment programs relating to addressing adverse childhood experiences; and

(C) the prevention, identification, and management of emergencies and threats, including:

(i) providing mental health personnel and support;

(ii) providing behavioral health services;

and

(iii) establishing threat reporting

1 systems; and

2 (4) providing programs related to suicide prevention,
3 intervention, and postvention.

4 (c) A school district may use funds allocated under this
5 section for equipment or software that is used for a school safety
6 and security purpose and an instructional purpose, provided that
7 the instructional use does not compromise the safety and security
8 purpose of the equipment or software.

9 ~~[(d) A school district that is required to take action under~~
10 ~~Chapter 41 to reduce its wealth per student to the equalized wealth~~
11 ~~level is entitled to a credit, in the amount of the allotments to~~
12 ~~which the district is to receive as provided by appropriation,~~
13 ~~against the total amount required under Section 41.093 for the~~
14 ~~district to purchase attendance credits.~~

15 ~~[(e) The commissioner may adopt rules to implement this~~
16 ~~section.]~~

17 SECTION 20. Section 48.2551, Education Code, is amended by
18 amending Subsections (a) and (c) and adding Subsections (d-1) and
19 (d-2) to read as follows:

20 (a) In this section:

21 (1) "DPV" is the taxable value of property in the
22 school district, as determined by the agency by rule, using locally
23 determined property values adjusted in accordance with Section
24 403.302(d), Government Code ~~[has the meaning assigned by Section~~
25 ~~48.256];~~

26 (2) "E" is the expiration of the exclusion of
27 appraised property value for the preceding tax year that is

1 recognized as taxable property value for the current tax year,
2 which is the sum of the following:

3 (A) property value that is no longer subject to a
4 limitation on appraised value under Chapter 313, Tax Code; and

5 (B) property value under Section 311.013(n), Tax
6 Code, that is no longer excluded from the calculation of "DPV" from
7 the preceding year because of refinancing or renewal after
8 September 1, 2019;

9 (3) "MCR" is the district's maximum compressed rate,
10 which is the tax rate for the current tax year per \$100 of valuation
11 of taxable property at which the district must levy a maintenance
12 and operations tax to receive the full amount of the tier one
13 allotment to which the district is entitled under this chapter;

14 (4) "PYDPV" is the district's value of "DPV" for the
15 preceding tax year; and

16 (5) "PYMCR" is the district's value of "MCR" for the
17 preceding tax year.

18 (c) Notwithstanding Subsection (b), for a district to which
19 Section 48.2552(b) applies, the district's maximum compressed rate
20 is the value calculated in accordance with Section 48.2552(b) [~~for~~
21 ~~"MCR" under Subsection (b)(1)(B)]~~.

22 (d-1) Local appraisal districts, school districts, and the
23 comptroller shall provide any information necessary to the agency
24 to implement this section.

25 (d-2) A school district may appeal to the commissioner the
26 district's taxable property value as determined by the agency under
27 this section. A decision by the commissioner is final and may not be

1 appealed.

2 SECTION 21. Section 48.2552(b), Education Code, is amended
3 to read as follows:

4 (b) If a school district's [~~district has a~~] maximum
5 compressed rate as calculated under Section 48.2551(b) would be
6 [~~that is~~] less than 90 percent of another school district's maximum
7 compressed rate, the district's maximum compressed rate is the
8 value at which the district's maximum compressed rate would be
9 equal to 90 percent of the other district's maximum compressed rate
10 [~~calculated under Section 48.2551(c) until the agency determines~~
11 ~~that the difference between the district's and another district's~~
12 ~~maximum compressed rates is not more than 10 percent~~].

13 SECTION 22. Section 48.257(c), Education Code, is amended
14 to read as follows:

15 (c) For purposes of Subsection (a), state aid to which a
16 district is entitled under this chapter that is not described by
17 Section 48.266(a)(3) [~~48.266(a)(1), (2), or (3)~~] may offset the
18 amount by which a district must reduce the district's [~~tier one~~]
19 revenue level under this section [~~Subsection (a)~~]. Any amount of
20 state aid used as an offset under this subsection shall reduce the
21 amount of state aid to which the district is entitled.

22 SECTION 23. Subchapter F, Chapter 48, Education Code, is
23 amended by adding Section 48.2721 to read as follows:

24 Sec. 48.2721. RECOVERY OF FUNDS FROM EXCESSIVE TAXATION.
25 The commissioner shall reduce state aid or adjust the limit on local
26 revenue under Section 48.257 in an amount equal to the amount of
27 revenue generated by a school district's tax effort that is not in

1 compliance with Section 45.003 or this chapter.

2 SECTION 24. Subchapter F, Chapter 48, Education Code, is
3 amended by adding Section 48.280 to read as follows:

4 Sec. 48.280. ADJUSTMENT FOR CERTAIN DISTRICTS FOR TEACHER
5 INCENTIVE ALLOTMENT FUNDING. (a) If Section 48.257(b) applies to a
6 school district and the adjustment provided under that subsection
7 for the reduction of the district's tier one revenue level is less
8 than the amount to which the district is entitled under Section
9 48.112, the commissioner shall make adjustments to the district's
10 funding to ensure that the district receives the total amount to
11 which the district is entitled under Section 48.112.

12 (b) An adjustment to a district's funding under this section
13 is excluded for purposes of calculating the district's maintenance
14 and operations revenue under Section 48.277. This subsection
15 expires September 1, 2025.

16 SECTION 25. Section 48.302(b), Education Code, is amended
17 to read as follows:

18 (b) The agency shall enter into a memorandum of
19 understanding with the commission for the agency to transfer funds
20 to the commission [~~funds specifically appropriated to the agency~~]
21 for the commission to provide to an individual who is 21 years of
22 age or older a subsidy in an amount equal to the cost of taking one
23 high school equivalency examination administered under Section
24 7.111.

25 SECTION 26. Subchapter G, Chapter 48, Education Code, is
26 amended by adding Section 48.303 to read as follows:

27 Sec. 48.303. ADDITIONAL STATE AID FOR REGIONAL EDUCATION

1 SERVICE CENTER STAFF SALARY INCREASES. (a) A regional education
2 service center is entitled to state aid in an amount equal to the
3 sum of:

4 (1) the product of \$500 multiplied by the number of
5 full-time center employees, other than administrators or classroom
6 teachers, full-time librarians, full-time school counselors
7 certified under Subchapter B, Chapter 21, or full-time school
8 nurses; and

9 (2) the product of \$250 multiplied by the number of
10 part-time center employees, other than administrators or teachers,
11 librarians, school counselors certified under Subchapter B,
12 Chapter 21, or school nurses.

13 (b) A determination by the commissioner under Subsection
14 (a) is final and may not be appealed.

15 SECTION 27. Subchapter A, Chapter 49, Education Code, is
16 amended by adding Section 49.0041 to read as follows:

17 Sec. 49.0041. LOCAL REVENUE LEVEL IN EXCESS OF ENTITLEMENT
18 AFTER REVIEW NOTIFICATION. If the commissioner determines that a
19 school district has a local revenue level in excess of entitlement
20 after the date the commissioner sends notification for the school
21 year under Section 49.004(a), the commissioner shall include the
22 amount of the district's local revenue level that exceeded the
23 level established under Section 48.257 for that school year in the
24 annual review for the following school year of the district's local
25 revenue levels under Section 49.004(a).

26 SECTION 28. Section 49.054(b), Education Code, is amended
27 to read as follows:

1 (b) A consolidated [~~Except as provided by Subsection (c), a~~
2 district under this subchapter [~~receiving incentive aid payments~~
3 ~~under this section~~] is [~~not~~] entitled to incentive aid under
4 Subchapter G, Chapter 13.

5 SECTION 29. Section 822.201(b), Government Code, is amended
6 to read as follows:

7 (b) "Salary and wages" as used in Subsection (a) means:

8 (1) normal periodic payments of money for service the
9 right to which accrues on a regular basis in proportion to the
10 service performed;

11 (2) amounts by which the member's salary is reduced
12 under a salary reduction agreement authorized by Chapter 610;

13 (3) amounts that would otherwise qualify as salary and
14 wages under Subdivision (1) but are not received directly by the
15 member pursuant to a good faith, voluntary written salary reduction
16 agreement in order to finance payments to a deferred compensation
17 or tax sheltered annuity program specifically authorized by state
18 law or to finance benefit options under a cafeteria plan qualifying
19 under Section 125 of the Internal Revenue Code of 1986, if:

20 (A) the program or benefit options are made
21 available to all employees of the employer; and

22 (B) the benefit options in the cafeteria plan are
23 limited to one or more options that provide deferred compensation,
24 group health and disability insurance, group term life insurance,
25 dependent care assistance programs, or group legal services plans;

26 (4) performance pay awarded to an employee by a school
27 district as part of a total compensation plan approved by the board

1 of trustees of the district and meeting the requirements of
2 Subsection (e);

3 (5) the benefit replacement pay a person earns under
4 Subchapter H, Chapter 659, except as provided by Subsection (c);

5 (6) stipends paid to teachers in accordance with
6 former Section 21.410, 21.411, 21.412, or 21.413, Education Code;

7 (7) amounts by which the member's salary is reduced or
8 that are deducted from the member's salary as authorized by
9 Subchapter J, Chapter 659;

10 (8) a merit salary increase made under Section 51.962,
11 Education Code;

12 (9) amounts received under the relevant parts of the
13 educator excellence awards program under Subchapter O, Chapter 21,
14 Education Code, or a mentoring program under Section 21.458,
15 Education Code, that authorize compensation for service;

16 (10) salary amounts designated as health care
17 supplementation by an employee under Subchapter D, Chapter 22,
18 Education Code; ~~and~~

19 (11) to the extent required by Sections 3401(h) and
20 414(u)(12), Internal Revenue Code of 1986, differential wage
21 payments received by an individual from an employer on or after
22 January 1, 2009, while the individual is performing qualified
23 military service as defined by Section 414(u), Internal Revenue
24 Code of 1986; and

25 (12) increased compensation paid to a teacher by a
26 school district using funds received by the district under the
27 teacher incentive allotment under Section 48.112, Education Code.

SECTION 30. Section 11.26, Tax Code, is amended by adding Subsections (a-4), (a-5), (a-6), (a-7), (a-8), and (a-9) to read as follows:

(a-4) In this section, "maximum compressed rate" means the maximum compressed rate of a school district as calculated under Section 48.2551, Education Code.

(a-5) Notwithstanding the other provisions of this section, if in the 2022 tax year an individual qualifies for a limitation on tax increases provided by this section on the individual's residence homestead and the first tax year the individual or the individual's spouse qualified for an exemption under Section 11.13(c) for the same homestead was a tax year before the 2019 tax year, the amount of the limitation provided by this section on the homestead in the 2022 tax year is equal to the amount computed by:

(1) multiplying the taxable value of the homestead in the 2018 tax year by a tax rate equal to the difference between the school district's tier one maintenance and operations rate for the 2018 tax year and the district's maximum compressed rate for the 2019 tax year;

(2) subtracting the greater of zero or the amount computed under Subdivision (1) from the amount of tax the district imposed on the homestead in the 2018 tax year;

(3) adding any tax imposed in the 2019 tax year attributable to improvements made in the 2018 tax year as provided by Subsection (b) to the amount computed under Subdivision (2);

(4) multiplying the taxable value of the homestead in the 2019 tax year by a tax rate equal to the difference between the

district's maximum compressed rate for the 2019 tax year and the
district's maximum compressed rate for the 2020 tax year;

(5) subtracting the amount computed under Subdivision
(4) from the amount computed under Subdivision (3);

(6) adding any tax imposed in the 2020 tax year
attributable to improvements made in the 2019 tax year as provided
by Subsection (b) to the amount computed under Subdivision (5);

(7) multiplying the taxable value of the homestead in
the 2020 tax year by a tax rate equal to the difference between the
district's maximum compressed rate for the 2020 tax year and the
district's maximum compressed rate for the 2021 tax year;

(8) subtracting the amount computed under Subdivision
(7) from the amount computed under Subdivision (6);

(9) adding any tax imposed in the 2021 tax year
attributable to improvements made in the 2020 tax year as provided
by Subsection (b) to the amount computed under Subdivision (8);

(10) multiplying the taxable value of the homestead in
the 2021 tax year by a tax rate equal to the difference between the
district's maximum compressed rate for the 2021 tax year and the
district's maximum compressed rate for the 2022 tax year;

(11) subtracting the amount computed under
Subdivision (10) from the amount computed under Subdivision (9);
and

(12) adding any tax imposed in the 2022 tax year
attributable to improvements made in the 2021 tax year as provided
by Subsection (b) to the amount computed under Subdivision (11).

(a-6) Notwithstanding the other provisions of this section,

if in the 2022 tax year an individual qualifies for a limitation on tax increases provided by this section on the individual's residence homestead and the first tax year the individual or the individual's spouse qualified for an exemption under Section 11.13(c) for the same homestead was the 2019 tax year, the amount of the limitation provided by this section on the homestead in the 2022 tax year is equal to the amount computed by:

(1) multiplying the taxable value of the homestead in the 2019 tax year by a tax rate equal to the difference between the school district's maximum compressed rate for the 2019 tax year and the district's maximum compressed rate for the 2020 tax year;

(2) subtracting the amount computed under Subdivision (1) from the amount of tax the district imposed on the homestead in the 2019 tax year;

(3) adding any tax imposed in the 2020 tax year attributable to improvements made in the 2019 tax year as provided by Subsection (b) to the amount computed under Subdivision (2);

(4) multiplying the taxable value of the homestead in the 2020 tax year by a tax rate equal to the difference between the district's maximum compressed rate for the 2020 tax year and the district's maximum compressed rate for the 2021 tax year;

(5) subtracting the amount computed under Subdivision (4) from the amount computed under Subdivision (3);

(6) adding any tax imposed in the 2021 tax year attributable to improvements made in the 2020 tax year as provided by Subsection (b) to the amount computed under Subdivision (5);

(7) multiplying the taxable value of the homestead in

1 the 2021 tax year by a tax rate equal to the difference between the
2 district's maximum compressed rate for the 2021 tax year and the
3 district's maximum compressed rate for the 2022 tax year;

4 (8) subtracting the amount computed under Subdivision
5 (7) from the amount computed under Subdivision (6); and

6 (9) adding any tax imposed in the 2022 tax year
7 attributable to improvements made in the 2021 tax year as provided
8 by Subsection (b) to the amount computed under Subdivision (8).

9 (a-7) Notwithstanding the other provisions of this section,
10 if in the 2022 tax year an individual qualifies for a limitation on
11 tax increases provided by this section on the individual's
12 residence homestead and the first tax year the individual or the
13 individual's spouse qualified for an exemption under Section
14 11.13(c) for the same homestead was the 2020 tax year, the amount of
15 the limitation provided by this section on the homestead in the 2022
16 tax year is equal to the amount computed by:

17 (1) multiplying the taxable value of the homestead in
18 the 2020 tax year by a tax rate equal to the difference between the
19 school district's maximum compressed rate for the 2020 tax year and
20 the district's maximum compressed rate for the 2021 tax year;

21 (2) subtracting the amount computed under Subdivision
22 (1) from the amount of tax the district imposed on the homestead in
23 the 2020 tax year;

24 (3) adding any tax imposed in the 2021 tax year
25 attributable to improvements made in the 2020 tax year as provided
26 by Subsection (b) to the amount computed under Subdivision (2);

27 (4) multiplying the taxable value of the homestead in

1 the 2021 tax year by a tax rate equal to the difference between the
2 district's maximum compressed rate for the 2021 tax year and the
3 district's maximum compressed rate for the 2022 tax year;

4 (5) subtracting the amount computed under Subdivision
5 (4) from the amount computed under Subdivision (3); and

6 (6) adding any tax imposed in the 2022 tax year
7 attributable to improvements made in the 2021 tax year as provided
8 by Subsection (b) to the amount computed under Subdivision (5).

9 (a-8) Notwithstanding the other provisions of this section,
10 if in the 2022 tax year an individual qualifies for a limitation on
11 tax increases provided by this section on the individual's
12 residence homestead and the first tax year the individual or the
13 individual's spouse qualified for an exemption under Section
14 11.13(c) for the same homestead was the 2021 tax year, the amount of
15 the limitation provided by this section on the homestead in the 2022
16 tax year is equal to the amount computed by:

17 (1) multiplying the taxable value of the homestead in
18 the 2021 tax year by a tax rate equal to the difference between the
19 school district's maximum compressed rate for the 2021 tax year and
20 the district's maximum compressed rate for the 2022 tax year;

21 (2) subtracting the amount computed under Subdivision
22 (1) from the amount of tax the district imposed on the homestead in
23 the 2021 tax year; and

24 (3) adding any tax imposed in the 2022 tax year
25 attributable to improvements made in the 2021 tax year as provided
26 by Subsection (b) to the amount computed under Subdivision (2).

27 (a-9) Notwithstanding the other provisions of this section,

1 if in the 2023 or a subsequent tax year an individual qualifies for
2 a limitation on tax increases provided by this section on the
3 individual's residence homestead, the amount of the limitation
4 provided by this section on the homestead is equal to the amount
5 computed by:

6 (1) multiplying the taxable value of the homestead in
7 the preceding tax year by a tax rate equal to the difference between
8 the school district's maximum compressed rate for the preceding tax
9 year and the district's maximum compressed rate for the current tax
10 year;

11 (2) subtracting the amount computed under Subdivision
12 (1) from the amount of tax the district imposed on the homestead in
13 the preceding tax year; and

14 (3) adding any tax imposed in the current tax year
15 attributable to improvements made in the preceding tax year as
16 provided by Subsection (b) to the amount computed under Subdivision
17 (2).

18 SECTION 31. (a) The following provisions of the Education
19 Code are repealed:

20 (1) Sections 12.133(d), (d-1), and (e);

21 (2) Section 48.0051(a-1); and

22 (3) Sections 49.054(a) and (c).

23 (b) The following provisions, which amended Section 42.006,
24 Education Code, are repealed:

25 (1) Section 2, Chapter 1036 (H.B. 548), Acts of the
26 86th Legislature, Regular Session, 2019; and

27 (2) Section 8, Chapter 1060 (H.B. 1051), Acts of the

1 86th Legislature, Regular Session, 2019.

2 SECTION 32. To the extent of any conflict, this Act prevails
3 over another Act of the 87th Legislature, Regular Session, 2021,
4 relating to nonsubstantive additions to and corrections in enacted
5 codes.

6 SECTION 33. Section 11.26, Tax Code, as amended by this Act,
7 applies only to ad valorem taxes imposed for a tax year beginning on
8 or after January 1, 2022.

9 SECTION 34. (a) Except as otherwise provided by this
10 section, this Act takes effect September 1, 2021.

11 (b) Section 31.0211(c), Education Code, as amended by this
12 Act, takes effect immediately if this Act receives a vote of
13 two-thirds of all the members elected to each house, as provided by
14 Section 39, Article III, Texas Constitution. If this Act does not
15 receive the vote necessary for immediate effect, Section
16 31.0211(c), Education Code, as amended by this Act, takes effect
17 September 1, 2021.

18 (c) Section 11.26, Tax Code, as amended by this Act, takes
19 effect January 1, 2022, but only if the constitutional amendment
20 proposed by the 87th Legislature, Regular Session, 2021,
21 authorizing the legislature to provide for the reduction of the
22 amount of a limitation on the total amount of ad valorem taxes that
23 may be imposed for general elementary and secondary public school
24 purposes on the residence homestead of a person who is elderly or
25 disabled to reflect any statutory reduction from the preceding tax
26 year in the maximum compressed rate of the maintenance and
27 operations taxes imposed for those purposes on the homestead is

H.B. No. 1525

1 approved by the voters. If that amendment is not approved by the
2 voters, Section 11.26, Tax Code, as amended by this Act, has no
3 effect.

ADOPTED

MAY 26 2021

Latey Law
Secretary of the Senate

By: Huberty/Taylor

H.B. No. 1525

Substitute the following for H.B. No. 1525:

By: Larry Taylor

C.S. H.B. No. 1525

A BILL TO BE ENTITLED

AN ACT

relating to the public school finance system and public education.

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

SECTION 1. Section 12.106, Education Code, is amended by adding Subsections (a-5) and (a-6) to read as follows:

(a-5) To ensure compliance with the requirements for the maintenance of state financial support for special education under 20 U.S.C. Section 1412(a)(18), in determining the funding for an open-enrollment charter school under Subsection (a) for the Section 48.102 allotment, the commissioner shall:

(1) if necessary, increase the amount of that allotment to an amount equal to the amount the charter holder was entitled to receive for the charter school under the allotment under former Section 42.151, Education Code, for the 2018-2019 school year; and

(2) reduce the amount of the allotment the charter holder is entitled to receive for the charter school under Subsection (a-2) by the amount of any increase provided for the charter school under Subdivision (1).

(a-6) Subsection (a-5) and this subsection expire September 1, 2025.

SECTION 2. Sections 12.133(b), (b-1), and (c), Education Code, are amended to read as follows:

(b) Each school year, ~~[using state funds received by the~~

1 ~~charter holder for that purpose under Subsection (d),~~ a charter
2 holder that participated in the program under Chapter 1579,
3 Insurance Code, for the 2005-2006 school year shall provide
4 employees of the charter holder, other than administrators,
5 compensation in the form of annual salaries, incentives, or other
6 compensation determined appropriate by the charter holder that
7 results in an average compensation increase for classroom teachers,
8 full-time librarians, full-time school counselors, and full-time
9 school nurses who are employed by the charter holder and who would
10 be entitled to a minimum salary under Section 21.402 if employed by
11 a school district, in an amount at least equal to \$2,500.

12 (b-1) A ~~[Using state funds received by the charter holder~~
13 ~~for that purpose under Subsection (d-1), a]~~ charter holder that
14 participated in the program under Chapter 1579, Insurance Code, for
15 the 2005-2006 school year shall provide employees of the charter
16 holder, other than administrators, compensation in the form of
17 annual salaries, incentives, or other compensation determined
18 appropriate by the charter holder that results in average
19 compensation increases as follows:

20 (1) for full-time employees other than employees who
21 would be entitled to a minimum salary under Section 21.402 if
22 employed by a school district, an average increase at least equal to
23 \$500; and

24 (2) for part-time employees, an average increase at
25 least equal to \$250.

26 (c) Each school year, ~~[using state funds received by the~~
27 ~~charter holder for that purpose under Subsection (e),]~~ a charter

1 holder that did not participate in the program under Chapter 1579,
2 Insurance Code, for the 2005-2006 school year shall provide
3 employees of the charter holder, other than administrators,
4 compensation in the form of annual salaries, incentives, or other
5 compensation determined appropriate by the charter holder that
6 results in an average compensation increase for classroom teachers,
7 full-time librarians, full-time school counselors, and full-time
8 school nurses who are employed by the charter holder and who would
9 be entitled to a minimum salary under Section 21.402 if employed by
10 a school district, in an amount at least equal to \$2,000.

11 SECTION 3. Section 21.3521(a), Education Code, is amended
12 to read as follows:

13 (a) Subject to Subsection (b), a school district or
14 open-enrollment charter school may designate a ~~[certified]~~
15 classroom teacher as a master, exemplary, or recognized teacher for
16 a five-year period based on the results from single year or
17 multiyear appraisals that comply with Section 21.351 or 21.352.

18 SECTION 4. Section 25.001(h), Education Code, is amended to
19 read as follows:

20 (h) In addition to the penalty provided by Section 37.10,
21 Penal Code, a person who knowingly falsifies information on a form
22 required for enrollment of a student in a school district is liable
23 to the district if the student is not eligible for enrollment in the
24 district but is enrolled on the basis of the false information. The
25 person is liable, for the period during which the ineligible
26 student is enrolled, for ~~[the greater of:~~

27 ~~[(1) the maximum tuition fee the district may charge~~

1 ~~under Section 25.038, or~~

2 ~~[(2)]~~ the amount the district has budgeted for each
3 student as maintenance and operating expenses.

4 SECTION 5. Section 28.0062(a), Education Code, is amended
5 to read as follows:

6 (a) Each school district and open-enrollment charter school
7 shall:

8 (1) provide for the use of a phonics curriculum that
9 uses systematic direct instruction in kindergarten through third
10 grade to ensure all students obtain necessary early literacy
11 skills;

12 (2) ensure that:

13 (A) not later than the 2022-2023 ~~[2021-2022]~~
14 school year, each classroom teacher in kindergarten or first,
15 second, or third grade and each principal at a campus with
16 kindergarten or first, second, or third grade has attended a
17 teacher literacy achievement academy developed under Section
18 21.4552; and

19 (B) each classroom teacher and each principal
20 initially employed in a grade level or at a campus described by
21 Paragraph (A) for the 2022-2023 ~~[2021-2022]~~ school year or a
22 subsequent school year has attended a teacher literacy achievement
23 academy developed under Section 21.4552 by the end of ~~[before]~~ the
24 teacher's or principal's first year of placement in that grade level
25 or campus; and

26 (3) certify to the agency that the district or school:

27 (A) prioritizes placement of highly effective

1 teachers in kindergarten through second grade; and

2 (B) has integrated reading instruments used to
3 diagnose reading development and comprehension to support each
4 student in prekindergarten through third grade.

5 SECTION 6. Section 29.153(d-1), Education Code, is amended
6 to read as follows:

7 (d-1) A district may not receive an exemption under
8 Subsection (d) unless the district has solicited [~~and considered at~~
9 ~~a public meeting~~] proposals for partnerships with public or private
10 entities regarding prekindergarten classes required under this
11 section in accordance with guidance provided by the agency
12 regarding soliciting partnerships and considered submitted
13 proposals at a public meeting. A decision of the board of trustees
14 regarding a partnership described by this subsection is final.

