By:  King of Hemphill, et al. H.B. No. 100

     (Senate Sponsor - Creighton)

(In the Senate - Received from the House May 1, 2023; May 2, 2023, read first time and referred to Committee on Education; May 22, 2023, reported adversely, with favorable Committee Substitute by the following vote: Yeas 9, Nays 3; May 22, 2023, sent to printer.)

COMMITTEE VOTE

                    Yea Nay Absent  PNV

Creighton         X

Campbell             X

Bettencourt          X

Birdwell                       X

Flores               X

King                 X

LaMantia                 X

Menéndez                 X

Middleton            X

Parker               X

Paxton               X

Springer             X

West                     X

COMMITTEE SUBSTITUTE FOR H.B. No. 100 By:  King

A BILL TO BE ENTITLED

AN ACT

relating to public education and public school finance, including the rights, certification, and compensation of public school educators, contributions by a public school to the Teacher Retirement System of Texas, and an education savings account program for certain children.

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

ARTICLE 1. CHANGES GENERALLY APPLICABLE TO PUBLIC SCHOOLS EFFECTIVE FOR 2023-2024 SCHOOL YEAR

SECTION 1.01.  Section 12.104(b), Education Code, as amended by Chapters 542 (S.B. 168), 887 (S.B. 1697), 915 (H.B. 3607), 974 (S.B. 2081), and 1046 (S.B. 1365), Acts of the 87th Legislature, Regular Session, 2021, is reenacted and amended to read as follows:

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

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

(2)  the provisions in Chapter 554, Government Code; and

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

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

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

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

(D)  accelerated instruction under Section 28.0211;

(E)  high school graduation requirements under Section 28.025;

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

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

(H)  prekindergarten programs under Subchapter E or E-1, Chapter 29, except class size limits for prekindergarten classes imposed under Section 25.112, which do not apply;

(I)  extracurricular activities under Section 33.081;

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

(K)  health and safety under Chapter 38;

(L)  the provisions of Subchapter A, Chapter 39;

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

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

(O)  intensive programs of instruction under Section 28.0213;

(P)  the right of a school employee to report a crime, as provided by Section 37.148;

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

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

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

(T)  a parent's right to information regarding the provision of assistance for learning difficulties to the parent's child as provided by Sections 26.004(b)(11) and 26.0081(c) and (d);

(U)  establishment of residency under Section 25.001;

(V)  school safety requirements under Sections 37.108, 37.1081, 37.1082, 37.109, 37.113, 37.114, 37.1141, 37.115, 37.207, and 37.2071;

(W)  the early childhood literacy and mathematics proficiency plans under Section 11.185;

(X)  the college, career, and military readiness plans under Section 11.186; [~~and~~]

(Y) [~~(X)~~]  parental options to retain a student under Section 28.02124; and

(Z)  establishing a local school health advisory council in which members are appointed by the governing body of the school and health education instruction complies with Section 28.004.

SECTION 1.02.  Sections 12.106(a-2) and (d), Education Code, are amended to read as follows:

(a-2)  In addition to the funding provided by Subsection (a), a charter holder is entitled to receive for the open-enrollment charter school an allotment per student in average daily attendance in an amount equal to the difference between:

(1)  the product of:

(A)  the quotient of:

(i)  the total amount of funding provided to eligible school districts under Section 48.101(b) or (c); and

(ii)  the total number of students in average daily attendance in school districts that receive an allotment under Section 48.101(b) or (c); and

(B)  the sum of one and the quotient of:

(i)  the total number of students in average daily attendance in school districts that receive an allotment under Section 48.101(b) or (c); and

(ii)  the total number of students in average daily attendance in school districts statewide; and

(2)  $460 [~~$125~~].

(d)  Subject to Subsection (e), in addition to other amounts provided by this section, a charter holder is entitled to receive, for the open-enrollment charter school, an annual allotment [~~funding~~] per student in average daily attendance [~~in an amount~~] equal to the basic allotment under Section 48.051 [~~guaranteed level of state and local funds per student per cent of tax effort under Section 46.032(a)~~] multiplied by 0.04 [~~the lesser of:~~

[~~(1)  the state average interest and sinking fund tax rate imposed by school districts for the current year; or~~

[~~(2)  a rate that would result in a total amount to which charter schools are entitled under this subsection for the current year equal to $60 million~~].

SECTION 1.03.  Section 13.054, Education Code, is amended by amending Subsection (f) and adding Subsections (i-1), (i-2), (i-3), (i-4), and (i-5) to read as follows:

(f)  For five years beginning with the school year in which the annexation occurs, a school district shall receive additional funding under this subsection or Subsection (h). The amount of funding shall be determined by multiplying the lesser of the enlarged district's local fund assignment computed under Section 48.256 or the enlarged district's total cost of tier one by a fraction, the numerator of which is the number of students residing in the territory annexed to the receiving district preceding the date of the annexation and the denominator of which is the number of students residing in the district as enlarged on the date of the annexation, and multiplying the resulting product by the quotient of the enlarged district's maximum compressed tax rate, as determined under Section 48.2551, for the current school year divided by the receiving district's maximum compressed tax rate, as determined under Section 48.2551, for the year in which the annexation occurred. The commissioner shall provide the funding under this subsection from funds appropriated for purposes of the Foundation School Program. A determination by the commissioner under this subsection is final and may not be appealed.

(i-1)  Notwithstanding any other law, a school district is entitled to funding under Subsection (f) for an annexation that occurs on or after June 1, 2013.

(i-2)  For each school district entitled to funding under Subsection (f) as provided by Subsection (i-1) that, as of September 1, 2023, has not received the full amount of funding to which the district would have been entitled under Subsection (f) if Subsection (i-1) had been in effect since June 1, 2013, the commissioner shall:

(1)  determine the difference between:

(A)  the amount of funding to which the district would have been entitled under Subsection (f) if Subsection (i-1) had been in effect since June 1, 2013; and

(B)  the amount of funding the district has received under Subsection (f); and

(2)  provide the amount determined under Subdivision (1) to the district in the form of:

(A)  a lump sum; or

(B)  equal annual installments over a period not to exceed three years.

(i-3)  In addition to the funding provided to a school district under Subsection (i-2), the commissioner may allocate money to the district from funds appropriated for purposes of the Foundation School Program to pay for facilities improvements the commissioner determines necessary as a result of the annexation.

(i-4)  Each school district that receives funding under Subsection (f) as provided by Subsection (i-2) or under Subsection (i-3) for any year shall submit to the commissioner in the form and manner provided by commissioner rule a report on the district's use of the funding for that year.

(i-5)  This subsection and Subsections (i-2), (i-3), and (i-4) expire September 1, 2027.

SECTION 1.04.  Section 19.009(d-2), Education Code, is amended to read as follows:

(d-2)  Beginning with the 2009-2010 school year, the district shall increase the [~~monthly~~] salary of each classroom teacher, full-time speech pathologist, full-time librarian, full-time school counselor certified under Subchapter B, Chapter 21, and full-time school nurse employed by the district by the greater of:

(1)  $80 per month; or

(2)  the maximum uniform amount per month that, when combined with any resulting increases in the amount of contributions made by the district for social security coverage for the specified employees or by the district on behalf of the specified employees under Section 825.405, Government Code, may be provided using an amount equal to the product of $60 multiplied by the number of students in weighted average daily attendance in the district during the 2009-2010 school year.

SECTION 1.05.  Subchapter A, Chapter 21, Education Code, is amended by adding Section 21.010 to read as follows:

Sec. 21.010.  TEACHER POSITION DATA COLLECTION. The agency shall collect data from school districts and open-enrollment charter schools for the recruitment and retention of classroom teachers, including the classification, grade level, subject area, duration, and other relevant information regarding vacant teaching positions in a district or school. The data may be collected using the Public Education Information Management System (PEIMS) or another reporting mechanism specified by the agency.

SECTION 1.06.  Subchapter B, Chapter 21, Education Code, is amended by adding Section 21.0411 to read as follows:

Sec. 21.0411.  WAIVER OR PAYMENT OF CERTAIN EXAMINATION AND CERTIFICATION FEES. (a) Notwithstanding a rule adopted under Section 21.041(c), the board shall, for a person applying for a certification in special education, bilingual education, or another area specified by the General Appropriations Act, waive:

(1)  a certification examination fee imposed by the board for the first administration of the examination to the person; and

(2)  a fee associated with the application for certification by the person.

(b)  The board shall pay to a vendor that administers a certification examination described by Subsection (a) a fee assessed by that vendor for the examination of a person applying for a certification described by Subsection (a) for the first administration of the examination to the person.

SECTION 1.07.  Section 21.054, Education Code, is amended by amending Subsections (a) and (i) and adding Subsection (i-1) to read as follows:

(a)  The board shall propose rules establishing a process for identifying continuing education courses and programs that fulfill educators' continuing education requirements, including opportunities for educators to receive micro-credentials, as provided by Subsection (i), in:

(1)  fields of study related to the educator's certification class; or

(2)  digital teaching [~~as provided by Subsection (i)~~].

(i)  The board shall propose rules establishing a program to issue micro-credentials in fields of study related to an educator's certification class or in digital teaching. The agency shall approve continuing education providers to offer micro-credential courses. A micro-credential received by an educator shall be recorded on the agency's Educator Certification Online System (ECOS) and included as part of the educator's public certification records.

(i-1)  In proposing rules under Subsection (i) for micro-credentials related to digital teaching, the board shall engage relevant stakeholders.

SECTION 1.08.  Section 21.105, Education Code, is amended by amending Subsection (c) and adding Subsection (g) to read as follows:

(c)  Subject to Subsections (e), [~~and~~] (f), and (g), on written complaint by the employing district, the State Board for Educator Certification may impose sanctions against a teacher employed under a probationary contract who:

(1)  resigns;

(2)  fails without good cause to comply with Subsection (a) or (b); and

(3)  fails to perform the contract.

(g)  The State Board for Educator Certification may not impose a sanction under Subsection (c) against a teacher who relinquishes a position under a probationary contract and leaves the employment of the district after the 45th day before the first day of instruction for the upcoming school year in violation of Subsection (a) and without the consent of the board of trustees under Subsection (b) if the teacher's failure to comply with Subsection (a) was due to:

(1)  a serious illness or health condition of the teacher or a close family member of the teacher;

(2)  the teacher's relocation because the teacher's spouse or a partner who resides with the teacher changes employers;

(3)  a significant change in the needs of the teacher's family in a manner that requires the teacher to:

(A)  relocate; or

(B)  forgo employment during a period of required employment under the teacher's contract; or

(4)  the teacher's reasonable belief that the teacher had written permission from the school district's administration to resign.

SECTION 1.09.  Section 21.160, Education Code, is amended by amending Subsection (c) and adding Subsection (g) to read as follows:

(c)  Subject to Subsections (e), [~~and~~] (f), and (g), on written complaint by the employing district, the State Board for Educator Certification may impose sanctions against a teacher who is employed under a continuing contract that obligates the district to employ the person for the following school year and who:

(1)  resigns;

(2)  fails without good cause to comply with Subsection (a) or (b); and

(3)  fails to perform the contract.

(g)  The State Board for Educator Certification may not impose a sanction under Subsection (c) against a teacher who relinquishes a position under a continuing contract and leaves the employment of the district after the 45th day before the first day of instruction of the upcoming school year in violation of Subsection (a) and without the consent of the board of trustees under Subsection (b) if the teacher's failure to comply with Subsection (a) was due to:

(1)  a serious illness or health condition of the teacher or a close family member of the teacher;

(2)  the teacher's relocation because the teacher's spouse or a partner who resides with the teacher changes employers;

(3)  a significant change in the needs of the teacher's family in a manner that requires the teacher to:

(A)  relocate; or

(B)  forgo employment during a period of required employment under the teacher's contract; or

(4)  the teacher's reasonable belief that the teacher had written permission from the school district's administration to resign.

SECTION 1.10.  Section 21.210, Education Code, is amended by amending Subsection (c) and adding Subsection (g) to read as follows:

(c)  Subject to Subsections (e), [~~and~~] (f), and (g), on written complaint by the employing district, the State Board for Educator Certification may impose sanctions against a teacher who is employed under a term contract that obligates the district to employ the person for the following school year and who:

(1)  resigns;

(2)  fails without good cause to comply with Subsection (a) or (b); and

(3)  fails to perform the contract.

(g)  The State Board for Educator Certification may not impose a sanction under Subsection (c) against a teacher who relinquishes a position under a term contract and leaves the employment of the district after the 45th day before the first day of instruction of the upcoming school year in violation of Subsection (a) and without the consent of the board of trustees under Subsection (b) if the teacher's failure to comply with Subsection (a) was due to:

(1)  a serious illness or health condition of the teacher or a close family member of the teacher;

(2)  the teacher's relocation because the teacher's spouse or a partner who resides with the teacher changes employers;

(3)  a significant change in the needs of the teacher's family in a manner that requires the teacher to:

(A)  relocate; or

(B)  forgo employment during a period of required employment under the teacher's contract; or

(4)  the teacher's reasonable belief that the teacher had written permission from the school district's administration to resign.

SECTION 1.11.  Section 21.257, Education Code, is amended by amending Subsection (a) and adding Subsection (f) to read as follows:

(a)  Except as provided by Subsection (f), not [~~Not~~] later than the 60th day after the date on which the commissioner receives a teacher's written request for a hearing, the hearing examiner shall complete the hearing and make a written recommendation that:

(1)  includes proposed findings of fact and conclusions of law; and

(2)  may include a proposal for granting relief.

(f)  The hearing examiner may dismiss a hearing before completing the hearing or making a written recommendation if:

(1)  the teacher requests the dismissal;

(2)  the school district withdraws the proposed decision that is the basis of the hearing; or

(3)  the teacher and school district request the dismissal after reaching a settlement regarding the proposed decision that is the basis of the hearing.

SECTION 1.12.  Sections 21.3521(a), (c), and (e), Education Code, are amended to read as follows:

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

(c)  Notwithstanding performance standards established under Subsection (b), a classroom teacher that holds a National Board Certification issued by the National Board for Professional Teaching Standards may be designated as nationally board certified [~~recognized~~].

(e)  The agency shall develop and provide technical assistance for school districts and open-enrollment charter schools that request assistance in implementing a local optional teacher designation system, including:

(1)  providing assistance in prioritizing high needs campuses;

(2)  providing examples or models of local optional teacher designation systems to reduce the time required for a district or school to implement a teacher designation system;

(3)  establishing partnerships between districts and schools that request assistance and districts and schools that have implemented a teacher designation system;

(4)  applying the performance and validity standards established by the commissioner under Subsection (b);

(5)  providing centralized support for the analysis of the results of assessment instruments administered to district students; and

(6)  facilitating effective communication on and promotion of local optional teacher designation systems.

SECTION 1.13.  Subchapter H, Chapter 21, Education Code, is amended by adding Section 21.3522 to read as follows:

Sec. 21.3522.  LOCAL OPTIONAL TEACHER DESIGNATION SYSTEM GRANT PROGRAM.  (a)  From funds appropriated or otherwise available for the purpose, the agency shall establish and administer a grant program to provide money and technical assistance to:

(1)  expand implementation of local optional teacher designation systems under Section 21.3521; and

(2)  increase the number of classroom teachers eligible for a designation under that section.

(b)  A grant awarded under this section must:

(1)  meet the needs of individual school districts; and

(2)  enable regional leadership capacity.

(c)  The commissioner may adopt rules to establish and administer the grant program under this section.

SECTION 1.14.  Section 21.402, Education Code, is amended by amending Subsections (a) and (g) and adding Subsections (a-1), (c-2), (i), (j), and (k) to read as follows:

(a)  Except as provided by Subsection (c-2) [~~(e-1) or (f)~~], a school district must pay each employee who is employed as a classroom teacher, full-time librarian, full-time school counselor certified under Subchapter B, or full-time school nurse not less than the highest annual minimum [~~minimum monthly~~] salary described by the following schedule applicable to [~~, based on~~] the employee's certification, if any, and years [~~level~~] of experience:

(1)  for an employee with less than five years of experience who:

(A)  holds no certification $35,000;

(B)  holds a teacher intern, teacher trainee, or probationary certificate issued under Subchapter B  $37,000;

(C)  holds the base certificate required under Section 21.003(a) for employment in the employee's position other than a certificate described by Paragraph (B) $40,000;

(D)  holds a designation under Section 21.3521 $43,000; or

(E)  holds a residency educator certificate or has successfully completed a residency partnership program under Subchapter R $43,000;

(2)  for an employee with at least five years of experience who holds:

(A)  no certification $45,000;

(B)  a teacher intern, teacher trainee, or probationary certificate issued under Subchapter B  $47,000;

(C)  the base certificate required under Section 21.003(a) for employment in the employee's position other than a certificate described by Paragraph (B) $50,000; or

(D)  a designation under Section 21.3521 $53,000; or

(3)  for an employee with at least 10 years of experience who holds:

(A)  no certification $55,000;

(B)  a teacher intern, teacher trainee, or probationary certificate issued under Subchapter B  $57,000;

(C)  the base certificate required under Section 21.003(a) for employment in the employee's position . . .. $60,000; or

(D)  a designation under Section 21.3521 $63,000 [~~in addition to other factors, as determined by commissioner rule, determined by the following formula:~~

[~~MS = SF x FS~~

[~~where:~~

[~~"MS" is the minimum monthly salary;~~

[~~"SF" is the applicable salary factor specified by Subsection (c); and~~

[~~"FS" is the amount, as determined by the commissioner under Subsection (b), of the basic allotment as provided by Section 48.051(a) or (b) for a school district with a maintenance and operations tax rate at least equal to the state maximum compressed tax rate, as defined by Section 48.051(a)~~].

