

BILL ANALYSIS

Senate Research Center
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S.B. 992
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Rural Schools Innovation Zone (RSIZ) is a first-of-its-kind initiative to improve educational opportunities for rural students in South Texas. Formed in 2019, the RSIZ was launched as a collaborative partnership among a locally created nonprofit coordinating organization and three districts: Freer ISD, Premont ISD, and Brooks County ISD. Each district shares the vision of expanding opportunities for students in the region to attain meaningful and valuable career opportunities.

Unfortunately, the passage of H.B. 3 (86R) negatively impacted the RSIZ by eliminating their S.B. 1882 (85R) financial benefit. With limited access to grants and loss of S.B. 1882 (85R) funds, the RSIZ struggles to financially afford their high-quality College, Career, and Military Readiness (CCMR) programming. Programs in the RSIZ have expand opportunities for underserved students to access high-quality college and career pathways that lead to success in school and life, while growing the economic development of the region.

S.B. 992 creates an incentive and support for multi-district, cross-sector, rural pathway partnerships that expand opportunities for underserved students to access high-quality, robust college and career pathways that lead to success in school and life while growing the economic development of the region. The bill allows rural districts—interested in forming collaborative partnerships with institutions of higher education and businesses to access financial incentives or similar. These districts must meet similar requirements to other S.B. 1882 (85R) partnerships.

As proposed, S.B. 992 amends current law relating to establishing the Rural Pathway Excellence Partnership (R-PEP) program and creating an allotment and outcomes bonus under the Foundation School Program to support the program.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the commissioner of education in SECTION 1 (Section 29.912, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter Z, Chapter 29, Education Code, by adding Section 29.912, as follows:

Sec. 29.912. RURAL PATHWAY EXCELLENCE PARTNERSHIP (R-PEP) PROGRAM. (a) Defines "program."

(b) Requires the commissioner of education (commissioner) to establish and administer the Rural Pathway Excellence Partnership (R-PEP) program (program) to incentivize and support multidistrict, cross-sector, rural college and career pathway partnerships that expand opportunities for underserved students to succeed in school and life while promoting economic development in rural areas.

(c) Requires that the program enable an eligible school district that lacks an economy of scale, as determined by commissioner rule, to partner with at least

one other school district to offer a broader array of robust college and career pathways. Requires that each partnership:

(1) offer college and career pathways that align with regional labor market projections for high-wage, high-demand careers; and

(2) be managed by certain coordinating entities.

(d) Requires that the performance agreement described by Subsection (c)(2)(B) (relating to requiring that each school district partnership be managed by a coordinating entity that has entered into a performance agreement approved by the board of trustees of each partnering school district that confers to the coordinating entity the same authority as provided to an entity that contracts to operate a district campus):

(1) include ambitious and measurable performance goals and progress measures tied to current college, career, and military readiness outcomes and longitudinal postsecondary completion and employment-related outcomes;

(2) allocate responsibilities for accessing and managing progress and outcome information and annually publishing that information on the Internet website of each partnering district and the coordinating entity;

(3) authorize the coordinating entity to optimize the value of each college and career pathway offered through the partnership by determining scheduling, adding or removing a pathway, hiring of pathway-specific personnel, setting pathway-specific budgets, and other matters critical to the efficacy of the pathways; and

(4) provide that any eligible student residing in a partnering school district is authorized to participate in a college or career pathway offered through the partnership.

(e) Provides that an employee of a coordinating entity that manages a partnership under the program is eligible for membership in and benefits from the Teacher Retirement System of Texas if the employee would be eligible for membership and benefits by holding the same position at a partnering school district.

(f) Provides that a student enrolled in a college or career pathway offered through a partnership under the program is not considered for accountability purposes under Chapter 39 (Public School System Accountability) to have dropped out of high school or failed to complete the curriculum requirements for high school graduation until the sixth anniversary of the student's first day in high school.

(g) Requires a school district proposing to enter into a performance agreement under this section to notify the commissioner of the district's intent to enter into the agreement. Requires the commissioner to establish procedures for a district to notify the commissioner, including the period within which notification is required before the school year in which the proposed agreement would take effect, and to provide any additional information required by the commissioner. Requires the commissioner to notify the district whether the proposed agreement is approved or denied not later than the 60th day after the date the commissioner receives notification of the proposed agreement and all other information required by the commissioner. Provides that the proposed agreement is considered approved if the commissioner fails to notify the district that the proposed agreement has been approved or denied within the period prescribed by this subsection.

(h) Requires the commissioner, from money appropriated for that purpose, to establish a grant program to assist in the planning and implementation of a partnership under the program. Authorizes the commissioner to award a grant only to a coordinating entity that has entered into a performance agreement approved under Subsection (g). Prohibits the commissioner from using more than 15 percent of the money appropriated for the grant program to cover the cost of administering the grant program and to provide technical assistance and support to partnerships under the program.

(i) Requires the commissioner to adopt rules as necessary to implement this section, including rules establishing:

(1) requirements for a coordinating entity and a performance agreement with the entity;

(2) the period for which a partnership under the program is authorized to operate after commissioner approval before renewal of commissioner approval is required; and

(3) standards for renewal of commissioner approval for a partnership under the program.

(j) Provides that this section does not prohibit an agreement between a school district and another entity for the provision of services at a district campus.

(k) Authorizes the commissioner to accept gifts, grants, and donations from any source, including private and nonprofit organizations, for the program. Provides that a private or nonprofit organization that contributes to the program is authorized to receive an award under Section 7.113 (Employers for Education Excellence Award).

SECTION 2. Amends Subchapter C, Chapter 48, Education Code, by adding Section 48.118, as follows:

Sec. 48.118. RURAL PATHWAY EXCELLENCE PARTNERSHIP (R-PEP) ALLOTMENT AND OUTCOME BONUS. (a) Provides that a school district, for each full-time equivalent student in average daily attendance in grades 9 through 12 in a college or career pathway offered through a partnership under the program under Section 29.912, is entitled to an allotment equal to the basic allotment or, if applicable, the sum of the basic allotment and the allotment under Section 48.101 (Small and Mid-Sized District Allotment) to which the district is entitled, multiplied by:

(1) 1.15, if the student is educationally disadvantaged; or

(2) 1.11, if the student is not educationally disadvantaged.

(b) Requires the commissioner, each year, to determine for each school district the minimum number of annual graduates of a college or career pathway described by Subsection (a) in each cohort described by Section 48.110(b) (relating to requiring the commissioner to determine the threshold percentage for college, career, or military readiness for certain cohorts for purposes of the outcomes bonus) who would have to demonstrate college, career, or military readiness, as determined by commissioner rule, in order for the district to qualify for an outcomes bonus under Subsection (c).

(c) Provides that a school district, in addition to the allotment under Subsection (a), for each annual graduate in a cohort described by Subsection (b) who demonstrates college, career, or military readiness, as determined by commissioner rule, in excess of the minimum number of students determined for

the applicable district cohort under Subsection (b), is entitled to an annual outcomes bonus of certain amounts.

(d) Provides that a school district is entitled to an outcomes bonus under each subdivision of Subsection (c) for which an annual graduate qualifies.

(e) Authorizes a school district to receive funding for a student under this section and any other section for which the student qualifies.

SECTION 3. Provides that Section 29.912, Education Code, as added by this Act, applies beginning with the 2023–2024 school year.

SECTION 4. (a) Effective date, except as provided by Subsection (b) of this section: upon passage or September 1, 2023.

(b) Effective date, Section 48.118, Education Code, as added by this Act: September 1, 2023.