15 SECTION 7. Section 31.0211(c), Education Code, is amended
16 to read as follows:

17 (c) Subject to Subsection (d), funds allotted under this
18 section may be used to:

19 (1) purchase:

20 (A) materials on the list adopted by the
21 commissioner, as provided by Section 31.0231;

22 (B) instructional materials, regardless of
23 whether the instructional materials are on the list adopted under
24 Section 31.024;

25 (C) consumable instructional materials,
26 including workbooks;

27 (D) instructional materials for use in bilingual

1 education classes, as provided by Section 31.029;

2 (E) instructional materials for use in college
3 preparatory courses under Section 28.014, as provided by Section
4 31.031;

5 (F) supplemental instructional materials, as
6 provided by Section 31.035;

7 (G) state-developed open education resource
8 instructional materials, as provided by Subchapter B-1;

9 (H) instructional materials and technological
10 equipment under any continuing contracts of the district in effect
11 on September 1, 2011;

12 (I) technological equipment necessary to support
13 the use of materials included on the list adopted by the
14 commissioner under Section 31.0231 or any instructional materials
15 purchased with an allotment under this section; and

16 (J) inventory software or systems for storing,
17 managing, and accessing instructional materials and analyzing the
18 usage and effectiveness of the instructional materials; and

19 (2) pay:

20 (A) for training educational personnel directly
21 involved in student learning in the appropriate use of
22 instructional materials and for providing for access to
23 technological equipment for instructional use; ~~and~~

24 (B) the salary and other expenses of an employee
25 who provides technical support for the use of technological
26 equipment directly involved in student learning; and

27 (C) for costs associated with distance learning,

1 including Wi-Fi, Internet access hotspots, wireless network
2 service, broadband service, and other services and technological
3 equipment necessary to facilitate Internet access.

4 SECTION 8. Section 37.108(b-1), Education Code, is amended
5 to read as follows:

6 (b-1) In a school district's safety and security audit
7 required under Subsection (b), the district must certify that the
8 district used the funds provided to the district through the school
9 safety allotment under Section 48.115 [~~42.168~~] only for the
10 purposes provided by that section.

11 SECTION 9. Section 39.0261, Education Code, is amended by
12 adding Subsection (a-1) and amending Subsection (b) to read as
13 follows:

14 (a-1) Notwithstanding Subsection (a)(3), the commissioner
15 by rule may allow a student to take at state cost an assessment
16 instrument described by that subdivision if circumstances existed
17 that prevented the student from taking the assessment instrument
18 before the student graduated from high school.

19 (b) The agency shall:

20 (1) select and approve vendors of the specific
21 assessment instruments administered under this section and
22 negotiate with each approved vendor a price for each assessment
23 instrument; and

24 (2) provide reimbursement to a school district in the
25 amount negotiated under Subdivision (1) for [~~all fees associated~~
26 ~~with~~] the administration of the assessment instrument from funds
27 appropriated for that purpose.

1 SECTION 10. Section 39.053(g-4), Education Code, is amended
2 to read as follows:

3 (g-4) For purposes of the computation of dropout and
4 completion rates such as high school graduation rates under
5 Subsection (c)(1)(B)(ix), the commissioner shall exclude a student
6 who was reported as having dropped out of school under Section
7 48.009(b-4) [~~42.006(a-9)~~], and the student may not be considered to
8 have dropped out from the school district or campus in which the
9 student was last enrolled.

10 SECTION 11. Section 45.0021, Education Code, is amended by
11 amending Subsection (a) and adding Subsections (c), (d), (e), and
12 (f) to read as follows:

13 (a) A school district may not levy [~~increase the rate of~~]
14 the district's maintenance taxes described by Section 45.002 at a
15 rate intended to create a surplus in maintenance tax revenue for the
16 purpose of paying the district's debt service.

17 (c) The agency shall:

18 (1) develop a method to identify school districts that
19 may have adopted a maintenance tax rate in violation of Subsection
20 (a), which must include a review of data over multiple years;

21 (2) for each school district identified under the
22 method developed under Subdivision (1), investigate as necessary to
23 determine whether the district has adopted a maintenance tax rate
24 in violation of Subsection (a);

25 (3) if the agency determines that a school district
26 has adopted a maintenance tax rate in violation of Subsection (a):

27 (A) order the district to comply with Subsection

1 (a) not later than three years after the date of the order; and

2 (B) assist the district in developing a
3 corrective action plan that, to the extent feasible, does not
4 result in a net increase in the district's total tax rate; and

5 (4) post on the agency's Internet website a list of
6 each school district the agency has determined to have adopted a
7 maintenance tax rate in violation of Subsection (a).

8 (d) The implementation of a corrective action plan under
9 Subsection (c)(3)(B) does not prohibit a school district from
10 increasing the district's total tax rate as necessary to achieve
11 other legal purposes.

12 (e) If a school district fails to take action under a
13 corrective action plan developed under Subsection (c)(3)(B), the
14 commissioner may reduce the district's entitlement under Chapter 48
15 by an amount equal to the difference between:

16 (1) the amount of state and local funding the district
17 received as a result of adopting a maintenance tax rate in violation
18 of Subsection (a); and

19 (2) the amount of state and local funding the district
20 would have received if the district had not adopted a maintenance
21 tax rate in violation of Subsection (a).

22 (f) This section does not prohibit a school district from:

23 (1) using a surplus in maintenance tax revenue to pay
24 the district's debt service if:

25 (A) the district's interest and sinking fund tax
26 revenue is insufficient to pay the district's debt service due to
27 circumstances beyond the district's control; and

1 (B) the use of the surplus maintenance tax
2 revenue to pay the district's debt service is necessary to prevent a
3 default on the district's debt;

4 (2) paying a portion of the district's maintenance tax
5 revenue into the tax increment fund for a reinvestment zone under
6 Chapter 311, Tax Code; or

7 (3) using money disbursed from the tax increment fund
8 for a reinvestment zone under Chapter 311, Tax Code, in accordance
9 with the agreement entered into by the district with the governing
10 body of the municipality or county that designated the zone under
11 Section 311.013(f) of that code.

12 SECTION 12. Section 48.009, Education Code, is amended by
13 amending Subsection (b) and adding Subsection (b-4) to read as
14 follows:

15 (b) The commissioner by rule shall require each school
16 district and open-enrollment charter school to report through the
17 Public Education Information Management System information
18 regarding:

19 (1) the number of students enrolled in the district or
20 school who are identified as having dyslexia;

21 (2) the availability of school counselors, including
22 the number of full-time equivalent school counselors, at each
23 campus;

24 (3) the availability of expanded learning
25 opportunities as described by Section 33.252 at each campus;

26 (4) the total number of students, other than students
27 described by Subdivision (5), enrolled in the district or school

1 with whom the district or school, as applicable, used intervention
2 strategies, as that term is defined by Section 26.004, at any time
3 during the year for which the report is made; ~~and~~

4 (5) the total number of students enrolled in the
5 district or school to whom the district or school provided aids,
6 accommodations, or services under Section 504, Rehabilitation Act
7 of 1973 (29 U.S.C. Section 794), at any time during the year for
8 which the report is made;

9 (6) disaggregated by campus and grade, the number of:

10 (A) children who are required to attend school
11 under Section 25.085, are not exempted under Section 25.086, and
12 fail to attend school without excuse for 10 or more days or parts of
13 days within a six-month period in the same school year;

14 (B) students for whom the district initiates a
15 truancy prevention measure under Section 25.0915(a-4); and

16 (C) parents of students against whom an
17 attendance officer or other appropriate school official has filed a
18 complaint under Section 25.093; and

19 (7) the number of students who are enrolled in a high
20 school equivalency program, a dropout recovery school, or an adult
21 education program provided under a high school diploma and industry
22 certification charter school program provided by the district or
23 school and who:

24 (A) are at least 18 years of age and under 26
25 years of age;

26 (B) have not previously been reported to the
27 agency as dropouts; and

1 (C) enroll in the program at the district or
2 school after not attending school for a period of at least nine
3 months.

4 (b-4) A student reported under Subsection (b)(7) as having
5 enrolled in a high school equivalency program, a dropout recovery
6 school, or an adult education program provided under a high school
7 diploma and industry certification charter school program must be
8 reported through the Public Education Information Management
9 System as having previously dropped out of school.

10 SECTION 13. Section 48.104, Education Code, is amended by
11 adding Subsection (e-1) and amending Subsections (j-1) and (k) to
12 read as follows:

13 (e-1) For each student who is a homeless child or youth as
14 defined by 42 U.S.C. Section 11434a, a school district is entitled
15 to an annual allotment equal to the basic allotment multiplied by
16 the highest weight provided under Subsection (d).

17 (j-1) In addition to other purposes for which funds
18 allocated under this section may be used, those funds may also be
19 used to:

20 (1) provide child-care services or assistance with
21 child-care expenses for students at risk of dropping out of school,
22 as described by Section 29.081(d)(5); ~~[or]~~

23 (2) pay the costs associated with services provided
24 through a life skills program in accordance with Sections
25 29.085(b)(1) and (3)-(7); or

26 (3) pay costs for services provided by an
27 instructional coach to raise student achievement at a campus in

1 which educationally disadvantaged students are enrolled.

2 (k) At least 55 percent of the funds allocated under this
3 section must be used to:

4 (1) fund supplemental programs and services,
5 including services provided by an instructional coach, designed to
6 eliminate any disparity in performance on assessment instruments
7 administered under Subchapter B, Chapter 39, or disparity in the
8 rates of high school completion between:

9 (A) students who are educationally disadvantaged
10 and students who are not educationally disadvantaged; and

11 (B) students at risk of dropping out of school,
12 as defined by Section 29.081, and all other students; or

13 (2) support a program eligible under Title I of the
14 Elementary and Secondary Education Act of 1965, as provided by Pub.
15 L. No. 103-382 and its subsequent amendments, and by federal
16 regulations implementing that Act.

17 SECTION 14. Section 48.106, Education Code, is amended by
18 amending Subsection (a) and adding Subsections (a-1) and (d) to
19 read as follows:

20 (a) For each full-time equivalent student in average daily
21 attendance in an approved career and technology education program
22 in grades 7 through 12, a district is entitled to[+]

23 [~~1~~] an annual allotment equal to the basic
24 allotment, or, if applicable, the sum of the basic allotment and the
25 allotment under Section 48.101 to which the district is entitled,
26 multiplied by:

27 (1) 1.1 for a full-time equivalent student in career

1 and technology education courses not in an approved program of
2 study;

3 (2) 1.28 for a full-time equivalent student in levels
4 one and two career and technology education courses in an approved
5 program of study, as identified by the agency [~~a weight of 1.35~~];
6 and

7 (3) 1.47 for a full-time equivalent student in levels
8 three and four career and technology education courses in an
9 approved program of study, as identified by the agency.

10 (a-1) In addition to the amounts under Subsection (a), for
11 each student in average daily attendance, a district is entitled to

12 [~~(2)~~] \$50 for each of the following in which the
13 student is enrolled:

14 (1) [~~(A)~~] ~~two or more advanced career and technology~~
15 ~~education classes for a total of three or more credits;~~

16 [~~(B)~~] a campus designated as a P-TECH school
17 under Section 29.556; or

18 (2) [~~(C)~~] a campus that is a member of the New Tech
19 Network and that focuses on project-based learning and work-based
20 education.

21 (d) The agency shall annually publish a list of career and
22 technology courses that qualify for an allotment under Subsection
23 (a), disaggregated by the weight for which the course qualifies.

24 SECTION 15. Section 48.106(b), Education Code, is amended
25 by amending Subdivision (1) and adding Subdivision (1-a) to read as
26 follows:

27 (1) "Approved [~~Career and technology education class~~]"

1 ~~and "~~]career and technology education program":

2 (A) means a sequence of career and technology
3 education courses, including ~~[include]~~ technology applications
4 courses, authorized by the State Board of Education; and

5 (B) includes only courses that qualify for high
6 school credit.

7 (1-a) "Approved program of study" means a course
8 sequence that:

9 (A) provides students with the knowledge and
10 skills necessary for success in the students' chosen careers; and

11 (B) is approved by the agency for purposes of the
12 Strengthening Career and Technical Education for the 21st Century
13 Act (Pub. L. No. 115-224).

14 SECTION 16. Section 48.110(f), Education Code, is amended
15 to read as follows:

16 (f) For purposes of this section, an annual graduate
17 demonstrates:

18 (1) college readiness if the annual graduate:

19 (A) both:

20 (i) achieves college readiness standards
21 used for accountability purposes under Chapter 39 on the ACT, the
22 SAT, or an assessment instrument designated by the Texas Higher
23 Education Coordinating Board under Section 51.334; and

24 (ii) ~~[(B)]~~ during a time period established
25 by commissioner rule, enrolls at a postsecondary educational
26 institution; or

27 (B) earns an associate degree from a

1 postsecondary educational institution approved by the Texas Higher
2 Education Coordinating Board while attending high school or during
3 a time period established by commissioner rule;

4 (2) career readiness if the annual graduate:

5 (A) achieves college readiness standards used
6 for accountability purposes under Chapter 39 on the ACT, the SAT, or
7 an assessment instrument designated by the Texas Higher Education
8 Coordinating Board under Section 51.334; and

9 (B) during a time period established by
10 commissioner rule, earns an industry-accepted certificate; and

11 (3) military readiness if the annual graduate:

12 (A) achieves a passing score set by the
13 applicable military branch on the Armed Services Vocational
14 Aptitude Battery; and

15 (B) during a time period established by
16 commissioner rule, enlists in the armed forces of the United
17 States.

18 SECTION 17. Section 48.111, Education Code, is amended to
19 read as follows:

20 Sec. 48.111. FAST GROWTH ALLOTMENT. (a) Except as provided
21 by Subsection (c), a [A] school district [in which the growth in
22 student enrollment in the district over the preceding three school
23 years is in the top quartile of student enrollment growth in school
24 districts in the state for that period, as determined by the
25 commissioner,] is entitled to an annual allotment equal to the
26 basic allotment multiplied by 0.35 [~~0.04~~] for each enrolled student
27 equal to the difference, if the difference is greater than zero,

1 that results from subtracting 250 from the difference between the
2 number of students enrolled in the district during the school year
3 immediately preceding the current school year and the number of
4 students enrolled in the district during the school year six years
5 preceding the current school year [~~in average daily attendance~~].

6 (a-1) Notwithstanding Subsection (a), instead of using the
7 weight of "0.35" in Subsection (a), the agency shall substitute the
8 following weights:

9 (1) for the 2021-2022 school year, "0.30"; and

10 (2) for the 2022-2023 school year, "0.348".

11 (a-2) Subsection (a-1) and this subsection expire September
12 1, 2024.

13 (b) For purposes of Subsection (a), in determining the
14 number of students enrolled in a school district, the commissioner
15 shall exclude students enrolled in the district who receive
16 full-time instruction through the state virtual school network
17 under Chapter 30A.

18 (c) Notwithstanding Subsection (a), the total amount that
19 may be used to provide allotments under Subsection (a) may not
20 exceed \$320 million. If the total amount of allotments to which
21 districts are entitled under Subsection (a) for a school year
22 exceeds the amount permitted under this subsection, the
23 commissioner shall reduce each district's allotment under this
24 section in the manner provided by Section 48.266(f).

25 (c-1) Notwithstanding Subsection (c), the total amount that
26 may be used to provide allotments under Subsection (a) may not
27 exceed:

- 1 (1) for the 2021-2022 school year, \$270 million;
2 (2) for the 2022-2023 school year, \$310 million; and
3 (3) for the 2023-2024 school year, \$315 million.

4 (c-2) Subsection (c-1) and this subsection expire September
5 1, 2025.

6 (d) For the 2021-2022 school year, the agency shall provide
7 to each school district that received an allotment under this
8 section for the 2019-2020 school year but is not entitled to an
9 allotment for the 2021-2022 school year an amount equal to the
10 amount of the allotment provided to the district under this section
11 for the 2019-2020 school year.

12 (d-1) The total amount that may be used to provide funding
13 under Subsection (d) may not exceed \$40 million. If the total amount
14 of funding to which districts are entitled under Subsection (d) for
15 a school year exceeds the amount permitted under this subsection,
16 the commissioner shall reduce each district's amount under
17 Subsection (d) in the manner provided by Section 48.266(f).

18 (d-2) The amounts to which school districts are entitled
19 under Subsection (d) are not subject to the amount limitations
20 described by Subsections (c) and (c-1).

21 (d-3) Subsections (d), (d-1), (d-2), and this subsection
22 expire September 1, 2023.

23 SECTION 18. Section 48.112, Education Code, is amended by
24 adding Subsection (j) to read as follows:

25 (j) The Texas School for the Deaf and the Texas School for
26 the Blind and Visually Impaired are entitled to an allotment under
27 this section. If the commissioner determines that assigning point

1 values under Subsections (e) and (f) to students enrolled in the
2 Texas School for the Deaf or the Texas School for the Blind and
3 Visually Impaired is impractical, the commissioner may use the
4 average point value assigned for those students' home districts for
5 purposes of calculating the high needs and rural factor.

6 SECTION 19. Section 42.168, Education Code, as added by
7 Chapter 464 (S.B. 11), Acts of the 86th Legislature, Regular
8 Session, 2019, is transferred to Subchapter C, Chapter 48,
9 Education Code, redesignated as Section 48.115, Education Code, and
10 amended to read as follows:

11 Sec. 48.115 [~~42.168~~]. SCHOOL SAFETY ALLOTMENT. (a) From
12 funds appropriated for that purpose, the commissioner shall provide
13 to a school district an annual allotment in the amount provided by
14 appropriation for each student in average daily attendance.

15 (b) Funds allocated under this section must be used to
16 improve school safety and security, including costs associated
17 with:

18 (1) securing school facilities, including:

19 (A) improvements to school infrastructure;

20 (B) the use or installation of physical barriers;

21 and

22 (C) the purchase and maintenance of:

23 (i) security cameras or other security
24 equipment; and

25 (ii) technology, including communications
26 systems or devices, that facilitates communication and information
27 sharing between students, school personnel, and first responders in

1 an emergency;

2 (2) providing security for the district, including:

3 (A) employing school district peace officers,
4 private security officers, and school marshals; and

5 (B) collaborating with local law enforcement
6 agencies, such as entering into a memorandum of understanding for
7 the assignment of school resource officers to schools in the
8 district;

9 (3) school safety and security training and planning,
10 including:

11 (A) active shooter and emergency response
12 training;

13 (B) prevention and treatment programs relating
14 to addressing adverse childhood experiences; and

15 (C) the prevention, identification, and
16 management of emergencies and threats, including:

17 (i) providing mental health personnel and
18 support;

19 (ii) providing behavioral health services;

20 and

21 (iii) establishing threat reporting
22 systems; and

23 (4) providing programs related to suicide prevention,
24 intervention, and postvention.

25 (c) A school district may use funds allocated under this
26 section for equipment or software that is used for a school safety
27 and security purpose and an instructional purpose, provided that

1 the instructional use does not compromise the safety and security
2 purpose of the equipment or software.

3 ~~[(d) A school district that is required to take action under~~
4 ~~Chapter 41 to reduce its wealth per student to the equalized wealth~~
5 ~~level is entitled to a credit, in the amount of the allotments to~~
6 ~~which the district is to receive as provided by appropriation,~~
7 ~~against the total amount required under Section 41.093 for the~~
8 ~~district to purchase attendance credits.~~

9 ~~[(e) The commissioner may adopt rules to implement this~~
10 ~~section.]~~

11 SECTION 20. Section 48.2551, Education Code, is amended by
12 amending Subsections (a) and (c) and adding Subsections (d-1) and
13 (d-2) to read as follows:

14 (a) In this section:

15 (1) "DPV" is the taxable value of property in the
16 school district, as determined by the agency by rule, using locally
17 determined property values adjusted in accordance with Section
18 403.302(d), Government Code ~~[has the meaning assigned by Section~~
19 ~~48.256];~~

20 (2) "E" is the expiration of the exclusion of
21 appraised property value for the preceding tax year that is
22 recognized as taxable property value for the current tax year,
23 which is the sum of the following:

24 (A) property value that is no longer subject to a
25 limitation on appraised value under Chapter 313, Tax Code; and

26 (B) property value under Section 311.013(n), Tax
27 Code, that is no longer excluded from the calculation of "DPV" from

1 the preceding year because of refinancing or renewal after
2 September 1, 2019;

3 (3) "MCR" is the district's maximum compressed rate,
4 which is the tax rate for the current tax year per \$100 of valuation
5 of taxable property at which the district must levy a maintenance
6 and operations tax to receive the full amount of the tier one
7 allotment to which the district is entitled under this chapter;

8 (4) "PYDPV" is the district's value of "DPV" for the
9 preceding tax year; and

10 (5) "PYMCR" is the district's value of "MCR" for the
11 preceding tax year.

12 (c) Notwithstanding Subsection (b), for a district to which
13 Section 48.2552(b) applies, the district's maximum compressed rate
14 is the value calculated in accordance with Section 48.2552(b) [~~for~~
15 ~~"MCR" under Subsection (b)(1)(B)~~].

16 (d-1) Local appraisal districts, school districts, and the
17 comptroller shall provide any information necessary to the agency
18 to implement this section.

19 (d-2) A school district may appeal to the commissioner the
20 district's taxable property value as determined by the agency under
21 this section. A decision by the commissioner is final and may not be
22 appealed.

23 SECTION 21. Section 48.2552(b), Education Code, is amended
24 to read as follows:

25 (b) If a school district's [~~district has a~~] maximum
26 compressed rate as calculated under Section 48.2551(b) would be
27 [~~that is~~] less than 90 percent of another school district's maximum

1 compressed rate, the district's maximum compressed rate is the
2 value at which the district's maximum compressed rate would be
3 equal to 90 percent of the other district's maximum compressed rate
4 ~~[calculated under Section 48.2551(c) until the agency determines~~
5 ~~that the difference between the district's and another district's~~
6 ~~maximum compressed rates is not more than 10 percent]~~.

7 SECTION 22. Section 48.257(c), Education Code, is amended
8 to read as follows:

9 (c) For purposes of Subsection (a), state aid to which a
10 district is entitled under this chapter that is not described by
11 Section 48.266(a)(3) ~~[48.266(a)(1), (2), or (3)]~~ may offset the
12 amount by which a district must reduce the district's ~~[tier one]~~
13 revenue level under this section ~~[Subsection (a)]~~. Any amount of
14 state aid used as an offset under this subsection shall reduce the
15 amount of state aid to which the district is entitled.

16 SECTION 23. Subchapter F, Chapter 48, Education Code, is
17 amended by adding Section 48.2721 to read as follows:

18 Sec. 48.2721. RECOVERY OF FUNDS FROM EXCESSIVE TAXATION.
19 The commissioner shall reduce state aid or adjust the limit on local
20 revenue under Section 48.257 in an amount equal to the amount of
21 revenue generated by a school district's tax effort that is not in
22 compliance with Section 45.003 or this chapter.

23 SECTION 24. Section 48.277, Education Code, is amended by
24 adding Subsection (c-1) to read as follows:

25 (c-1) Notwithstanding any other provision of this chapter,
26 beginning with the 2021-2022 school year, if the total amount of
27 allotments to which school districts and open-enrollment charter

1 schools are entitled under this section for a school year exceeds
2 \$400 million, the commissioner shall reduce each district's or
3 school's allotment under this section in the manner provided by
4 Section 48.266(f). The reduction in the amount to which a district
5 or school is entitled under this section may not result in an amount
6 that is less than zero.

7 SECTION 25. Subchapter F, Chapter 48, Education Code, is
8 amended by adding Sections 48.281 and 48.282 to read as follows:

9 Sec. 48.281. MAINTENANCE OF EFFORT AND EQUITY FOR FEDERAL
10 MONEY RELATED TO COVID-19 PANDEMIC. (a) Subject to Subsection (b),
11 the commissioner may adjust a school district's or open-enrollment
12 charter school's entitlement under this chapter as necessary to
13 ensure compliance with requirements regarding maintenance of
14 effort and maintenance of equity under Section 317, Coronavirus
15 Response and Relief Supplemental Appropriations Act, 2021 (Div. M,
16 Pub. L. No. 116-260, reprinted in note, 20 U.S.C. Section 3401),
17 and Section 2001, American Rescue Plan Act of 2021 (Pub. L.
18 No. 117-2, reprinted in note, 20 U.S.C. Section 3401).

19 (b) Before making an adjustment under Subsection (a), the
20 commissioner shall notify the Legislative Budget Board and the
21 governor of the proposed adjustment. The adjustment is considered
22 to be approved unless the Legislative Budget Board or the governor
23 issues a written disapproval of the adjustment not later than the
24 30th day after the date on which the commissioner provides notice
25 under this subsection.

26 (c) If the total amount of money available to the
27 commissioner for purposes of making adjustments under this section

1 for a state fiscal year is insufficient to make an adjustment the
2 commissioner determines necessary under Subsection (a), the
3 commissioner shall submit to the legislature an estimate of the
4 amount of funding needed to make the adjustment for that state
5 fiscal year.

6 (d) This section expires September 1, 2025.

7 Sec. 48.282. SPENDING LIMITATIONS TO EXTEND INTERVENTIONS
8 PREVENTING GENERATIONAL EDUCATIONAL DECLINE. (a) Notwithstanding
9 any other provision of this code and except as provided by
10 Subsection (e), beginning with the 2021-2022 school year, each
11 school district or open-enrollment charter school shall reserve, in
12 an amount determined by the agency under Subsection (b), state and
13 local funds made available to the district or school through the
14 Foundation School Program under Chapter 12, 48, or 49.

15 (b) The agency shall determine the amount of funds a school
16 district or open-enrollment charter school must reserve under
17 Subsection (a) by:

18 (1) calculating the amount of total funding received
19 by the school district or open-enrollment charter school under
20 Section 2001, American Rescue Plan Act of 2021 (Pub. L. No. 117-2,
21 reprinted in note, 20 U.S.C. Section 3401) minus a fixed amount
22 identified by appropriation; and

23 (2) multiplying the amount under Subdivision (1) by a
24 percentage set by appropriation.