(a-1)  For purposes of Subsection (a), a full-time school nurse is considered to hold the base certificate required under Section 21.003(a) for employment as a school nurse, regardless of the other certifications held by the nurse.

(c-2)  A school district is not required to pay an employee who is employed as a classroom teacher, full-time librarian, full-time school counselor certified under Subchapter B, or full-time school nurse the minimum salary required under Subsection (a) for the school year following a school year during which the district reviews the employee's performance and finds the employee's performance unsatisfactory.

(g)  The commissioner may adopt rules to govern the application of this section, including rules that:

(1)  require the payment of a minimum salary under this section to a person employed in more than one capacity for which a minimum salary is provided and whose combined employment in those capacities constitutes full-time employment; and

(2)  specify the credentials a person must hold to be considered a [~~speech pathologist or~~] school nurse under this section.

(i)  A school district that increases employee compensation in the 2023-2024 school year to comply with Subsection (a), as amended by H.B. 100, Acts of the 88th Legislature, Regular Session, 2023, is providing compensation for services rendered independently of an existing employment contract applicable to that year and is not in violation of Section 53, Article III, Texas Constitution. A school district that does not meet the requirements of Subsection (a) in the 2023-2024 school year may satisfy the requirements of this section by providing an employee a one-time bonus payment during the 2024-2025 school year in an amount equal to the difference between the compensation earned by the employee during the 2023-2024 school year and the compensation the employee should have received during that school year if the district had complied with Subsection (a).

(j)  Notwithstanding the minimum salary schedule under Subsection (a), a school district that increases the amount a classroom teacher, full-time librarian, full-time school counselor certified under Subchapter B, or full-time school nurse is compensated during the 2023-2024 school year by at least $8,000 more than the amount the employee was compensated during the 2022-2023 school year complies with the requirements of this section for the 2023-2024 school year.

(k)  Subsections (i) and (j) and this subsection expire September 1, 2025.

SECTION 1.15.  The heading to Section 21.403, Education Code, is amended to read as follows:

Sec. 21.403.  DETERMINATION OF YEARS OF EXPERIENCE [~~PLACEMENT ON MINIMUM SALARY SCHEDULE~~].

SECTION 1.16.  Sections 21.403(b) and (c), Education Code, are amended to read as follows:

(b)  For each year of work experience required for certification in a career or technological field, up to a maximum of two years, a certified career or technology education teacher is entitled to [~~salary step~~] credit as if the work experience were teaching experience.

(c)  The commissioner shall adopt rules for determining the experience for which a teacher, librarian, school counselor, or nurse is to be given credit for purposes of the minimum salary schedule under Section 21.402(a) [~~in placing the teacher, librarian, school counselor, or nurse on the minimum salary schedule~~].  A district shall credit the teacher, librarian, school counselor, or nurse for each year of experience without regard to whether the years are consecutive.

SECTION 1.17.  Subchapter I, Chapter 21, Education Code, is amended by adding Sections 21.416 and 21.417 to read as follows:

Sec. 21.416.  EMPLOYED RETIREE TEACHER REIMBURSEMENT GRANT PROGRAM. (a) From funds appropriated or otherwise available, the commissioner shall establish and administer a grant program to award funds to reimburse a school district, an open-enrollment charter school, the Windham School District, the Texas School for the Deaf, or the Texas School for the Blind and Visually Impaired that hires a teacher, including an educator who provides services related to special education, who retired before September 1, 2022, for the increased contributions to the Teacher Retirement System of Texas associated with hiring the retired teacher.

(b)  In appropriating money for grants awarded under this section, the legislature may provide for, modify, or limit amounts appropriated for that purpose in the General Appropriations Act, including by:

(1)  providing, notwithstanding Subsection (a), a date or date range other than September 1, 2022, before which a teacher must have retired for a school district, an open-enrollment charter school, the Windham School District, the Texas School for the Deaf, or the Texas School for the Blind and Visually Impaired that hires the teacher to be eligible; or

(2)  limiting eligibility to a school district or open-enrollment charter school that hires a retired teacher:

(A)  who holds a certain certification;

(B)  to teach a certain subject or grade;

(C)  in a certain geographical area; or

(D)  to provide instruction to certain students, including to students with disabilities.

(c)  The commissioner shall proportionally reduce the amount of funds awarded to school districts, open-enrollment charter schools, the Windham School District, the Texas School for the Deaf, and the Texas School for the Blind and Visually Impaired under this section if the number of grant applications by eligible districts or schools exceeds the number of grants the commissioner could award with the money appropriated or otherwise available for the purpose.

(d)  A school district, an open-enrollment charter school, the Windham School District, the Texas School for the Deaf, or the Texas School for the Blind and Visually Impaired may use funds received under this section to make required payments under Section 825.4092, Government Code.

Sec. 21.417.  RESOURCES, INCLUDING LIABILITY INSURANCE, FOR CLASSROOM TEACHERS. (a)  From funds appropriated or otherwise available for the purpose, the agency shall contract with a third party to provide the following services for a classroom teacher employed under a probationary, continuing, or term contract:

(1)  assistance in understanding the teacher's rights, duties, and benefits; and

(2)  liability insurance to protect a teacher against liability to a third party based on conduct that the teacher allegedly engaged in during the course of the teacher's duties.

(b)  A school district may not interfere with a classroom teacher's access to services provided under this section.

(c)  A contract entered into by the agency to provide services under Subsection (a) must prohibit the entity with which the agency contracts from using funds received under the contract to engage in:

(1)  conduct that a state agency using appropriated money is prohibited from engaging in under Chapter 556, Government Code; and

(2)  political activities or advocate for issues regarding public schools, including for boards of trustees of school districts or school districts.

(d)  This section may not be interpreted to interfere with a classroom teacher's or other school district employee's exercise of a right protected by the First Amendment to the United States Constitution.

SECTION 1.18.  Section 21.4552(d), Education Code, is amended to read as follows:

(d)  From funds appropriated for that purpose, a teacher who attends a literacy achievement academy is entitled to receive a stipend in the amount determined by the commissioner.  A stipend received under this subsection is not considered in determining whether a school district is paying the teacher the minimum [~~monthly~~] salary under Section 21.402.

SECTION 1.19.  Section 21.4553(d), Education Code, is amended to read as follows:

(d)  From funds appropriated for that purpose, a teacher who attends a mathematics achievement academy is entitled to receive a stipend in the amount determined by the commissioner.  A stipend received under this subsection is not considered in determining whether a district is paying the teacher the minimum [~~monthly~~] salary under Section 21.402.

SECTION 1.20.  Section 21.4555(f), Education Code, is amended to read as follows:

(f)  From funds available for that purpose, a teacher who attends a civics training program may receive a stipend in an amount determined by the commissioner.  A stipend received under this section is not included in determining whether a district is paying the teacher the minimum [~~monthly~~] salary under Section 21.402.

SECTION 1.21.  Subchapter J, Chapter 21, Education Code, is amended by adding Sections 21.466 and 21.467 to read as follows:

Sec. 21.466.  TEACHER QUALITY ASSISTANCE. (a) From funds appropriated or otherwise available for the purpose, the agency shall develop training for and provide technical assistance to school districts and open-enrollment charter schools regarding:

(1)  strategic compensation, staffing, and scheduling efforts that improve professional growth, teacher leadership opportunities, and staff retention;

(2)  programs that encourage high school students or other members of the community in the area served by the district to become teachers, including available teacher apprenticeship programs; and

(3)  programs or strategies that school leaders may use to establish clear and attainable behavior expectations while proactively supporting students.

(b)  From funds appropriated or otherwise available, the agency shall provide grants to school districts and open-enrollment charter schools to implement initiatives developed under this section.

Sec. 21.467.  TEACHER TIME STUDY. (a) From funds appropriated or otherwise available for the purpose, the agency shall develop and maintain a technical assistance program to support school districts and open-enrollment charter schools in:

(1)  studying how the district's or school's staff and student schedules, required noninstructional duties for classroom teachers, and professional development requirements for educators are affecting the amount of time classroom teachers work each week; and

(2)  refining the schedules for students or staff as necessary to ensure teachers have sufficient time during normal work hours to fulfill all job duties, including addressing the needs of students.

(b)  The agency shall periodically make findings and recommendations for best practices publicly available using information from participating school districts and open-enrollment charter schools.

SECTION 1.22.  Chapter 21, Education Code, is amended by adding Subchapter R to read as follows:

SUBCHAPTER R. TEXAS TEACHER RESIDENCY PARTNERSHIP PROGRAM

Sec. 21.901.  DEFINITIONS. In this subchapter:

(1)  "Board" means the State Board for Educator Certification.

(2)  "Cooperating teacher" means a classroom teacher who:

(A)  has at least three full school years of teaching experience with a superior record of assisting students in achieving improvement in student performance;

(B)  is employed by a school district or open-enrollment charter school participating in a partnership program under this subchapter and paired with a partnership resident at the district or school; and

(C)  provides coaching to a partnership resident in the teacher's classroom.

(3)  "Partnership program" means a Texas Teacher Residency Partnership Program established at a school district or open-enrollment charter school in accordance with this subchapter.

(4)  "Partnership resident" means a person enrolled in a qualified educator preparation program participating in a partnership program as a candidate for educator certification.

(5)  "Qualified educator preparation program" means an educator preparation program approved in accordance with rules proposed under Section 21.903.

Sec. 21.902.  ESTABLISHMENT OF PARTNERSHIP PROGRAM. (a) The commissioner shall establish the Texas Teacher Residency Partnership Program to enable qualified educator preparation programs to form partnerships with school districts or open-enrollment charter schools to provide residency positions to partnership residents at the district or school.

(b)  The partnership program must be designed to:

(1)  allow partnership residents to receive field-based experience working with cooperating teachers in prekindergarten through grade 12 classrooms; and

(2)  gradually increase the amount of time a partnership resident spends engaging in instructional responsibilities, including observation, co-teaching, and lead-teaching responsibilities.

Sec. 21.903.  QUALIFIED EDUCATOR PREPARATION PROGRAMS. The board shall propose rules specifying the requirements for board approval of an educator preparation program as a qualified educator preparation program for purposes of this subchapter. The rules must require an educator preparation program to:

(1)  use research-based best practices for recruiting and admitting candidates into the educator preparation program to participate in the partnership program;

(2)  integrate curriculum, classroom practice, and formal observation and feedback;

(3)  use multiple assessments to measure a partnership resident's progress in the partnership program; and

(4)  partner with a school district or open-enrollment charter school.

Sec. 21.904.  REQUIREMENTS FOR PARTICIPATING DISTRICTS AND SCHOOLS. (a) A school district or open-enrollment charter school participating in the partnership program shall:

(1)  enter into a written agreement with a qualified educator preparation program to:

(A)  provide a partnership resident with at least one school year of clinical teaching in a residency position at the district or school in the subject area and grade level for which the resident seeks certification; and

(B)  pair the partnership resident with a cooperating teacher;

(2)  specify the amount of money the district receives under Section 48.157 that the district will provide to the program;

(3)  only use money received under Section 48.157 to:

(A)  implement the partnership program;

(B)  provide compensation to:

(i)  partnership residents in residency positions at the district or school; and

(ii)  cooperating teachers who are paired with partnership residents at the district or school; and

(C)  provide an amount equal to at least 10 percent of the funding received by the district or school to the qualified educator preparation program with which the district or school partners;

(4)  pay at least 50 percent of the compensation paid to partnership residents using money other than money received under Section 48.157; and

(5)  provide any information required by the agency regarding the district's or school's implementation of the program.

(b)  A school district or open-enrollment charter school may only pair a partnership resident with a cooperating teacher who agrees to participate in that role in a partnership program at the district or school partnership program.

(c)  A partnership resident may not serve as a teacher of record, as that term is defined by Section 21.051.

Sec. 21.905.  RESIDENCY EDUCATOR CERTIFICATE. The board shall propose rules specifying the requirements for the issuance of a residency educator certificate to a candidate who has successfully completed a qualified educator preparation program under Section 21.903. The rules may not require the resident to pass a pedagogy examination unless the examination tests subject-specific content appropriate for the grade and subject area for which the candidate seeks certification.

Sec. 21.906.  AGENCY SUPPORT. The agency shall provide technical assistance, planning, and support to school districts, open-enrollment charter schools, and qualified educator preparation programs, which must include:

(1)  providing model forms and agreements a district, school, or educator preparation program may use to comply with the requirements of this subchapter; and

(2)  support for district and school strategic staffing and compensation models to incentivize participation in a partnership program.

Sec. 21.907.  AUTHORITY TO ACCEPT CERTAIN FUNDS. The commissioner may solicit and accept gifts, grants, and donations from public and private entities to use for the purposes of this subchapter.

Sec. 21.908.  RULES. (a) The board shall propose rules necessary to implement this subchapter, including rules under Sections 21.903 and 21.905.

(b)  The commissioner shall adopt rules as necessary to implement this subchapter using negotiated rulemaking procedures under Chapter 2008, Government Code.

SECTION 1.23.  The heading to Section 22.001, Education Code, is amended to read as follows:

Sec. 22.001.   SALARY DEDUCTIONS FOR PROFESSIONAL OR OTHER DUES.

SECTION 1.24.  Sections 22.001(a) and (b), Education Code, are amended to read as follows:

(a)  A school district employee is entitled to have an amount deducted from the employee's salary for membership fees or dues to a professional organization or an entity providing services to classroom teachers under Section 21.417. The employee must:

(1)  file with the district a signed written request identifying the organization or entity [~~and specifying the number of pay periods per year the deductions are to be made~~]; and

(2)  inform the district of the total amount of the fees and dues for each year or have the organization or entity notify the district of the amount.

(b)  The district shall deduct the total amount of the fees or dues for a year in equal amounts per pay period [~~for the number of periods specified by the employee~~]. The district shall notify the employee not later than the 45th day after the district receives a request under Subsection (a) of the number of pay periods annually from which the district will deduct the fees or dues. The deductions shall be made until the employee requests in writing that the deductions be discontinued.

SECTION 1.25.  Section 25.001(h), Education Code, is amended to read as follows:

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

[~~(1)  the maximum tuition fee the district may charge under Section 25.038; or~~

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

SECTION 1.26.  Section 25.036, Education Code, is amended to read as follows:

Sec. 25.036. TRANSFER OF STUDENT.  (a)  Any child, other than a high school graduate, who is younger than 21 years of age and eligible for enrollment on September 1 of any school year may apply to transfer for in-person instruction annually from the child's school district of residence to another district in this state [~~if both the receiving district and the applicant parent or guardian or person having lawful control of the child jointly approve and timely agree in writing to the transfer~~].

(b)  A transfer application approved [~~agreement~~] under this section shall be filed and preserved as a receiving district record for audit purposes of the agency.

(c)  A school district may deny approval of a transfer under this section only if:

(1)  the district or a school in the district to which a student seeks to transfer is at full student capacity or has more requests for transfers than available positions after the district has filled available positions in accordance with Subsection (e) and has satisfied the requirement provided under Subsection (f);

(2)  before the application deadline for the applicable school year, the district adopted a policy that provides for the exclusion of a student who has a documented history of a criminal offense, a juvenile court adjudication, or discipline problems under Subchapter A, Chapter 37, and the student meets the conditions for exclusion under the policy; or

(3)  approving the transfer would supersede a court-ordered desegregation plan.

(d)  For the purpose of determining whether a school in a school district is at full student capacity under Subsection (c)(1), the district may not consider equity as a factor in the district's decision-making process.

(e)  A school district that has more applicants for transfer under this section than available positions must fill the available positions by lottery and must give priority to applicants in the following order:

(1)  students who:

(A)  do not reside in the district but were enrolled in the district in the preceding school year; or

(B)  are dependents of an employee of the receiving district; and

(2)  students:

(A)  receiving special education services under Subchapter A, Chapter 29;

(B)  who are dependents of military personnel;

(C)  who are dependents of law enforcement personnel;

(D)  in foster care;

(E)  who are the subject of court-ordered modification of an order establishing conservatorship or possession and access; or

(F)  who are siblings of a student who is enrolled in the receiving district at the time the student seeks to transfer.

(f)  A school district may deny approval of a transfer under Subsection (c)(1) only if the district publishes and annually updates the district's full student capacity by campus.

(g)  A receiving school district may, but is not required to, provide transportation to a student who transfers to the receiving district under this section.

(h)  A receiving school district may revoke, at any time during the school year, the approval of the student's transfer only if:

(1)  the student engages in conduct:

(A)  for which a student is required or permitted to be removed from class and placed in a disciplinary alternative education program under Section 37.006; or

(B)  for which a student is required or permitted to be expelled from school under Section 37.007; and

(2)  before revoking approval of the student's transfer, the district ensures the student is afforded appropriate due process and complies with any requirements of state law or district policy relating to the expulsion of a student to the same extent as if the student were being expelled under Section 37.007.

SECTION 1.27.  Section 25.038, Education Code, is amended to read as follows:

Sec. 25.038.  TUITION FEE FOR TRANSFER STUDENTS PAID BY SCHOOL DISTRICT.  (a) Except as provided by Subsection (b), a [~~The~~] receiving school district may charge a tuition fee to another school district, if the receiving district has contracted with the other district to educate the other district's students, to the extent that the district's actual expenditure per student in average daily attendance, as determined by its board of trustees, exceeds the sum the district benefits from state aid sources as provided by Section 25.037.  However, unless a tuition fee is prescribed and set out in a transfer agreement before its execution by the parties, an increase in tuition charge may not be made for the year of that transfer that exceeds the tuition charge, if any, of the preceding school year.

(b)  A school district may not charge a tuition fee under this section for a student transfer authorized under Section 25.036.

SECTION 1.28.  Subchapter C, Chapter 25, Education Code, is amended by adding Section 25.0813 to read as follows:

Sec. 25.0813.  FIVE-DAY SCHOOL WEEK SCHEDULE. (a) A school district must operate a school week of not fewer than five instructional days for at least two-thirds of the weeks the district operates during the school year.

(b)  Subsection (a) does not apply to:

(1)  a school district specifically authorized by other law to operate a school week of fewer than five instructional days; or

(2)  a school district that before May 1, 2023, adopted for the 2023-2024 school year a four-day school week schedule.

SECTION 1.29.  Section 29.153(b), Education Code, is amended to read as follows:

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

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

(2)  is educationally disadvantaged;

(3)  is homeless, regardless of the residence of the child, of either parent of the child, or of the child's guardian or other person having lawful control of the child;

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

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

(6)  is or ever has been in:

(A)  the conservatorship of the Department of Family and Protective Services following an adversary hearing held as provided by Section 262.201, Family Code; or

(B)  foster care in another state or territory, if the child resides in this state; [~~or~~]

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

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

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

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

(8)  is the child of a person employed as a classroom teacher at a public primary or secondary school in the school district that offers a prekindergarten class under this section.

SECTION 1.30.  Section 29.934(d), Education Code, is amended to read as follows:

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

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

(2)  adopt an accelerated campus excellence turnaround plan as provided by Section 39A.105(b) and ensure that from the date of the adoption of the plan, not less than 20 percent of the classroom teachers assigned to the campus who teach subjects included in the foundation curriculum under Section 28.002(a)(1) hold a current designation under Section 21.3521 [~~except that a classroom teacher who satisfies the requirements for demonstrated instructional effectiveness under Section 39A.105(b)(3) must also hold a current designation assigned under Section 21.3521~~];

(3)  be in a school district that has adopted an approved local optional teacher designation system under Section 21.3521;

(4)  satisfy certain staff criteria by:

(A)  requiring a principal or teacher employed at the campus before the designation to apply for a position to continue at the campus;

(B)  for a subject in the foundation curriculum, employing only teachers who have at least two [~~three~~] years of teaching experience;

(C)  employing at least one school counselor for every 300 students; and

(D)  employing at least one appropriately licensed professional to assist with the social and emotional needs of students and staff, who must be a:

(i)  family and community liaison;

(ii)  clinical social worker;

(iii)  specialist in school psychology; or

(iv)  professional counselor;

(5)  implement a positive behavior program as provided by Section 37.0013;

(6)  implement a family engagement plan as described by Section 29.168;

(7)  develop and implement a plan to use high quality instructional materials;

(8)  if the campus is an elementary campus, operate the campus for a school year that qualifies for funding under Section 48.0051; and

(9)  annually submit to the commissioner data and information required by the commissioner to assess fidelity of implementation.

SECTION 1.31.  Section 30.003, Education Code, is amended by amending Subsections (b) and (f-1) and adding Subsection (b-1) to read as follows:

(b)  If the student is admitted to the school for a full-time program for the equivalent of two long semesters, the district's share of the cost is an amount equal to the dollar amount of maintenance and debt service taxes imposed by the district for that year, subject to Subsection (b-1), divided by the district's average daily attendance for the preceding year.

(b-1)  For purposes of Subsection (b), the commissioner shall reduce the dollar amount of maintenance and debt service taxes imposed by the district for a year by the amount, if any, by which the district is required to reduce the district's local revenue level under Section 48.257 for that year.

(f-1)  The commissioner shall determine the total amount that the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf would have received from school districts in accordance with this section if the following provisions had not reduced the districts' share of the cost of providing education services:

(1)  H.B. No. 1, Acts of the 79th Legislature, 3rd Called Session, 2006;

(2)  Subsection (b-1) of this section;

(3)  Section 45.0032;

(4) [~~(3)~~]  Section 48.255; and

(5) [~~(4)~~]  Section 48.2551.

SECTION 1.32.  Section 30.102(b), Education Code, is amended to read as follows:

(b)  A classroom teacher, full-time librarian, full-time school counselor certified under Subchapter B, Chapter 21, or full-time school nurse employed by the department is entitled to receive as a minimum salary the [~~monthly~~] salary specified by Section 21.402. A classroom teacher, full-time librarian, full-time school counselor, or full-time school nurse may be paid, from funds appropriated to the department, a salary in excess of the minimum specified by that section, but the salary may not exceed the rate of pay for a similar position in the public schools of an adjacent school district.

SECTION 1.33.  Section 33.009(h), Education Code, is amended to read as follows:

(h)  From funds appropriated for that purpose, a school counselor who attends the academy under this section is entitled to receive a stipend in the amount determined by the coordinating board. If funds are available after all eligible school counselors have received a stipend under this subsection, the coordinating board shall pay a stipend in the amount determined by the coordinating board to a teacher who attends the academy under this section. A stipend received under this subsection is not considered in determining whether a district is paying the school counselor or teacher the minimum [~~monthly~~] salary under Section 21.402.

SECTION 1.34.  Section 37.002, Education Code, is amended by amending Subsections (b), (c), and (d) and adding Subsections (b-2), (f), and (g) to read as follows:

(b)  A teacher may remove from class a student who:

(1)  interferes [~~who has been documented by the teacher to repeatedly interfere~~] with the teacher's ability to communicate effectively with the students in the class or with the ability of the student's classmates to learn; [~~or~~]

(2)  demonstrates [~~whose~~] behavior that is unruly, disruptive, or abusive toward the teacher or another adult or another student; or

(3)  engages in conduct that constitutes bullying, as defined by Section 37.0832 [~~determines is so unruly, disruptive, or abusive that it seriously interferes with the teacher's ability to communicate effectively with the students in the class or with the ability of the student's classmates to learn~~].

(b-2)  A teacher, campus behavior coordinator, or other appropriate administrator shall notify a parent or person standing in parental relation to a student of the removal of a student under this section.

(c)  If a teacher removes a student from class under Subsection (b), the principal may place the student into another appropriate classroom, into in-school suspension, or into a disciplinary alternative education program as provided by Section 37.008. The principal may not return the student to that teacher's class without the teacher's written consent unless the committee established under Section 37.003 determines that such placement is the best or only alternative available. The principal may not return the student to that teacher's class, regardless of the teacher's consent, until a return to class plan has been prepared for that student. The principal may only designate an employee of the school whose primary duties do not include classroom instruction to create a return to class plan. The terms of the removal may prohibit the student from attending or participating in school-sponsored or school-related activity.

(d)  A teacher shall remove from class and send to the principal for placement in a disciplinary alternative education program or for expulsion, as appropriate, a student who engages in conduct described under Section 37.006 or 37.007. The student may not be returned to that teacher's class without the teacher's written consent unless the committee established under Section 37.003 determines that such placement is the best or only alternative available. If the teacher removed the student from class because the student has engaged in the elements of any offense listed in Section 37.006(a)(2)(B) or Section 37.007(a)(2)(A) or (b)(2)(C) against the teacher, the student may not be returned to the teacher's class without the teacher's consent. The teacher may not be coerced to consent.

(f)  A student may appeal the student's removal from class under this section to:

(1)  the school's placement review committee established under Section 37.003; or

(2)  the safe and supportive school team established under Section 37.115, in accordance with a district policy providing for such an appeal to be made to the team.

(g)  Section 37.004 applies to the removal or placement under this section of a student with a disability who receives special education services.

SECTION 1.35.  Sections 48.0051(a), (b), and (d), Education Code, are amended to read as follows:

(a)  The [~~Subject to Subsection (a-1), the~~] commissioner shall adjust the average daily attendance of a school district or open-enrollment charter school under Section 48.005 in the manner provided by Subsection (b) if the district or school:

(1)  provides the minimum number of minutes of operational and instructional time required under Section 25.081 and commissioner rules adopted under that section over at least 175 [~~180~~] days of instruction; and

(2)  offers an additional 30 days of half-day instruction for students enrolled in prekindergarten through fifth grade.

(b)  For a school district or open-enrollment charter school described by Subsection (a), the commissioner shall increase the average daily attendance of the district or school under Section 48.005 by the amount that results from the quotient of the sum of attendance by students described by Subsection (a)(2) for each of the 30 additional instructional days of half-day instruction that are provided divided by 175 [~~180~~].

(d)  This section does not prohibit a school district from providing the minimum number of minutes of operational and instructional time required under Section 25.081 and commissioner rules adopted under that section over fewer than 175 [~~180~~] days of instruction.

SECTION 1.36.  Subchapter A, Chapter 48, Education Code, is amended by adding Section 48.0055 to read as follows:

Sec. 48.0055.  ENROLLMENT-BASED FUNDING. The commissioner by rule shall establish the method for determining average enrollment for purposes of funding provided based on average enrollment under Chapter 46 and this chapter.

SECTION 1.37.  Sections 48.011(a), (a-1), (d), and (e), Education Code, are amended to read as follows:

(a)  Subject to Subsections (b) and (d), the commissioner may adjust the [~~a school district's~~] funding entitlement under this code for a school district, an open-enrollment charter school, the Windham School District, the Texas School for the Deaf, or the Texas School for the Blind and Visually Impaired [~~chapter~~] if the funding formulas used to determine the [~~district's~~] entitlement result in an unanticipated loss or gain [~~for a district~~].

(a-1)  The commissioner may modify dates relating to the adoption of a school district's maintenance and operations tax rate and, if applicable, an election required for the district to adopt that rate as necessary to implement the changes to the Foundation School Program and requirements relating to school district tax rates made by the 88th [~~H.B. 3, 86th~~] Legislature, Regular Session, 2023 [~~2019~~].

(d)  Beginning with the 2026-2027 [~~2021-2022~~] school year, the commissioner may not make an adjustment under Subsection (a) or (a-1).

(e)  This section expires September 1, 2027 [~~2023~~].

SECTION 1.38.  Section 48.051, Education Code, is amended by amending Subsections (a), (c), and (d) and adding Subsections (c-3), (c-4), (c-5), and (c-6) to read as follows:

(a)  For each student in average daily attendance, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an additional allotment is made under Subchapter C, a district is entitled to an allotment equal to [~~the lesser of $6,160 or~~] the amount that results from the following formula:

A = B [~~$6,160~~] X TR/MCR

where:

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

"B" is the base amount, which equals the greater of:

(1)  $6,210;

(2)  an amount equal to the district's base amount under this section for the preceding school year; or

(3)  the amount appropriated under Subsection (b);

"TR" is the district's tier one maintenance and operations tax rate, as provided by Section 45.0032; and

"MCR" is the district's maximum compressed tax rate, as determined under Section 48.2551.

(c)  During any school year for which the value of "A" determined [~~maximum amount of the basic allotment provided~~] under Subsection (a) or, if applicable, the sum of the value of "A" and the allotment under Section 48.101 to which the district is entitled, [~~or (b)~~] is greater than the value of "A" or, if applicable, the sum of the value of "A" and the allotment under Section 48.101 to which the district is entitled, [~~maximum amount provided~~] for the preceding school year, a school district must use at least 50 [~~30~~] percent of the amount[~~, if the amount is greater than zero,~~] that equals the product of the average daily attendance of the district multiplied by the amount of the difference between the district's funding under this chapter per student in average daily attendance, excluding the amounts described by Subsection (c-6), for the current school year and the preceding school year to increase the average total compensation per full-time classroom teacher [~~provide compensation increases to full-time district employees other than administrators as follows:~~

[~~(1)  75 percent must be used to increase the compensation paid to classroom teachers, full-time librarians, full-time school counselors certified under Subchapter B, Chapter 21, and full-time school nurses, prioritizing differentiated compensation for classroom teachers with more than five years of experience; and~~

[~~(2)  25 percent may be used as determined by the district to increase compensation paid to full-time district employees~~].

(c-3)  In calculating the average total compensation per full-time classroom teacher under Subsection (c), a school district may not consider compensation paid to a classroom teacher added by the district for the current school year that increases the ratio of classroom teachers to students enrolled in the district compared to the preceding school year.

(c-4)  If a school district increases employee compensation in a school year to comply with Subsection (c), as amended by H.B. 100, Acts of the 88th Legislature, Regular Session, 2023, the district is providing compensation for services rendered independently of an existing employment contract applicable to that year and is not a violation of Section 53, Article III, Texas Constitution.

(c-5)  A school district that does not meet the requirements of Subsection (c) during a school year may satisfy the requirements of this section by providing a full-time classroom teacher a one-time bonus payment during the following school year in an amount equal to the difference between the compensation earned by the teacher and the compensation the teacher should have received during the school year if the district had complied with Subsection (c).

(c-6)  For purposes of determining the amount of a school district's funding under this chapter under Subsection (c), the commissioner shall exclude:

(1)  funding under Section 13.054;

(2)  incentive aid payments under Subchapter G, Chapter 13;

(3)  money received from the state instructional materials and technology fund under Section 31.021;

(4)  the special education full individual and initial evaluation allotment under Section 48.1022;

(5)  the college, career, and military readiness outcomes bonuses under Section 48.110;

(6)  the school safety allotment under Section 48.115; and

(7)  the allotments under Subchapter D, other than the allotments under Sections 48.153 and 48.154.

(d)  In this section, "compensation" includes:

(1)  benefits such as insurance premiums; and

(2)  contributions to the Teacher Retirement System of Texas under Section 825.4035, Government Code.

SECTION 1.39.  Section 48.101, Education Code, is amended to read as follows:

Sec. 48.101.  SMALL AND MID-SIZED DISTRICT ALLOTMENT. (a) Small and mid-sized districts are entitled to an annual allotment in accordance with this section.  In this section:

(1)  "AA" is the district's annual allotment per student in average daily attendance;

(2)  "ADA" is the number of students in average daily attendance for which the district is entitled to an allotment under Section 48.051, other than students who do not reside in the district enrolled in a full-time virtual program; and

(3)  "BA" is the basic allotment determined under Section 48.051.

(b)  A school district that has fewer than 1,600 students in average daily attendance is entitled to an annual allotment for each student in average daily attendance based on the following formula:

AA = ((1,600 - ADA) X .00055 [~~.0004~~]) X BA

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

(1)  the formula in Subsection (b), if the district is eligible for that formula; or

(2)  AA = ((5,000 - ADA) X .0000345 [~~.000025~~]) X BA.

(d)  Instead of the allotment under Subsection (b) or (c)(1), a school district that has fewer than 300 students in average daily attendance and is the only school district located in and operating in a county is entitled to an annual allotment for each student in average daily attendance based on the following formula:

AA = ((1,600 - ADA) X .00057 [~~.00047~~]) X BA

SECTION 1.40.  Subchapter C, Chapter 48, Education Code, is amended by adding Section 48.1022 to read as follows:

Sec. 48.1022.  SPECIAL EDUCATION FULL INDIVIDUAL AND INITIAL EVALUATION. For each student for whom a school district conducts a full individual and initial evaluation under Section 29.004 or 20 U.S.C. Section 1414(a)(1), the district is entitled to an allotment of $500 or a greater amount provided by appropriation.

SECTION 1.41.  Section 48.110(d), Education Code, is amended to read as follows:

(d)  For each annual graduate in a cohort described by Subsection (b) who demonstrates college, career, or military readiness as described by Subsection (f) in excess of the minimum number of students determined for the applicable district cohort under Subsection (c), a school district is entitled to an annual outcomes bonus of:

(1)  if the annual graduate is educationally disadvantaged, $5,000;

(2)  if the annual graduate is not educationally disadvantaged, $3,000; and

(3)  if the annual graduate is enrolled in a special education program under Subchapter A, Chapter 29, $4,000 [~~$2,000~~], regardless of whether the annual graduate is educationally disadvantaged.

SECTION 1.42.  Section 48.111(a), Education Code, is amended to read as follows:

(a)  A [~~Except as provided by Subsection (c), a~~] school district is entitled to an annual allotment equal to the basic allotment multiplied by the applicable weight under Subsection (a-1) for each enrolled student equal to the difference, if the difference is greater than zero, that results from subtracting 250 from the difference between the number of students enrolled in the district during the school year immediately preceding the current school year and the number of students enrolled in the district during the school year six years preceding the current school year.

SECTION 1.43.  Sections 48.112(c) and (d), Education Code, are amended to read as follows:

(c)  For each classroom teacher with a teacher designation under Section 21.3521 employed by a school district, the school district is entitled to an allotment equal to the following applicable base amount increased by the high needs and rural factor as determined under Subsection (d):

(1)  $12,000, or an increased amount not to exceed $36,000 [~~$32,000~~] as determined under Subsection (d), for each master teacher;

(2)  $9,000 [~~$6,000~~], or an increased amount not to exceed $25,000 [~~$18,000~~] as determined under Subsection (d), for each exemplary teacher; [~~and~~]

(3)  $5,000 [~~$3,000~~], or an increased amount not to exceed $15,000 [~~$9,000~~] as determined under Subsection (d), for each recognized teacher; and

(4)  $3,000, or an increased amount not to exceed $9,000 as determined under Subsection (d), for each:

(A)  acknowledged teacher; or

(B)  teacher designated as nationally board certified.

(d)  The high needs and rural factor is determined by multiplying the following applicable amounts by the average of the point value assigned to each student at a district campus under Subsection (e):

(1)  $6,000 [~~$5,000~~] for each master teacher;

(2)  $4,000 [~~$3,000~~] for each exemplary teacher; [~~and~~]

(3)  $2,500 [~~$1,500~~] for each recognized teacher; and

(4)  $1,500 for each:

(A)  acknowledged teacher; or

(B)  teacher designated as nationally board certified.