25 (c) Beginning with the 2021-2022 school year, a school
26 district or open-enrollment charter school may reserve the amount
27 of funds required under Subsection (a):

1 (1) in a lump sum; or

2 (2) on a schedule established by the district or
3 school not to exceed three years, reserving the total required
4 amount of funds by the end of the 2023-2024 school year.

5 (d) Beginning with the 2024-2025 school year, a school
6 district or open-enrollment charter school may use the funds
7 reserved under Subsection (a).

8 (e) The commissioner may grant a waiver of the requirement
9 that a school district or open-enrollment charter school reserve
10 funds under Subsection (a) if the district or school:

11 (1) demonstrates that complying with the requirement
12 under Subsection (a) would cause the district or school to not be in
13 compliance with a federal maintenance of effort or maintenance of
14 equity requirement; or

15 (2) submits a plan to the agency that provides for the
16 acceleration of all students who are not performing at grade level
17 by the 2023-2024 school year.

18 (f) If the commissioner provides a waiver to a school
19 district or open-enrollment charter school under Subsection
20 (e)(1), the commissioner may:

21 (1) set a lower amount of funds that the district or
22 school must reserve under Subsection (a) that allows the district
23 or school to comply with federal maintenance of effort and
24 maintenance of equity requirements; or

25 (2) fully waive the requirement under Subsection (a)
26 that the district or school reserve funds.

27 (g) Notwithstanding any other provision of this chapter,

1 during the time period in which a school district or
2 open-enrollment charter school must reserve funds to comply with
3 this section, the commissioner may reduce or waive a spending
4 requirement, or consider other expenditures for purposes of
5 complying with a spending requirement, under any of the following
6 provisions:

- 7 (1) Section 48.103;
- 8 (2) Section 48.104(k);
- 9 (3) Section 48.105(b);
- 10 (4) Section 48.106(c);
- 11 (5) Section 48.108(b);
- 12 (6) Section 48.110(i); or
- 13 (7) Section 48.112(i).

14 (h) This section expires September 1, 2026.

15 SECTION 26. Section 48.302(b), Education Code, is amended
16 to read as follows:

17 (b) The agency shall enter into a memorandum of
18 understanding with the commission for the agency to transfer funds
19 to the commission [~~funds specifically appropriated to the agency~~]
20 for the commission to provide to an individual who is 21 years of
21 age or older a subsidy in an amount equal to the cost of taking one
22 high school equivalency examination administered under Section
23 7.111.

24 SECTION 27. Subchapter G, Chapter 48, Education Code, is
25 amended by adding Section 48.303 to read as follows:

26 Sec. 48.303. ADDITIONAL STATE AID FOR REGIONAL EDUCATION
27 SERVICE CENTER STAFF SALARY INCREASES. (a) A regional education

1 service center is entitled to state aid in an amount equal to the
2 sum of:

3 (1) the product of \$500 multiplied by the number of
4 full-time center employees, other than administrators or classroom
5 teachers, full-time librarians, full-time school counselors
6 certified under Subchapter B, Chapter 21, or full-time school
7 nurses; and

8 (2) the product of \$250 multiplied by the number of
9 part-time center employees, other than administrators or teachers,
10 librarians, school counselors certified under Subchapter B,
11 Chapter 21, or school nurses.

12 (b) A determination by the commissioner under Subsection
13 (a) is final and may not be appealed.

14 SECTION 28. Subchapter A, Chapter 49, Education Code, is
15 amended by adding Section 49.0041 to read as follows:

16 Sec. 49.0041. LOCAL REVENUE LEVEL IN EXCESS OF ENTITLEMENT
17 AFTER REVIEW NOTIFICATION. If the commissioner determines that a
18 school district has a local revenue level in excess of entitlement
19 after the date the commissioner sends notification for the school
20 year under Section 49.004(a), the commissioner shall include the
21 amount of the district's local revenue level that exceeded the
22 level established under Section 48.257 for that school year in the
23 annual review for the following school year of the district's local
24 revenue levels under Section 49.004(a).

25 SECTION 29. Section 49.054(b), Education Code, is amended
26 to read as follows:

27 (b) A consolidated [~~Except as provided by Subsection (c), a~~]

1 district under this subchapter [~~receiving incentive aid payments~~
2 ~~under this section~~] is [~~not~~] entitled to incentive aid under
3 Subchapter G, Chapter 13.

4 SECTION 30. Section 822.201(b), Government Code, is amended
5 to read as follows:

6 (b) "Salary and wages" as used in Subsection (a) means:

7 (1) normal periodic payments of money for service the
8 right to which accrues on a regular basis in proportion to the
9 service performed;

10 (2) amounts by which the member's salary is reduced
11 under a salary reduction agreement authorized by Chapter 610;

12 (3) amounts that would otherwise qualify as salary and
13 wages under Subdivision (1) but are not received directly by the
14 member pursuant to a good faith, voluntary written salary reduction
15 agreement in order to finance payments to a deferred compensation
16 or tax sheltered annuity program specifically authorized by state
17 law or to finance benefit options under a cafeteria plan qualifying
18 under Section 125 of the Internal Revenue Code of 1986, if:

19 (A) the program or benefit options are made
20 available to all employees of the employer; and

21 (B) the benefit options in the cafeteria plan are
22 limited to one or more options that provide deferred compensation,
23 group health and disability insurance, group term life insurance,
24 dependent care assistance programs, or group legal services plans;

25 (4) performance pay awarded to an employee by a school
26 district as part of a total compensation plan approved by the board
27 of trustees of the district and meeting the requirements of

1 Subsection (e);

2 (5) the benefit replacement pay a person earns under
3 Subchapter H, Chapter 659, except as provided by Subsection (c);

4 (6) stipends paid to teachers in accordance with
5 former Section 21.410, 21.411, 21.412, or 21.413, Education Code;

6 (7) amounts by which the member's salary is reduced or
7 that are deducted from the member's salary as authorized by
8 Subchapter J, Chapter 659;

9 (8) a merit salary increase made under Section 51.962,
10 Education Code;

11 (9) amounts received under the relevant parts of the
12 educator excellence awards program under Subchapter O, Chapter 21,
13 Education Code, or a mentoring program under Section 21.458,
14 Education Code, that authorize compensation for service;

15 (10) salary amounts designated as health care
16 supplementation by an employee under Subchapter D, Chapter 22,
17 Education Code; ~~and~~

18 (11) to the extent required by Sections 3401(h) and
19 414(u)(12), Internal Revenue Code of 1986, differential wage
20 payments received by an individual from an employer on or after
21 January 1, 2009, while the individual is performing qualified
22 military service as defined by Section 414(u), Internal Revenue
23 Code of 1986; and

24 (12) increased compensation paid to a teacher by a
25 school district using funds received by the district under the
26 teacher incentive allotment under Section 48.112, Education Code.

27 SECTION 31. (a) The following provisions of the Education

1 Code are repealed:

- 2 (1) Sections 12.133(d), (d-1), and (e);
- 3 (2) Section 25.038;
- 4 (3) Sections 25.039(b) and (c);
- 5 (4) Section 48.0051(a-1);
- 6 (5) Section 48.154; and
- 7 (6) Sections 49.054(a) and (c).

8 (b) The following provisions, which amended Section 42.006,
9 Education Code, are repealed:

- 10 (1) Section 2, Chapter 1036 (H.B. 548), Acts of the
11 86th Legislature, Regular Session, 2019; and
- 12 (2) Section 8, Chapter 1060 (H.B. 1051), Acts of the
13 86th Legislature, Regular Session, 2019.

14 SECTION 32. Section 45.0021, Education Code, as amended by
15 this Act, applies only to a tax rate adopted on or after the
16 effective date of this Act. A tax rate adopted before the effective
17 date of this Act is governed by the law in effect on the date the tax
18 rate was adopted, and the former law is continued in effect for that
19 purpose.

20 SECTION 33. To the extent of any conflict, this Act prevails
21 over another Act of the 87th Legislature, Regular Session, 2021,
22 relating to nonsubstantive additions to and corrections in enacted
23 codes.

24 SECTION 34. This Act takes effect September 1, 2021.

ADOPTED

✓✓
MAY 26 2021

Lately Spaw
Secretary of the Senate

FLOOR AMENDMENT NO. 1

BY: Taylor

1 Amend C.S.H.B. No. 1525 (senate committee report) as follows:

2 (1) In the recital to SECTION 25 of the bill, adding Sections
3 48.281 and 48.282, Education Code (page 10, line 35), strike
4 "Sections 48.281 and 48.282" and substitute "Section 48.281".

5 (2) In SECTION 25 of the bill, strike added Section 48.282,
6 Education Code (page 10, line 61 through page 11, line 53).

ADOPTED
as amended
MAY 26 2021

FLOOR AMENDMENT NO. Latey Law
Secretary of the Senate

BY: Taylor

1 Amend C.S.H.B. 1525 (senate committee printing) as follows:

2 (1) In SECTION 17 of the bill, in added Section 48.111(a),
3 Education Code (page 7, line 44), strike "0.35" and substitute "the
4 applicable weight under Subsection (a-1)".

5 (2) In SECTION 17 of the bill, in amended Section 48.111,
6 Education Code (page 7, lines 51-55), strike added Subsection (a-1)
7 and substitute the following:

8 (a-1) For purposes of Subsection (a), the agency shall
9 assign the following weights:

10 (1) 0.48 for each student enrolled at a district in the
11 top third of districts, as determined based on the number of
12 students calculated under Subsection (a);

13 (2) 0.33 for each student enrolled at a district in the
14 middle third of districts, as determined based on the number of
15 students calculated under Subsection (a); and

16 (3) 0.18 for each student enrolled at a district in the
17 bottom third of districts, as determined based on the number of
18 students calculated under Subsection (a).

19 (a-2) Notwithstanding Subsection (a-1), instead of using
20 the weights under that subsection, the agency shall substitute the
21 following weights:

22 (1) 0.45 for each student enrolled at a district in the
23 top third of districts, as determined based on the number of
24 students calculated under Subsection (a);

25 (2) 0.30 for each student enrolled at a district in the
26 middle third of districts, as determined based on the number of
27 students calculated under Subsection (a); and

28 (3) 0.15 for each student enrolled at a district in the
29 bottom third of districts, as determined based on the number of

1 students calculated under Subsection (a).

2 (3) In SECTION 17 of the bill, in added Section 48.111(a-2),
3 Education Code (page 7, line 56), strike "(a-2) Subsection (a-1)"
4 and substitute "(a-3) Subsection (a-2)".

5 (4) In SECTION 17 of the bill, in added Section 48.111(c),
6 Education Code (page 7, lines 68-69), strike "reduce each
7 district's allotment under this section in the manner provided by
8 Section 48.266(f)" and substitute "proportionately reduce each
9 district's allotment under this section".

10 (5) In SECTION 17 of the bill, in added Section 48.111(d-1),
11 Education Code (page 8, lines 19-20), strike "reduce each
12 district's amount under Subsection (d) in the manner provided by
13 Section 48.266(f)" and substitute "proportionately reduce each
14 district's amount under Subsection (d)".

15 (6) In SECTION 24 of the bill, in added Section 48.277(c-1),
16 Education Code (page 10, lines 29-31), strike "reduce each
17 district's or school's allotment under this section in the manner
18 provided by Section 48.266(f)" and substitute "proportionately
19 reduce each district's or charter school's allotment under this
20 section".

21 (7) In SECTION 25 of the bill, in added Section 48.281(a),
22 Education Code (page 10, line 38), strike "may adjust" and
23 substitute "shall increase".

24 (8) In SECTION 25 of the bill, in added Section 48.281,
25 Education Code, strike "adjustment" and substitute "increase" in
26 each of the following places:

27 (A) each place it appears in Subsection (b) (page 10,
28 lines 46, 48, and 50); and

29 (B) each place it appears in Subsection (c) (page 10,
30 lines 55 and 58).

31 (9) In SECTION 25 of the bill, in added Section 48.281(c),

1 Education Code (page 10, line 54), strike "adjustments" and
2 substitute "increases".

3 (10) In SECTION 25 of the bill, in the heading to added
4 Section 48.282, Education Code (page 10, lines 61-62), strike
5 "SPENDING LIMITATIONS TO EXTEND INTERVENTIONS PREVENTING" and
6 substitute "EXTENDING INTERVENTIONS TO PREVENT".

7 (11) In SECTION 25 of the bill, in added Section 48.282(a),
8 Education Code (page 10, lines 65-66), strike ", in an amount
9 determined by the agency under Subsection (b),".

10 (12) In SECTION 25 of the bill, in added Section 48.282,
11 Education Code, strike "or school" and substitute "or charter
12 school" in each of the following places it appears:

13 (A) in Subsection (a) (page 10, line 67);

14 (B) in Subsection (c) (page 11, lines 14-15);

15 (C) in Subsection (e) (page 11, lines 22 and 24); and

16 (D) in Subsection (f) (page 11, lines 33-34, 35, and
17 38).

18 (13) In SECTION 25 of the bill, in added Section 48.282(a),
19 Education Code (page 10, line 68), between "49" and the underlined
20 period, insert the following:

21 in an amount equal to 40 percent of the amount that results after
22 subtracting \$500,000 from the amount the district or charter school
23 received under Section 2001(f), American Rescue Plan Act of 2021
24 (Pub. L. No. 117-2, reprinted in note, 20 U.S.C. Section 3401)

25 (14) In SECTION 25 of the bill, strike added Section
26 48.282(b), Education Code (page 10, line 69 through page 11, line
27 9), and reletter subsequent subsections of Section 48.282 and fix
28 any cross-references to those subsections accordingly.

ADOPTED

MAY 26 2021

Lately Law
Secretary of the Senate

FLOOR AMENDMENT NO. 3

BY: Taylor

- 1 Amend Amendment No. 2 by Taylor (87R28270) to C.S.H.B. No.
- 2 1525 (page 3, prefiled amendments packet) by striking Items (10),
- 3 (11), (12), (13), and (14) of the amendment.

ADOPTED

MAY 26 2021

Latey Law
Secretary of the SenateFLOOR AMENDMENT NO. 4BY: *Anna Campbell*

1 Amend C.S.H.B. 1525 (senate committee printing) as follows:

2 (1) Strike SECTION 4 of the bill, amending Section
3 25.001(h), Education Code (page 2, lines 30 through 42).

4 (2) In SECTION 31(a) of the bill, repealing provisions of
5 the Education Code, strike Subdivisions (2) and (3) (page 13, lines
6 12 and 13).

7 (3) In SECTION 31(a) of the bill, repealing provisions of
8 the Education Code, strike Subdivision (5) (page 13, line 15) and
9 substitute "and".

10 (4) Renumber subdivisions of SECTION 31(a) of the bill
11 accordingly.

12 (5) Renumber SECTIONS of the bill appropriately.

ADOPTED

MAY 26 2021

Latey Law
Secretary of the Senate

FLOOR AMENDMENT NO. 5

BY: *Anna Campbell*

1 Amend C.S.H.B. 1525 (senate committee printing) in SECTION 13
2 of the bill, in amended Section 48.104(j-1), Education Code, as
3 follows:

4 (1) In Subdivision (2) (page 6, line 4), strike "or".

5 (2) In Subdivision (3) (page 6, line 7), between "enrolled"
6 and the period, insert the following:

7 ; or

8 (4) pay expenses related to reducing the dropout rate
9 and increasing the rate of high school completion, including
10 expenses related to duties performed by attendance officers to
11 support educationally disadvantaged students

ADOPTED

MAY 26 2021

Lately Law
Secretary of the Senate

FLOOR AMENDMENT NO. 6BY: *Supan Phyllis*

1 Amend C.S.H.B. No. 1525 (senate committee report) in SECTION
2 17 of the bill as follows:

3 (1) In amended Section 48.111(a), Education Code, strike
4 page 7, lines 45-50 and substitute the following:
5 equal to the greater of:

6 (1) the difference, if the difference is greater than
7 zero, that results from subtracting 250 from the difference between
8 the number of students enrolled in the district during the school
9 year immediately preceding the current school year and the number
10 of students enrolled in the district during the school year six
11 years preceding the current school year; or

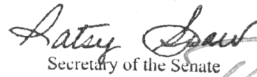
12 (2) the average annual growth in student enrollment in
13 the district for the preceding three school years, if the growth in
14 student enrollment in the district for the preceding three school
15 years is in the top quartile of student enrollment growth in school
16 districts in the state for that period, as determined by the
17 commissioner [~~in average daily attendance~~].

18 (2) Strike added Section 48.111(d), Education Code (page 8,
19 lines 9-14), and substitute the following:

20 (d) Subject to the limitation under Subsection (d-1), for
21 the 2021-2022 school year, the agency shall provide to each school
22 district that is entitled to an allotment under this section that is
23 less than the amount of the allotment to which the district was
24 entitled for the 2019-2020 or 2020-2021 school year, whichever was
25 greater, an allotment amount equal to the difference between the
26 greater amount for the 2019-2020 or 2020-2021 school year and the
27 amount to which the district is entitled for the 2021-2022 school
28 year.

ADOPTED

MAY 26 2021


 Secretary of the Senate
FLOOR AMENDMENT NO. 8BY: 

1 Amend C.S.H.B. No. 1525 (senate committee printing) as
 2 follows:

3 (1) In the recital to SECTION 24 of the bill (page 10, lines
 4 23 and 24), between "by" and "adding", insert "amending Subsection
 5 (b) and".

6 (2) In SECTION 24 of the bill, immediately preceding added
 7 Section 48.277(c-1), Education Code (page 10, between lines 24 and
 8 25), insert the following:

9 (b) For purposes of calculating maintenance and operations
 10 revenue under Subsection (a), the commissioner shall:

11 (1) for purposes of Subsections (a)(1) and (2), use
 12 the following applicable school year:

13 (A) in a school year ending in an even-numbered
 14 year, the 2019-2020 school year; and

15 (B) in a school year ending in an odd-numbered
 16 year, the 2019-2020 or 2020-2021 school year, whichever is greater;

17 (2) include all state and local funding, except for
 18 any funding resulting from:

19 (A) reimbursement for disaster remediation costs
 20 under former Sections 41.0931 and 42.2524;

21 (B) an adjustment for rapid decline in taxable
 22 value of property under former Section 42.2521; and

23 (C) an adjustment for property value affected by
 24 a state of disaster under former Section 42.2523;

25 (3) adjust the calculation to reflect a reduction in
 26 tax effort by a school district;

27 (4) adjust the calculation to include the portion of
 28 delinquent taxes owed by a taxpayer that were scheduled to be paid
 29 under an installment agreement during the 2019-2020 or 2020-2021

1 school year but that will be paid during a later school year than
2 the school year in which they were originally due, if the taxpayer
3 subject to the installment agreement owns properties in a school
4 district that, in total, account for more than 7.5 percent of the
5 district's total taxable property value; and

6 (5) ~~[(4)]~~ if a school district or open-enrollment
7 charter school receives a waiver relating to eligibility
8 requirements for the national free or reduced-price lunch program
9 under 42 U.S.C. Section 1751 et seq., use the numbers of
10 educationally disadvantaged students on which the district's or
11 school's entitlement to compensatory education funds was based for
12 the school year before the school year in which the district or
13 school received the waiver, adjusted for estimated enrollment
14 growth.

ADOPTED

MAY 26 2021

10 Latsy Spaw
Secretary of the Senate

FLOOR AMENDMENT NO. _____

BY: _____

Taylor

Amend C.S.H.B. 1525 (senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter Z, Chapter 29, Education Code, is amended by adding Sections 29.929, 29.930, 29.931, 29.932, and 29.933 to read as follows:

Sec. 29.929. PROGRAMS TO ENSURE ONE-TIME INTENSIVE EDUCATIONAL SUPPORTS FOR OVERCOMING COVID-19 PANDEMIC IMPACT. (a) From state discretionary funds under Section 313(e), Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (Div. M, Pub. L. No. 116-260, reprinted in note, 20 U.S.C. Section 3401) and Section 2001(f), American Rescue Plan Act of 2021 (Pub. L. No. 117-2, reprinted in note, 20 U.S.C. Section 3401) and other funds appropriated, the agency shall establish programs that assist school districts and open-enrollment charter schools in implementing intensive supports to ensure students perform at grade level and graduate demonstrating college, career, or military readiness. Programs established under this section must include:

(1) expanding learning options for:

(A) Pathways in Technology Early College High School (P-TECH) programs in participating school districts under Subchapter N, Chapter 29;

(B) the Texas Regional Pathways Network; and

(C) the Jobs and Education for Texans (JET) Grant Program under Chapter 134;

(2) supplemental instructional supports, including tutoring; and

(3) COVID-19 learning acceleration supports, including:

- 1 (A) innovation in curriculum and instruction;
2 (B) diagnosing student mastery;
3 (C) extended instructional time; and
4 (D) supports for teachers.

5 (b) The agency may take actions as necessary in implementing
6 intensive supports under Subsection (a), including providing
7 grants to school districts, open-enrollment charter schools, and
8 regional education service centers.

9 Sec. 29.930. USE OF ONE-TIME FEDERAL DISCRETIONARY COVID-19
10 FUNDING TO ENSURE GRADE LEVEL SUPPORT AND REIMBURSEMENTS. (a) To
11 ensure additional resources to pay for unreimbursed costs due to
12 the coronavirus disease (COVID-19) pandemic and for intensive
13 educational supports for students not performing satisfactorily,
14 for each of the 2021-2022 and 2022-2023 school years, except as
15 provided by Subsection (c), from state discretionary funds under
16 Section 2001(f), American Rescue Plan Act of 2021 (Pub. L.
17 No. 117-2, reprinted in note, 20 U.S.C. Section 3401), the agency
18 shall provide to each school district and open-enrollment charter
19 school an allotment in an amount equal to the sum of:

20 (1) \$208.35 for each student enrolled in the district
21 or charter school; and

22 (2) \$1,290 for each student enrolled in the district
23 or charter school during the 2020-2021 school year multiplied by
24 the percentage of students at the district or charter school who are
25 not performing satisfactorily, as determined under Subsection (b).

26 (b) For purposes of Subsection (a)(2), the agency shall
27 determine the percentage of students not performing satisfactorily
28 by:

29 (1) dividing the number of students who did not
30 perform satisfactorily on an assessment instrument administered
31 under Section 39.023 by the total number of students who were

1 administered assessment instruments under Section 39.023 during
2 the 2018-2019 school year; and

3 (2) increasing the resulting number under Subdivision
4 (1) by:

5 (A) for the 2021-2022 school year, 40 percent;
6 and

7 (B) for the 2022-2023 school year, 20 percent.

8 (c) The agency shall reduce the amount of the allotment that
9 a school district or open-enrollment charter school receives under
10 Subsection (a) by the amount that the district or charter school
11 receives from the local educational agency subgrants under Section
12 313(c), Coronavirus Response and Relief Supplemental
13 Appropriations Act, 2021 (Div. M, Pub. L. No. 116-260, reprinted in
14 note, 20 U.S.C. Section 3401) and Section 2001(d), American Rescue
15 Plan Act of 2021 (Pub. L. No. 117-2, reprinted in note, 20 U.S.C.
16 Section 3401).

17 (d) If the allotment provided to a school district or
18 open-enrollment charter school under Subsection (a) is reduced in
19 accordance with Subsection (c), the agency shall provide the total
20 allotment amount to which the district or charter school is
21 entitled for the 2021-2022 and 2022-2023 school years to the
22 district or charter school in an equal amount each year.

23 (e) An allotment provided to a school district or
24 open-enrollment charter school under this section may not reduce
25 funding to which the district or charter school is otherwise
26 entitled.

27 (f) The agency may not provide allotments to school
28 districts and open-enrollment charter schools under this section
29 after the 2022-2023 school year.

30 (g) This section expires September 1, 2024.

31 Sec. 29.931. BROADBAND TECHNICAL SUPPORT FOR STUDENTS.

1 From appropriated state funds or other funds, including federal
2 funds, available for this section, the agency shall provide
3 technical assistance to school districts and open-enrollment
4 charter schools to ensure Internet access for students who have
5 limited or no access to the Internet.

6 Sec. 29.932. ONE-TIME TECHNOLOGY REIMBURSEMENT. (a) Using
7 state discretionary funds under Section 18003(e), Coronavirus Aid,
8 Relief, and Economic Security Act (Title VIII, Div. B, Pub. L.
9 No. 116-136, reprinted in note, 20 U.S.C. Section 3401), and
10 Section 313(c), Coronavirus Response and Relief Supplemental
11 Appropriations Act, 2021 (Div. M, Pub. L. No. 116-260, reprinted in
12 note, 20 U.S.C. Section 3401), the agency shall provide
13 reimbursement for technology acquisitions made by school districts
14 and open-enrollment charter schools before February 28, 2021.

15 (b) This section expires September 1, 2023.

16 Sec. 29.933. LEGISLATIVE OVERSIGHT ON COVID-19 STATE
17 RESPONSE. (a) At least quarterly, the agency shall update the
18 entities listed under Subsection (b) regarding the state response
19 to the coronavirus disease (COVID-19) pandemic with respect to
20 public education matters, including:

21 (1) the implementation of and distribution of funds
22 under the following programs:

23 (A) programs to ensure one-time intensive
24 educational supports for overcoming COVID-19 pandemic impact under
25 Section 29.929;

26 (B) the use of one-time federal discretionary
27 COVID-19 funding to ensure grade level support and reimbursements
28 under Section 29.930;

29 (C) broadband technical support for students
30 under Section 29.931; and

31 (D) one-time technology reimbursement under

1 Section 29.932; and

2 (2) the use of state discretionary funds under:

3 (A) Section 18003(e), Coronavirus Aid, Relief,
4 and Economic Security Act (Title VIII, Div. B, Pub. L. No. 116-136,
5 reprinted in note, 20 U.S.C. Section 3401); and

6 (B) Section 313(e), Coronavirus Response and
7 Relief Supplemental Appropriations Act, 2021 (Div. M, Pub. L.
8 No. 116-260, reprinted in note, 20 U.S.C. Section 3401).