SECTION 1.44.  Section 48.114, Education Code, is amended by amending Subsection (a) and adding Subsection (d) to read as follows:

(a)  A school district [~~that has implemented a mentoring program for classroom teachers who have less than two years of teaching experience under Section 21.458~~] is entitled to an allotment [~~as determined under Subsection (b)~~] to fund a [~~the~~] mentoring program and to provide stipends for mentor teachers if:

(1)  the district has implemented a mentoring program for classroom teachers under Section 21.458; and

(2)  the mentor teachers assigned under that program complete a training program that is required or developed by the agency for mentor teachers.

(d)  A school district is entitled to an allotment of $2,000 for each classroom teacher with less than two years of experience who participates in a mentoring program described by Subsection (a). A district may receive an allotment under this section for no more than 40 teachers during a school year unless an appropriation is made for the purposes of providing a greater number of allotments per district.

SECTION 1.45.  Section 48.151(g), Education Code, is amended to read as follows:

(g)  A school district or county that provides special transportation services for eligible special education students is entitled to a state allocation at a [~~paid on a previous year's cost-per-mile basis. The~~] rate per mile equal to the sum of the rate per mile set under Subsection (c) and $0.13, or a greater amount provided [~~allowable shall be set~~] by appropriation [~~based on data gathered from the first year of each preceding biennium~~]. Districts may use a portion of their support allocation to pay transportation costs, if necessary. The commissioner may grant an amount set by appropriation for private transportation to reimburse parents or their agents for transporting eligible special education students. The mileage allowed shall be computed along the shortest public road from the student's home to school and back, morning and afternoon. The need for this type of transportation shall be determined on an individual basis and shall be approved only in extreme hardship cases.

SECTION 1.46.  Subchapter D, Chapter 48, Education Code, is amended by adding Section 48.157 to read as follows:

Sec. 48.157.  RESIDENCY PARTNERSHIP ALLOTMENT. (a) In this section, "partnership program" and "partnership resident" have the meanings assigned by Section 21.901.

(b)  For each partnership resident employed at a school district in a residency position under Subchapter R, Chapter 21, the district is entitled to an allotment equal to a base amount of $22,000 increased by the high needs and rural factor, as determined under Subsection (c), to an amount not to exceed $42,000.

(c)  The high needs and rural factor is determined by multiplying $5,000 by the lesser of:

(1)  the average of the point value assigned to each student at a district campus under Sections 48.112(e) and (f); or

(2)  4.0.

(d)  In addition to the funding under Subsection (b), a district that qualifies for an allotment under this section is entitled to an additional $2,000 for each partnership resident employed in a residency position at the district who is a candidate for special education or bilingual education certification.

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

SECTION 1.47.  Subchapter D, Chapter 48, Education Code, is amended by adding Section 48.160 to read as follows:

Sec. 48.160.  ALLOTMENT FOR ADVANCED MATHEMATICS PATHWAYS AND CERTAIN PROGRAMS OF STUDY. (a) A school district is eligible to receive an allotment under this section if the district offers through in-person instruction, remote instruction, or a hybrid of in-person and remote instruction:

(1)  an advanced mathematics pathway that begins with Algebra I in grade eight and continues through progressively more advanced mathematics courses in each grade from grade 9 through 12;

(2)  a program of study in:

(A)  computer programming and software development; or

(B)  cybersecurity; and

(3)  a program of study in a specialized skilled trade, such as:

(A)  plumbing and pipefitting;

(B)  electrical;

(C)  welding;

(D)  diesel and heavy equipment;

(E)  aviation maintenance; or

(F)  applied agricultural engineering.

(b)  Notwithstanding Subsection (a), a school district is eligible for the allotment under this section for students enrolled in a high school in the district that does not offer a program of study described by Subsection (a)(2) or (3) if:

(1)  high school students who reside in the attendance zone of the high school may participate in the program of study by enrolling in another high school:

(A)  that:

(i)  is in the same district or a neighboring school district;

(ii)  was assigned the same or a better campus overall performance rating under Section 39.054 as the high school in whose attendance zone the students reside; and

(iii)  offers the program of study; and

(B)  to and from which transportation is provided for those students; or

(2)  students enrolled in the high school:

(A)  are offered instruction for the program of study at another location, such as another high school in the same district or a neighboring school district; and

(B)  receive transportation to and from the location described by Paragraph (A).

(c)  An eligible school district is entitled to an annual allotment of $10 for each student enrolled at a high school in the district that offers a pathway or program of study from each subdivision described by Subsection (a) if:

(1)  each student enrolled at the high school takes a progressively more advanced mathematics course each year of enrollment; and

(2)  for each of those pathways or programs of study, at least one student enrolled at the high school completes a course in the pathway or program of study.

(d)  A school district that receives an allotment under Subsection (c) and Section 48.101 is entitled to receive an additional allotment in an amount equal to the product of 0.1 and the allotment to which the district is entitled under Section 48.101 for each student for which the district receives an allotment under Subsection (c). An open-enrollment charter school is not eligible for an allotment under this subsection.

(e)  The commissioner by rule may establish requirements to ensure students enrolled in a high school to which Subsection (b) applies have meaningful access to the programs of study described by Subsections (a)(2) and (3).

(f)  The agency may reduce the amount of a school district's allotment under this section if the agency determines that the district has not complied with any provision of this section.

SECTION 1.48.  Section 48.202(a-1), Education Code, is amended to read as follows:

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

(1)  the greater of the amount of district tax revenue per weighted student per cent of tax effort available to a school district at the 96th percentile of wealth per weighted student or the amount that results from multiplying the maximum amount of the basic allotment provided under Section 48.051 for the applicable school year [~~6,160, or the greater amount provided under Section 48.051(b), if applicable,~~] by 0.016, for the first eight cents by which the district's maintenance and operations tax rate exceeds the district's tier one tax rate; and

(2)  subject to Subsection (f), the amount that results from multiplying the maximum amount of the basic allotment provided under Section 48.051 for the applicable school year [~~$6,160, or the greater amount provided under Section 48.051(b), if applicable,~~] by 0.008, for the district's maintenance and operations tax effort that exceeds the amount of tax effort described by Subdivision (1).

SECTION 1.49.  Section 48.257, Education Code, is amended by adding Subsection (b-1) and amending Subsection (c) to read as follows:

(b-1)  If for any school year a school district receives an adjustment under Subsection (b) and, after that adjustment, is no longer subject to Subsection (a), the district is entitled to additional state aid for that school year in an amount equal to the lesser of:

(1)  the difference, if the difference is greater than zero, between:

(A)  the amount to which the district is entitled under Subchapters B, C, and D less the district's distribution from the available school fund for that school year; and

(B)  the district's tier one maintenance and operations tax collections for that school year; or

(2)  the sum of the district's allotments under Sections 48.0051 and 48.112 for that school year.

(c)  For purposes of Subsection (a), state aid to which a district is entitled under Section 13.054 or this chapter that is not described by Section 48.266(a)(3) may offset the amount by which a district must reduce the district's revenue level under this section. Any amount of state aid used as an offset under this subsection shall reduce the amount of state aid to which the district is entitled.

SECTION 1.50.  Subchapter F, Chapter 48, Education Code, is amended by adding Section 48.280 to read as follows:

Sec. 48.280.  SALARY TRANSITION ALLOTMENT. (a) In the 2023-2024, 2024-2025, and 2025-2026 school years, a school district is entitled to receive an annual salary transition allotment equal to the difference, if that amount is greater than zero, between:

(1)  the amount calculated under Subsection (b); and

(2)  the amount calculated under Subsection (c).

(b)  The agency shall calculate a school district's value for Subsection (a)(1) by determining the difference between:

(1)  the amount the district must pay in compensation for the current school year for employees on the minimum salary schedule under Section 21.402, as amended by H.B. 100, Acts of the 88th Legislature, Regular Session, 2023, divided by the total number of employees on the minimum salary schedule under that section for that school year; and

(2)  the amount paid in compensation for the 2022-2023 school year for employees on the minimum salary schedule under Section 21.402 divided by the total number of employees on the minimum salary schedule under that section for that school year.

(c)  The agency shall calculate a school district's value for Subsection (a)(2) by determining the difference between:

(1)  the total maintenance and operations revenue for the current school year divided by the total number of employees on the minimum salary schedule under Section 21.402 for that school year; and

(2)  the total maintenance and operations revenue that would have been available to the district for the current school year using the basic allotment formula provided by Section 48.051 and the small and mid-sized allotment formulas provided by Section 48.101 as those sections existed on January 1, 2023, divided by the total number of employees on the minimum salary schedule under Section 21.402 for that school year.

(d)  In calculating the values under Subsections (b) and (c) for a school district or open-enrollment charter school to which Section 21.402 does not apply, the agency shall include as employees on the minimum salary schedule under that section employees of the district or school who would have been on the minimum salary schedule under that section if the district or school were a school district to which that section applies.

(e)  Before making a final determination of the amount of an allotment to which a school district is entitled under this section, the agency shall ensure each school district has an opportunity to review and submit revised information to the agency for purposes of calculating the values under Subsection (a).

(f)  A school district is entitled to an allotment in an amount equal to:

(1)  for the 2026-2027 school year, two-thirds of the value determined under Subsection (a); and

(2)  for the 2027-2028 school year, one-third of the value determined under Subsection (a).

(g)  A school district is not entitled to an allotment under this section in the 2028-2029 school year or a later school year.

(h)  For purposes of this section, "compensation" includes contributions made to the Teacher Retirement System of Texas under Sections 825.4035 and 825.405, Government Code.

(i)  This section expires September 1, 2029.

SECTION 1.51.  Subchapter G, Chapter 48, Education Code, is amended by adding Sections 48.304 and 48.305 to read as follows:

Sec. 48.304.  DAY PLACEMENT PROGRAM FUNDING. (a) For each qualifying day placement program that a regional education service center makes available in partnership with a school district, open-enrollment charter school, or shared services arrangement, the center is entitled to an allotment of:

(1)  $250,000 for the first year of the program's operation; and

(2)  $150,000 for each year of the program's operation after the first year.

(b)  A day placement program qualifies for purposes of Subsection (a) if:

(1)  the program complies with commissioner rules adopted under Section 48.102(c);

(2)  the program offers services to students who are enrolled at any school district or open-enrollment charter school in the county in which the program is offered, unless the commissioner by rule waives or modifies the requirement under this subdivision for the program to serve all students in a county; and

(3)  the agency has designated the program for service in the county in which the program is offered and determined that, at the time of designation, the program increases the availability of day placement services in the county.

Sec. 48.305.  PARENT-DIRECTED SERVICES FOR STUDENTS RECEIVING SPECIAL EDUCATION SERVICES GRANT. (a) A student to whom the agency awards a grant under Subchapter A-1, Chapter 29, is entitled to receive an amount of $1,500 or a greater amount provided by appropriation.

(b)  The legislature shall include in the appropriations for the Foundation School Program state aid sufficient for the agency to award grants under Subchapter A-1, Chapter 29, in the amount provided by this section.

(c)  A student may receive one grant under Subchapter A-1, Chapter 29, unless the legislature appropriates money for an additional grant in the General Appropriations Act.

(d)  A determination of the commissioner under this section is final and may not be appealed.

SECTION 1.52.  The following provisions are repealed:

(1)  Section 21.042, Education Code;

(2)  Sections 21.402(b), (c), (c-1), (f), and (h), Education Code;

(3)  Sections 21.403(a) and (d), Education Code;

(4)  Subchapter Q, Chapter 21, Education Code;

(5)  Section 29.002, Education Code;

(6)  Sections 29.026(n) and (o), Education Code;

(7)  Section 29.027(i), Education Code;

(8)  Section 29.050, Education Code;

(9)  Section 37.002(e), Education Code;

(10)  Sections 48.111(c), (c-1), and (c-2), Education Code;

(11)  Section 48.114(b), Education Code; and

(12)  Section 825.4092(f), Government Code, as added by Chapter 546 (S.B. 202), Acts of the 87th Legislature, Regular Session, 2021.

SECTION 1.53.  (a) The legislature finds that:

(1)  the Windfall Elimination Provision was enacted in 1983 to equalize the earned social security benefits of workers who spend part of their careers in exempt public service and workers who spend their entire careers participating in social security;

(2)  the Windfall Elimination Provision reduces the social security benefits of public servants who have received a pension that is not subject to social security taxes, including thousands of teachers in Texas as well as the spouses and children of these public servants;

(3)  the flawed application of the Windfall Elimination Provision diminishes Texans' retirement security and fails to recognize their rightfully earned social security and public pension benefits;

(4)  for years, the United States Congress has failed to act to remove this detriment to many citizens of Texas, including teachers; and

(5)  the United States Congress should take swift action to replace the Windfall Elimination Provision with a more fair and just formula that accurately reflects the contributions of all American workers to the social security system.

(b)  As soon as practicable after the effective date of this Act, the secretary of the Senate shall forward official copies of the legislative findings under Subsection (a) of this section to the president of the United States, to the president of the Senate and the speaker of the House of Representatives of the United States Congress, and to all the members of the Texas delegation to Congress.

SECTION 1.54.  Not later than September 1, 2024, the commissioner of education, with the assistance of the executive director of the Teacher Retirement System of Texas and the comptroller of public accounts, shall make recommendations to the legislature to improve and coordinate pension contribution appropriations for public school employees.

SECTION 1.55.  Section 21.257(f), Education Code, as added by this article, applies only to a hearing before a hearing examiner commenced on or after the effective date of this article.

SECTION 1.56.  Immediately following the effective date of this article, a school district or open-enrollment charter school shall redesignate a teacher who holds a designation made under Section 21.3521, Education Code, before the effective date of this article, to reflect the teacher's designation under Section 21.3521, Education Code, as amended by this article. Funding provided to a school district under Section 48.112, Education Code, for a teacher who held a designation made under Section 21.3521, Education Code, as that section existed immediately before the effective date of this article, shall be increased to reflect the teacher's redesignation under Section 21.3521, Education Code, as amended by this article.

SECTION 1.57.  Notwithstanding Section 21.903, Education Code, as added by this article, until the State Board for Educator Certification adopts rules specifying the requirements for approval of an educator preparation program as a qualified educator preparation program as required by that section, the commissioner of education may approve a program as a qualified educator preparation program for purposes of Subchapter R, Chapter 21, Education Code, as added by this article, if the commissioner determines that the program meets the requirements under Section 21.903, Education Code, as added by this article. An educator preparation program's designation as a qualified educator preparation program by the commissioner under this section remains effective until the first anniversary of the earliest effective date of a rule adopted by the State Board for Educator Certification under Section 21.903, Education Code, as added by this article.

SECTION 1.58.  To the extent of any conflict, this article prevails over another Act of the 88th Legislature, Regular Session, 2023, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 1.59.  (a) Except as provided by Subsection (b) of this section or as otherwise provided by this article, this article takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, the entirety of this article takes effect September 1, 2023.

(b)  Sections 12.106(a-2) and (d), 13.054, 30.003, 48.0051(a), (b), and (d), 48.011(a), (a-1), (d), and (e), 48.051, 48.101, 48.110(d), 48.111, 48.112(c) and (d), 48.114, 48.151(g), 48.202(a-1), and 48.257, Education Code, as amended by this article, and Sections 48.0055, 48.1022, 48.157, 48.160, and 48.280, Education Code, as added by this article, take effect September 1, 2023.

ARTICLE 2. CHANGES GENERALLY APPLICABLE TO PUBLIC SCHOOLS EFFECTIVE FOR 2024-2025 SCHOOL YEAR

SECTION 2.01.  Section 8.051(d), Education Code, is amended to read as follows:

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

(1)  training and assistance in:

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

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

(2)  training and assistance in providing each program that qualifies for a funding allotment under Section 48.102, 48.1021, 48.104, 48.105, or 48.109;

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

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

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

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

SECTION 2.02.  Section 11.1513, Education Code, is amended by adding Subsection (l) to read as follows:

(l)  The employment policy must provide that:

(1)  before the beginning of each school year, the district shall provide a duty calendar for certain professional staff as required by Section 11.15131; and

(2)  for purposes of determining the amount of a reduction in the salary of a classroom teacher, full-time counselor, or full-time librarian for unpaid leave, the employee's daily rate of pay is computed by dividing the employee's annual salary by the number of days the employee is expected to work for that school year as provided by the district's duty calendar adopted under Section 11.15131.

SECTION 2.03.  Subchapter D, Chapter 11, Education Code, is amended by adding Section 11.15131 to read as follows:

Sec. 11.15131.  DUTY CALENDAR FOR CERTAIN PROFESSIONAL STAFF. (a) In this section, "supplemental duty" means a duty other than a duty assigned under an employee's contract that is generally expected to be performed during an instructional day and which may be governed by an agreement, other than the employee's contract, between the district and the employee.

(b)  Not later than the 15th day before the first instructional day of each school year, the board of trustees of a school district shall adopt and provide to each classroom teacher, full-time counselor, and full-time librarian employed by the district a calendar that specifies the days each employee is expected to work for that school year, including the days on which the employee is expected to perform supplemental duties for more than 30 minutes outside of the instructional day, and except for days on which the employee may be required to spend time on an unanticipated duty outside of the instructional day to comply with a state or federal law.

SECTION 2.04.  Section 29.014(d), Education Code, is amended to read as follows:

(d)  The basic allotment for a student enrolled in a district to which this section applies is adjusted by the tier of intensity of service defined in accordance with [~~weight for a homebound student under~~] Section 48.102 and designated by commissioner rule for use under this section [~~48.102(a)~~].

SECTION 2.05.  Section 29.018, Education Code, is amended by adding Subsection (g) to read as follows:

(g)  This section expires September 1, 2026.

SECTION 2.06.  Sections 29.022(a), (a-1), (b), (c), (c-1), (d), (f), (h), (k), (l), (s), and (t), Education Code, are amended to read as follows:

(a)  In order to promote student safety, on receipt of a written request authorized under Subsection (a-1), a school district or open-enrollment charter school shall provide equipment, including a video camera, to the school or schools in the district or the charter school campus or campuses specified in the request. A school or campus that receives equipment as provided by this subsection shall place, operate, and maintain one or more video cameras in special education [~~self-contained~~] classrooms and other special education settings [~~in which a majority of the students in regular attendance are provided special education and related services and are assigned to one or more self-contained classrooms or other special education settings for at least 50 percent of the instructional day~~], provided that:

(1)  a school or campus that receives equipment as a result of the request by a parent or staff member is required to place equipment only in classrooms or settings in which the parent's child is in regular attendance or to which the staff member is assigned, as applicable; and

(2)  a school or campus that receives equipment as a result of the request by a board of trustees, governing body, principal, or assistant principal is required to place equipment only in classrooms or settings identified by the requestor, if the requestor limits the request to specific classrooms or settings subject to this subsection.

(a-1)  For purposes of Subsection (a):

(1)  a parent of a child who receives special education services in one or more special education [~~self-contained~~] classrooms or other special education settings may request in writing that equipment be provided to the school or campus at which the child receives those services;

(2)  a board of trustees or governing body may request in writing that equipment be provided to one or more specified schools or campuses at which one or more children receive special education services in special education [~~self-contained~~] classrooms or other special education settings;

(3)  the principal or assistant principal of a school or campus at which one or more children receive special education services in special education [~~self-contained~~] classrooms or other special education settings may request in writing that equipment be provided to the principal's or assistant principal's school or campus; and

(4)  a staff member assigned to work with one or more children receiving special education services in special education [~~self-contained~~] classrooms or other special education settings may request in writing that equipment be provided to the school or campus at which the staff member works.

(b)  A school or campus that places a video camera in a special education classroom or other special education setting in accordance with Subsection (a) shall operate and maintain the video camera in the classroom or setting, as long as the classroom or setting continues to satisfy the requirements under Subsection (a), for the remainder of the school year in which the school or campus received the request, unless the requestor withdraws the request in writing. If for any reason a school or campus will discontinue operation of a video camera during a school year, not later than the fifth school day before the date the operation of the video camera will be discontinued, the school or campus must notify the parents of each student in regular attendance in the classroom or setting that operation of the video camera will not continue unless requested by a person eligible to make a request under Subsection (a-1). Not later than the 10th school day before the end of each school year, the school or campus must notify the parents of each student in regular attendance in the classroom or setting that operation of the video camera will not continue during the following school year unless a person eligible to make a request for the next school year under Subsection (a-1) submits a new request.

(c)  Except as provided by Subsection (c-1), video cameras placed under this section must be capable of:

(1)  covering all areas of the special education classroom or other special education setting, including a room attached to the classroom or setting used for time-out; and

(2)  recording audio from all areas of the special education classroom or other special education setting, including a room attached to the classroom or setting used for time-out.

(c-1)  The inside of a bathroom or any area in the special education classroom or other special education setting in which a student's clothes are changed may not be visually monitored, except for incidental coverage of a minor portion of a bathroom or changing area because of the layout of the classroom or setting.

(d)  Before a school or campus activates a video camera in a special education classroom or other special education setting under this section, the school or campus shall provide written notice of the placement to all school or campus staff and to the parents of each student attending class or engaging in school activities in the classroom or setting.

(f)  A school district or open-enrollment charter school may solicit and accept gifts, grants, and donations from any person for use in placing video cameras in special education classrooms or other special education settings under this section.

(h)  A school district or open-enrollment charter school may not:

(1)  allow regular or continual monitoring of video recorded under this section; or

(2)  use video recorded under this section for teacher evaluation or for any other purpose other than the promotion of safety of students receiving special education services in a special education [~~self-contained~~] classroom or other special education setting.

(k)  The commissioner may adopt rules to implement and administer this section, including rules regarding the special education classrooms and other special education settings to which this section applies.

(l)  A school district or open-enrollment charter school policy relating to the placement, operation, or maintenance of video cameras under this section must:

(1)  include information on how a person may appeal an action by the district or school that the person believes to be in violation of this section or a policy adopted in accordance with this section, including the appeals process under Section 7.057;

(2)  require that the district or school provide a response to a request made under this section not later than the seventh school business day after receipt of the request by the person to whom it must be submitted under Subsection (a-3) that authorizes the request or states the reason for denying the request;

(3)  except as provided by Subdivision (5), require that a school or a campus begin operation of a video camera in compliance with this section not later than the 45th school business day, or the first school day after the 45th school business day if that day is not a school day, after the request is authorized unless the agency grants an extension of time;

(4)  permit the parent of a student whose admission, review, and dismissal committee has determined that the student's placement for the following school year will be in a special education classroom or other special education setting in which a video camera may be placed under this section to make a request for the video camera by the later of:

(A)  the date on which the current school year ends; or

(B)  the 10th school business day after the date of the placement determination by the admission, review, and dismissal committee; and

(5)  if a request is made by a parent in compliance with Subdivision (4), unless the agency grants an extension of time, require that a school or campus begin operation of a video camera in compliance with this section not later than the later of:

(A)  the 10th school day of the fall semester; or

(B)  the 45th school business day, or the first school day after the 45th school business day if that day is not a school day, after the date the request is made.

(s)  This section applies to the placement, operation, and maintenance of a video camera in a special education [~~self-contained~~] classroom or other special education setting during the regular school year and extended school year services.

(t)  A video camera placed under this section is not required to be in operation for the time during which students are not present in the special education classroom or other special education setting.

SECTION 2.07.  Sections 29.022(u)(3) and (4), Education Code, are amended to read as follows:

(3)  "Special education classroom or other special education setting" means a classroom or setting primarily used for delivering special education services to students who spend on average less than 50 percent of an instructional day in a general education classroom or setting [~~"Self-contained classroom" does not include a classroom that is a resource room instructional arrangement under Section 48.102~~].

(4)  "Staff member" means a teacher, related service provider, paraprofessional, counselor, or educational aide assigned to work in a special education [~~self-contained~~] classroom or other special education setting.

SECTION 2.08.  Section 29.316(c), Education Code, is amended to read as follows:

(c)  Not later than August 31 of each year, the agency, the division, and the center jointly shall prepare and post on the agency's, the division's, and the center's respective Internet websites a report on the language acquisition of children eight years of age or younger who are deaf or hard of hearing. The report must:

(1)  include:

(A)  existing data reported in compliance with federal law regarding children with disabilities; and

(B)  information relating to the language acquisition of children who are deaf or hard of hearing and also have other disabilities;

(2)  state for each child:

(A)  the percentage of the instructional day [~~arrangement used with the child, as described by Section 48.102, including the time~~] the child spends on average in a general education setting [~~mainstream instructional arrangement~~];

(B)  the specific language acquisition services provided to the child, including:

(i)  the time spent providing those services; and

(ii)  a description of any hearing amplification used in the delivery of those services, including:

(a)  the type of hearing amplification used;

(b)  the period of time in which the child has had access to the hearing amplification; and

(c)  the average amount of time the child uses the hearing amplification each day;

(C)  the tools or assessments used to assess the child's language acquisition and the results obtained;

(D)  the preferred unique communication mode used by the child at home; and

(E)  the child's age, race, and gender, the age at which the child was identified as being deaf or hard of hearing, and any other relevant demographic information the commissioner determines to likely be correlated with or have an impact on the child's language acquisition;

(3)  compare progress in English literacy made by children who are deaf or hard of hearing to progress in that subject made by children of the same age who are not deaf or hard of hearing, by appropriate age range; and

(4)  be redacted as necessary to comply with state and federal law regarding the confidentiality of student medical or educational information.

SECTION 2.09.  Section 48.051(a), Education Code, is amended to read as follows:

(a)  For each student in average daily attendance, not including the time students spend each day in special education programs in a setting [~~an instructional arrangement~~] other than a general education setting [~~mainstream~~] or career and technology education programs, for which an additional allotment is made under Subchapter C, a district is entitled to an allotment equal to [~~the lesser of $6,160 or~~] the amount that results from the following formula:

A = B [~~$6,160~~] X TR/MCR

where:

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

"B" is the base amount, which equals the greater of:

(1)  $6,210;

(2)  an amount equal to the district's base amount under this section for the preceding school year; or

(3)  the amount appropriated under Subsection (b);

"TR" is the district's tier one maintenance and operations tax rate, as provided by Section 45.0032; and

"MCR" is the district's maximum compressed tax rate, as determined under Section 48.2551.

SECTION 2.10.  Section 48.102, Education Code, is amended to read as follows:

Sec. 48.102.  SPECIAL EDUCATION. (a) For each student in average daily attendance in a special education program under Subchapter A, Chapter 29, [~~in a mainstream instructional arrangement,~~] a school district is entitled to an annual allotment equal to the 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 a weight in an amount set by the legislature in the General Appropriations Act for the highest tier of intensity of service for which the student qualifies [~~1.15~~]. [~~For each full-time equivalent student in average daily attendance in a special education program under Subchapter A, Chapter 29, in an instructional arrangement other than a mainstream instructional arrangement, a district is entitled to an annual allotment equal to the 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 a weight determined according to instructional arrangement as follows:~~

[~~Homebound             5.0~~

[~~Hospital class             3.0~~

[~~Speech therapy             5.0~~

[~~Resource room             3.0~~

[~~Self-contained, mild and moderate,~~

~~regular campus             3.0~~

[~~Self-contained, severe, regular campus           3.0~~

[~~Off home campus             2.7~~

[~~Nonpublic day school             1.7~~

[~~Vocational adjustment class             2.3~~]

(a-1)  Notwithstanding Subsection (a), for the 2024-2025 and 2025-2026 school years, the amount of an allotment under this section shall be determined in accordance with Section 48.1023. This subsection expires September 1, 2026.

(b)  The commissioner by rule shall define seven tiers of intensity of service for use in determining funding under this section. The commissioner must include one tier specifically addressing students receiving special education services in residential placement [~~A special instructional arrangement for students with disabilities residing in care and treatment facilities, other than state schools, whose parents or guardians do not reside in the district providing education services shall be established by commissioner rule.  The funding weight for this arrangement shall be 4.0 for those students who receive their education service on a local school district campus.  A special instructional arrangement for students with disabilities residing in state schools shall be established by commissioner rule with a funding weight of 2.8~~].

(c)  [~~For funding purposes, the number of contact hours credited per day for each student in the off home campus instructional arrangement may not exceed the contact hours credited per day for the multidistrict class instructional arrangement in the 1992-1993 school year.~~

[~~(d)  For funding purposes the contact hours credited per day for each student in the resource room;  self-contained, mild and moderate; and self-contained, severe, instructional arrangements may not exceed the average of the statewide total contact hours credited per day for those three instructional arrangements in the 1992-1993 school year.~~

[~~(e)  The commissioner by rule shall prescribe the qualifications an instructional arrangement must meet in order to be funded as a particular instructional arrangement under this section.  In prescribing the qualifications that a mainstream instructional arrangement must meet, the commissioner shall establish requirements that students with disabilities and their teachers receive the direct, indirect, and support services that are necessary to enrich the regular classroom and enable student success.~~

[~~(f)  In this section, "full-time equivalent student" means 30 hours of contact a week between a special education student and special education program personnel.~~

[~~(g)~~]  The commissioner shall adopt rules and procedures governing contracts for residential and day program placement of [~~special education~~] students receiving special education services.

(d)  [~~The legislature shall provide by appropriation for the state's share of the costs of those placements.~~

[~~(h)~~]  At least 55 percent of the funds allocated under this section must be used in the special education program under Subchapter A, Chapter 29.

(e) [~~(i)~~]  The agency shall ensure [~~encourage~~] the placement of students in special education programs, including students in residential placement [~~instructional arrangements~~], in the least restrictive environment appropriate for their educational needs.

(f) [~~(j)~~]  A school district that provides an extended year program required by federal law for special education students who may regress is entitled to receive funds in an amount equal to 75 percent, or a lesser percentage determined by the commissioner, of the basic allotment, or, if applicable, the sum of the basic allotment and the allotment under Section 48.101 to which the district is entitled for each [~~full-time equivalent~~] student in average daily attendance, multiplied by the amount designated for the highest tier of intensity of service for which the student qualifies [~~student's instructional arrangement~~] under this section, for each day the program is provided divided by the number of days in the minimum school year. The total amount of state funding for extended year services under this section may not exceed $10 million per year.  A school district may use funds received under this section only in providing an extended year program.

(g) [~~(k)~~]  From the total amount of funds appropriated for special education under this section, the commissioner shall withhold an amount specified in the General Appropriations Act, and distribute that amount to school districts for programs under Section 29.014.  The program established under that section is required only in school districts in which the program is financed by funds distributed under this subsection and any other funds available for the program.  After deducting the amount withheld under this subsection from the total amount appropriated for special education, the commissioner shall reduce each district's allotment proportionately and shall allocate funds to each district accordingly.

(h)  Not later than December 1 of each even-numbered year, the commissioner shall submit to the Legislative Budget Board, for purposes of the allotment under this section, proposed weights for the tiers of intensity of service for the next state fiscal biennium.

SECTION 2.11.  Subchapter C, Chapter 48, Education Code, is amended by adding Sections 48.1021 and 48.1023 to read as follows:

Sec. 48.1021.  SPECIAL EDUCATION SERVICE GROUP ALLOTMENT. (a) For each six-week period in which a student in a special education program under Subchapter A, Chapter 29, receives eligible special education services, a school district is entitled to an allotment in an amount set by the legislature in the General Appropriations Act for the service group for which the student is eligible.

(a-1)  Notwithstanding Subsection (a), for the 2024-2025 and 2025-2026 school years, the amount of an allotment under this section shall be determined in accordance with Section 48.1023. This subsection expires September 1, 2026.

(b)  The commissioner by rule shall establish four service groups for use in determining funding under this section. In establishing the groups, the commissioner must consider the level of services, equipment, and technology required to meet the needs of students receiving special education services.

(c)  A school district is entitled to receive an allotment under this section for each service group for which a student is eligible.

(d)  A school district is entitled to the full amount of an allotment under this section for a student receiving eligible special education services during any part of a six-week period.

(e)  At least 55 percent of the funds allocated under this section must be used for a special education program under Subchapter A, Chapter 29.

(f)  Not later than December 1 of each even-numbered year, the commissioner shall submit to the Legislative Budget Board, for purposes of the allotment under this section, proposed amounts of funding for the service groups for the next state fiscal biennium.

Sec. 48.1023.  SPECIAL EDUCATION TRANSITION FUNDING. (a) For the 2024-2025 and 2025-2026 school years, the commissioner may adjust weights or amounts provided under Section 48.102 or 48.1021 as necessary to ensure compliance with requirements regarding maintenance of state financial support under 20 U.S.C. Section 1412(a)(18) and maintenance of local financial support under applicable federal law.

(b)  For the 2024-2025 and 2025-2026 school years, the commissioner shall determine the formulas through which school districts receive funding under Sections 48.102 and 48.1021. In determining the formulas, the commissioner may combine the methods of funding under those sections with the method of funding provided by Section 48.102, as it existed on January 1, 2023.

(c)  For the 2026-2027 school year, the commissioner may adjust the weights or amounts set by the legislature in the General Appropriations Act for purposes of Section 48.102 or 48.1021. Before making an adjustment under this subsection, the commissioner shall notify and must receive approval from the Legislative Budget Board.

(d)  Notwithstanding any other provision of this section, the sum of funding provided under Sections 48.102 and 48.1021 for the 2024-2025 or for the 2025-2026 school year as adjusted under this section may not exceed the sum of:

(1)  funding that would have been provided under Section 48.102, as it existed on January 1, 2023; and

(2)  the amount set by the legislature in the General Appropriations Act.

(e)  Each school district and open-enrollment charter school shall report to the agency information necessary to implement this section.

(f)  The agency shall provide technical assistance to school districts and open-enrollment charter schools to ensure a successful transition in funding formulas for special education.

(g)  This section expires September 1, 2028.

SECTION 2.12.  Section 48.103(c), Education Code, is amended to read as follows:

(c)  A school district may receive funding for a student under each provision of this section, [~~and~~] Section 48.102, and Section 48.1021 for which [~~if~~] the student qualifies [~~satisfies the requirements of both sections~~].

SECTION 2.13.  Sections 48.104(a), (d), and (e), Education Code, are amended to read as follows:

(a)  For each student who does not have a disability and resides in a residential placement facility in a district in which the student's parent or legal guardian does not reside, a district is entitled to an annual allotment equal to the basic allotment multiplied by 0.2 or, if the student is educationally disadvantaged, 0.28 [~~0.275~~]. For each full-time equivalent student who is in a remedial and support program under Section 29.081 because the student is pregnant, a district is entitled to an annual allotment equal to the basic allotment multiplied by 2.41.

(d)  The weights assigned to the five tiers of the index established under Subsection (c) are, from least to most severe economic disadvantage, 0.23 [~~0.225~~], 0.2425 [~~0.2375~~], 0.255 [~~0.25~~], 0.2675 [~~0.2625~~], and 0.28 [~~0.275~~].

(e)  If insufficient data is available for any school year to evaluate the level of economic disadvantage in a census block group, a school district is entitled to an annual allotment equal to the basic allotment multiplied by 0.23 [~~0.225~~] for each student who is educationally disadvantaged and resides in that census block group.

SECTION 2.14.  Section 48.108(a), Education Code, is amended to read as follows:

(a)  For each student in average daily attendance in prekindergarten [~~kindergarten~~] through third grade, a school district is entitled to an annual allotment equal to the basic allotment multiplied by 0.1 if the student is:

(1)  educationally disadvantaged; or

(2)  an emergent bilingual student, as defined by Section 29.052, and is in a bilingual education or special language program under Subchapter B, Chapter 29.