9 (b) The agency shall update, in accordance with Subsection
10 (a), the following entities:

11 (1) the office of the governor;

12 (2) the office of the lieutenant governor;

13 (3) the office of the speaker of the house of
14 representatives;

15 (4) the office of the chair of the Senate Committee on
16 Finance;

17 (5) the office of the chair of the House Committee on
18 Appropriations;

19 (6) the office of the chair of the Senate Committee on
20 Education; and

21 (7) the office of the chair of the House Committee on
22 Public Education.

23 (c) This section expires September 1, 2024.

24 SECTION _____. Subchapter D, Chapter 39, Education Code, is
25 amended by adding Section 39.087 to read as follows:

26 Sec. 39.087. COVID-19 ADJUSTMENT FOR FINANCIAL
27 ACCOUNTABILITY. (a) The commissioner shall adjust the financial
28 accountability rating system under Section 39.082 to account for
29 the impact of financial practices necessary as a response to the
30 coronavirus disease (COVID-19) pandemic, including adjustments
31 required to account for federal funding and funding adjustments

1 under Subchapter F, Chapter 48.

2 (b) This section expires September 1, 2023.

3 SECTION _____. Subchapter F, Chapter 48, Education Code, is
4 amended by adding Section 48.2611 to read as follows:

5 Sec. 48.2611. ONE-TIME REIMBURSEMENT FOR WINTER STORM URI.

6 (a) The agency shall provide reimbursement to school districts in
7 accordance with Section 48.261 for costs incurred as a result of the
8 2021 North American winter storm (Winter Storm Uri), including any
9 resulting electricity price increases.

10 (b) This section expires September 1, 2023.

ADOPTED

MAY 26 2021

FLOOR AMENDMENT NO. 12BY: Bryan HughesLatey Law
Secretary of the Senate

1 Amend C.S.H.B. 1525 (senate committee printing) by adding the
 2 following appropriately numbered SECTIONS and renumbering
 3 subsequent SECTIONS of the bill accordingly:

4 SECTION _____. Section 22.092(d), Education Code, is amended
 5 to read as follows:

6 (d) The agency shall provide [~~private schools and public~~
 7 ~~schools~~] equivalent access to the registry maintained under this
 8 section to:

9 (1) private schools;

10 (2) public schools; and

11 (3) nonprofit teacher organizations approved by the
 12 commissioner for the purpose of participating in the tutoring
 13 program established under Section 33.913.

14 SECTION _____. Subchapter Z, Chapter 33, Education Code, is
 15 amended by adding Section 33.913 to read as follows:

16 Sec. 33.913. TUTORING PROGRAM. (a) A member of a nonprofit
 17 teacher organization or a person who is not a member but meets the
 18 requirements under Subsection (b) may participate in a tutoring
 19 program in accordance with this section to provide supplemental
 20 instruction to students in kindergarten through grade 12 on an
 21 individualized or small-group basis.

22 (b) To participate in the program as a tutor, a person must:

23 (1) be an active or retired teacher;

24 (2) apply for the position in a manner specified by the
 25 nonprofit organization;

26 (3) designate in the application whether the person
 27 plans to provide tutoring:

28 (A) for compensation, on a volunteer basis, or
 29 both; and

1 (B) in person, online, or both; and

2 (4) not be included in the registry of persons not
3 eligible for employment by a public school under Section 22.092.

4 (c) The superintendent or chief executive officer of each
5 school district or open-enrollment charter school or the person
6 designated by the superintendent or chief executive officer shall
7 oversee the tutoring program within the district or school.

8 (d) A school district or open-enrollment charter school may
9 use any available local, state, or federal funds to provide
10 compensation to a person participating in the program as a tutor
11 who is providing tutoring for compensation under the program.

12 (e) If an active or retired teacher who has been approved
13 for participation in the tutoring program contacts a school
14 district or open-enrollment charter school to provide tutoring to
15 students in the district or school and the district or school needs
16 tutoring assistance, the district or school shall:

17 (1) if the teacher is providing tutoring services on a
18 volunteer basis, use the volunteer tutoring services provided by
19 the teacher; or

20 (2) if the district or school has local, state, or
21 federal funds for purposes of the tutoring program and the teacher
22 is providing tutoring services for compensation, employ the
23 teacher as a tutor.

24 (f) At least quarterly, each nonprofit organization
25 participating in the tutoring program shall provide to the
26 organization's members:

27 (1) a description of the tutoring program and guidance
28 on how to participate in the program; and

29 (2) the contact information of each person described by
30 Subsection (c) for the school district in which the member resides,
31 any open-enrollment charter schools located within that district,

1 and any adjacent districts.

2 SECTION _____. Section 824.602(a), Government Code, is
3 amended to read as follows:

4 (a) Subject to Section 825.506, the retirement system may
5 not, under Section 824.601, withhold a monthly benefit payment if
6 the retiree is employed in a Texas public educational institution:

7 (1) as a substitute only with pay not more than the
8 daily rate of substitute pay established by the employer and, if
9 the retiree is a disability retiree, the employment has not
10 exceeded a total of 90 days in the school year;

11 (2) in a position, other than as a substitute, on no
12 more than a one-half time basis for the month;

13 (3) in one or more positions on as much as a full-time
14 basis, if the retiree has been separated from service with all
15 Texas public educational institutions for at least 12 full
16 consecutive months after the retiree's effective date of
17 retirement; ~~[or]~~

18 (4) in a position, other than as a substitute, on no
19 more than a one-half time basis for no more than 90 days in the
20 school year, if the retiree is a disability retiree; or

21 (5) as a tutor under Section 33.913, Education Code.

22 SECTION _____. Subchapter G, Chapter 825, Government Code, is
23 amended by adding Section 825.604 to read as follows:

24 Sec. 825.604. INFORMATION PROVIDED TO MEMBERS. The
25 retirement system shall regularly provide information in an
26 electronic format to members and retirees regarding the tutoring
27 program established under Section 33.913, Education Code, that
28 includes:

29 (1) general information regarding the tutoring program;

30 and

31 (2) a statement directing members and retirees who want

1 to participate in the tutoring program to contact their local
2 school districts or open-enrollment charter schools for further
3 guidance.

4 SECTION _____. (a) Subject to Subsection (b) of this
5 section, the changes in law made by this Act apply to a retiree of
6 the Teacher Retirement System of Texas regardless of whether the
7 person retired from employment before, on, or after the effective
8 date of this Act.

9 (b) Section 824.602(a), Government Code, as amended by this
10 Act, applies only to the employment of a retiree of the Teacher
11 Retirement System of Texas that occurs on or after the effective
12 date of this Act.

ADOPTED

VV
MAY 26 2021

FLOOR AMENDMENT NO. 13

Latey Spaw
Secretary of the Senate

BY: *Ryan Hughes*

1 Amend Amendment No. 12 by Hughes to C.S.H.B. 1525 (page 18,
2 prefiled amendments packet) in the SECTION adding Section 33.913,
3 Education Code, as follows:

4 (1) Strike Subsection (c) (page 2, lines 4-7) and substitute
5 the following:

6 (c) The superintendent or chief executive officer of each
7 school district or open-enrollment charter school or the person
8 designated by the superintendent or chief executive officer shall:

9 (1) oversee the tutoring program within the district or
10 school; and

11 (2) not later than the last day of each semester, submit
12 a report to the board of trustees of the district or the governing
13 body of the school that includes, with respect to that semester:

14 (A) the number of active or retired teachers who
15 contacted the district or school to offer tutoring services to
16 students in the district or school; and

17 (B) the number of active or retired teachers who
18 were used by the district or school as a tutor on a volunteer basis
19 or employed by the district or school to provide tutoring services
20 for compensation.

21 (2) In Subsection (e) (page 2, line 16), strike "shall" and
22 substitute "may".

23 (3) Immediately following Subsection (f) (page 3, between
24 lines 1 and 2), insert the following appropriately lettered
25 subsection and reletter subsequent subsections accordingly:

26 () This section does not create a cause of action or
27 liability or an obligation or duty that provides a basis for a
28 cause of action or liability against a nonprofit teacher
29 organization approved by the commissioner for the purpose of

- 1 participating in the tutoring program for any action taken by a
- 2 member of the organization participating in the program as a tutor.

ADOPTED

MAY 26 2021

Latey Law
Secretary of the Senate

Joan Huffman
BY: _____

FLOOR AMENDMENT NO. 15

1 Amend C.S.H.B. 1525 (senate committee printing) as follows:
2 (1) In SECTION 31 of the bill, repealing provisions of the
3 Education Code (page 13, between lines 13 and 14), insert the
4 following appropriately numbered subdivision and renumber
5 subsequent subdivisions accordingly:
6 () Sections 29.026(f) and (m);
7 (2) Add the following appropriately numbered SECTIONS to
8 the bill and renumber subsequent SECTIONS of the bill accordingly:
9 SECTION _____. Section 29.026, Education Code, is amended by
10 amending Subsections (c), (h), (k), and (o) and adding Subsection
11 (1-1) to read as follows:
12 (c) A program is eligible for a grant under this section if
13 the program:
14 (1) ~~[the program operates as an independent campus or~~
15 ~~a separate program from the campus in which the program is located,~~
16 ~~with a separate budget,~~
17 ~~[(2) the program]~~ incorporates:
18 (A) evidence-based and research-based design;
19 (B) the use of empirical data on student
20 achievement and improvement;
21 (C) parental support and collaboration;
22 (D) the use of technology;
23 (E) meaningful inclusion; and
24 (F) the ability to replicate the program for
25 students statewide; and
26 (2) (2) ~~[(3) the program]~~ gives priority for enrollment
27 to students with autism[+
28 ~~[(4) the program limits enrollment and services to~~
29 ~~students who are+~~

1 ~~[(A) at least three years of age, and~~

2 ~~[(B) younger than nine years of age or are~~
3 ~~enrolled in the third grade or a lower grade level, and~~

4 ~~[(5) the program allows a student who turns nine years~~
5 ~~of age or older during a school year to remain in the program until~~
6 ~~the end of that school year].~~

7 (h) ~~[The commissioner shall award grants to fund not more~~
8 ~~than 10 programs that meet the eligibility criteria under~~
9 ~~Subsection (c).]~~ In selecting programs to receive a grant under
10 this section, the commissioner shall prioritize programs that are
11 collaborations between multiple school districts, multiple charter
12 schools, or school districts and charter schools. The selected
13 programs must reflect the diversity of this state.

14 (k) The commissioner shall use ~~[set aside an amount not to~~
15 ~~exceed \$20 million from the total amount of]~~ funds appropriated or
16 otherwise available ~~[for the 2018-2019 fiscal biennium]~~ to fund
17 grants under this section. ~~[The commissioner shall use \$10 million~~
18 ~~for the purposes of this section for each school year in the state~~
19 ~~fiscal biennium. A grant recipient may not receive more than \$1~~
20 ~~million for the 2018-2019 fiscal biennium. The commissioner shall~~
21 ~~reduce each district's and charter school's allotment~~
22 ~~proportionally to account for funds allocated under this section.]~~

23 (1-1) A regional education service center may administer
24 grants awarded under this section.

25 (o) This section expires September 1, 2023 ~~[2021]~~.

26 SECTION _____. Section 29.027, Education Code, is amended to
27 read as follows:

28 Sec. 29.027. GRANT PROGRAM PROVIDING TRAINING IN ~~[SERVICES~~
29 ~~TO STUDENTS WITH]~~ DYSLEXIA FOR TEACHERS AND STAFF. (a) The
30 commissioner shall establish a program to award grants to school
31 districts and open-enrollment charter schools to increase local

1 capacity to appropriately serve ~~[that provide innovative services~~
2 ~~to]~~ students with dyslexia.

3 (b) A school district, including a school district acting
4 through a district charter issued under Subchapter C, Chapter 12,
5 or ~~[and]~~ an open-enrollment charter school, including a charter
6 school that primarily serves students with disabilities, as
7 provided under Section 12.1014, is eligible to ~~[may]~~ apply for a
8 grant under this section~~[-~~

9 ~~[(c) A program is eligible for a grant under this section]~~
10 if the district or school submits to the commissioner a proposal on
11 the use of grant funds that:

12 (1) ~~[the program operates as an independent campus or~~
13 ~~a separate program from the campus in which the program is located,~~
14 ~~with a separate budget,~~

15 ~~[(2) the program]~~ incorporates~~[-~~

16 ~~[(A)]~~ evidence-based and research-based design;
17 and

18 (2) increases local capacity to appropriately serve
19 students with dyslexia by providing:

20 (A) high-quality training to classroom teachers
21 and administrators in meeting the needs of students with dyslexia;
22 or

23 (B) training to intervention staff resulting in
24 appropriate credentialing related to dyslexia ~~[the use of empirical~~
25 ~~data on student achievement and improvement,~~

26 ~~[(C) parental support and collaboration,~~

27 ~~[(D) the use of technology,~~

28 ~~[(E) meaningful inclusion, and~~

29 ~~[(F) the ability to replicate the program for~~
30 ~~students statewide,~~

31 ~~[(3) the program gives priority for enrollment to~~

1 ~~students with dyslexia,~~

2 ~~[(4) the program limits enrollment and services to~~
3 ~~students who are:~~

4 ~~[(A) at least three years of age, and~~

5 ~~[(B) younger than nine years of age or are~~
6 ~~enrolled in the third grade or a lower grade level, and~~

7 ~~[(5) the program allows a student who turns nine years~~
8 ~~of age or older during a school year to remain in the program until~~
9 ~~the end of that school year].~~

10 ~~(c) [(d) A school district or open-enrollment charter~~
11 ~~school may not:~~

12 ~~[(1) charge a fee for the program, other than those~~
13 ~~authorized by law for students in public schools,~~

14 ~~[(2) require a parent to enroll a child in the program,~~

15 ~~[(3) allow an admission, review, and dismissal~~
16 ~~committee to place a student in the program without the written~~
17 ~~consent of the student's parent or guardian, or~~

18 ~~[(4) continue the placement of a student in the~~
19 ~~program after the student's parent or guardian revokes consent, in~~
20 ~~writing, to the student's placement in the program.~~

21 ~~[(e) A program under this section may:~~

22 ~~[(1) alter the length of the school day or school year~~
23 ~~or the number of minutes of instruction received by students,~~

24 ~~[(2) coordinate services with private or~~
25 ~~community-based providers,~~

26 ~~[(3) allow the enrollment of students without~~
27 ~~disabilities or with other disabilities, if approved by the~~
28 ~~commissioner, and~~

29 ~~[(4) adopt staff qualifications and staff to student~~
30 ~~ratios that differ from the applicable requirements of this title.~~

31 ~~[(f) The commissioner shall adopt rules creating an~~

1 ~~application and selection process for grants awarded under this~~
2 ~~section.~~

3 ~~[(g)]~~ The commissioner shall create an external panel of
4 stakeholders, including parents of students with disabilities, to
5 provide assistance in the selection of applications for the award
6 of grants under this section.

7 (d) ~~[(h)]~~ ~~The commissioner shall award grants to fund not~~
8 ~~more than 10 programs that meet the eligibility criteria under~~
9 ~~Subsection (c). In selecting programs, the commissioner shall~~
10 ~~prioritize programs that are collaborations between multiple~~
11 ~~school districts, multiple charter schools, or school districts and~~
12 ~~charter schools. The selected programs must reflect the diversity~~
13 ~~of this state.~~

14 ~~[(i)]~~ The commissioner shall select grant recipients
15 ~~[programs]~~ and award grant funds ~~[to those programs]~~ beginning in
16 the 2021-2022 ~~[2018-2019]~~ school year. The grants ~~[selected~~
17 ~~programs]~~ are to be awarded ~~[funded]~~ for two years.

18 (e) ~~[(j)]~~ A grant awarded to a school district or
19 open-enrollment charter school under this section is in addition to
20 the Foundation School Program funds that the district or charter
21 school is otherwise entitled to receive. A grant awarded under this
22 section may not come out of Foundation School Program funds.

23 (f) ~~[(k)]~~ The commissioner shall use ~~[set aside an amount~~
24 ~~not to exceed \$20 million from the total amount of]~~ funds
25 appropriated or otherwise available ~~[for the 2018-2019 fiscal~~
26 ~~biennium]~~ to fund grants under this section. ~~[The commissioner~~
27 ~~shall use \$10 million for the purposes of this section for each~~
28 ~~school year in the state fiscal biennium. A grant recipient may not~~
29 ~~receive more than \$1 million for the 2018-2019 fiscal biennium. The~~
30 ~~commissioner shall reduce each district's and charter school's~~
31 ~~allotment proportionally to account for funds allocated under this~~

1 ~~section.~~

2 (g) ~~[(1)]~~ The commissioner and any grant recipient
3 ~~[program]~~ selected under this section may accept gifts, grants, and
4 donations from any public or private source, person, or group to
5 implement and administer the grant ~~[program]~~. The commissioner and
6 any grant recipient ~~[program]~~ selected under this section may not
7 require any financial contribution from parents to implement and
8 administer the grant ~~[program]~~.

9 (h) A regional education service center may administer
10 grants awarded under this section.

11 (i) ~~[(m) The commissioner may consider a student with~~
12 ~~dyslexia who is enrolled in a program funded under this section as~~
13 ~~funded in a mainstream placement, regardless of the amount of time~~
14 ~~the student receives services in a regular classroom setting.~~

15 ~~[(n) Not later than December 31, 2020, the commissioner~~
16 ~~shall publish a report on the grant program established under this~~
17 ~~section. The report must include:~~

18 ~~[(1) recommendations for statutory or funding changes~~
19 ~~necessary to implement successful innovations in the education of~~
20 ~~students with dyslexia; and~~

21 ~~[(2) data on the academic and functional achievements~~
22 ~~of students enrolled in a program that received a grant under this~~
23 ~~section.~~

24 ~~[(o)]~~ This section expires September 1, 2023 ~~[2021]~~.

ADOPTEDRV 22-9
MAY 26 2021*Latey Law*
Secretary of the SenateFLOOR AMENDMENT NO. 16BY: Taylor

Amend C.S.H.B. No. 1525 (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter C, Chapter 48, Education Code, is amended by adding Section 48.1102 to read as follows:

Sec. 48.1102. ACCELERATED LEARNING AND SUSTAINMENT OUTCOMES BONUS. (a) For purposes of this section, a student is a:

(1) successfully accelerated student if the student:

(A) performs satisfactorily or better on an assessment instrument administered under Section 39.023(a); and

(B) was administered but did not perform satisfactorily on the assessment instrument administered under Section 39.023(a) for the same subject in the student's preceding grade level; and

(2) sustained accelerated student if the student:

(A) performs at the level determined under Section 39.0241(a-1) or the equivalent to determine preparedness for the student's next grade level or better on an assessment instrument administered under Section 39.023(a);

(B) performs satisfactorily or better on the assessment instrument administered under Section 39.023(a) for the same subject in the student's preceding grade level; and

(C) was administered but did not perform satisfactorily on the assessment instrument administered under Section 39.023(a) for the grade level and subject preceding the assessment described by Paragraph (B).

(b) For each successfully accelerated student in excess of the minimum number of students determined for the district or school under Subsection (d), a school district or open-enrollment

1 charter school is entitled to the following annual outcomes bonus:

2 (1) \$500 for each student who is not educationally
3 disadvantaged; and

4 (2) \$1,000 for each student who is educationally
5 disadvantaged.

6 (c) For each sustained accelerated student, a school
7 district or open-enrollment charter school is entitled to the
8 following annual outcomes bonus:

9 (1) \$250 for each student who is not educationally
10 disadvantaged; and

11 (2) \$500 for each student who is educationally
12 disadvantaged.

13 (d) The commissioner shall establish, using a percentile
14 determined by the commissioner based on the median performance of
15 school districts and open-enrollment charter schools on
16 assessments administered under Section 39.023(a) during the
17 2017-2018 school year, a threshold percentage of:

18 (1) successfully accelerated students who are not
19 educationally disadvantaged; and

20 (2) successfully accelerated students who are
21 educationally disadvantaged.

22 (e) Each year, the commissioner shall determine for each
23 school district and open-enrollment charter school the minimum
24 number of successfully accelerated students the district or school
25 must have in order for the district to achieve the percentage equal
26 to the threshold percentage established for that group of students
27 described by Subsection (b).

28 (f) The commissioner may modify the threshold percentages
29 established under Subsection (d) once every five years if the
30 commissioner determines that substantial improvement in the median
31 performance of school districts and open-enrollment charter

1 schools has occurred.

ADOPTED

MAY 26 2021

Lately Law
Secretary of the SenateFLOOR AMENDMENT NO. 17BY: Taylor

1 Amend C.S.H.B. No. 1525 (senate committee printing) by
2 adding the following appropriately numbered SECTIONS to the bill
3 and renumbering subsequent SECTIONS of the bill accordingly:

4 SECTION _____. Subchapter Z, Chapter 29, Education Code, is
5 amended by adding Section 29.934 to read as follows:

6 Sec. 29.934. RESOURCE CAMPUS. (a) A school district campus
7 that is eligible under Subsection (b) may apply to the commissioner
8 to be designated as a resource campus that provides quality
9 education and enrichment for campus students.

10 (b) To apply to be designated as a resource campus under
11 this section, the campus must have received an overall performance
12 rating under Section 39.054 of F for four years over a 10-year
13 period of time.

14 (c) A campus notified by the commissioner under Subsection
15 (f) that the campus has been designated as a resource campus
16 qualifies for funding as provided by Section 48.252 for each year
17 the campus maintains approval to operate as a resource campus
18 regardless of whether the campus is unacceptable or does not
19 qualify under Subsection (b).

20 (d) To be designated as a resource campus, the campus must:

21 (1) implement a targeted improvement plan as described
22 by Chapter 39A and establish a school community partnership team;

23 (2) adopt an accelerated campus excellence turnaround
24 plan as provided by Section 39A.105(b) except that a classroom
25 teacher who satisfies the requirements for demonstrated
26 instructional effectiveness under Section 39A.105(b)(3) must also
27 hold a current designation assigned under Section 21.3521;

28 (3) be in a school district that has adopted an
29 approved local optional teacher designation system under Section

1 21.3521;
2 (4) satisfy certain staff criteria by:
3 (A) requiring a principal or teacher employed at
4 the campus before the designation to apply for a position to
5 continue at the campus;
6 (B) employing only teachers who have at least
7 three years of teaching experience;
8 (C) employing at least one school counselor for
9 every 300 students; and
10 (D) employing at least one appropriately
11 licensed professional to assist with the social and emotional needs
12 of students and staff, who must be a:
13 (i) family and community liaison;
14 (ii) clinical social worker;
15 (iii) specialist in school psychology; or
16 (iv) professional counselor;
17 (5) implement a positive behavior program as provided
18 by Section 37.0013;
19 (6) implement a family engagement plan as described by
20 Section 29.168;
21 (7) develop and implement a plan to use high quality
22 instructional materials;
23 (8) if the campus is an elementary campus, operate the
24 campus for a school year that qualifies for funding under Section
25 48.0051; and
26 (9) annually submit to the commissioner data and
27 information required by the commissioner to assess fidelity of
28 implementation.
29 (e) On the request of a school district, the agency shall
30 assist the district in:
31 (1) applying for designation of a district campus as a

1 resource campus; and

2 (2) developing and implementing a plan to operate a
3 district campus as a resource campus.

4 (f) The commissioner shall notify a campus if it has been
5 designated as a resource campus not later than the 60th day after
6 the date the commissioner receives the request for the designation.

7 (g) A campus approved to operate as a resource campus must
8 annually submit to the commissioner data and information requested
9 by the commissioner for purposes of determining whether the campus
10 has met the measure of fidelity of implementation required to
11 maintain status as a resource campus.

12 (h) If a campus fails to maintain status as a resource
13 campus for two consecutive years, the campus is not eligible for
14 designation as a resource campus. A campus subject to this
15 subsection may reapply for designation as a resource campus if the
16 campus qualifies under Subsection (b).

17 (i) A decision by the commissioner regarding whether to
18 designate a campus as a resource campus is final and may not be
19 appealed.

20 (j) The commissioner may adopt rules necessary to implement
21 this section.

22 SECTION _____. Section 48.252(a), Education Code, is amended
23 to read as follows:

24 (a) This section applies only to:

25 (1) a school district and an open-enrollment charter
26 school that enter into a contract to operate a district campus as
27 provided by Section 11.174;

28 (2) a charter granted by a school district for a
29 program operated by an entity that has entered into a contract under
30 Section 11.174, provided that the district does not appoint a
31 majority of the governing body of the charter holder; ~~and~~

1 (3) a school district that contracts with an
2 open-enrollment charter school to jointly operate a campus or
3 campus program as provided by Section 11.157(b); and
4 (4) a school district that operates a resource campus
5 as provided by Section 29.934.

ADOPTED

KV 18-13
MAY 26 2021

FLOOR AMENDMENT NO. 18

Latey Shaw
Secretary of the Senate

BY:

Larry Taylor

Amend C.S.H.B. No. 1525 (senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS accordingly:

SECTION _____. Chapter 29, Education Code, is amended by adding Subchapter A-1 to read as follows:

SUBCHAPTER A-1. SUPPLEMENTAL SPECIAL EDUCATION SERVICES PROGRAM

Sec. 29.041. DEFINITIONS. In this subchapter:

(1) "Parent" means a resident of this state who is a natural or adoptive parent, managing or possessory conservator, legal guardian, custodian, or other person with legal authority to act on behalf of a child.

(2) "Supplemental special education instructional materials" includes textbooks, computer hardware or software, other technological devices, and other materials suitable for addressing an educational need of a student receiving special education services under Subchapter A.

(3) "Supplemental special education services" means an additive service that provides an educational benefit to a student receiving special education services under Subchapter A, including:

(A) occupational therapy, physical therapy, and speech therapy; and

(B) private tutoring and other supplemental private instruction or programs.

Sec. 29.042. ESTABLISHMENT AND ADMINISTRATION OF PROGRAM.

(a) The agency by rule shall establish and administer a supplemental special education services and instructional materials program for students who meet the eligibility requirements for participation in the program. Subject to

1 Subsection (c), the agency shall provide each student approved as
2 provided by this subchapter a grant of not more than \$1,500 to
3 purchase supplemental special education services and supplemental
4 special education instructional materials.

5 (b) In administering the program, the agency shall maintain
6 a system of online accounts to provide access to the grant
7 described by Subsection (a) to an eligible student's parent.

8 (c) The commissioner shall set aside an amount not to exceed
9 \$30 million from the total amount of funds appropriated for each
10 state fiscal year to fund the program under this section. For
11 each state fiscal year, the total amount provided for student
12 grants under Subsection (a) may not exceed the amount set aside by
13 the commissioner under this subsection.

14 (d) The agency shall designate one or more regional
15 education service centers to administer the program.

16 Sec. 29.043. APPLICATION FOR GRANT ON BEHALF OF STUDENT.
17 The agency shall establish an application process for an eligible
18 student's parent to apply for a grant held in an online account
19 maintained under Section 29.042(b) and assigned to the student
20 under Section 29.045.

21 Sec. 29.044. PROGRAM ELIGIBILITY CRITERIA. (a) The agency
22 shall establish eligibility criteria for the approval of an
23 application submitted under Section 29.043. The criteria must
24 require that the student be enrolled in the current school year at
25 a school district or open-enrollment charter school and in a
26 district's or school's special education program under Subchapter
27 A.

28 (b) The eligibility criteria established under this section
29 must also prioritize students for whom a school district or open-
30 enrollment charter school is eligible for a compensatory education
31 allotment under Section 48.104.

1 Sec. 29.045. APPROVAL OF APPLICATION; ASSIGNMENT OF ACCOUNT.

2 Subject to available funding the agency shall approve each student
3 who meets the program eligibility criteria established under
4 Section 29.044 and assign to the student an account maintained
5 under Section 29.042(b). The account may only be used by the
6 student's parent to purchase supplemental special education
7 services or supplemental special education instructional materials
8 for the student, subject to Sections 29.046 and 29.047.

9 Sec. 29.046. ACCOUNT USE RESTRICTION. (a) Money in an
10 account assigned to a student under Section 29.045 may be used
11 only for supplemental special education services and supplemental
12 special education instructional materials.

13 (b) Supplemental special education services must be provided
14 by an agency-approved provider.

15 (c) If the agency has approved vendors for a category of
16 instructional material under Section 29.047, instructional
17 materials must be purchased from an agency-approved vendor for
18 that category of instructional material. If the agency does not
19 establish criteria for agency approval for a category of
20 instructional materials, money in the student's account may be
21 used to purchase the instructional materials from any vendor.

22 Sec. 29.047. AGENCY-APPROVED PROVIDERS AND VENDORS:
23 CRITERIA AND APPLICATION. (a) The agency shall establish criteria
24 necessary for agency approval for each category of provider of a
25 professional service that is a supplemental special education
26 service, as identified by the agency.

27 (b) The criteria established under this section must require
28 a provider of a category of professional service to be
29 appropriately licensed or accredited in this state to provide that
30 service, including providers of physical therapy, occupational
31 therapy, and speech therapy.

1 (c) The agency shall provide a procedure for providers of
2 supplemental special education services to apply to the agency to
3 become an agency-approved provider.

4 (d) The agency may establish criteria for agency approval of
5 vendors for each category of supplemental special education
6 instructional materials identified by the agency.

7 (e) If the agency establishes criteria for agency approval
8 for a vendor of a category of supplemental special education
9 instructional materials, the agency shall provide a procedure for
10 vendors of that category to apply to the agency to become an
11 agency-approved vendor.

12 Sec. 29.048. LIST OF SUPPLEMENTAL SPECIAL EDUCATION SERVICES.
13 The admission, review, and dismissal committee of a student
14 approved for participation in the program shall provide to the
15 student's parent at an admission, review, and dismissal committee
16 meeting for the student a list of supplemental special education
17 services provided by agency-approved providers for which an
18 account maintained under Section 29.042(b) for the student may be
19 used. Supplemental special education services not included on the
20 list may still be eligible under this section if the services
21 otherwise meet the requirements of this subchapter.

22 Sec. 29.049. RULES. The commissioner shall adopt rules as
23 necessary to administer the supplemental special education
24 services and instructional materials program under this
25 subchapter.

26 Sec. 29.050. EXPIRATION. This subchapter expires September
27 1, 2024.

28 SECTION ____. Chapter 48, Education Code, is amended by
29 adding Subchapter H to read as follows:

30 SUBCHAPTER H. TEXAS COMMISSION ON SPECIAL EDUCATION FUNDING

31 Sec. 48.401. DEFINITION. In this subchapter, "commission"

1 means the Texas Commission on Special Education Funding.

2 Sec. 48.402. TEXAS COMMISSION ON SPECIAL EDUCATION FUNDING.

3 (a) The commission is established to develop and make
4 recommendations regarding methods of financing special education
5 in public schools.

6 (b) The commission is composed of seven members, appointed
7 as follows:

8 (1) one member appointed by the governor;

9 (2) three members appointed by the lieutenant governor;

10 and

11 (3) three members appointed by the speaker of the house
12 of representatives.

13 (c) In making appointments under Subsection (b), the
14 governor, lieutenant governor, and speaker of the house of
15 representatives shall coordinate to ensure that membership of the
16 commission, to the extent possible, reflects the ethnic and
17 geographic diversity of this state.

18 (d) The members appointed by:

19 (1) the governor must have an interest in special
20 education;

21 (2) the lieutenant governor must be three members of
22 the senate; and

23 (3) the speaker of the house of representatives must be
24 three members of the house of representatives.

25 Sec. 48.403. PRESIDING OFFICER. The governor shall
26 designate the presiding officer of the commission.

27 Sec. 48.404. COMPENSATION AND REIMBURSEMENT. A member of
28 the commission is not entitled to compensation for service on the
29 commission but is entitled to reimbursement for actual and
30 necessary expenses incurred in performing commission duties.

31 Sec. 48.405. ADMINISTRATIVE SUPPORT AND FUNDING. (a) The

1 agency shall provide administrative support for the commission.

2 (b) Funding for the administrative and operational expenses
3 of the commission shall be provided by legislative appropriation
4 made to the agency for that purpose.

5 Sec. 48.406. RECOMMENDATIONS. (a) The commission shall
6 develop recommendations under this subchapter to address issues
7 related to special education funding.

8 (b) The commission may establish one or more working groups
9 composed of not more than three members of the commission to study,
10 discuss, and address specific policy issues and recommendations to
11 refer to the commission for consideration.

12 Sec. 48.407. REPORT. Not later than December 31, 2022, the
13 commission shall prepare and deliver a report to the governor and
14 the legislature that recommends statutory changes to improve
15 funding for special education.

16 Sec. 48.408. PUBLIC MEETINGS AND PUBLIC INFORMATION. (a)
17 The commission may hold public meetings as needed to fulfill its
18 duties under this subchapter.

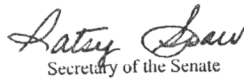
19 (b) The commission is subject to Chapters 551 and 552,
20 Government Code.

21 Sec. 48.409. COMMISSION ABOLISHED; EXPIRATION OF
22 SUBCHAPTER. The commission is abolished and this subchapter
23 expires January 1, 2023.

24 SECTION ____. Not later than December 1, 2021, the
25 commissioner of education shall adopt all rules necessary for the
26 establishment and administration of the supplemental special
27 education services and instructional materials program required
28 under Subchapter A-1, Chapter 29, Education Code, as added by this
29 Act.

ADOPTED

MAY 26 2021

FLOOR AMENDMENT NO. 19

 Secretary of the Senate

BY:

Buckingham

1 Amend C.S.H.B. 1525 (senate committee printing) as follows:

2 (1) Add the following appropriately numbered SECTION to the
 3 bill and renumber subsequent SECTIONS of the bill accordingly:

4 SECTION _____. Section 11.156, Education Code, is amended by
 5 adding Subsection (c) to read as follows:

6 (c) A school district shall:

7 (1) accept from a parent-teacher organization recognized
 8 by the district a donation designated to fund supplemental
 9 educational staff positions at a school campus; and

10 (2) spend the donation accepted under Subdivision (1)
 11 for the designated purpose at the direction of and within the time
 12 period specified by the school campus for which the donation was
 13 designated.

14 (2) Strike SECTION 34 of the bill (page 13, line 33) and
 15 substitute the following appropriately numbered SECTION:

16 SECTION _____. (a) Except as provided by Subsection (b) of
 17 this section, this Act takes effect September 1, 2021.

18 (b) Section 11.156(c), Education Code, as added by this Act,
 19 takes effect immediately if this Act receives a vote of two-thirds
 20 of all the members elected to each house, as provided by Section
 21 39, Article III, Texas Constitution. If this Act does not receive
 22 the vote necessary for immediate effect, that section takes effect
 23 September 1, 2021.

ADOPTED

MAY 26 2021

as amended
Lately
Secretary of the SenateFLOOR AMENDMENT NO. 20BY: Bryan Hughes

1 Amend C.S.H.B. 1525 (senate committee printing) as follows:

2 (1) Add the following appropriately numbered SECTIONS to
3 the bill and renumber subsequent SECTIONS of the bill accordingly:

4 SECTION _____. Section 12.104(b), Education Code, as amended
5 by Chapters 262 (H.B. 1597), 464 (S.B. 11), 467 (H.B. 4170), and 943
6 (H.B. 3), Acts of the 86th Legislature, Regular Session, 2019, is
7 reenacted and amended to read as follows:

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

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

11 (2) the provisions in Chapter 554, Government Code;
12 and

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

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

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

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

23 (D) accelerated instruction under Section
24 28.0211;

25 (E) high school graduation requirements under
26 Section 28.025;

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

29 (G) bilingual education under Subchapter B,

1 Chapter 29;

2 (H) prekindergarten programs under Subchapter E

3 or E-1, Chapter 29;

4 (I) extracurricular activities under Section

5 33.081;

6 (J) discipline management practices or behavior

7 management techniques under Section 37.0021;

8 (K) health and safety under Chapter 38;

9 (L) public school accountability under

10 Subchapters B, C, D, F, G, and J, Chapter 39, and Chapter 39A;

11 (M) the requirement under Section 21.006 to

12 report an educator's misconduct;

13 (N) intensive programs of instruction under

14 Section 28.0213;

15 (O) the right of a school employee to report a

16 crime, as provided by Section 37.148;

17 (P) bullying prevention policies and procedures

18 under Section 37.0832;

19 (Q) the right of a school under Section 37.0052

20 to place a student who has engaged in certain bullying behavior in a

21 disciplinary alternative education program or to expel the student;

22 (R) the right under Section 37.0151 to report to

23 local law enforcement certain conduct constituting assault or

24 harassment;

25 (S) a parent's right to information regarding the

26 provision of assistance for learning difficulties to the parent's

27 child as provided by Sections 26.004(b)(11) and 26.0081(c) and (d);

28 (T) establishment of residency under Section

29 25.001;

30 (U) [~~(T)~~] school safety requirements under

31 Sections 37.108, 37.1081, 37.1082, 37.109, 37.113, 37.114, 37.115,

1 37.207, and 37.2071;

2 (V) [~~(T)~~] the early childhood literacy and
3 mathematics proficiency plans under Section 11.185; ~~[and]~~

4 (W) [~~(U)~~] the college, career, and military
5 readiness plans under Section 11.186; and

6 (X) establishing a local school health advisory
7 council and providing health education instruction under Section
8 28.004.

9 SECTION _____. Section 28.004, Education Code, is amended by
10 amending Subsections (d-1), (h), (i), (i-1), and (j) and adding
11 Subsections (d-2), (e-1), (e-2), (e-3), (j-1), and (p) to read as
12 follows:

13 (d-1) The local school health advisory council shall meet at
14 least four times each year. For each meeting, the council shall:

15 (1) at least 72 hours before the meeting:

16 (A) post notice of the date, hour, place, and
17 subject of the meeting on a bulletin board in the central
18 administrative office of each campus in the school district; and

19 (B) ensure that the notice required under
20 Paragraph (A) is posted on the district's Internet website, if the
21 district has an Internet website;

22 (2) allow the public to attend the meeting and provide
23 an opportunity for public comment;

24 (3) prepare and maintain minutes of the meeting that
25 state the subject and content of each deliberation and each vote,
26 order, decision, or other action taken by the council during the
27 meeting;

28 (4) make an audio or video recording of the meeting;
29 and

30 (5) not later than the 10th day after the meeting,
31 submit the minutes and audio or video recording of the meeting to

1 the district.

2 (d-2) As soon as practicable after receipt of the minutes
3 and audio or video recording under Subsection (d-1)(5), the school
4 district shall post the minutes and audio or video recording on the
5 district's Internet website, if the district has an Internet
6 website.

7 (e-1) The board of trustees shall adopt a policy
8 establishing a process for the adoption of curriculum materials for
9 the school district's human sexuality instruction. The policy must
10 require:

11 (1) the board to adopt a resolution convening the
12 local school health advisory council for the purpose of making
13 recommendations regarding the curriculum materials;

14 (2) the local school health advisory council to:

15 (A) after the board's adoption of the resolution
16 under Subdivision (1), hold at least two public meetings, at which
17 an opportunity for public comment is provided, on the curriculum
18 materials before adopting recommendations; and

19 (B) provide the recommendations adopted under
20 Paragraph (A) to the board at a public meeting of the board, at
21 which an opportunity for public comment is provided; and

22 (3) the board, after receipt of the local school
23 health advisory council's recommendations under Subdivision (2),
24 to take action on the adoption of the recommendations by a record
25 vote at a public meeting.

26 (e-2) Curriculum materials proposed to be adopted for the
27 school district's human sexuality instruction must be made
28 available as provided by Subsection (j)(1) or (2)(A) or (C), as
29 applicable.

30 (e-3) Before adopting curriculum materials for the school
31 district's human sexuality instruction, the board of trustees shall

1 ensure that the curriculum materials are:

2 (1) based on the advice of the local school health
3 advisory council;

4 (2) suitable for the subject and grade level for which
5 the curriculum materials are intended; and

6 (3) reviewed by academic experts in the subject and
7 grade level for which the curriculum materials are intended.

8 (h) The board of trustees shall determine the specific
9 content of the district's instruction in human sexuality, in
10 accordance with this section [~~Subsections (e), (f), and (g)~~].

11 (i) Before each school year, a school district shall provide
12 written notice to a parent of each student enrolled in the district
13 of the board of trustees' decision regarding whether the district
14 will provide human sexuality instruction to district students. If
15 instruction will be provided, the notice must include:

16 (1) a [~~summary of the basic content of the district's~~
17 ~~human sexuality instruction to be provided to the student,~~
18 ~~including a~~] statement informing the parent of the human sexuality
19 instruction [~~instructional~~] requirements under state law;

20 (2) a detailed description of the content of the
21 district's human sexuality instruction and a general schedule on
22 which the instruction will be provided;

23 (3) a statement of the parent's right to:

24 (A) at the parent's discretion, review or
25 purchase a copy of curriculum materials as provided by Subsection
26 (j); [~~and~~]

27 (B) remove the student from any part of the
28 district's human sexuality instruction without subjecting the
29 student to any disciplinary action, academic penalty, or other
30 sanction imposed by the district or the student's school; and

31 (C) use the grievance procedure as provided by

1 Subsection (i-1) or the appeals process under Section 7.057
2 concerning a complaint of a violation of this section;

3 (4) a statement that any curriculum materials in the
4 public domain used for the district's human sexuality instruction
5 must be posted on the district's Internet website, if the district
6 has an Internet website, and the Internet website address at which
7 the curriculum materials are located; and

8 (5) [43] information describing the opportunities
9 for parental involvement in the development of the curriculum to be
10 used in human sexuality instruction, including information
11 regarding the local school health advisory council established
12 under Subsection (a).

13 (i-1) A parent may use the grievance procedure adopted under
14 Section 26.011 concerning a complaint of a violation of this
15 section [~~Subsection (i)~~].

16 (j) A school district shall make all curriculum materials
17 used in the district's human sexuality instruction available by:

18 (1) for curriculum materials in the public domain:

19 (A) providing a copy of the curriculum materials
20 by mail or e-mail to a parent of a student enrolled in the district
21 on the parent's request; and

22 (B) posting the curriculum materials on the
23 district's Internet website, if the district has an Internet
24 website; and

25 (2) for copyrighted curriculum materials, allowing a
26 parent of a student enrolled in the district to:

27 (A) review the curriculum materials at the
28 student's campus at any time during regular business hours;

29 (B) purchase a copy of the curriculum materials
30 from the publisher as provided by the district's purchase agreement
31 for the curriculum materials under Subsection (j-1); or

1 (C) review the curriculum materials online
2 through a secure electronic account in a manner that prevents the
3 curriculum materials from being copied and that otherwise complies
4 with copyright law [~~for reasonable public inspection~~].

5 (j-1) If a school district purchases from a publisher
6 copyrighted curriculum materials for use in the district's human
7 sexuality instruction, the district shall ensure that the purchase
8 agreement provides for a means by which a parent of a student
9 enrolled in the district may purchase a copy of the curriculum
10 materials from the publisher at a price that does not exceed the
11 price per unit paid by the district for the curriculum materials.

12 (p) In this section:

13 (1) "Curriculum materials" includes the curriculum,
14 teacher training materials, and any other materials used in
15 providing instruction.

16 (2) "Human sexuality instruction," "instruction in
17 human sexuality," and "instruction relating to human sexuality"
18 include instruction in reproductive health.

19 SECTION _____. (a) Except as provided by Subsection (b) of
20 this section, Sections 12.104 and 28.004, Education Code, as
21 amended by this Act, apply beginning with the 2021-2022 school
22 year.

23 (b) Section 28.004(j-1), Education Code, as added by this
24 Act, applies only to a purchase agreement entered into, amended, or
25 renewed on or after September 1, 2021.

26 (2) Strike SECTION 34 of the bill (page 13, line 33) and
27 substitute the following appropriately numbered SECTION:

28 SECTION _____. (a) Except as provided by Subsection (b) of
29 this section, this Act takes effect September 1, 2021.

30 (b) Sections 12.104 and 28.004, Education Code, as amended
31 by this Act, take effect immediately if this Act receives a vote of

1 two-thirds of all the members elected to each house, as provided by
2 Section 39, Article III, Texas Constitution. If this Act does not
3 receive the vote necessary for immediate effect, those sections
4 take effect September 1, 2021.

ADOPTED
V V

MAY 26 2021

FLOOR AMENDMENT NO. 21

Latey Spaw
Secretary of the Senate

BY: Anna Campbell

1 Amend Amendment No. 20 by Hughes to C.S.H.B. 1525 (page 47,
2 prefiled amendments packet) in Item 1 of the amendment, in the
3 SECTION amending Section 28.004, Education Code, as follows:

4 (1) In the recital (page 3, line 11), between "(e-3)," and
5 "(j-1)", insert "(i-2),".

6 (2) In Subsection (i)(3), strike Paragraph (B) (page 5,
7 lines 27 through 30) and substitute the following:

8 (B) refuse consent for [remove] the student to
9 receive all or [from] any part of the district's human sexuality
10 instruction without subjecting the student to any disciplinary
11 action, academic penalty, or other sanction imposed by the district
12 or the student's school; and

13 (3) Immediately after Subsection (i-1) (page 6, between
14 lines 15 and 16), insert the following:

15 (i-2) Before a student may be provided with human sexuality
16 instruction, a school district must obtain the written consent of
17 the student's parent. A request for written consent under this
18 subsection:

19 (1) may not be included with any other notification or
20 request for written consent provided to the parent, other than the
21 notice provided under Subsection (i); and

22 (2) must be provided to the parent not later than the
23 14th day before the date on which the human sexuality instruction
24 begins.

ADOPTED

MAY 26 2021

FLOOR AMENDMENT NO 22

BY: West

Latey Law
Secretary of the Senate

Amend C.S.H.B. No. 1525 (senate committee printing) as follows:

(1) Add the following appropriately numbered SECTIONS to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION __. Section 7.058, Education Code, is amended to read as follows:

Sec. 7.058. RESEARCH ON MATHEMATICS SKILLS ACQUISITION AND PROGRAM EFFECTIVENESS. From funds appropriated for the purpose, the commissioner shall award to one or more institutions that have demonstrated an ability to conduct science-based research on effective instructional strategies that improve student performance in mathematics a grant to be used to:

(1) develop and identify research on mathematics skills acquisition and student learning in mathematics;

(2) monitor the effectiveness of mathematics achievement academies [~~professional development institutes~~] under Section 21.4553 [~~21.455~~] based on performance in mathematics by the students of teachers who have attended an academy [~~institute~~];

(3) examine the effect of mathematics achievement academies [~~professional development institutes~~] on the classroom performance of teachers who have attended an academy [~~institute~~];

(4) identify common practices used at high-performing school campuses that lead to improved student performance in mathematics; and

(5) develop research on cognitive development in children concerning mathematics skills development.

SECTION __. Section 11.175, Education Code, is amended by adding Subsection (g) to read as follows:

(g) Notwithstanding Section 2054.5191, Government Code, only

1 the district's cybersecurity coordinator is required to complete
2 the cybersecurity training under that section on an annual basis.
3 Any other school district employee required to complete the
4 cybersecurity training shall complete the training as determined
5 by the district, in consultation with the district's cybersecurity
6 coordinator.

7 SECTION ____ . Section 21.054, Education Code, is amended by
8 adding Subsection (a-1) and amending Subsections (d), (e), and (f)
9 to read as follows:

10 (a-1) Continuing education requirements for educators must
11 include training regarding educating students with disabilities.

12 (d) Continuing education requirements for a classroom
13 teacher must provide that not more than ~~[at least]~~ 25 percent of
14 the training required every five years include instruction
15 regarding:

16 (1) collecting and analyzing information that will
17 improve effectiveness in the classroom;

18 (2) recognizing early warning indicators that a student
19 may be at risk of dropping out of school;

20 (3) digital learning, digital teaching, and integrating
21 technology into classroom instruction;

22 (4) educating diverse student populations, including:

23 (A) ~~[students who are eligible to participate in~~
24 ~~special education programs under Subchapter A, Chapter 29,~~

25 ~~[(B) students who are eligible to receive~~
26 ~~educational services required under Section 504, Rehabilitation~~
27 ~~Act of 1973 (29 U.S.C. Section 794),~~

28 ~~[(C) students with mental health conditions or who~~
29 ~~engage in substance abuse,~~

30 ~~[(D) students with intellectual or developmental~~
31 ~~disabilities,~~

1 [~~(E)~~] students who are educationally
2 disadvantaged; and

3 (B) [~~(F)~~ ~~students of limited English proficiency;~~
4 ~~and~~

5 [~~(G)~~] students at risk of dropping out of school;
6 and

7 (5) understanding appropriate relationships,
8 boundaries, and communications between educators and students[~~+~~
9 ~~and~~

10 [~~(6)~~ ~~how mental health conditions, including grief and~~
11 ~~trauma, affect student learning and behavior and how evidence-~~
12 ~~based, grief-informed, and trauma-informed strategies support the~~
13 ~~academic success of students affected by grief and trauma)].~~

14 (e) Continuing education requirements for a principal must
15 provide that not more than [~~at least~~] 25 percent of the training
16 required every five years include instruction regarding:

17 (1) effective and efficient management, including:

18 (A) collecting and analyzing information;

19 (B) making decisions and managing time; and

20 (C) supervising student discipline and managing
21 behavior;

22 (2) recognizing early warning indicators that a student
23 may be at risk of dropping out of school;

24 (3) digital learning, digital teaching, and integrating
25 technology into campus curriculum and instruction;

26 (4) effective implementation of a comprehensive school
27 counseling program under Section 33.005;

28 (5) mental health programs addressing a mental health
29 condition;

30 (6) educating diverse student populations, including:

31 (A) [~~students who are eligible to participate in~~

1 ~~special education programs under Subchapter A, Chapter 29;~~

2 ~~[(B) students with intellectual or developmental~~
3 ~~disabilities];~~

4 ~~[(C) students who are eligible to receive~~
5 ~~educational services required under Section 504, Rehabilitation~~
6 ~~Act of 1973 (29 U.S.C. Section 794)];~~

7 ~~[(D) students with mental health conditions or who~~
8 ~~engage in substance abuse];~~

9 ~~[(E)]~~ students who are educationally
10 disadvantaged;

11 (B) ~~[(F)]~~ students of limited English
12 proficiency; and

13 (C) ~~[(G)]~~ students at risk of dropping out of
14 school; and

15 (7) preventing, recognizing, and reporting any sexual
16 conduct between an educator and student that is prohibited under
17 Section 21.12, Penal Code, or for which reporting is required under
18 Section 21.006 of this code~~;~~ ~~and~~

19 ~~[(8) how mental health conditions, including grief and~~
20 ~~trauma, affect student learning and behavior and how evidence-~~
21 ~~based, grief-informed, and trauma-informed strategies support the~~
22 ~~academic success of students affected by grief and trauma].~~

23 (f) Continuing education requirements for a counselor must
24 provide that not more than ~~[at least]~~ 25 percent of training
25 required every five years include instruction regarding:

26 (1) assisting students in developing high school
27 graduation plans;

28 (2) implementing dropout prevention strategies;

29 (3) informing students concerning:

30 (A) college admissions, including college
31 financial aid resources and application procedures; and

1 (B) career opportunities;

2 (4) counseling students concerning mental health

3 conditions and substance abuse, including through the use of grief-

4 informed and trauma-informed interventions and crisis management

5 and suicide prevention strategies; and

6 (5) effective implementation of a comprehensive school

7 counseling program under Section 33.005.