SECTION 2.15.   Section 48.279(e), Education Code, is amended to read as follows:

(e)  After the commissioner has replaced any withheld federal funds as provided by Subsection (d), the commissioner shall distribute the remaining amount, if any, of funds described by Subsection (a) to proportionately increase funding for the special education allotment under Section 48.102 and the special education service group allotment under Section 48.1021.

SECTION 2.16.  This article takes effect September 1, 2024.

ARTICLE 3. EDUCATION SAVINGS ACCOUNT PROGRAM

SECTION 3.01.  The purpose of this article is to:

(1)  provide additional educational options to assist families in this state in exercising the right to direct the educational needs of their children; and

(2)  achieve a general diffusion of knowledge.

SECTION 3.02.  Chapter 29, Education Code, is amended by adding Subchapter J to read as follows:

SUBCHAPTER J. EDUCATION SAVINGS ACCOUNT PROGRAM

Sec. 29.351.  DEFINITIONS. In this subchapter:

(1)  "Account" means an education savings account established under the program.

(2)  "Certified educational assistance organization" means an organization certified under Section 29.354 to support the administration of the program.

(3)  "Child with a disability" means a child who is eligible to participate in a school district's special education program under Section 29.003.

(4)  "Higher education provider" means an institution of higher education or a private or independent institution of higher education, as those terms are defined by Section 61.003.

(5)  "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.

(6)  "Program" means the program established under this subchapter.

(7)  "Program participant" means a child and a parent of a child enrolled in the program.

Sec. 29.352.  ESTABLISHMENT OF PROGRAM. The comptroller shall establish a program to provide funding for approved education-related expenses of children participating in the program.

Sec. 29.353.  PROGRAM FUND. (a) The program fund is an account in the general revenue fund to be administered by the comptroller.

(b)  The fund is composed of:

(1)  general revenue transferred to the fund;

(2)  money appropriated to the fund;

(3)  gifts, grants, and donations received under Section 29.370; and

(4)  any other money available for purposes of the program.

(c)  Money in the fund may be appropriated only for the uses specified by this subchapter.

Sec. 29.354.  SELECTION OF CERTIFIED EDUCATIONAL ASSISTANCE ORGANIZATIONS. (a) An organization may apply to the comptroller for certification as a certified educational assistance organization during an application period established by the comptroller.

(b)  To be eligible for certification, an organization must:

(1)  have the ability to perform the duties and functions required of a certified educational assistance organization under this subchapter;

(2)  be in good standing with the state; and

(3)  be able to assist the comptroller in administering the program, including the ability to:

(A)  accept, process, and track applications for the program;

(B)  assist prospective applicants, applicants, and program participants with finding preapproved education service providers and vendors of educational products;

(C)  accept and process payments for approved education-related expenses; and

(D)  verify that program funding is used only for approved education-related expenses.

(c)  The comptroller may certify not more than five educational assistance organizations to support the administration of the program, including by:

(1)  administering:

(A)  the application process under Section 29.356; and

(B)  the program expenditures process under Section 29.360; and

(2)  assisting prospective applicants, applicants, and program participants with understanding approved education-related expenses and finding preapproved education service providers and vendors of educational products.

Sec. 29.355.  ELIGIBLE CHILD. (a) A child is eligible to participate in the program and may, subject to available funding and the requirements of this subchapter, initially enroll in the program for the school year following the school year in which the child's application is submitted under Section 29.356 if the child:

(1)  is eligible to:

(A)  attend a public school under Section 25.001; or

(B)  enroll in a public school's prekindergarten program under Section 29.153; and

(2)  either:

(A)  attended any public school in this state for at least 90 percent of the school year preceding the school year for which the child applies to enroll in the program; or

(B)  is enrolling in prekindergarten or kindergarten for the first time, including a child who was homeschooled before enrollment.

(a-1)  Notwithstanding Subsection (a) and subject to Section 29.356(b-1), a child is eligible to participate in the program if the child:

(1)  meets the qualifications under Subsection (a)(1);

(2)  attended private school on a full-time basis for the preceding school year; and

(3)  is a member of a household with a total annual income that is at or below 200 percent of the federal poverty guidelines.

(b)  A child who establishes eligibility under this section may, subject to available funding and the requirements of this subchapter, participate in the program until the earliest of the following dates:

(1)  the date on which the child graduates from high school;

(2)  the date on which the child is no longer eligible to attend a public school under Section 25.001;

(3)  the date on which the child enrolls in a public school, including an open-enrollment charter school, in a manner in which the child will be counted toward the school's average daily attendance for purposes of the allocation of funding under the foundation school program; or

(4)  the date on which the child is declared ineligible for the program by the comptroller under this subchapter.

(c)  Notwithstanding Subsection (a) or (b), a child is not eligible to participate in the program during the period in which the child's parent or legal guardian is a state representative or state senator.

Sec. 29.356.  APPLICATION TO PROGRAM. (a) A parent of an eligible child may apply to a certified educational assistance organization to enroll the child in the program for the following school year. The comptroller shall establish quarterly deadlines by which an applicant must complete and submit an application form to participate in the program.

(b)  On receipt of more acceptable applications during an application period for admission under this section than available positions in the program due to insufficient funding, a certified educational assistance organization shall, at the direction of the comptroller:

(1)  for not more than two-thirds of the available positions, prioritize applicants who would otherwise attend a campus with an overall performance rating under Section 39.054 of C, D, or F;

(2)  fill the remaining available positions with applicants who would otherwise attend a campus with an overall performance rating under Section 39.054 of A or B; and

(3)  subject to Subdivisions (1) and (2), consider applications in the order received.

(b-1)  This subsection applies only to children who are eligible to participate in the program under Section 29.355(a-1). Not more than 10 percent of available positions in the program may be provided to children to whom this subsection applies. Each year, the comptroller shall notify each certified educational assistance organization regarding the number of children to whom this subsection applies that the organization may accept for participation in the program for that year. In accepting children to whom this subsection applies to participate in the program, a certified educational assistance organization shall ensure, to the extent feasible, that the organization accepts an equivalent number of children from each region of this state.

(c)  The comptroller shall create an application form for the program and each certified educational assistance organization shall make the application form readily available through various sources, including the organization's Internet website. The application form must state the quarterly application deadlines established by the comptroller under Subsection (a). Each organization shall ensure that the application form, including any required supporting document, is capable of being submitted to the organization electronically.

(d)  A certified educational assistance organization shall post on the organization's Internet website an applicant and participant handbook with a description of the program, including:

(1)  expenses allowed under the program under Section 29.359;

(2)  a list of preapproved education service providers and vendors of educational products under Section 29.358;

(3)  a description of the application process under this section and the program expenditures process under Section 29.360; and

(4)  a description of the responsibilities of program participants.

(e)  A certified educational assistance organization shall annually provide to the parent of each child participating in the program the information described by Subsection (d). The organization may provide the information electronically.

(f)  A certified educational assistance organization:

(1)  may require the parent of a child participating in the program to submit annual notice regarding the parent's intent for the child to continue participating in the program for the next school year; and

(2)  may not require a program participant in good standing to annually resubmit an application for continued participation in the program.

Sec. 29.357.  PARTICIPATION IN PROGRAM. To receive funding under the program, a parent of a child participating in the program must agree to:

(1)  spend money received through the program only for expenses allowed under Section 29.359;

(2)  share or authorize the administrator of an assessment instrument to share with the program participant's certified educational assistance organization the results of any assessment instrument required to be administered to the child under Section 29.358(b)(1)(B) or other law;

(3)  refrain from selling an item purchased with program money; and

(4)  notify the program participant's certified educational assistance organization not later than 30 business days after the date on which the child:

(A)  enrolls in a public school, including an open-enrollment charter school;

(B)  graduates from high school; or

(C)  is no longer eligible to either:

(i)  enroll in a public school under Section 25.001; or

(ii)  enroll in a public school's prekindergarten program under Section 29.153.

Sec. 29.358.  PREAPPROVED PROVIDERS. (a) The comptroller shall by rule establish a process for the preapproval of education service providers and vendors of educational products for participation in the program. The comptroller shall allow for the submission of applications on a rolling basis.

(b)  The comptroller shall approve an education service provider or vendor of educational products for participation in the program if the provider or vendor:

(1)  for a private school, demonstrates:

(A)  accreditation by an organization recognized by:

(i)  the Texas Private School Accreditation Commission; or

(ii)  the agency; and

(B)  annual administration of a nationally norm-referenced assessment instrument or the appropriate assessment instrument required under Subchapter B, Chapter 39;

(2)  for a public school, demonstrates:

(A)  accreditation by the agency; and

(B)  the ability to provide services or products to children participating in the program in a manner in which the children are not counted toward the school's average daily attendance;

(3)  for a private tutor, therapist, or teaching service:

(A)  demonstrates that the tutor or therapist or each employee of the teaching service who intends to provide educational services to a child participating in the program:

(i)  is an educator employed by or a retired educator formerly employed by a school accredited by the agency, an organization recognized by the agency, or an organization recognized by the Texas Private School Accreditation Commission;

(ii)  holds a relevant license or accreditation issued by a state, regional, or national certification or accreditation organization; or

(iii)  is employed in or retired from a teaching or tutoring capacity at a higher education provider;

(B)  the tutor or therapist or each employee of the teaching service who intends to provide educational services to a child participating in the program either:

(i)  completes a national criminal history record information review; or

(ii)  provides to the comptroller documentation indicating that the tutor, therapist, or employee, as applicable, has completed a national criminal history record information review within a period established by comptroller rule; and

(C)  the tutor or therapist or each employee of the teaching service who intends to provide educational services to a child participating in the program is not included in the registry under Section 22.092; or

(4)  for a higher education provider, demonstrates nationally recognized postsecondary accreditation.

(c)  The comptroller shall review the national criminal history record information or documentation for each private tutor, therapist, or teaching service employee who submits information or documentation under this section and verify that the individual is not included in the registry under Section 22.092. The tutor, therapist, or service must provide the comptroller with any information requested by the comptroller to enable the comptroller to complete the review.

(d)  An education service provider or vendor of educational products shall provide information requested by the comptroller to verify the provider's or vendor's eligibility for preapproval under Subsection (b). The comptroller may not approve a provider or vendor if the comptroller cannot verify the provider's or vendor's eligibility for preapproval.

(e)  An education service provider or vendor of educational products that no longer satisfies the requirements of this section must notify the comptroller not later than the 30th business day after the date that the provider or vendor no longer meets the requirements.

(f)  This section may not be construed to allow a learning pod, as defined by Section 27.001, or a home school to qualify as an approved education service provider or vendor of educational products.

Sec. 29.359.  APPROVED EDUCATION-RELATED EXPENSES. (a) Subject to Subsection (b), money received under the program may be used only for the following education-related expenses incurred by a child participating in the program at a preapproved education service provider or vendor of educational products:

(1)  tuition and fees for a private school;

(2)  the purchase of textbooks or other instructional materials or uniforms required by a school, higher education provider, or course in which the child is enrolled, including purchases made through a third-party vendor of educational products;

(3)  costs related to academic assessments;

(4)  fees for services provided by a private tutor or teaching service;

(5)  fees for transportation provided by a fee-for-service transportation provider for the child to travel to and from a preapproved education service provider or vendor of educational products; and

(6)  fees for educational therapies or services provided by a practitioner or provider, only for fees that are not covered by any federal, state, or local government benefits such as Medicaid or the Children's Health Insurance Program (CHIP) or by any private insurance that the child is enrolled in at the time of receiving the therapies or services.

(b)  Money received under the program may not be used to pay any person who is related to the program participant within the third degree by consanguinity or affinity, as determined under Chapter 573, Government Code.

(c)  A finding that a program participant used money distributed under the program to pay for an expense not allowed under Subsection (a) does not affect the validity of any payment made by the participant for an approved education-related expense that is allowed under that subsection.

Sec. 29.360.  PROGRAM EXPENDITURES. (a) The comptroller shall disburse from the program fund to each certified educational assistance organization the amount specified under Section 29.361(a) for each child participating in the program served by the organization.

(b)  To initiate payment to an education service provider or vendor of educational products for an education-related expense approved under Section 29.359, the parent of a child participating in the program must submit a request in a form prescribed by comptroller rule to the certified educational assistance organization that serves the child.

(c)  Subject to Subsection (d) and Sections 29.362(h) and 29.364, on receiving a request under Subsection (b), a certified educational assistance organization shall verify that the request is for an expense approved under Section 29.359 and, not later than the 15th business day after the date the organization verifies the request, send payment to the education service provider or vendor of educational products.

(d)  A disbursement under this section may not exceed the applicable program participant's account balance.

(e)  A certified educational assistance organization shall provide program participants with electronic access to:

(1)  view the participant's current account balance;

(2)  initiate the payment process under Subsection (b); and

(3)  view a summary of the participant's past account activity, including payments from the account to education service providers and vendors of educational products.

Sec. 29.361.  AMOUNT OF PAYMENT; FINANCING. (a) Regardless of the quarterly deadline by which the parent applies for enrollment in the program under Section 29.356(a), a parent of a child participating in the program shall receive each year that the child participates in the program payments from the state from funds available under Section 29.353 to the child's account equal to a total amount of $8,000.

(b)  This subsection applies only to a school district with a student enrollment of less than 20,000. For the first five school years during which a child residing in the district participates in the program, a school district to which this subsection applies is entitled to receive $10,000 from money appropriated for purposes of this subchapter.

(c)  Any money remaining in a child's account at the end of a fiscal year is carried forward to the next fiscal year unless another provision of this subchapter mandates the closure of the account.

(d)  The parent of a child participating in the program may make payments for the expenses of educational programs, services, and products not covered by money in the child's account.

(e)  A payment under Subsection (a) may not be financed using federal money or money from the available school fund or instructional materials fund.

(f)  Payments received under this subchapter do not constitute taxable income to a parent of a child participating in the program, unless otherwise provided by federal law.

(g)  Not later than May 1 of each year, the agency shall submit to the comptroller the data necessary to calculate the amount specified under Subsection (a).

Sec. 29.362.  ADMINISTRATION OF ACCOUNTS. (a)  On receipt of money distributed by the comptroller for purposes of making payments to program participants, a certified educational assistance organization shall make quarterly payments to the account of each child participating in the program served by the organization in equal amounts on or before the first day of July, October, January, and April.

(b)  Each year, the comptroller may deduct from the total amount of money appropriated for purposes of this subchapter an amount, not to exceed three percent of that total amount, to cover the comptroller's cost of administering the program.

(c)  Not later than the first day of the month preceding the start of each quarter, each certified educational assistance organization shall submit to the comptroller in the form prescribed by comptroller rule an estimate of the organization's costs of administering the program for that quarter.

(d)  Each quarter, the comptroller shall disburse from money appropriated for the program to each certified educational assistance organization the amount necessary to cover the organization's costs of administering the program for that quarter, calculated as provided by Subsection (e). The total amount disbursed to a certified educational assistance organization under this subsection for a state fiscal year may not exceed five percent of the amount distributed to the organization under the program for that fiscal year.

(e)  The amount of a certified educational assistance organization's disbursement under Subsection (d) is the lesser of:

(1)  the amount of the organization's estimate submitted under Subsection (c);

(2)  the product of the total amount to be disbursed and the average percentage of program participants served by the organization during the preceding quarter; or

(3)  five percent of the amount distributed to the organization for purposes of making payments to program participants for that quarter.

(f)  On or before the first day of October and February, a certified educational assistance organization shall:

(1)  verify with the agency that each child participating in the program is not enrolled in a public school, including an open-enrollment charter school, in a manner in which the child is counted toward the school's average daily attendance for purposes of the allocation of state funding under the foundation school program; and

(2)  notify the comptroller if the organization determines that a child participating in the program is enrolled in a public school, including an open-enrollment charter school, in a manner in which the child is counted toward the school's average daily attendance for purposes of the allocation of state funding under the foundation school program.

(g)  The comptroller by rule shall establish a process by which a program participant may authorize the comptroller or a certified education assistance organization to make a payment directly from the participant's account to a preapproved education service provider or vendor of educational products for an expense allowed under Section 29.359.

(h)  On the date on which a child who participated in the program is no longer eligible to participate in the program under Section 29.355 and payments for any education-related expenses allowed under Section 29.359 from the child's account have been completed, the child's account shall be closed and any remaining money returned to the comptroller for deposit in the program fund.

(i)  Each quarter, any interest or other earnings attributable to money held by a certified education assistance organization for purposes of the program shall be remitted to the comptroller for deposit in the program fund.

Sec. 29.363.  AUDITING. (a) The comptroller shall contract with a private entity to audit accounts and student eligibility data not less than once per year to ensure compliance with applicable law and program requirements. The audit must include a review of:

(1)  a certified educational assistance organization's internal controls over program transactions; and

(2)  compliance by:

(A)  program participants with the requirements of Section 29.357; and

(B)  certified educational assistance organizations with the requirements of Section 29.354.

(b)  In conducting an audit, the private entity may require a program participant or a certified educational assistance organization to provide information and documentation regarding any transaction occurring under the program.

(c)  The private entity shall report to the comptroller any violation of this subchapter or other relevant law, including any transactions the entity determines to be unusual or suspicious, found by the entity during an audit conducted under this section. The comptroller shall report the violation or transaction to:

(1)  the applicable certified educational assistance organization;

(2)  the education service provider or vendor of educational products, as applicable; and

(3)  the parent of each child participating in the program who is affected by the violation or transaction.

Sec. 29.364.  SUSPENSION OF ACCOUNT. (a) The comptroller shall suspend the account of a program participant who fails to remain in good standing by complying with applicable law or a requirement of the program.