8 SECTION _____. Sections 21.451(d), (d-1), and (d-3), Education

9 Code, are amended to read as follows:

10 (d) The staff development:

11 (1) may include training in:

12 (A) technology and digital learning; and

13 (B) positive behavior intervention and support

14 strategies, including classroom management, district discipline

15 policies, and the student code of conduct adopted under Chapter

16 37; ~~and~~

17 ~~[(C) digital learning;]~~

18 (2) subject to Subsection (e) and to Section 21.3541

19 and rules adopted under that section, must include training that

20 is evidence-based, as defined by Section 8101, Every Student

21 Succeeds Act (20 U.S.C. Section 7801), and that:

22 (A) relates to instruction of students with

23 disabilities, including students with disabilities who also have

24 other intellectual or mental health conditions; and

25 (B) is designed for educators who work primarily

26 outside the area of special education; and

27 (3) must include training on:

28 (A) suicide prevention;

29 (B) ~~[recognizing signs of mental health conditions~~

30 ~~and substance abuse;~~

31 ~~[(C)]~~ strategies for establishing and maintaining

1 positive relationships among students, including conflict
2 resolution;

3 ~~[(D) how grief and trauma affect student learning~~
4 ~~and behavior and how evidence-based, grief-informed, and trauma-~~
5 ~~informed strategies support the academic success of students~~
6 ~~affected by grief and trauma;]~~ and

7 (C) ~~[(E)]~~ preventing, identifying, responding to,
8 and reporting incidents of bullying.

9 (d-1) The training required by Subsection (d) (3):

10 (1) must:

11 (A) be provided in accordance with the policy
12 adopted under Section 21.4515; [+

13 ~~[(i) on an annual basis, as part of a new~~
14 ~~employee orientation, to all new school district and open-~~
15 ~~enrollment charter school educators; and~~

16 ~~[(ii) to existing school district and open-~~
17 ~~enrollment charter school educators on a schedule adopted by the~~
18 ~~agency by rule;]~~ and

19 (B) use a best practice-based program recommended
20 by the Health and Human Services Commission in coordination with
21 the agency under Section 38.351; and

22 (2) may include two or more listed topics together.

23 (d-3) The technology and digital learning training provided
24 by Subsection (d) (1) (A) ~~[(d) (1) (E)]~~ must:

25 (1) discuss basic technology proficiency expectations
26 and methods to increase an educator's digital literacy; and

27 (2) assist an educator in the use of digital technology
28 in learning activities that improve teaching, assessment, and
29 instructional practices.

30 SECTION _____. Subchapter J, Chapter 21, Education Code, is
31 amended by adding Sections 21.4514 and 21.4515 to read as follows:

1 Sec. 21.4514. CONTINUING EDUCATION AND TRAINING
2 CLEARINGHOUSE; ADVISORY GROUP. (a) In this section:

3 (1) "Board" means the State Board for Educator
4 Certification.

5 (2) "Clearinghouse advisory group" means the
6 clearinghouse advisory group established under Subsection (d).

7 (b) The board shall publish a comprehensive clearinghouse of
8 information regarding continuing education and training
9 requirements for:

10 (1) educators; and

11 (2) other school personnel.

12 (c) The clearinghouse must:

13 (1) include best practices and industry recommendations
14 for the frequency for training of educators and other school
15 personnel; and

16 (2) be published in consultation with the clearinghouse
17 advisory group.

18 (d) The board shall establish a clearinghouse advisory group
19 consisting of educators, including classroom teachers, and
20 representatives of organizations that represent educators to
21 review and provide input regarding the best practices and industry
22 recommendations included in the clearinghouse. In publishing the
23 clearinghouse, the board shall ensure the clearinghouse reflects
24 input provided by the clearinghouse advisory group.

25 (e) Not later than December 1 of each even-numbered year,
26 the clearinghouse advisory group shall complete a review of the
27 clearinghouse and submit a report to the legislature of the group's
28 recommendations regarding whether any required continuing
29 education or training may be reduced, eliminated, or consolidated
30 with other existing continuing education or training.

31 Sec. 21.4515. ANNUAL ADOPTION OF PROFESSIONAL DEVELOPMENT

1 POLICY. (a) The board of trustees of a school district and the
2 governing body of an open-enrollment charter school, to the extent
3 applicable, shall annually review the clearinghouse published
4 under Section 21.4514 and adopt a professional development policy
5 that must:

6 (1) be guided by the recommendations for training in
7 the clearinghouse;

8 (2) note any differences in the policy adopted by the
9 district or school from the recommendations in the clearinghouse;
10 and

11 (3) include a schedule of all training required for
12 educators or other school personnel at the district or school.

13 (b) To the extent of any conflict, a frequency requirement
14 for the completion of training provided by statute prevails over
15 a frequency requirement for that training included in the policy
16 adopted by the board of trustees of a school district or the
17 governing body of an open-enrollment charter school under
18 Subsection (a).

19 (c) The commissioner may not adopt rules regarding a
20 required frequency for the completion of training unless:

21 (1) a frequency is provided by statute for that
22 training; and

23 (2) the commissioner is granted explicit rulemaking
24 authority related to that training.

25 SECTION ____. Section 21.4552, Education Code, is amended by
26 amending Subsections (a), (b), and (c) and adding Subsection (b-
27 1) to read as follows:

28 (a) The commissioner shall develop and make available
29 literacy achievement academies for teachers who provide reading
30 instruction to students at any grade level [~~at the kindergarten or~~
31 ~~first, second, or third grade level~~].

(b) A literacy achievement academy developed under this section:

(1) for teachers who provide reading instruction to students at the kindergarten or first, second, or third grade level:

(A) [~~+1~~] must include training in:

(i) [~~+A~~] effective and systematic instructional practices in reading, including phonemic awareness, phonics, fluency, vocabulary, and comprehension; and

(ii) [~~+B~~] the use of empirically validated instructional methods that are appropriate for struggling readers; and

(B) [~~+2~~] may include training in effective instructional practices in writing;

(2) for teachers who provide reading instruction to students at the fourth or fifth grade level:

(A) must include effective instructional practices that promote student development of reading comprehension and inferential and critical thinking;

(B) must provide training in the use of empirically validated instructional methods that are appropriate for struggling readers; and

(C) may include material on writing instruction;

(3) for teachers who provide reading instruction to students at the seventh or eighth grade level, must include training in:

(A) administration of the reading instrument required by Section 28.006(c-1); and

(B) interpretation of the results of the reading instrument required by Section 28.006(c-1) and strategies, based on scientific research regarding effective reading instruction,

1 for long-term intensive intervention to target identified student
2 needs in word recognition, vocabulary, fluency, and comprehension;

3 (4) for teachers who provide reading instruction to
4 students at the sixth, seventh, or eighth grade level, must include
5 training in:

6 (A) strategies to be implemented in English
7 language arts and other subject areas for multisyllable word
8 reading, vocabulary development, and comprehension of expository
9 and narrative text;

10 (B) an adaptation framework that enables teachers
11 to respond to differing student strengths and needs, including
12 adaptations for students of limited English proficiency or
13 students receiving special education services under Subchapter A,
14 Chapter 29;

15 (C) collaborative strategies to increase active
16 student involvement and motivation to read; and

17 (D) other areas identified by the commissioner as
18 essential components of reading instruction; and

19 (5) for teachers who provide instruction in
20 mathematics, science, or social studies to students at the sixth,
21 seventh, or eighth grade level, must include training in:

22 (A) strategies for incorporating reading
23 instruction into the curriculum for the subject area taught by the
24 teacher; and

25 (B) other areas identified by the commissioner.

26 (b-1) The completion of a literacy achievement academy under
27 this section by an educator who teaches students with dyslexia
28 satisfies:

29 (1) the training requirement under Section 21.054(b);
30 and

31 (2) a training requirement adopted by the State Board

1 of Education pursuant to Section 38.003 related to the screening
2 or treatment of a student for dyslexia or a related disorder.

3 (c) The commissioner shall adopt criteria for selecting
4 teachers who may attend a literacy achievement academy. In
5 adopting selection criteria under this subsection, the
6 commissioner shall:

7 (1) require a teacher to attend a literacy achievement
8 academy if the teacher provides instruction in reading,
9 mathematics, science, or social studies to students at the sixth,
10 seventh, or eighth grade level at a campus that fails to satisfy
11 any standard under Section 39.054(e) on the basis of student
12 performance on the reading assessment instrument administered
13 under Section 39.023(a) to students in any grade level at the
14 campus;

15 (2) grant ~~[granting a]~~ priority to teachers employed by
16 a school district at a campus at which 50 percent or more of the
17 students enrolled are educationally disadvantaged; and

18 (3) ~~[(+2)]~~ provide a process through which a teacher not
19 employed at a campus described by Subdivision (2) ~~[(+1)]~~ may attend
20 the academy if the academy has available space and the school
21 district employing the teacher pays the costs of the teacher's
22 attendance.

23 SECTION _____. Sections 21.4553(a) and (b), Education Code,
24 are amended to read as follows:

25 (a) The commissioner shall develop and make available
26 mathematics achievement academies for teachers who provide
27 mathematics instruction to students at any grade level ~~[the~~
28 ~~kindergarten or first, second, or third grade level]~~.

29 (b) A mathematics achievement academy developed under this
30 section must, if appropriate for the grade level at which the
31 teacher provides instruction, include training in:

1 (1) effective and systematic instructional practices in
2 mathematics, including problem solving, the place value system,
3 whole number operations, and fractions;

4 (2) the underlying mathematical skills required to be
5 taught; and

6 (3) mathematical instruction techniques that, through
7 scientific testing, have been proven effective.

8 SECTION _____. Subchapter J, Chapter 21, Education Code, is
9 amended by adding Section 21.4571 to read as follows:

10 Sec. 21.4571. TEXAS ENGLISH LANGUAGE PROFICIENCY ASSESSMENT
11 SYSTEM TRAINING. (a) The commissioner may not require a school
12 district employee to repeat training or online calibration
13 activities the employee has previously successfully completed
14 related to administering the Texas English Language Proficiency
15 Assessment System, except that the commissioner may require the
16 employee to complete training or online calibration activities if
17 the administration of or assessment using the Texas English
18 Language Proficiency Assessment System has changed significantly
19 since the employee completed the training.

20 (b) The school district employee assigned to oversee the
21 administration of the Texas English Language Proficiency
22 Assessment System at a district campus may, with discretion,
23 require other district employees involved in administering the
24 Texas English Language Proficiency Assessment System to complete
25 training or online calibration activities described by Subsection
26 (a).

27 (c) A school district employee may not be required to
28 complete a training or online calibration activity described by
29 Subsection (a) in one sitting.

30 SECTION _____. Sections 21.458(b) and (b-1), Education Code,
31 are amended to read as follows:

1 (b) The commissioner shall adopt rules necessary to
2 administer this section, including rules concerning the duties and
3 qualifications of a teacher who serves as a mentor and the number
4 of classroom teachers that may be assigned to a mentor. The rules
5 concerning qualifications must require that to serve as a mentor
6 a teacher must:

7 (1) complete a research-based mentor and induction
8 training program approved by the commissioner;

9 (2) complete a mentor training program provided by the
10 district, which the district may allow to be satisfied by
11 completing the training program described by Subdivision (1);

12 (3) have at least three complete years of teaching
13 experience with a superior record of assisting students, as a
14 whole, in achieving improvement in student performance; and

15 (4) demonstrate interpersonal skills, instructional
16 effectiveness, and leadership skills.

17 (b-1) A school district must provide training as described
18 by Subsection (b)(2) to mentor teachers and any appropriate
19 district and campus employees who work with the classroom teacher
20 or supervise the classroom teacher. A district may allow a
21 training program approved by the commissioner under Subsection
22 (b)(1) to qualify for the training required by this section. The
23 training must be completed by the mentor teacher and the district
24 and campus employees before the beginning of the school year. The
25 district shall also provide supplemental training to mentor
26 teachers and employees during the school year. The training must
27 include content related to best mentorship practices.

28 SECTION _____. Section 22.902(a), Education Code, is amended
29 to read as follows:

30 (a) A school district shall, in accordance with the policy
31 adopted under Section 21.4515, [~~annually~~] make available to

1 district employees and volunteers instruction in the principles
2 and techniques of cardiopulmonary resuscitation and the use of an
3 automated external defibrillator, as defined by Section 779.001,
4 Health and Safety Code.

5 SECTION _____. Section 28.006(g-1), Education Code, is amended
6 to read as follows:

7 (g-1) A school district shall provide additional reading
8 instruction and intervention to each student in seventh grade
9 assessed under Subsection (c-1), as appropriate to improve the
10 student's reading skills in the relevant areas identified through
11 the assessment instrument. Training and support for activities
12 required by this subsection shall be provided by regional education
13 service centers and teacher literacy achievement [~~reading~~]
14 academies established under Section 21.4552 [~~21.4551~~], and may be
15 provided by other public and private providers.

16 SECTION _____. Section 29.063, Education Code, is amended by
17 adding Subsection (e) to read as follows:

18 (e) The agency may not require members of a language
19 proficiency assessment committee to complete training to serve on
20 that committee.

21 SECTION _____. Section 33.086(b), Education Code, is amended
22 to read as follows:

23 (b) Each school district shall adopt, in accordance with the
24 policy adopted under Section 21.4515, procedures necessary for
25 administering this section, including procedures for the time and
26 manner in which proof of current certification must be submitted.

27 SECTION _____. Sections 33.202(b) and (c), Education Code, are
28 amended to read as follows:

29 (b) The following persons must satisfactorily complete the
30 safety training program in accordance with the policy adopted under
31 Section 21.4515:

1 (1) a coach, trainer, or sponsor for an extracurricular
2 athletic activity; and

3 (2) ~~[except as provided by Subsection (f), a physician~~
4 ~~who is employed by a school or school district or who volunteers~~
5 ~~to assist with an extracurricular athletic activity; and~~

6 ~~[(3)]~~ a director responsible for a school marching
7 band.

8 (c) The safety training program must include:

9 (1) certification of participants by the American Red
10 Cross, the American Heart Association, or a similar organization
11 or by the University Interscholastic League;

12 (2) current training in:

13 (A) emergency action planning;

14 (B) ~~[cardiopulmonary resuscitation if the person~~
15 ~~is not required to obtain certification under Section 33.086;~~

16 ~~[(C)]~~ communicating effectively with 9-1-1
17 emergency service operators and other emergency personnel; and

18 (C) ~~[(D)]~~ recognizing symptoms of potentially
19 catastrophic injuries, including head and neck injuries,
20 concussions, injuries related to second impact syndrome, asthma
21 attacks, heatstroke, cardiac arrest, and injuries requiring use of
22 a defibrillator; and

23 (3) ~~[at least once each school year,~~ a safety drill
24 that incorporates the training described by Subdivision (2) and
25 simulates various injuries described by Subdivision (2)(C)
26 ~~[(2)(D)]~~.

27 SECTION _____. Section 37.0831(b), Education Code, is amended
28 to read as follows:

29 (b) A dating violence policy must:

30 (1) include a definition of dating violence that
31 includes the intentional use of physical, sexual, verbal, or

1 emotional abuse by a person to harm, threaten, intimidate, or
2 control another person in a dating relationship, as defined by
3 Section 71.0021, Family Code; and

4 (2) address safety planning, enforcement of protective
5 orders, school-based alternatives to protective orders, training
6 for teachers and administrators at each district campus that
7 instructs students in grade six or higher, counseling for affected
8 students, and awareness education for students and parents.

9 SECTION _____. Sections 38.0041(c) and (d), Education Code,
10 are amended to read as follows:

11 (c) The methods under Subsection (b)(1) for increasing
12 awareness of issues regarding sexual abuse, sex trafficking, and
13 other maltreatment of children must include training, as provided
14 by this subsection, concerning prevention techniques for and
15 recognition of sexual abuse, sex trafficking, and all other
16 maltreatment of children, including the sexual abuse, sex
17 trafficking, and other maltreatment of children with significant
18 cognitive disabilities. The training:

19 (1) must be provided in accordance with the policy
20 adopted under Section 21.4515~~[, as part of a new employee~~
21 ~~orientation, to all new school district and open-enrollment~~
22 ~~charter school employees and to existing district and open-~~
23 ~~enrollment charter school employees on a schedule adopted by the~~
24 ~~agency by rule until all district and open-enrollment charter~~
25 ~~school employees have taken the training]~~; and

26 (2) must include training concerning:

27 (A) factors indicating a child is at risk for
28 sexual abuse, sex trafficking, or other maltreatment;

29 (B) likely warning signs indicating a child may be
30 a victim of sexual abuse, sex trafficking, or other maltreatment;

31 (C) internal procedures for seeking assistance for

1 a child who is at risk for sexual abuse, sex trafficking, or other
2 maltreatment, including referral to a school counselor, a social
3 worker, or another mental health professional;

4 (D) techniques for reducing a child's risk of
5 sexual abuse, sex trafficking, or other maltreatment; and

6 (E) community organizations that have relevant
7 existing research-based programs that are able to provide training
8 or other education for school district or open-enrollment charter
9 school staff members, students, and parents.

10 (d) For any training under Subsection (c), each school
11 district and open-enrollment charter school shall maintain records
12 that include the ~~[name of each]~~ district or charter school staff
13 members ~~[member]~~ who participated in the training.

14 SECTION _____. Section 38.030(g), Education Code, is amended
15 to read as follows:

16 (g) The course of instruction for training described under
17 Subsection (f) may ~~[not]~~ be provided as an online course. The
18 course of instruction must use nationally recognized, evidence-
19 based guidelines for bleeding control and must incorporate
20 instruction on the psychomotor skills necessary to use a bleeding
21 control station in the event of an injury to another person,
22 including instruction on proper chest seal placement.

23 SECTION _____. Section 38.036, Education Code, is amended by
24 amending Subsections (c) and (d) and adding Subsection (c-1) to
25 read as follows:

26 (c) The methods under Subsection (b)(1) for increasing
27 awareness and implementation of trauma-informed care must include
28 training as provided by this subsection. The training must:

29 (1) be provided:

30 (A) ~~[(1)]~~ through a program selected from the list
31 of recommended best practice-based programs and research-based

practices established under Section 38.351 [~~161.325, Health and Safety Code~~]; and

(B) in accordance with the policy adopted under Section 21.4515 [~~(2) as part of any new employee orientation for all new school district educators~~]; and

(2) address how grief and trauma affect student learning and behavior and how evidence-based, grief-informed, and trauma-informed strategies support the academic success of students affected by grief and trauma

~~[(3) to existing school district educators on a schedule adopted by the agency by rule that requires educators to be trained at intervals necessary to keep educators informed of developments in the field].~~

(c-1) The training under Subsection (c) may include two or more listed topics together.

(d) For any training under Subsection (c), each school district shall maintain records that include the ~~[name of each]~~ district staff members ~~[member]~~ who participated in the training.

SECTION ____ . Section 38.210(b), Education Code, is amended to read as follows:

(b) Training required under this section must:

(1) include information on:

(A) recognizing the signs and symptoms of anaphylaxis;

(B) administering an epinephrine auto-injector;

(C) implementing emergency procedures, if necessary, after administering an epinephrine auto-injector; and

(D) properly disposing of used or expired epinephrine auto-injectors; ~~[and]~~

(2) be provided in a formal training session or through online education; and

1 (3) be provided in accordance with the policy adopted
2 under Section 21.4515 ~~[and be completed annually]~~.

3 SECTION _____. Section 38.351(h), Education Code, is amended
4 to read as follows:

5 (h) If a school district provides the training under
6 Subsection (g), the school district shall:

7 (1) require completion of the training in accordance
8 with the policy adopted under Section 21.4515 ~~[a school district~~
9 ~~employee described under that subsection must participate in the~~
10 ~~training at least one time]; and~~

11 (2) ~~[the school district shall]~~ maintain records that
12 include the ~~[name of each]~~ district employees ~~[employee]~~ who
13 participated in the training.

14 SECTION _____. Section 39.0304, Education Code, is amended by
15 amending Subsection (a) and adding Subsections (b-1) and (b-2) to
16 read as follows:

17 (a) To ensure that each administration of assessment
18 instruments under Section 39.023 is valid, reliable, and in
19 compliance with the requirements of this subchapter, the
20 commissioner may require training for school district employees
21 involved in the administration of the assessment instruments,
22 subject to Subsection (b-1).

23 **(b-1) The commissioner may only require the employee at each**
24 **district campus who oversees the administration of the assessment**
25 **instruments to annually receive the training required under**
26 **Subsection (a).**

27 **(b-2) The school district employee who oversees test**
28 **administration on a district campus may, with discretion, require**
29 **other district employees involved in the administration of**
30 **assessment instruments to repeat the training under Subsection**
31 **(a).**

SECTION _____. Section 39.408, Education Code, is amended to read as follows:

Sec. 39.408. ELIGIBILITY CRITERIA FOR CERTAIN GRANT PROGRAMS. A school district or campus is eligible to participate in programs under Sections [~~21.4541,~~] 29.095[~~7~~] and 29.096 if the district or campus exhibited during each of the three preceding school years characteristics that strongly correlate with high dropout rates.

SECTION _____. (a) Not later than June 1, 2022, the State Board for Educator Certification shall publish the continuing education and training clearinghouse required by Section 21.4514, Education Code, as added by this Act.

(b) Not later than August 1, 2022, each school district shall adopt a professional development policy for district personnel in accordance with Section 21.4515, Education Code, as added by this Act.

(c) Except as provided by Subsection (b) of this section, this Act applies beginning with the 2021-2022 school year.

SECTION _____. The Texas Education Agency is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the Texas Education Agency may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

(2) Add the following appropriately numbered subdivisions to SECTION 31(a) of the bill, repealing provisions of the Education Code (page 13, lines 9-16), and renumber subsequent subdivisions appropriately:

(____) Section 21.054(d-2), as amended by Chapter 464 (S.B. 11) and Chapter 352 (H.B. 18), Acts of the 86th Legislature,

1 Regular Session, 2019;
2 () Section 21.054(e-2);
3 () Section 21.454;
4 () Section 21.4541;
5 () Section 21.455;
6 () Section 21.4551;
7 () Section 21.4554;
8 () Section 28.013(d);
9 () Sections 33.202(d), (e), and (f);
10 () Section 34.0021;
11 () Section 38.036(e);

ADOPTED

MAY 26 2021

Lately Saw
Secretary of the Senate

Ladri Lewis, Jr.

FLOOR AMENDMENT NO. 23

BY: _____

1 Amend C.S.H.B. No. 1525 (senate committee report) in SECTION
2 19 of the bill as follows:

3 (1) In transferred, redesignated, and amended Section
4 48.115, Education Code, strike Subsection (b)(3)(C) (page 9, lines
5 3-10) and substitute the following:

6 (C) the prevention, identification, and
7 management of emergencies and threats, using evidence-based,
8 effective prevention practices and including:

9 (i) providing licensed counselors, social
10 workers, and individuals trained in restorative discipline and
11 restorative justice practices;

12 (ii) providing mental health personnel and
13 support;

14 (iii) ~~[(ii)]~~ providing behavioral health
15 services; ~~[and]~~

16 (iv) ~~[(iii)]~~ establishing threat reporting
17 systems; and

18 (v) developing and implementing programs
19 focused on restorative justice practices, culturally relevant
20 instruction, and providing mental health support; and

21 (2) In transferred, redesignated, and amended Section
22 48.115, Education Code (page 9, lines 18-23), strike "~~[(d) A school~~
23 ~~district that is required to take action under Chapter 41 to reduce~~
24 ~~its wealth per student to the equalized wealth level is entitled to~~
25 ~~a credit, in the amount of the allotments to which the district is~~
26 ~~to receive as provided by appropriation, against the total amount~~
27 ~~required under Section 41.093 for the district to purchase~~
28 ~~attendance credits.]~~" and substitute the following:

29 (d) The commissioner shall annually publish a report

1 regarding funds allocated under this section including the
2 programs, personnel, and resources purchased by districts using
3 funds under this section and other purposes for which the funds were
4 used [~~A school district that is required to take action under~~
5 ~~Chapter 41 to reduce its wealth per student to the equalized wealth~~
6 ~~level is entitled to a credit, in the amount of the allotments to~~
7 ~~which the district is to receive as provided by appropriation,~~
8 ~~against the total amount required under Section 41.093 for the~~
9 ~~district to purchase attendance credits].~~

ADOPTED
 MAY 26 2021

FLOOR AMENDMENT NO. 25

BY: Jai Manig

Latey Law
 Secretary of the Senate

1 Amend C.S.H.B. No. 1525 by adding the following appropriately
 2 numbered SECTIONS to the bill and renumbering subsequent SECTIONS
 3 of the bill accordingly:

4 SECTION ____ . Section 12.056(b), Education Code, is amended
 5 to read as follows:

6 (b) A campus or program for which a charter is granted under
 7 this subchapter is subject to:

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

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

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

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

18 (C) high school graduation under Section 28.025;

19 (D) special education programs under Subchapter A,
 20 Chapter 29;

21 (E) bilingual education under Subchapter B,
 22 Chapter 29;

23 (F) prekindergarten programs under Subchapter E,
 24 Chapter 29, except class size limits for prekindergarten classes
 25 imposed under Section 25.112, which do not apply;

26 (G) extracurricular activities under Section
 27 33.081;

28 (H) health and safety under Chapter 38;

29 (I) public school accountability under
 1 21.142.737 GCB

1 Subchapters B, C, D, F, and J, Chapter 39, and Chapter 39A; and

2 (J) the duty to discharge or refuse to hire
3 certain employees or applicants for employment under Section
4 12.1059.

5 SECTION _____. Section 12.104(b), Education Code, as amended
6 by Chapters 262 (H.B. 1597), 464 (S.B. 11), 467 (H.B. 4170), and
7 943 (H.B. 3), Acts of the 86th Legislature, Regular Session, 2019,
8 is reenacted and amended to read as follows:

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

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

12 (2) the provisions in Chapter 554, Government Code; and

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

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

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

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

23 (D) accelerated instruction under Section
24 28.0211;

25 (E) high school graduation requirements under
26 Section 28.025;

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

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

31 (H) prekindergarten programs under Subchapter E or

1 E-1, Chapter 29, except class size limits for prekindergarten
2 classes imposed under Section 25.112, which do not apply;

3 (I) extracurricular activities under Section
4 33.081;

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

7 (K) health and safety under Chapter 38;

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

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

12 (N) intensive programs of instruction under
13 Section 28.0213;

14 (O) the right of a school employee to report a
15 crime, as provided by Section 37.148;

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

18 (Q) the right of a school under Section 37.0052 to
19 place a student who has engaged in certain bullying behavior in a
20 disciplinary alternative education program or to expel the
21 student;

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

25 (S) a parent's right to information regarding the
26 provision of assistance for learning difficulties to the parent's
27 child as provided by Sections 26.004(b)(11) and 26.0081(c) and
28 (d);

29 (T) establishment of residency under Section
30 25.001;

31 (U) ~~[(+T)]~~ school safety requirements under

Sections 37.108, 37.1081, 37.1082, 37.109, 37.113, 37.114, 37.115, 37.207, and 37.2071;

(V) [~~T~~] the early childhood literacy and mathematics proficiency plans under Section 11.185; and

(W) [~~U~~] the college, career, and military readiness plans under Section 11.186.

SECTION _____. Section 25.112(a), Education Code, is amended to read as follows:

(a) Except as otherwise authorized by this section, a school district may not enroll more than 22 students in a prekindergarten, kindergarten, first, second, third, or fourth grade class. That limitation does not apply during:

(1) any 12-week period of the school year selected by the district, in the case of a district whose average daily attendance is adjusted under Section 48.005(c); or

(2) the last 12 weeks of any school year in the case of any other district.

SECTION _____. Section 29.1532(b), Education Code, is amended to read as follows:

(b) If a school district contracts with a private entity for the operation of the district's prekindergarten program, the program must at a minimum comply with:

(1) the applicable child-care licensing standards adopted by the Health and Human Services Commission [~~Department of Protective and Regulatory Services~~] under Section 42.042, Human Resources Code; and

(2) the class size requirement for prekindergarten classes imposed under Section 25.112(a).

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

(c) A prekindergarten program provided by a private provider

1 under this section is subject to:
2 (1) the requirements of this subchapter; and
3 (2) the class size requirement for prekindergarten classes
4 imposed under Section 25.112(a).

ADOPTED

MAY 26 2021

Latey Law
Secretary of the Senate

FLOOR AMENDMENT NO. 26

BY: *Larry Taylor*

1 Amend C.S.H.B. 1525 (senate committee printing) as follows:

2 (1) Add the following appropriately numbered SECTIONS to
3 the bill and renumber subsequent SECTIONS accordingly:

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

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

9 (1) training and assistance in:

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

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

14 (2) training and assistance in providing [~~a gifted and~~
15 ~~talented program and~~] each program that qualifies for a funding
16 allotment under Section 48.102, 48.104, [~~or~~] 48.105, or 48.109;

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

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

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

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

28 SECTION _____. Subchapter C, Chapter 48, Education Code, is
29 amended by adding Section 48.109 to read as follows:

1 Sec. 48.109. GIFTED AND TALENTED STUDENT ALLOTMENT. (a)

2 For each identified student a school district serves in a program
3 for gifted and talented students that the district certifies to the
4 commissioner as complying with Subchapter D, Chapter 29, a district
5 is entitled to an annual allotment equal to the basic allotment
6 multiplied by 0.07 for each school year or a greater amount provided
7 by appropriation.

8 (b) Funds allocated under this section, other than the
9 amount that represents the program's share of general
10 administrative costs, must be used in providing programs for gifted
11 and talented students under Subchapter D, Chapter 29, including
12 programs sanctioned by International Baccalaureate and Advanced
13 Placement, or in developing programs for gifted and talented
14 students. Each district must account for the expenditure of state
15 funds as provided by rule of the State Board of Education. If by the
16 end of the 12th month after receiving an allotment for developing a
17 program a district has failed to implement a program, the district
18 must refund the amount of the allotment to the agency within 30
19 days.

20 (c) Not more than five percent of a district's students in
21 average daily attendance are eligible for funding under this
22 section.

23 (d) If the amount of state funds for which school districts
24 are eligible under this section exceeds the amount of state funds
25 appropriated in any year for the programs, the commissioner shall
26 reduce each district's tier one allotments in the same manner
27 described for a reduction in allotments under Section 48.266.

28 (e) If the total amount of funds allotted under this section
29 before a date set by rule of the State Board of Education is less
30 than the total amount appropriated for a school year, the
31 commissioner shall transfer the remainder to any program for which

1 an allotment under Section 48.104 may be used.

2 (f) After each district has received allotted funds for this
3 program, the State Board of Education may use up to \$500,000 of the
4 funds allocated under this section for programs such as MATHCOUNTS,
5 Future Problem Solving, Odyssey of the Mind, and Academic
6 Decathlon, as long as these funds are used to train personnel and
7 provide program services. To be eligible for funding under this
8 subsection, a program must be determined by the State Board of
9 Education to provide services that are effective and consistent
10 with the state plan for gifted and talented education.

11 (2) In SECTION 31(a) of the bill, repealing provisions of
12 the Education Code (page 13, between lines 13 and 14), insert the
13 following appropriately numbered subdivision and renumber
14 subsequent subdivisions accordingly:

15 (____) Section 29.124;

ADOPTED

MAY 26 2021

Lately Spaw
Secretary of the Senate

FLOOR AMENDMENT NO.

27

BY:

Taylor

1 Amend C.S.H.B. No. 1525 (senate committee printing) by adding
2 the following appropriately numbered SECTION to the bill and
3 renumbering subsequent SECTIONS of the bill accordingly:

4 SECTION __. Section 48.005(d), Education Code, is amended to
5 read as follows:

6 (d) The commissioner may adjust the average daily attendance
7 of a school district in which a disaster, flood, extreme weather
8 condition, fuel curtailment, or other calamity has a significant
9 effect on the district's attendance. In addition to providing the
10 adjustment for the amount of instructional days during the semester
11 in which the calamity first occurred, an adjustment under this
12 section may only be provided based on a particular calamity for an
13 additional amount of instructional days equivalent to one school
14 year. The commissioner may divide the adjustment between two
15 consecutive school years.

ADOPTED

FLOOR AMENDMENT NO. 29

^{VV}
MAY 26 2021

BY: Chris Perry

Lately Spaw
Secretary of the Senate

1 Amend C.S.H.B. No. 1525 (senate committee report) by adding
2 the following appropriately numbered SECTION to the bill and
3 renumbering subsequent SECTIONS of the bill accordingly:

4 SECTION _____. Section 32.155, Education Code, is amended to
5 read as follows:

6 Sec. 32.155. PROTECTION OF COVERED INFORMATION. (a) An
7 operator must implement and maintain reasonable security
8 procedures and practices designed to protect any covered
9 information from unauthorized access, deletion, use, modification,
10 or disclosure.

11 (b) Any operator that has been approved by the agency or had
12 a product adopted by the agency and possesses any covered
13 information must use the unique identifier established by the Texas
14 Student Data System (TSDS) or a successor data management system
15 maintained by the agency for any account creation, data upload,
16 data transmission, analysis, or reporting to mask all personally
17 identifiable student information. The operator shall adhere to a
18 state-required student data sharing agreement that includes an
19 established unique identifier standard for all operators as
20 prescribed by the agency.

21 (c) In addition to including the unique identifier in
22 releasing information as provided by Subsection (b), an operator
23 may include any other data field identified by the agency or by a
24 school district, open-enrollment charter school, regional
25 education service center, or other local education agency as
26 necessary for the information being released to be useful.

27 (d) A school district, open-enrollment charter school,
28 regional education service center, or other local education agency
29 may include additional data fields in an agreement with an operator

1 or the amendment of an agreement with an operator under this
2 section. An operator may agree to include the additional data
3 fields requested by a school district, open-enrollment charter
4 school, regional education service center, or other local
5 education agency but may not require that additional data fields
6 be included.

7 (e) A school district, open-enrollment charter school,
8 regional education service center, or other local education agency
9 may require an operator that contracts directly with the entity to
10 adhere to a state-required student data sharing agreement that
11 includes the use of an established unique identifier standard for
12 all operators as prescribed by the agency.

13 (f) A national assessment provider who receives covered
14 information from a student or from a school district or campus on
15 behalf of a student is not required to comply with Subsection (b)
16 or (e) if the provider receives the covered information solely to
17 provide access to:

18 (1) employment, educational scholarships, financial
19 aid, or postsecondary educational opportunities; or

20 (2) educational resources for middle school, junior
21 high school, or high school students.

22 (g) The commissioner may adopt rules as necessary to
23 administer this section.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 27, 2021

TO: Honorable Dade Phelan, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1525 by Huberty (Relating to the public school finance system and public education.), **As Passed 2nd House**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1525, As Passed 2nd House : a negative impact of (\$620,419,654) through the biennium ending August 31, 2023.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2022	(\$326,344,218)
2023	(\$294,075,436)
2024	(\$285,067,841)
2025	(\$346,878,392)
2026	(\$360,495,689)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable (Cost) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>Foundation School Fund</i> 193	Probable Revenue (Loss) from <i>Recapture Payments Atten</i> <i>Crdts</i> 8905	<i>Change in Number of State</i> <i>Employees from FY 2021</i>
2022	(\$34,575,024)	(\$291,769,194)	(\$128,781,887)	29.0
2023	(\$39,816,753)	(\$254,258,683)	(\$138,202,105)	29.0
2024	(\$53,291,333)	(\$231,776,508)	(\$140,614,407)	29.0
2025	(\$67,208,591)	(\$279,669,801)	(\$143,553,313)	29.0
2026	(\$67,408,592)	(\$293,087,097)	(\$151,633,040)	29.0

Fiscal Analysis

The bill would amend Section 39.053(g-4) of the Education Code to exclude students from the computation of dropout and completion rates if the student received interventions from the district as described in Section 26.004.

The bill would amend Section 48.110(f) of the Education Code by counting students who earn an associate's degree while attending high school or during a time period established by the Commissioner for purposes of calculating the college, career, and military readiness outcomes bonus (CCMR).

The bill would amend the Career and Technology Education Allotment by changing to base it on the sum of Basic Allotment and the Small and Mid-Sized Allotment. The bill would alter the weighted formula for the Career and Technology Education Allotment by creating three weights based on whether the course taken is in an approved program of study for the Career and Technology Education allotment.

This bill would alter the weighted formula and the criteria to receive the Fast Growth Allotment found in Section 48.111 of the Education Code. The Fast Growth Allotment would be based on the greater of number of enrolled students added over six years over 250 rather or the average annual growth in students over the past three years, if that growth in student enrollment is in the top quartile of student enrollment in school districts in the state. Each qualifying student, the district shall receive an allotment equal to the basic allotment multiplied by a weight of 0.45 if they are enrolled in a district in the top third of fast growing districts, students in the middle third would receive a weight of .30 and students in the bottom third would receive a weight of 0.15.

The Fast Growth Allotment would be capped at \$270 million in fiscal year 2022, \$310 million in fiscal year 2023, \$315 million in fiscal year 2024, and \$320 million in subsequent years.

The bill would provide for districts which received the Fast Growth Allotment in fiscal year 2020, but who were not entitled to the allotment in fiscal year 2022 to receive the amount they were entitled to in fiscal year 2020. This portion of the Fast Growth Allotment would be limited to \$40 million, and districts would receive a prorated allotment if the allotments under this Section exceeded that amount.

The bill would adjust the calculation of the Formula Transition Grant to include the portion of delinquent taxes that was scheduled to be paid under an installment agreement during the 219-2020 or 2020-2021 school year, if that property for which the taxes are due, account for more than 7.5 percent of the district's total taxable property value.

The bill would amend the Grant Program Providing Services to Students with Autism and the Grant Program Providing Services to Students with Dyslexia and extend the two programs, which were set to expire on September 1, 2021 until September 1, 2023.

The bill would direct federal pandemic funding, including the use of one-time federal discretionary COVID-19 funding.

The bill would create the Section 48.1102 of the Education Code, the Accelerate Learning and Sustainment Outcomes Bonus. Each student who did not perform successfully on a subject area assessment as described in Section 39.023(a) of the Education Code in the preceding year but did perform satisfactorily or better in the current year, would be considered successfully accelerated. A student who does not perform satisfactorily in an assessment instrument, and then does perform successfully in that assessment instrument in the two subsequent years, would be considered a sustained accelerated student. The bonus would provide \$500 for each successfully accelerated student who is not educationally disadvantaged and \$1,000 for each successfully accelerated student who is educationally disadvantaged, above a threshold set by the commissioner. The bonus would provide \$250 for each sustained accelerated student who is not educationally disadvantaged and \$500 for each sustained accelerated student who is educationally disadvantaged, above a threshold.

The bill would create Section 48.1102(d-f) of the Education Code giving the commissioner the responsibility of establishing a percentage threshold of successfully accelerated who are and are not economically disadvantaged, to be applied to districts and open enrollment charters to qualify for Accelerated Learning and Sustainment Outcomes Bonus. The commissioner may modify the threshold once every 5 years if changes in performance have occurred.

The bill would create Section 29.934 of the Education Code. This section creates Resource Campuses if a school district campus received an overall performance rating under Section 39.054 of F for four year over a 10-year period. Resource Campuses would qualify for funding as provided under Section 48.252 of the Education Code.

The bill would create Chapter 29, Subchapter A-1 of the Education Code, the Supplemental Special Education Services Program. The program provides a grant of no more than \$1,500 to purchase supplemental special

education services and supplemental special education instructional materials.

The bill establishes the Chapter 48, Subchapter H. Texas Commission on Special Education Funding. The commission is to develop and make recommendations regarding methods of financing special education in public schools.

The bill would create Section 21.4514 and form the Continuing Education and Training Clearinghouse Advisory Group to recommend new teacher training methods.

The bill would create Section 48.109, of the Education Code, the Gifted and Talented Allotment. For each student a district serves in their program for gifted and talented students, up to 5 percent of the district's students in average daily attendance, the district shall receive an allotment equal to the basic allotment multiplied by 0.07. The State Board of Education may use up to \$500,000 of the funds allocated under this section to train personnel and provide program service for certain programs.

The bill would amend the section 48.257(c) of the Education Code, allowing districts to net state aid received against recapture.

The bill would provide for a reduction in recapture, in the amount of the Teacher Incentive Allotment under Section 48.112, for any district to which Section 48.257(b) applies. An adjustment under this Section would not be included in calculating a districts revenue under Section 48.277 of the Education Code.

The bill would amend Subchapter F, Chapter 48, Education Code by adding sections 48.281. Section 48.281 would authorize the commissioner to make adjustments to districts' entitlements under Chapter 48, as necessary to ensure compliance with federal maintenance of effort (MOE) and maintenance of equity (MOQ) under the Coronavirus Response and Relief Supplemental Appropriations Act 2021.

The Commissioner would be authorized to waive some spending requirements under Chapter 48, if a district can provide a plan to accelerate all students who are not grade level by school year 2023-2024.

The bill would amend subchapter A, Chapter 49 of the Education Code by adding Section 49.0041. Any district that did not receive formal notification of excess local revenue status under 49.004(a) of the Education Code, but would have otherwise been subject to local revenue in excess of entitlement provisions, would have that excess local revenue added to any amount subject to recapture in the following school year for the applicable district.

The bill would put a cap of \$400 million on the Formula Transition Grant.

The bill would require the Texas Education Agency (TEA) to transfer funds to the Texas Workforce Commission to operate the High School Equivalency subsidy program.

The bill would repeal Section 48.0051(a-1) which prevented districts eligible for both the additional school days funding and funding under Section 48.252 for districts which contract with charter schools to run district campuses.

Methodology

This analysis assumes that the bill would result in a total state cost for the Foundation School Program of \$289,869,194 for fiscal year 2022 and \$252,358,683 for fiscal year 2023, increasing to \$293,187,097 in fiscal year 2026, primarily related to changes the bill would make in Career and Technology Education Allotment, the adjustment to recapture for Teacher Incentive Allotment, the creation of the Gifted and Talented Allotment, and the Fast Growth Allotment.

TEA estimates requiring districts to pay any applicable recapture costs in the subsequent year if a district was not notified under Section 49.004(a) of the Education Code would result in a savings to the state of \$2.7 million per year.

Section 18 of the bill would expand the opportunities for a district subject to recapture to net its recapture

payment against state aid. Based on information provided by TEA, this would have the impact of reducing recapture revenue by \$109,270,924 in fiscal year 2022, \$127,686,496 in fiscal year 2023, and there would be a corresponding savings to the Foundation School Fund No. 193 of the same amount to account for the decrease in recapture.

To meet Maintenance of Effort (MOE) and Maintenance of Equity (MOQ) under the Coronavirus Response and Relief Supplemental Appropriations Act 2021, districts would require increased funding but TEA assumes that a separate appropriation would be made to fund federal MOE and MOQ and that this provision will not have a fiscal impact on the FSP. Therefore, these provisions of this bill will not result in any additional amount of funding required to meet federal MOE and MOQ requirements which are imposed by the federal statutes, over and above any amount the legislature would be assumed to deliver to districts in order to comply under current law.

The Workforce Commission indicates a cost of \$750,000 per year to pay for the High School Equivalency subsidy program.

The bill would repeal Sections 25.038, 25.039(b) and (c) and Section 48.154 which would save \$1.7 million annually.

The bill would repeal Section 48.0051(a-1) which TEA estimates would cost of \$2.6 million for this provision of the bill.

The Conference Committee Report on Senate Bill 1, Eighty-seventh Legislature appropriated up to \$100,000,000 for the Dyslexia and Autism Grants extended under the provisions of the bill.

The Conference Committee Report on Senate Bill 1, also directed up to \$564,000,000 in General Revenue and \$1,259,000,000 in federal pandemic funding for targeted programs as provided under the provisions of the bill.

This analysis assumes that the adjustment to an eligible districts formula transition grant based on delinquent taxes would have a fiscal impact of \$2.0 million in fiscal years 2022-24.

TEA estimates the cost of the provisions related to Resource Campuses would have a fiscal impact of \$5.2 million in fiscal year 2023, increasing to \$32.9 million in fiscal year 2026.

The estimated fiscal impact of the Supplemental Special Education Services Program is \$30.0 million per fiscal year.

The estimated cost associated with implementing the provisions associated with Mathematics Achievement Academies would be \$100,000 in fiscal years 2022 and 2023, and an additional \$200,000 per biennium beginning in fiscal year 2024.

TEA anticipates 29.0 Full-time Equivalents (FTEs) would be required to implement the provisions of the bill at an estimated cost of \$3,634,323 in fiscal year 2022, and \$3,518,323 in subsequent years including salary, benefits, and other operating expenses.

Technology

TEA estimates total data costs of \$90,701 in fiscal year 2022 and \$272,102 in fiscal year 2023 to update their IT systems to incorporate additional data required to implement the bill.

Local Government Impact

School districts could experience additional costs related to implementing the provisions of the bill with respect to certain provisions, such as the limitation on the number of children in a prekindergarten classroom, or related to appointing employees to oversee a tutoring program, but these costs would likely be made up by the additional state and federal aid directed under the provisions of the bill.

Source Agencies: 701 Texas Education Agency

LBB Staff: JMc, LBO, AH, SL, CPA

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 13, 2021

TO: Honorable Larry Taylor, Chair, Senate Committee on Education

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1525 by Huberty (relating to the public school finance system and public education.), Committee Report 2nd House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for HB1525, Committee Report 2nd House, Substituted : a negative impact of (\$266,904,005) through the biennium ending August 31, 2023.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2022	(\$138,456,848)
2023	(\$128,447,157)
2024	(\$103,474,639)
2025	(\$152,367,179)
2026	(\$163,553,215)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable (Cost) from General Revenue Fund 1</i>	<i>Probable Savings/(Cost) from Foundation School Fund 193</i>	<i>Probable Revenue (Loss) from Recapture Payments Atten Crdts 8905</i>	<i>Change in Number of State Employees from FY 2021</i>
2022	(\$1,188,632)	(\$137,268,216)	(\$122,633,677)	3.0
2023	(\$1,391,793)	(\$127,055,364)	(\$134,810,523)	3.0
2024	(\$1,069,052)	(\$102,405,587)	(\$133,512,292)	3.0
2025	(\$1,069,052)	(\$151,298,127)	(\$131,945,538)	3.0
2026	(\$1,069,052)	(\$162,484,163)	(\$134,983,276)	3.0

Fiscal Analysis

The bill would amend Section 39.053(g-4) of the Education Code to exclude students from the computation of dropout and completion rates if the student received interventions from the district as described in Section 26.004.

The bill would amend Section 48.110(f) of the Education Code by counting students who earn an associate's degree while attending high school or during a time period established by the Commissioner for purposes of calculating the college, career, and military readiness outcomes bonus (CCMR).

The bill would amend the Career and Technology Education Allotment by changing to base it on the sum

of Basic Allotment and the Small and Mid-Sized Allotment. The bill would alter the weighted formula for the Career and Technology Education Allotment by creating three weights based on whether the course taken is in an approved program of study for the Career and Technology Education allotment.

This bill would alter the weighted formula and the criteria to receive the Fast Growth Allotment found in Section 48.111 of the Education Code. The Fast Growth Allotment would be based on the number of enrolled students added over six years over 250 rather than average daily attendance for qualifying districts. The allotment would be based on 0.3 multiplied by the Basic Allotment for each enrolled student over 250 students in fiscal year 2022; the weight would increase to 0.348 in fiscal year 2023, and 0.35 in subsequent years.

The Fast Growth Allotment would be capped at \$270 million in fiscal year 2022, \$310 million in fiscal year 2023, \$315 million in fiscal year 2024, and \$320 million in subsequent years.

The bill would provide for districts which received the Fast Growth Allotment in fiscal year 2020, but who were not entitled to the allotment in fiscal year 2022 to receive the amount they were entitled to in fiscal year 2020. This portion of the Fast Growth Allotment would be limited to \$40 million, and districts would receive a prorated allotment if the allotments under this Section exceeded that amount.

The bill would amend the section 48.257(c) of the Education Code, allowing districts to net state aid received against recapture.

The bill would provide for a reduction in recapture, in the amount of the Teacher Incentive Allotment under Section 48.112, for any district to which Section 48.257(b) applies. An adjustment under this Section would not be included in calculating a districts revenue under Section 48.277 of the Education Code.

The bill would amend Subchapter F, Chapter 48, Education Code by adding sections 48.281 and 48.282. Section 48.281 would authorize the commissioner to make adjustments to districts' entitlements under Chapter 48, as necessary to ensure compliance with federal maintenance of effort (MOE) and maintenance of equity (MOQ) under the Coronavirus Response and Relief Supplemental Appropriations Act 2021.

Section 48.282 would require school districts to reserve a percentage of the state and local funds made available to the district through the Foundation School Fund. The percentage would be set by appropriation and would be applied to the amount of funding received by the district under the American Rescue Plan (ARP) Act of 2021.

The Commissioner would be authorized to waive some spending requirements under Chapter 48, if a district can provide a plan to accelerate all students who are not grade level by school year 2023-2024.

The bill would amend subchapter A, Chapter 49 of the Education Code by adding Section 49.0041. Any district that did not receive formal notification of excess local revenue status under 49.004(a) of the Education Code, but would have otherwise been subject to local revenue in excess of entitlement provisions, would have that excess local revenue added to any amount subject to recapture in the following school year for the applicable district.

The bill would put a cap of \$400 million on the Formula Transition Grant.

The bill would require the Texas Education Agency (TEA) to transfer funds to the Texas Workforce Commission to operate the High School Equivalency subsidy program.

The bill would repeal Sections 25.038, 25.039(b) and (c) and Section 48.154 which authorize certain school districts to charge tuition to transfer students and allow for FSP reimbursement for tuition paid by the district from which the students transfer.

The bill would repeal Section 48.0051(a-1) which prevented districts eligible for both the additional school days funding and funding under Section 48.252 for districts which contract with charter schools to run district campuses.

Methodology

This analysis assumes that the bill would result in a total state cost for the Foundation School Program of \$137,368,216 for fiscal year 2022 and \$127,155,364 for fiscal year 2023, increasing to \$162,584,163 in fiscal year 2026, primarily related to changes the bill would make in Career and Technology Education Allotment, the adjustment to recapture for Teacher Incentive Allotment, and the Fast Growth Allotment.

TEA estimates requiring districts to pay any applicable recapture costs in the subsequent year if a district was not notified under Section 49.004(a) of the Education Code would result in a savings to the state of \$2.7 million per year.

Section 18 of the bill would expand the opportunities for a district subject to recapture to net its recapture payment against state aid. Based on information provided by TEA, this would have the impact of reducing recapture revenue by \$109,270,924 in fiscal year 2022, \$127,686,496 in fiscal year 2023, and there would be a corresponding savings to the Foundation School Fund No. 193 of the same amount to account for the decrease in recapture.

To meet Maintenance of Effort (MOE) and Maintenance of Equity (MOQ) under the Coronavirus Response and Relief Supplemental Appropriations Act 2021, districts would require increased funding but TEA assumes that a separate appropriation would be made to fund federal MOE and MOQ and that this provision will not have a fiscal impact on the FSP. Therefore, these provisions of this bill will not result in any additional amount of funding required to meet federal MOE and MOQ requirements which are imposed by the federal statutes, over and above any amount the legislature would be assumed to deliver to districts in order to comply under current law.

TEA anticipates an administrative cost of three Financial Analyst III FTE. TEA estimates the combined salary for the FTEs to be \$233,586 per fiscal year, related benefits to be \$97,466 per fiscal year, and other operating expenses related to the FTEs to be \$18,000 in fiscal year 2022 and \$6,000 per year in subsequent years.

The Workforce Commission indicates a cost of \$750,000 per year to pay for the High School Equivalency subsidy program.

The bill would repeal Sections 25.038, 25.039(b) and (c) and Section 48.154 which would save \$1.7 million annually.