(b)  On suspension of an account under Subsection (a), the comptroller shall notify the program participant in writing that the account has been suspended and that no additional payments may be made from the account. The notification must specify the grounds for the suspension and state that the participant has 30 business days to respond and take any corrective action required by the comptroller.

(c)  On the expiration of the 30-day period under Subsection (b), the comptroller shall:

(1)  order closure of the suspended account;

(2)  order temporary reinstatement of the account, conditioned on the performance of a specified action by the program participant; or

(3)  order full reinstatement of the account.

(d)  The comptroller may recover money distributed under the program that was used for expenses not allowed under Section 29.359 or for a child who was not eligible to participate in the program at the time of the expenditure. The money may be recovered from the program participant or the entity that received the money in accordance with Subtitles A and B, Title 2, Tax Code, or as provided by other law if the program participant's account is suspended or closed under this section. The comptroller shall deposit money recovered under this subsection to the credit of the program fund.

Sec. 29.365.  TUITION AND FEES; REFUND PROHIBITED. (a) An education service provider or vendor of educational products may not charge a child participating in the program an amount greater than the standard amount charged for that service or product by the provider or vendor.

(b)  An education service provider or vendor of educational products receiving money distributed under the program may not in any manner rebate, refund, or credit to or share with a program participant, or any person on behalf of a participant, any program money paid or owed by the participant to the provider or vendor.

Sec. 29.366.  REFERRAL TO DISTRICT ATTORNEY. If the comptroller obtains evidence of fraudulent use of an account or money distributed under the program by a certified educational assistance organization or program participant, the comptroller shall notify the appropriate local county or district attorney with jurisdiction over the principal place of business of the certified educational assistance organization or the residence of the program participant, as applicable.

Sec. 29.367.  SPECIAL EDUCATION NOTICE. (a) A certified educational assistance organization shall post on the organization's Internet website and provide to each parent who submits an application for the program a notice that:

(1)  states that a private school is not subject to federal and state laws regarding the provision of educational services to a child with a disability in the same manner as a public school; and

(2)  provides information regarding rights to which a child with a disability is entitled under federal and state law if the child attends a public school, including:

(A)  rights provided under the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.); and

(B)  rights provided under Subchapter A.

(b)  A private school in which a child with a disability who is a program participant enrolls shall provide to the child's parent a copy of the notice required under Subsection (a).

Sec. 29.368.  PROGRAM PARTICIPANT, PROVIDER, AND VENDOR AUTONOMY. (a) An education service provider or vendor of educational products that receives money distributed under the program is not a recipient of federal financial assistance and may not be considered to be an agent of state government on the basis of receiving that money.

(b)  A rule adopted or other governmental action taken related to the program may not impose requirements that are contrary to or limit the religious or institutional values or practices of an education service provider, vendor of educational products, or program participant, including by limiting the ability of the provider, vendor, or participant, as applicable, to:

(1)  determine the methods of instruction or curriculum used to educate students;

(2)  determine admissions and enrollment practices, policies, and standards;

(3)  modify or refuse to modify the provider's, vendor's, or participant's religious or institutional values or practices, including operations, conduct, policies, standards, assessments, or employment practices that are based on the provider's, vendor's, or participant's religious or institutional values or practices; or

(4)  exercise the provider's, vendor's, or participant's religious or institutional practices as determined by the provider, vendor, or participant.

Sec. 29.369.  STUDENT RECORDS AND INFORMATION. (a) On request by the parent of a child participating or seeking to participate in the program, the school district or open-enrollment charter school that the child would otherwise attend shall provide a copy of the child's school records possessed by the district or school, if any, to the child's parent or, if applicable, the private school the child attends.

(b)  As necessary to verify a child's eligibility for the program, the agency, a school district, or an open-enrollment charter school shall provide to a certified educational assistance organization any information available to the agency, district, or school requested by the organization regarding a child who participates or seeks to participate in the program, including information regarding the child's public school enrollment status and whether the child can be counted toward a public school's average daily attendance for purposes of the allocation of funding under the foundation school program. The organization may not retain information provided under this subsection beyond the period necessary to determine a child's eligibility to participate in the program.

(c)  The certified educational assistance organization or an education service provider or vendor of educational products that obtains information regarding a child participating in the program:

(1)  shall comply with state and federal law regarding the confidentiality of student educational information; and

(2)  may not sell or otherwise distribute information regarding a child participating in the program.

Sec. 29.370.  GIFTS, GRANTS, AND DONATIONS. The comptroller and a certified educational assistance organization may solicit and accept gifts, grants, and donations from any public or private source for any expenses related to the administration of the program, including establishing the program and contracting for the report required under Section 29.371.

Sec. 29.371.  ANNUAL REPORT. (a) The comptroller shall require that each certified educational assistance organization compile program data and produce an annual longitudinal report regarding:

(1)  the number of program applications received, accepted, and waitlisted, disaggregated by age;

(2)  program participant satisfaction;

(3)  the results of assessment instruments shared in accordance with Section 29.357(2);

(4)  the effect of the program on public and private school capacity, availability, and quality;

(5)  the amount of cost savings accruing to the state as a result of the program;

(6)  in a report submitted in an even-numbered year only, an estimate of the total amount of funding required for the program for the next state fiscal biennium;

(7)  the amount of gifts, grants, and donations received under Section 29.370; and

(8)  based on surveys of former program participants or other sources available to an organization, the number and percentage of children participating in the program who, within one year after graduating from high school, are:

(A)  college ready, as indicated by earning a minimum of 12 non-remedial semester credit hours or the equivalent or an associate degree from a postsecondary educational institution;

(B)  career ready, as indicated by:

(i)  earning a credential of value included in the library of credentials established under Section 2308A.007, Government Code; or

(ii)  employment at or above the median wage in the child's region; or

(C)  military ready, as indicated by achieving a passing score set by the applicable military branch on the Armed Services Vocational Aptitude Battery and enlisting in the armed forces of the United States or the Texas National Guard.

(b)  In producing the report, each certified educational assistance organization shall:

(1)  use appropriate analytical and behavioral science methodologies to ensure public confidence in the report; and

(2)  comply with the requirements regarding the confidentiality of student educational information under the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g).

(c)  The report must cover a period of not less than five years and include, subject to Subsection (b)(2), the data analyzed and methodology used.

(d)  The comptroller and each certified educational assistance organization shall post the report on the comptroller's and organization's respective Internet websites.

Sec. 29.372.  RULES; PROCEDURES. The comptroller shall adopt rules and procedures as necessary to implement, administer, and enforce this subchapter.

Sec. 29.373.  APPEAL; JUDICIAL REVIEW. (a) A program participant may appeal to the comptroller an administrative decision made by the comptroller or a certified educational assistance organization under this subchapter, including a decision regarding eligibility, allowable expenses, or the participant's removal from the program.

(b)  A program participant, education service provider, or vendor of educational products who is adversely affected or aggrieved by a decision made by the comptroller or a certified educational assistance organization under this subchapter may file a suit challenging the decision in a district court in the county in which the program participant resides or the provider or vendor has its principal place of business, as applicable.

Sec. 29.374.  RIGHT TO INTERVENE IN CIVIL ACTION. (a) A program participant, education service provider, or vendor of educational products may intervene in any civil action challenging the constitutionality of the program.

(b)  A court in which a civil action described by Subsection (a) is filed may require that all program participants, education service providers, and vendors of educational products wishing to intervene in the action file a joint brief. A program participant, education service provider, or vendor of educational products may not be required to join a brief filed on behalf of the state or a state agency.

SECTION 3.03.  Section 22.092(d), Education Code, is amended to read as follows:

(d)  The agency shall provide equivalent access to the registry maintained under this section to:

(1)  private schools;

(2)  public schools; [~~and~~]

(3)  nonprofit teacher organizations approved by the commissioner for the purpose of participating in the tutoring program established under Section 33.913; and

(4)  the comptroller for the purpose of preapproving education service providers and vendors of educational products under Section 29.358 for participation in the program established under Subchapter J, Chapter 29.

SECTION 3.04.  Section 411.109, Government Code, is amended by adding Subsection (c) to read as follows:

(c)  The comptroller is entitled to obtain criminal history record information maintained by the department about a person who is a private tutor, a therapist, or an employee of a teaching service or school who intends to provide educational services to a child participating in the program established under Subchapter J, Chapter 29, Education Code, and is seeking approval to receive money distributed under that program.

SECTION 3.05.  Subchapter J, Chapter 29, Education Code, as added by this article, applies beginning with the 2024-2025 school year.

SECTION 3.06.  (a) Not later than February 15, 2024, the comptroller of public accounts shall adopt rules as provided by Section 29.372, Education Code, as added by this article.

(b)  The comptroller of public accounts may identify rules required by the passage of Subchapter J, Chapter 29, Education Code, as added by this article, that must be adopted on an emergency basis for purposes of the 2024-2025 school year and may use the procedures established under Section 2001.034, Government Code, for adopting those rules. The comptroller of public accounts is not required to make the finding described by Section 2001.034(a), Government Code, to adopt emergency rules under this subsection.

SECTION 3.07.  (a) The constitutionality and other validity under the state or federal constitution of all or any part of Subchapter J, Chapter 29, Education Code, as added by this article, may be determined in an action for declaratory judgment under Chapter 37, Civil Practice and Remedies Code, in a district court in the county in which the violation is alleged to have occurred or where the plaintiff resides or has its principal place of business.

(b)  An order, however characterized, of a trial court granting or denying a temporary or otherwise interlocutory injunction or a permanent injunction on the grounds of the constitutionality or unconstitutionality, or other validity or invalidity, under the state or federal constitution of all or any part of Subchapter J, Chapter 29, Education Code, as added by this article, may be reviewed only by direct appeal to the Texas Supreme Court filed not later than the 15th business day after the date on which the order was entered. The Texas Supreme Court shall give precedence to appeals under this section over other matters.

(c)  The direct appeal is an accelerated appeal.

(d)  This section exercises the authority granted by Section 3-b, Article V, Texas Constitution.

(e)  The filing of a direct appeal under this section will automatically stay any temporary or otherwise interlocutory injunction or permanent injunction granted in accordance with this section pending final determination by the Texas Supreme Court, unless the supreme court makes specific findings that the applicant seeking such injunctive relief has pleaded and proved that:

(1)  the applicant has a probable right to the relief it seeks on final hearing;

(2)  the applicant will suffer a probable injury that is imminent and irreparable, and that the applicant has no other adequate legal remedy; and

(3)  maintaining the injunction is in the public interest.

(f)  An appeal under this section, including an interlocutory, accelerated, or direct appeal, is governed, as applicable, by the Texas Rules of Appellate Procedure, including Rules 25.1(d)(6), 28.1, 32.1(g), 37.3(a)(1), 38.6(a) and (b), 40.1(b), and 49.4.

(g)  This section does not authorize an award of attorney's fees against this state, and Section 37.009, Civil Practice and Remedies Code, does not apply to an action filed under this section.

(h)  This section does not authorize a taxpayer suit to contest the denial of a tax credit by the comptroller of public accounts.

SECTION 3.08.  It is the intent of the legislature that every provision, section, subsection, sentence, clause, phrase, or word in this article, and every application of the provisions in this article to each person or entity, is severable from each other. If any application of any provision in this article to any person, group of persons, or circumstances is found by a court to be invalid for any reason, the remaining applications of that provision to all other persons and circumstances shall be severed and may not be affected.

SECTION 3.09.  This article takes effect September 1, 2023.

ARTICLE 4. SPECIAL EDUCATION

SECTION 4.01.  Section 29.001, Education Code, is amended to read as follows:

Sec. 29.001.  IMPLEMENTATION OF SPECIAL EDUCATION LAW [~~STATEWIDE PLAN~~]. (a) As the state education agency responsible for carrying out the purposes of Part B, Individuals with Disabilities Education Act (IDEA) (20 U.S.C. Section 1411 et seq.), the [~~The~~] agency shall develop, and revise [~~modify~~] as necessary, a comprehensive system to ensure statewide and local compliance [~~design, consistent~~] with federal and state law related to special education[~~, for the delivery of services to children with disabilities in this state that includes rules for the administration and funding of the special education program so that a free appropriate public education is available to all of those children between the ages of three and 21~~].

(b)  The comprehensive system [~~statewide design~~] shall include the provision of services primarily through school districts and shared services arrangements, supplemented by regional education service centers.

(c)  The comprehensive system [~~agency~~] shall focus on maximizing student outcomes and include [~~also develop and implement a statewide plan with programmatic content that includes procedures designed to~~]:

(1)  rulemaking, technical assistance, guidance documents, monitoring protocols, and other resources as necessary to implement and ensure compliance with federal and state law related to special education [~~ensure state compliance with requirements for supplemental federal funding for all state-administered programs involving the delivery of instructional or related services to students with disabilities~~];

(2)  the facilitation of [~~facilitate~~] interagency coordination when other state agencies are involved in the delivery of instructional or related services to students with disabilities;

(3)  the pursuit of [~~periodically assess statewide personnel needs in all areas of specialization related to special education and pursue~~] strategies to meet statewide special education and related services personnel [~~those~~] needs [~~through a consortium of representatives from regional education service centers, local education agencies, and institutions of higher education and through other available alternatives~~];

(4)  ensuring [~~ensure~~] that regional education service centers throughout the state maintain a regional support function, which may include direct service delivery and a component designed to facilitate the placement of students with disabilities who cannot be appropriately served in their resident districts;

(5)  [~~allow the agency to~~] effectively monitoring [~~monitor~~] and periodically conducting [~~conduct~~] site visits of all school districts to ensure that rules adopted under this subchapter [~~section~~] are applied in a consistent and uniform manner, to ensure that districts are complying with those rules, and to ensure that annual statistical reports filed by the districts and not otherwise available through the Public Education Information Management System under Sections 48.008 and 48.009 are accurate and complete; and

(6)  the provision of training and technical assistance to ensure that:

(A)  appropriately trained personnel are involved in the diagnostic and evaluative procedures operating in all districts and that those personnel routinely serve on district admissions, review, and dismissal committees;

(B)  [~~(7)  ensure that~~] an individualized education program for each student with a disability is properly developed, implemented, and maintained in the least restrictive environment that is appropriate to meet the student's educational needs;

(C)  [~~(8)  ensure that,~~] when appropriate, each student with a disability is provided an opportunity to participate in career and technology and physical education classes[~~, in addition to participating in regular or special classes~~];

(D)  [~~(9)  ensure that~~] each student with a disability is provided necessary related services;

(E)  [~~(10)  ensure that~~] an individual assigned to act as a surrogate parent for a child with a disability, as provided by 20 U.S.C. Section 1415(b), is required to:

(i) [~~(A)~~]  complete a training program that complies with minimum standards established by agency rule;

(ii) [~~(B)~~]  visit the child and the child's school;

(iii) [~~(C)~~]  consult with persons involved in the child's education, including teachers, caseworkers, court-appointed volunteers, guardians ad litem, attorneys ad litem, foster parents, and caretakers;

(iv) [~~(D)~~]  review the child's educational records;

(v) [~~(E)~~]  attend meetings of the child's admission, review, and dismissal committee;

(vi) [~~(F)~~]  exercise independent judgment in pursuing the child's interests; and

(vii) [~~(G)~~]  exercise the child's due process rights under applicable state and federal law; and

(F)  [~~(11)  ensure that~~] each district develops a process to be used by a teacher who instructs a student with a disability in a regular classroom setting:

(i) [~~(A)~~]  to request a review of the student's individualized education program;

(ii) [~~(B)~~]  to provide input in the development of the student's individualized education program;

(iii) [~~(C)~~]  that provides for a timely district response to the teacher's request; and

(iv) [~~(D)~~]  that provides for notification to the student's parent or legal guardian of that response.

SECTION 4.02.  Subchapter A, Chapter 29, Education Code, is amended by adding Section 29.0012 to read as follows:

Sec. 29.0012.  ANNUAL MEETING ON SPECIAL EDUCATION. (a) At least once each year, the board of trustees of a school district or the governing body of an open-enrollment charter school shall include during a public meeting a discussion of the performance of students receiving special education services at the district or school.

(b)  The agency by rule shall adopt a set of performance indicators for measuring and evaluating the quality of learning and achievement for students receiving special education services at the school district or open-enrollment charter school to be considered at a meeting held under this section. The indicators must include performance on the college, career, or military readiness outcomes described by Section 48.110.

SECTION 4.03.  Section 29.003, Education Code, is amended to read as follows:

Sec. 29.003.  ELIGIBILITY CRITERIA. (a) The agency shall develop specific eligibility criteria based on the general classifications established by this section and in accordance with federal law [~~with reference to contemporary diagnostic or evaluative terminologies and techniques~~]. Eligible students with disabilities shall enjoy the right to a free appropriate public education, which may include instruction in the regular classroom, instruction through special teaching, or instruction through contracts approved under this subchapter. Instruction shall be supplemented by the provision of related services when appropriate.

(b)  A student is eligible to participate in a school district's special education program [~~if the student~~]:

(1)  from birth through [~~is not more than~~] 21 years of age if the student [~~and~~] has a visual [~~or auditory~~] impairment or is deaf or hard of hearing and that disability prevents the student from being adequately or safely educated in public school without the provision of special education services; [~~or~~]

(2)  from three years of age through five years of age if the student is experiencing developmental delays as described by 20 U.S.C. Section 1401(3)(B) and defined by commissioner rule; or

(3)  from 3 years of age through [~~is at least three but not more than~~] 21 years of age if the student [~~and~~] has one or more of the [~~following~~] disabilities described by 20 U.S.C. Section 1401(3)(A) and that disability prevents the student from being adequately or safely educated in public school without the provision of special education services[~~:~~

[~~(A)  physical disability;~~

[~~(B)  intellectual or developmental disability;~~

[~~(C)  emotional disturbance;~~

[~~(D)  learning disability;~~

[~~(E)  autism;~~

[~~(F)  speech disability; or~~

[~~(G)  traumatic brain injury~~].