The bill would repeal Section 48.0051(a-1) which TEA estimates would cost of \$2.6 million for this provision of the bill.

Technology

TEA estimates total data costs of \$107,580 in fiscal year 2022 and \$322,741 in fiscal year 2023 to update their IT systems to incorporate additional data required to implement the bill.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 701 Texas Education Agency
LBB Staff: JMc, SL, AH, CPA

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 13, 2021

TO: Honorable Larry Taylor, Chair, Senate Committee on Education

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1525 by Huberty (Relating to the public school finance system.), As Engrossed

Estimated Two-year Net Impact to General Revenue Related Funds for HB1525, As Engrossed : a negative impact of (\$443,602,412) through the biennium ending August 31, 2023.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2022	(\$173,484,708)
2023	(\$270,117,704)
2024	(\$288,306,367)
2025	(\$338,222,767)
2026	(\$380,777,266)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Probable Savings/(Cost) from Foundation School Fund 193</i>	<i>Probable Revenue Gain/(Loss) from Recapture Payments Attention Crdts 8905</i>	<i>Change in Number of State Employees from FY 2021</i>
2022	(\$201,052)	(\$173,283,656)	(\$109,270,924)	1.0
2023	(\$378,453)	(\$269,739,251)	(\$124,898,420)	1.0
2024	(\$106,351)	(\$288,200,016)	(\$118,399,026)	1.0
2025	(\$106,351)	(\$338,116,416)	(\$113,883,325)	1.0
2026	(\$106,351)	(\$380,670,915)	(\$108,905,401)	1.0

Fiscal Analysis

The bill would amend Section 39.053(g-4) of the Education Code to exclude students from the computation of dropout and completion rates if the student received interventions from the district as described in Section 26.004.

The bill would amend Section 48.110(f) of the Education Code by counting students who earn an associate's degree while attending high school or during a time period established by the Commissioner for purposes of calculating the College, Career, and Military Readiness Outcomes Bonus (CCMR).

The bill would amend the Career and Technology Education Allotment by changing to base it on the sum of Basic Allotment and the Small and Mid-Sized Allotment. The bill would alter the weighted formula for

the Career and Technology Education Allotment by creating three weights based on whether the course taken is in an approved program of study for the Career and Technology Education allotment.

This bill would alter the weighted formula and the criteria to receive the Fast Growth Allotment found in Section 48.111 of the Education Code. The Fast Growth Allotment would be based on the number of enrolled students added over six years over 250 rather than average daily attendance for qualifying districts. The allotment would be based on 0.3 multiplied by the Basic Allotment for each enrolled student over 250 students in fiscal year 2022; the weight would increase to 0.348 in fiscal year 2023, and 0.35 in subsequent years.

The Fast Growth Allotment would be capped at \$270 million in fiscal year 2022, \$310 million in fiscal year 2023, \$315 million in fiscal year 2024, and \$320 million in subsequent years, and districts would receive a prorated allotment if the allotments under this Section exceeded that amount.

The bill would provide for districts which received the Fast Growth Allotment in fiscal year 2020, but who were not entitled to the allotment in fiscal year 2022 to receive the amount they were entitled to in fiscal year 2020. This portion of the Fast Growth Allotment would be limited to \$40 million, and districts would receive a prorated allotment if the allotments under this Section exceeded that amount.

The bill would amend the section 48.257(c) of the Education Code, allowing districts to net state aid received against recapture.

The bill would provide for a reduction in recapture, in the amount of the Teacher Incentive Allotment under Section 48.112, for any district to which Section 48.257(b) applies. An adjustment under this Section would not be included in calculating a districts revenue under Section 48.277 of the Education Code.

The bill would amend subchapter A, Chapter 49 of the Education Code by adding Section 49.0041. Any district that did not receive formal notification of excess local revenue status under 49.004(a) of the Education Code, but would have otherwise been subject to local revenue in excess of entitlement provisions, would have that excess local revenue added to any amount subject to recapture in the following school year for the applicable district.

This bill would amend Section 11.26 of the Tax Code to apply tax rate compression as calculated under Section 48.2551 of the Education Code to over 65 and disabled who had tax limitations (tax ceilings) on their residence homesteads. This provision would require the passage of a constitutional amendment.

The bill would repeal Section 48.0051(a-1) of the Education Code which would authorize eligible districts to qualify for both the additional school days funding and funding under Section 48.252, which applies to districts which contract with charter schools to run district campuses.

Methodology

This analysis assumes that the cost to the Foundation School Program of the provisions of the bill would result in a state cost for the Foundation School Program of \$173,383,656 for fiscal year 2022 and \$269,839,251 for fiscal year 2023, increasing to \$380,770,915 in fiscal year 2026, primarily related to changes the bill would make in Career and Technology Education Allotment, the adjustment to recapture for Teacher Incentive Allotment, the Fast Growth Allotment, and the amendment to Section 11.26 of the Tax Code.

TEA estimates requiring districts to pay any applicable recapture costs in the subsequent year if a district was not notified under Section 49.004(a) of the Education Code would result in a savings to the state of \$2.7 million per year.

Section 22 of the bill would expand the opportunities for a district subject to recapture to net its recapture payment against state aid. Based on information provided by TEA, this would have the impact of

reducing recapture revenue by \$109,270,924 in fiscal year 2022, \$127,686,496 in fiscal year 2023.

The bill would repeal Section 48.0051(a-1) which TEA estimates would cost of \$2.6 million per year for this provision of the bill.

TEA anticipates an administrative cost of one Financial Analyst III FTE. TEA estimates the salary for the FTE to be \$77,862 per fiscal year, related benefits to be \$26,489 per fiscal year, and other operating expenses related to the FTE to be \$6,000 in fiscal year 2022 and \$2,000 per year in subsequent years.

Technology

TEA estimates total data costs of \$90,701 in fiscal year 2022 and \$272,102 in fiscal year 2023 to update their IT systems to incorporate additional data required to implement the bill.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 320 Texas Workforce Commission, 323 Teacher Retirement System, 701 Texas Education Agency

LBB Staff: JMc, SL, AH, CPA

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION
Revision 1

April 13, 2021

TO: Honorable Harold V. Dutton, Jr., Chair, House Committee on Public Education

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1525 by Huberty (Relating to the public school finance system.), Committee Report 1st House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for HB1525, Committee Report 1st House, Substituted : a negative impact of (\$333,212,075) through the biennium ending August 31, 2023.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2022	(\$156,767,342)
2023	(\$176,444,733)
2024	(\$160,516,810)
2025	(\$214,853,423)
2026	(\$234,185,895)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>Foundation School Fund</i> 193	Probable Revenue Gain/(Loss) from <i>Recapture Payments Atten</i> <i>Crdts</i> 8905
2022	(\$894,862)	(\$155,872,480)	(\$109,270,924)
2023	(\$959,883)	(\$175,484,850)	(\$124,898,420)
2024	(\$856,351)	(\$159,660,459)	(\$118,399,026)
2025	(\$856,351)	(\$213,997,072)	(\$113,883,325)
2026	(\$856,351)	(\$233,329,544)	(\$108,905,401)

Fiscal Analysis

The bill would amend Section 39.053(g-4) of the Education Code to exclude students from the computation of dropout and completion rates if the student received interventions from the district as described in Section 26.004.

The bill would amend Section 48.110(f) of the Education Code by counting students who earn an associate's degree while attending high school or during a time period established by the Commissioner for purposes of

calculating the college, career, and military readiness outcomes bonus (CCMR).

The bill would amend the Career and Technology Education Allotment by changing to base it on the sum of Basic Allotment and the Small and Mid-Sized Allotment. The bill would alter the weighted formula for the Career and Technology Education Allotment by creating three weights based on whether the course taken is in an approved program of study for the Career and Technology Education allotment.

This bill would alter the weighted formula and the criteria to receive the Fast Growth Allotment found in Section 48.111 of the Education Code. The Fast Growth Allotment would be based on the number of enrolled students added over three years over 50 rather than average daily attendance for qualifying districts. The allotment would be based on 0.72 multiplied by the Basic Allotment for each enrolled student over 50 students in fiscal year 2022; the weight would increase to 0.84 in fiscal year 2023, 0.85 in fiscal year 2024, and 0.86 in subsequent years.

The Fast Growth Allotment would be capped at \$270 million in fiscal year 2022, \$310 million in fiscal year 2023, \$315 million in fiscal year 2024, and \$320 million in subsequent years.

The bill would provide for districts which received the Fast Growth Allotment in fiscal year 2020, but who were not entitled to the allotment in fiscal year 2022 to receive the amount they were entitled to in fiscal year 2020. This portion of the Fast Growth Allotment would be limited to \$40 million, and districts would receive a prorated allotment if the allotments under this Section exceeded that amount.

The bill would amend the section 48.257(c) of the Education Code, allowing districts to net state aid received against recapture.

The bill would provide for a reduction in recapture, in the amount of the Teacher Incentive Allotment under Section 48.112, for any district to which Section 48.257(b) applies. An adjustment under this Section would not be included in calculating a districts revenue under Section 48.277 of the Education Code.

The bill would amend subchapter A, Chapter 49 of the Education Code by adding Section 49.0041. Any district that did not receive formal notification of excess local revenue status under 49.004(a) of the Education Code, but would have otherwise been subject to local revenue in excess of entitlement provisions, would have that excess local revenue added to any amount subject to recapture in the following school year for the applicable district.

Methodology

Based on information provided by the Texas Education Agency and their Foundation School Program model, the bill would result in a total state cost for the Foundation School Program of \$155,872,480 for fiscal year 2022 and \$175,484,850 for fiscal year 2023, increasing to \$233,329,544 in fiscal year 2026, primarily related to changes the bill would make in Career and Technology Education Allotment, the adjustment to recapture for Teacher Incentive Allotment, and the Fast Growth Allotment.

TEA estimates requiring districts to pay any applicable recapture costs in the subsequent year if a district was not notified under Section 49.004(a) of the Education Code would result in a savings to the state of \$2,788,076 per year.

Section 18 of the bill would expand the opportunities for a district subject to recapture to net its recapture payment against state aid. Based on information provided by TEA, this would have the impact of reducing recapture revenue by \$109,270,924 in fiscal year 2022, \$127,686,496 in fiscal year 2023, and there would be a corresponding cost to the Foundation School Fund No. 193 of the same amount to account for the decrease in recapture.

TEA anticipates an administrative cost of one Financial Analyst III FTE. TEA estimates the salary for the FTE to be \$77,862 per fiscal year, related benefits to be \$26,489 per fiscal year, and other operating expenses related to the FTE to be \$6,000 in fiscal year 2022 and \$2,000 per year in subsequent years. TEA anticipates IT costs of \$34,511 in fiscal year 2022 and \$103,532 in fiscal year 2023 to implement the provisions of the bill.

The Workforce Commission indicates a cost of \$750,000 per year to pay for the High School Equivalency subsidy program.

Technology

TEA estimates total data costs of \$34,511 in fiscal year 2022 and \$103,532 in fiscal year 2023 to update their IT systems to incorporate additional data required to implement the bill.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 320 Texas Workforce Commission, 323 Teacher Retirement System, 701 Texas Education Agency
LBB Staff: JMc, SL, AH, CPA

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 6, 2021

TO: Honorable Harold V. Dutton, Jr., Chair, House Committee on Public Education

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB1525** by Huberty (Relating to the public school finance system.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1525, Committee Report 1st House, Substituted : a negative impact of (\$333,212,075) through the biennium ending August 31, 2023.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2022	(\$156,767,342)
2023	(\$176,444,733)
2024	(\$160,516,810)
2025	(\$214,853,423)
2026	(\$234,185,895)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>Foundation School Fund</i> 193	Probable Revenue Gain/(Loss) from <i>Recapture Payments Atten</i> <i>Crdts</i> 8905
2022	(\$894,862)	(\$155,872,480)	(\$109,270,924)
2023	(\$959,883)	(\$175,484,850)	(\$124,898,420)
2024	(\$856,351)	(\$159,660,459)	(\$118,399,026)
2025	(\$856,351)	(\$213,997,072)	(\$113,883,325)
2026	(\$856,351)	(\$233,329,544)	(\$108,905,401)

Fiscal Analysis

The bill would amend Section 39.053(g-4) of the Education Code to exclude students from the computation of dropout and completion rates if the student received interventions from the district as described in Section 26.004.

The bill would amend Section 48.110(f) of the Education Code by counting students who earn an associate's degree while attending high school or during a time period established by the Commissioner for purposes of calculating the college, career, and military readiness outcomes bonus (CCMR).

The bill would amend the Career and Technology Education Allotment by changing to base it on the sum of Basic Allotment and the Small and Mid-Sized Allotment. The bill would alter the weighted formula for the Career and Technology Education Allotment by creating three weights based on whether the course taken is in an approved program of study for the Career and Technology Education allotment.

This bill would alter the weighted formula and the criteria to receive the Fast Growth Allotment found in Section 48.111 of the Education Code. The Fast Growth Allotment would be based on the number of enrolled students added over three years over 50 rather than average daily attendance for qualifying districts. The allotment would be based on 0.72 multiplied by the Basic Allotment for each enrolled student over 50 students in fiscal year 2022; the weight would increase to 0.84 in fiscal year 2023, 0.85 in fiscal year 2024, and 0.86 in subsequent years.

The Fast Growth Allotment would be capped at \$270 million in fiscal year 2022, \$310 million in fiscal year 2023, \$315 million in fiscal year 2024, and \$320 million in subsequent years.

The bill would provide for districts which received the Fast Growth Allotment in fiscal year 2020, but who were not entitled to the allotment in fiscal year 2022 to receive the amount they were entitled to in fiscal year 2020. This portion of the Fast Growth Allotment would be limited to \$40 million, and districts would receive a prorated allotment if the allotments under this Section exceeded that amount.

The bill would amend the section 48.257(c) of the Education Code, allowing districts to net state aid received against recapture.

The bill would provide for a reduction in recapture, in the amount of the Teacher Incentive Allotment under Section 48.112, for any district to which Section 48.257(b) applies. An adjustment under this Section would not be included in calculating a districts revenue under Section 48.277 of the Education Code.

The bill would amend subchapter A, Chapter 49 of the Education Code by adding Section 49.0041. Any district that did not receive formal notification of excess local revenue status under 49.004(a) of the Education Code, but would have otherwise been subject to local revenue in excess of entitlement provisions, would have that excess local revenue added to any amount subject to recapture in the following school year for the applicable district.

Methodology

Based on information provided by the Texas Education Agency and their Foundation School Program model, the bill would result in a total state cost for the Foundation School Program of \$155,872,480 for fiscal year 2022 and \$175,484,850 for fiscal year 2023, increasing to \$233,329,544 in fiscal year 2026, primarily related to changes the bill would make in Career and Technology Education Allotment, the adjustment to recapture for Teacher Incentive Allotment, and the Fast Growth Allotment.

TEA estimates requiring districts to pay any applicable recapture costs in the subsequent year if a district was not notified under Section 49.004(a) of the Education Code would result in a savings to the state of \$2,788,076 per year.

Section 18 of the bill would expand the opportunities for a district subject to recapture to net its recapture payment against state aid. Based on information provided by TEA, this would have the impact of reducing recapture revenue by \$109,270,924 in fiscal year 2022, \$127,686,496 in fiscal year 2023, and there would be a corresponding cost to the Foundation School Fund No. 193 of the same amount to account for the decrease in recapture.

TEA anticipates an administrative cost of one Financial Analyst III FTE. TEA estimates the salary for the FTE to be \$77,862 per fiscal year, related benefits to be \$26,489 per fiscal year, and other operating expenses related to the FTE to be \$6,000 in fiscal year 2022 and \$2,000 per year in subsequent years. TEA anticipates IT costs of \$34,511 in fiscal year 2022 and \$103,532 in fiscal year 2023 to implement the provisions of the bill.

The Workforce Commission indicates a cost of \$750,000 per year to pay for the High School Equivalency

subsidy program.

Technology

TEA estimates total data costs of \$34,511 in fiscal year 2022 and \$103,532 in fiscal year 2023 to update their IT systems to incorporate additional data required to implement the bill.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 320 Texas Workforce Commission, 323 Teacher Retirement System, 701 Texas Education Agency

LBB Staff: JMc, SL, AH, CPA

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION
Revision 1

April 13, 2021

TO: Honorable Harold V. Dutton, Jr., Chair, House Committee on Public Education

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1525 by Huberty (Relating to the public school finance system.), As Introduced

Estimated Two-year Net Impact to General Revenue Related Funds for HB1525, As Introduced : a positive impact of \$65,414,498 through the biennium ending August 31, 2023.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2022	\$29,166,900
2023	\$36,247,598
2024	\$47,419,471
2025	\$41,694,649
2026	\$43,402,079

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>Foundation School Fund 193</i>	Probable Savings/(Cost) from <i>General Revenue Fund 1</i>	Probable Revenue Gain/(Loss) from <i>Recapture Payments Atten Crdts 8905</i>	<i>Change in Number of State Employees from FY 2021</i>
2022	\$30,061,762	(\$894,862)	(\$109,270,924)	1.0
2023	\$37,207,481	(\$959,883)	(\$124,898,420)	1.0
2024	\$48,275,822	(\$856,351)	(\$118,399,026)	1.0
2025	\$42,551,000	(\$856,351)	(\$113,883,325)	1.0
2026	\$44,258,430	(\$856,351)	(\$108,905,401)	1.0

Fiscal Analysis

The bill would amend Section 39.53(g-4) of the Education Code to exclude students from the computation of dropout and completion rates if the student received interventions from the district as described in Section 26.004 .

The bill would amend the small and mid-sized allotment by basing the allotment on refined average daily attendance, as described in Section 48.005, rather than regular program average daily attendance.

The bill would amend Section 48.110(f) of the Education Code by counting students who earn an associates degree while

attending high school or during a time period established by the Commissioner for purposes of calculating the college, career, and military readiness outcomes bonus (CCMR).

This bill would alter the weighted formula and the criteria to receive the Fast Growth Allotment found in Section 48.111 of the Education Code. Rather than giving all districts that qualify the same 0.04 weight for each student in average daily attendance, the bill would divide those districts into 4 categories, each with a separate weight. The fastest growth category would receive a weight of 0.064, the second fastest growth category would receive a weight of 0.048, the third fastest growth category would receive a weight of 0.032, and the fourth fastest growth category would receive a weight of 0.016. The criteria for a district to receive the allotment will change from percentage growth to absolute growth, potentially affecting total recapture.

The bill would amend the section 48.257(c) of the Education Code, allowing districts to net state aid received against recapture.

The bill would amend subchapter A, Chapter 49 of the Education Code by adding Section 49.0041. Any district that did not receive formal notification of excess local revenue status under 49.004(a) of the Education Code, but would have otherwise been subject to local revenue in excess of entitlement provisions, would have that excess local revenue added to any amount subject to recapture in the following school year for the applicable district.

The bill would repeal Section 25.038 which allows a receiving district to charge a tuition fee to the extent the district's actual expenditure per student exceeds the benefits from state aid.

Methodology

Based on information provided by the Texas Education Agency and their Foundation School Program model, the bill would result in a total state saving for the Foundation School Program of \$30,061,762 for fiscal year 2022 and \$37,207,481 for fiscal 2023, increasing to \$44,258,430 in fiscal year 2026, primarily related to changes the bill would make in the small and mid-sized allotment and the fast growth allotment.

TEA estimates that repealing Section 48.154, would save the state \$1,755,566 per fiscal year.

TEA estimates requiring districts to pay any applicable recapture costs in the subsequent year if a district was not notified under Section 49.004(a) of the Education Code would generate \$2,788,076 in recapture revenue beginning in fiscal year 2023.

Section 18 of the bill would expand the opportunities for a district subject to recapture to net its recapture payment against state aid. Based on information provided by TEA, this would have the impact of reducing recapture revenue by \$109,270,924 in fiscal year 2022, \$127,686,496 in fiscal year 2023.

TEA anticipates an administrative cost of one FTE for a Financial Analyst III. TEA estimates the salary for the FTE to be \$77,862 per fiscal year, related benefits to be \$26,489 per fiscal year, and other operating expenses related to the FTE to be \$6,000 in fiscal year 2022 and \$2,000 per year in subsequent years.

The Workforce Commission indicates a cost of \$750,000 per year to pay for the costs High School Equivalency subsidy program.

Technology

TEA estimates total data costs of \$34,511 in fiscal year 2022 and \$103,532 in fiscal year 2023 to update their IT systems to incorporate additional data required to implement the bill.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 320 Texas Workforce Commission, 323 Teacher Retirement System, 701 Texas Education Agency
LBB Staff: JMc, SL, AH, CPA

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

March 23, 2021

TO: Honorable Harold V. Dutton, Jr., Chair, House Committee on Public Education

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB1525** by Huberty (Relating to the public school finance system.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1525, As Introduced : a positive impact of \$65,414,498 through the biennium ending August 31, 2023.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2022	\$29,166,900
2023	\$36,247,598
2024	\$47,419,471
2025	\$41,694,649
2026	\$43,402,079

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>Foundation School Fund</i> 193	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/(Loss) from <i>Recapture Payments Atten</i> <i>Crdts</i> 8905	<i>Change in Number of State</i> <i>Employees from FY 2021</i>
2022	\$30,061,762	(\$894,862)	(\$109,270,924)	1.0
2023	\$37,207,481	(\$959,883)	(\$124,898,420)	1.0
2024	\$48,275,822	(\$856,351)	(\$118,399,026)	1.0
2025	\$42,551,000	(\$856,351)	(\$113,883,325)	1.0
2026	\$44,258,430	(\$856,351)	(\$108,905,401)	1.0

Fiscal Analysis

The bill would amend Section 39.53(g-4) of the Education Code to exclude students from the computation of dropout and completion rates if the student received interventions from the district as described in Section 26.004 .

The bill would amend the small and mid-sized allotment by basing the allotment on refined average daily attendance, as described in Section 48.005, rather than regular program average daily attendance.

The bill would amend Section 48.110(f) of the Education Code by counting students who earn an associates degree while attending high school or during a time period established by the Commissioner for purposes of calculating the college, career,

and military readiness outcomes bonus (CCMR).

This bill would alter the weighted formula and the criteria to receive the Fast Growth Allotment found in Section 48.111 of the Education Code. Rather than giving all districts that qualify the same 0.04 weight for each student in average daily attendance, the bill would divide those districts into 4 categories, each with a separate weight. The fastest growth category would receive a weight of 0.064, the second fastest growth category would receive a weight of 0.048, the third fastest growth category would receive a weight of 0.032, and the fourth fastest growth category would receive a weight of 0.016. The criteria for a district to receive the allotment will change from percentage growth to absolute growth, potentially affecting total recapture.

The bill would amend the section 48.257(c) of the Education Code, allowing districts to net state aid received against recapture.

The bill would amend subchapter A, Chapter 49 of the Education Code by adding Section 49.0041. Any district that did not receive formal notification of excess local revenue status under 49.004(a) of the Education Code, but would have otherwise been subject to local revenue in excess of entitlement provisions, would have that excess local revenue added to any amount subject to recapture in the following school year for the applicable district.

The bill would repeal Section 25.038 which allows a receiving district to charge a tuition fee to the extent the district's actual expenditure per student exceeds the benefits from state aid.

Methodology

Based on information provided by the Texas Education Agency and their Foundation School Program model, the bill would result in a total state saving for the Foundation School Program of \$30,061,762 for fiscal year 2022 and \$37,207,481 for fiscal 2023, increasing to \$44,258,430 in fiscal year 2026, primarily related to changes the bill would make in the small and mid-sized allotment and the fast growth allotment.

TEA estimates that repealing Section 48.154, would save the state \$1,755,566 per fiscal year.

TEA estimates requiring districts to pay any applicable recapture costs in the subsequent year if a district was not notified under Section 49.004(a) of the Education Code would generate \$2,788,076 in recapture revenue beginning in fiscal year 2023.

Section 18 of the bill would expand the opportunities for a district subject to recapture to net its recapture payment against state aid. Based on information provided by TEA, this would have the impact of reducing recapture revenue by \$109,270,924 in fiscal year 2022, \$127,686,496 in fiscal year 2023.

TEA anticipates an administrative cost of one FTE for a Financial Analyst III. TEA estimates the salary for the FTE to be \$77,862 per fiscal year, related benefits to be \$26,489 per fiscal year, and other operating expenses related to the FTE to be \$6,000 in fiscal year 2022 and \$2,000 per year in subsequent years.

The Workforce Commission indicates a cost of \$750,000 per year to pay for the costs High School Equivalency subsidy program.

Technology

TEA estimates total data costs of \$34,511 in fiscal year 2022 and \$103,532 in fiscal year 2023 to update their IT systems to incorporate additional data required to implement the bill.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 320 Texas Workforce Commission, 323 Teacher Retirement System, 701 Texas Education Agency

LBB Staff: JMc, SL, AH, CPA

LEGISLATIVE BUDGET BOARD

Austin, Texas

EQUALIZED EDUCATION FUNDING IMPACT STATEMENT

87TH LEGISLATIVE REGULAR SESSION

April 13, 2021

TO: Honorable Harold V. Dutton, Jr., Chair, House Committee on Public Education

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1525 by Huberty (Relating to the public school finance system.), **Committee Report 1st House, Substituted**

No significant impact on equalized funding requirements and policies affecting public education is anticipated under the provisions of the bill.

Source

Agencies:

LBB Staff: JMc, SL, AH

LEGISLATIVE BUDGET BOARD

Austin, Texas

EQUALIZED EDUCATION FUNDING IMPACT STATEMENT

87TH LEGISLATIVE REGULAR SESSION

April 13, 2021

TO: Honorable Harold V. Dutton, Jr., Chair, House Committee on Public Education

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1525 by Huberty (Relating to the public school finance system.), **As Introduced**

No significant impact on equalized funding requirements and policies affecting public education is anticipated under the provisions of the bill.

Source

Agencies:

LBB Staff: JMc, SL, AH