SECTION 4.04.  Subchapter A, Chapter 29, Education Code, is amended by adding Section 29.0056 to read as follows:

Sec. 29.0056.  INFORMATION REGARDING STATE SUPPORTED LIVING CENTERS. (a) In this section, "state supported living center" has the meaning assigned by Section 531.002, Health and Safety Code.

(b)  The Health and Human Services Commission, in collaboration with the agency and stakeholders who represent the full continuum of educational residential placement options, shall develop and provide to the agency materials regarding educational residential placement options for children who may qualify for placement in a state supported living center. The agency shall make the materials developed under this subsection available to school districts.

(c)  At a meeting of a child's admission, review, and dismissal committee at which residential placement is discussed, the school district shall provide to the child's parent the materials developed under Subsection (b).

SECTION 4.05.  Section 29.008, Education Code, is amended by amending Subsections (a) and (b) and adding Subsection (a-1) to read as follows:

(a)  The commissioner shall establish a list of approved public or private facilities, institutions, or agencies inside or outside of this state that a [~~A~~] school district, shared services arrangement unit, or regional education service center may contract with [~~a public or private facility, institution, or agency inside or outside of this state~~] for the provision of services to students with disabilities in a residential placement. The commissioner may approve either the whole or a part of a facility or program.

(a-1)  Each contract described by this section [~~for residential placement~~] must be approved by the commissioner. The commissioner may approve a [~~residential placement~~] contract under this section only after at least a programmatic evaluation of personnel qualifications, costs, adequacy of physical plant and equipment, and curriculum content. [~~The commissioner may approve either the whole or a part of a facility or program.~~]

(b)  Except as provided by Subsection (c), costs of an approved contract for residential placement may be paid from a combination of federal, state, and local funds. The local share of the total contract cost for each student is that portion of the local tax effort that exceeds the district's local fund assignment under Section 48.256, divided by the average daily attendance in the district. If the contract involves a private facility, the state share of the total contract cost is that amount remaining after subtracting the local share. If the contract involves a public facility, the state share is that amount remaining after subtracting the local share from the portion of the contract that involves the costs of instructional and related services. For purposes of this subsection, "local tax effort" means the total amount of money generated by taxes imposed for debt service and maintenance and operation less any amounts paid into a tax increment fund under Chapter 311, Tax Code. This subsection expires September 1, 2027.

SECTION 4.06.  The heading to Section 29.009, Education Code, is amended to read as follows:

Sec. 29.009.  PUBLIC NOTICE CONCERNING EARLY CHILDHOOD SPECIAL EDUCATION [~~PRESCHOOL~~] PROGRAMS [~~FOR STUDENTS WITH DISABILITIES~~].

SECTION 4.07.  Section 29.010, Education Code, is amended to read as follows:

Sec. 29.010.  GENERAL SUPERVISION AND COMPLIANCE. (a) The agency shall develop [~~adopt~~] and implement a comprehensive system for monitoring school district compliance with federal and state laws relating to special education. The monitoring system must include a comprehensive cyclical process and a targeted risk-based process [~~provide for ongoing analysis of district special education data and of complaints filed with the agency concerning special education services and for inspections of school districts at district facilities~~]. The agency shall establish criteria and instruments for use in determining district compliance under this section [~~use the information obtained through analysis of district data and from the complaints management system to determine the appropriate schedule for and extent of the inspection~~].

(b)  As part of the monitoring process [~~To complete the inspection~~], the agency must obtain information from parents and teachers of students in special education programs in the district.

(c)  The agency shall develop and implement a system of interventions and sanctions for school districts the agency identifies as being in noncompliance with [~~whose most recent monitoring visit shows a failure to comply with major requirements of~~] the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.), federal regulations, state statutes, or agency requirements necessary to carry out federal law or regulations or state law relating to special education.

(d)  The agency shall establish a graduated process of sanctions to apply to [~~For~~] districts that remain in noncompliance for more than one year[~~, the first stage of sanctions shall begin with annual or more frequent monitoring visits~~]. The [~~Subsequent~~] sanctions shall [~~may~~] range in severity and may include [~~up to~~] the withholding of funds. If funds are withheld, the agency may use the funds to provide, through alternative arrangements, services to students and staff members in the district from which the funds are withheld.

(e)  The agency's complaint management division shall develop a system for expedited investigation and resolution of complaints concerning a district's failure to provide special education or related services to a student eligible to participate in the district's special education program.

[~~(f)  This section does not create an obligation for or impose a requirement on a school district or open-enrollment charter school that is not also created or imposed under another state law or a federal law.~~]

SECTION 4.08.  Section 29.018, Education Code, is amended by adding Subsection (g) to read as follows:

(g)  This section expires September 1, 2026.

SECTION 4.09.  Section 29.026(i), Education Code, is amended to read as follows:

(i)  A program selected to receive a grant under this section is [~~The commissioner shall select programs and award grant funds to those programs beginning in the 2018-2019 school year. The selected programs are~~] to be funded for two years.

SECTION 4.10.  Section 29.027(d), Education Code, is amended to read as follows:

(d)  A grant under this section is [~~The commissioner shall select grant recipients and award grant funds beginning in the 2021-2022 school year. The grants are~~] to be awarded for two years.

SECTION 4.11.  Subchapter A, Chapter 29, Education Code, is amended by adding Section 29.029 to read as follows:

Sec. 29.029.  SUPPORTS FOR RECRUITING SPECIAL EDUCATION STAFF. (a) From funds appropriated or otherwise available for the purpose, the agency shall provide grants to school districts and open-enrollment charter schools to increase the number of qualified and appropriately credentialed special education staff, including special education teachers, special education paraprofessionals, evaluation personnel, ancillary instruction personnel, and related service personnel.

(b)  A school district or open-enrollment charter school that receives a grant under this section shall require each person the district or school uses the grant money to assist in becoming licensed, certified, or otherwise credentialed as described by Subsection (a) to work at the district or school for a period established by commissioner rule.

(c)  The commissioner shall adopt rules establishing the period of required employment described by Subsection (b) and any other rules necessary to implement this section.

SECTION 4.12.  The heading to Subchapter A-1, Chapter 29, Education Code, is amended to read as follows:

SUBCHAPTER A-1. PARENT-DIRECTED [~~SUPPLEMENTAL SPECIAL EDUCATION~~] SERVICES FOR STUDENTS RECEIVING SPECIAL EDUCATION SERVICES [~~PROGRAM~~]

SECTION 4.13.  Sections 29.041(2) and (3), Education Code, are amended to read as follows:

(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.

SECTION 4.14.  Sections 29.042(a) and (c), Education Code, are amended to read as follows:

(a)  The agency by rule shall establish and administer a parent-directed [~~supplemental special education services and instructional materials~~] program for students receiving special education services, through which a parent may direct supplemental services and supplemental instructional materials for the parent's student [~~students~~] who meets [~~meet~~] the eligibility requirements for participation in the program. Subject to Subsection (c), the agency shall provide each student approved as provided by this subchapter a grant in the amount provided under Section 48.305 [~~of not more than $1,500~~] to purchase supplemental [~~special education~~] services and supplemental [~~special education~~] instructional materials.

(c)  A student may receive one grant under this subchapter unless the legislature appropriates money for an additional grant in the General Appropriations Act [~~The commissioner shall set aside an amount not to exceed $30 million from the total amount of funds appropriated for each state fiscal year to fund the program under this section. For each state fiscal year, the total amount provided for student grants under Subsection (a) may not exceed the amount set aside by the commissioner under this subsection~~].

SECTION 4.15.  Section 29.045, Education Code, is amended to read as follows:

Sec. 29.045.  APPROVAL OF APPLICATION; ASSIGNMENT OF ACCOUNT. The [~~Subject to available funding the~~] agency shall approve each student who meets the program eligibility criteria established under Section 29.044 and assign to the student an account maintained under Section 29.042(b). The account may only be used by the student's parent to purchase supplemental [~~special education~~] services or supplemental [~~special education~~] instructional materials for the student, subject to Sections 29.046 and 29.047.

SECTION 4.16.  Sections 29.046(a) and (b), Education Code, are amended to read as follows:

(a)  Money in an account assigned to a student under Section 29.045 may be used only for supplemental [~~special education~~] services and supplemental [~~special education~~] instructional materials.

(b)  Supplemental [~~special education~~] services must be provided by an agency-approved provider.

SECTION 4.17.  Sections 29.047(a), (c), (d), and (e), Education Code, are amended to read as follows:

(a)  The agency shall establish criteria necessary for agency approval for each category of provider of a professional service that is a supplemental [~~special education~~] service, as identified by the agency.

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

(d)  The agency may establish criteria for agency approval of vendors for each category of supplemental [~~special education~~] instructional materials identified by the agency.

(e)  If the agency establishes criteria for agency approval for a vendor of a category of supplemental [~~special education~~] instructional materials, the agency shall provide a procedure for vendors of that category to apply to the agency to become an agency-approved vendor.

SECTION 4.18.  Subchapter A-1, Chapter 29, Education Code, is amended by adding Section 29.0475 to read as follows:

Sec. 29.0475.  PROGRAM PARTICIPANT, PROVIDER, AND VENDOR AUTONOMY. (a) A provider of supplemental services or vendor of supplemental instructional materials that receives money distributed under the program is not a recipient of federal financial assistance on the basis of receiving that money.

(b)  A rule adopted or action taken related to the program by an individual, governmental entity, court of law, or program administrator may not:

(1)  consider the actions of a provider of supplemental services, vendor of supplemental instructional materials, or program participant to be the actions of an agent of state government;

(2)  limit:

(A)  a provider of supplemental services' ability to determine the methods used to educate the provider's students or to exercise the provider's religious or institutional values; or

(B)  a program participant's ability to determine the participant's educational content or to exercise the participant's religious values;

(3)  obligate a provider of supplemental services or program participant to act contrary to the provider's or participant's religious or institutional values, as applicable;

(4)  impose any regulation on a provider of supplemental services, vendor of supplemental instructional materials, or program participant beyond those regulations necessary to enforce the requirements of the program; or

(5)  require as a condition of receiving money distributed under the program:

(A)  a provider of supplemental services to modify the provider's creed, practices, admissions policies, curriculum, performance standards, employment policies, or assessments; or

(B)  a program participant to modify the participant's creed, practices, curriculum, performance standards, or assessments.

(c)  In a proceeding challenging a rule adopted by a state agency or officer under this subchapter, the agency or officer has the burden of proof to establish by clear and convincing evidence that the rule:

(1)  is necessary to implement or enforce the program as provided by this subchapter;

(2)  does not violate this section;

(3)  does not impose an undue burden on a program participant or a provider of supplemental services or vendor of supplemental instructional materials that participates or applies to participate in the program; and

(4)  is the least restrictive means of accomplishing the purpose of the program while recognizing the independence of a provider of supplemental services to meet the educational needs of students in accordance with the provider's religious or institutional values.

SECTION 4.19.  Section 29.048, Education Code, is amended to read as follows:

Sec. 29.048.  ADMISSION, REVIEW, AND DISMISSAL COMMITTEE DUTIES. (a) A student's admission, review, and dismissal committee shall develop a student's individualized education program under Section 29.005, in compliance with the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.), without consideration of any supplemental [~~special education~~] services or supplemental instructional materials that may be provided under the program under this subchapter.

(b)  Unless the district first verifies that an account has been assigned to the student under Section 29.045, the [~~The~~] admission, review, and dismissal committee of a student approved for participation in the program shall provide to the student's parent at an admission, review, and dismissal committee meeting for the student:

(1)  information regarding the types of supplemental [~~special education~~] services or supplemental instructional materials available under the program and provided by agency-approved providers for which an account maintained under Section 29.042(b) for the student may be used; and

(2)  instructions regarding accessing an account described by Subdivision (1).

SECTION 4.20.  Subchapter A-1, Chapter 29, Education Code, is amended by adding Section 29.0485 to read as follows:

Sec. 29.0485.  DETERMINATION OF COMMISSIONER FINAL. Notwithstanding Section 7.057, a determination of the commissioner under this subchapter is final and may not be appealed.

SECTION 4.21.  Section 29.049, Education Code, is amended to read as follows:

Sec. 29.049.  RULES. The commissioner shall adopt rules as necessary to administer the supplemental [~~special education~~] services and supplemental instructional materials program under this subchapter.

SECTION 4.22.  Section 29.315, Education Code, is amended to read as follows:

Sec. 29.315.  TEXAS SCHOOL FOR THE DEAF MEMORANDUM OF UNDERSTANDING. The Texas Education Agency and the Texas School for the Deaf shall develop[~~, agree to, and by commissioner rule adopt no later than September 1, 1998,~~] a memorandum of understanding to establish:

(1)  the method for developing and reevaluating a set of indicators of the quality of learning at the Texas School for the Deaf;

(2)  the process for the agency to conduct and report on an annual evaluation of the school's performance on the indicators;

(3)  the requirements for the school's board to publish, discuss, and disseminate an annual report describing the educational performance of the school;

(4)  the process for the agency to assign an accreditation status to the school, to reevaluate the status on an annual basis, and, if necessary, to conduct monitoring reviews; and

(5)  the type of information the school shall be required to provide through the Public Education Information Management System (PEIMS).

SECTION 4.23.  Section 30.001(b), Education Code, is amended to read as follows:

(b)  The commissioner, with the approval of the State Board of Education, shall develop and implement a plan for the coordination of services to children with disabilities in each region served by a regional education service center.  The plan must include procedures for:

(1)  identifying existing public or private educational and related services for children with disabilities in each region;

(2)  identifying and referring children with disabilities who cannot be appropriately served by the school district in which they reside to other appropriate programs;

(3)  assisting school districts to individually or cooperatively develop programs to identify and provide appropriate services for children with disabilities;

(4)  expanding and coordinating services provided by regional education service centers for children with disabilities; and

(5)  providing for special education supports [~~services~~], including special seats, books, instructional media, and other supplemental supplies and services required for proper instruction.

SECTION 4.24.  Section 30.002(g), Education Code, is amended to read as follows:

(g)  To facilitate implementation of this section, the commissioner shall develop a system to distribute from the foundation school fund to school districts or regional education service centers a special supplemental allowance for each student with a visual impairment and for each student with a serious visual disability and another medically diagnosed disability of a significantly limiting nature who is receiving special education services through any approved program.  The supplemental allowance may be spent only for special education services uniquely required by the nature of the student's disabilities and may not be used in lieu of educational funds otherwise available under this code or through state or local appropriations.

SECTION 4.25.  Section 30.005, Education Code, is amended to read as follows:

Sec. 30.005.  TEXAS SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED MEMORANDUM OF UNDERSTANDING.  The Texas Education Agency and the Texas School for the Blind and Visually Impaired shall develop[~~, agree to, and by commissioner rule adopt~~] a memorandum of understanding to establish:

(1)  the method for developing and reevaluating a set of indicators of the quality of learning at the Texas School for the Blind and Visually Impaired;

(2)  the process for the agency to conduct and report on an annual evaluation of the school's performance on the indicators;

(3)  the requirements for the school's board to publish, discuss, and disseminate an annual report describing the educational performance of the school;

(4)  the process for the agency to:

(A)  assign an accreditation status to the school;

(B)  reevaluate the status on an annual basis; and

(C)  if necessary, conduct monitoring reviews; and

(5)  the type of information the school shall be required to provide through the Public Education Information Management System (PEIMS).

SECTION 4.26.  Section 37.146(a), Education Code, is amended to read as follows:

(a)  A complaint alleging the commission of a school offense must, in addition to the requirements imposed by Article 45.019, Code of Criminal Procedure:

(1)  be sworn to by a person who has personal knowledge of the underlying facts giving rise to probable cause to believe that an offense has been committed; and

(2)  be accompanied by a statement from a school employee stating:

(A)  whether the child is eligible for or receives special education services under Subchapter A, Chapter 29; and

(B)  the graduated sanctions, if required under Section 37.144, that were imposed on the child before the complaint was filed.

SECTION 4.27.  Section 48.265(a), Education Code, is amended to read as follows:

(a)  If [~~Notwithstanding any other provision of law, if~~] the commissioner determines that the amount appropriated for the purposes of the Foundation School Program exceeds the amount to which school districts are entitled under this chapter, the commissioner may provide [~~by rule shall establish a grant program through which excess funds are awarded as~~] grants using the excess money for the purchase of video equipment, or for the reimbursement of costs for previously purchased video equipment, used for monitoring special education classrooms or other special education settings required under Section 29.022.

SECTION 4.28.  This article takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this article does not receive the vote necessary for immediate effect, this article takes effect September 1, 2023.

ARTICLE 5. FISCAL RESPONSIBILITY

SECTION 5.01.  (a) Notwithstanding any other section of this Act, in a state fiscal year, the Texas Education Agency or comptroller of public accounts is not required to implement a provision found in another section of this Act that is drafted as a mandatory provision imposing a duty on the agency to take an action unless money is specifically appropriated to the agency for that fiscal year to carry out that duty. The Texas Education Agency or comptroller of public accounts may implement the provision in that fiscal year to the extent other funding is available to the agency to do so.

(b)  If, as authorized by Subsection (a) of this section, the Texas Education Agency or comptroller of public accounts does not implement the mandatory provision in a state fiscal year, the agency or comptroller of public accounts, as applicable, in its legislative budget request for the next state fiscal biennium, shall certify that fact to the Legislative Budget Board and include a written estimate of the costs of implementing the provision in each year of that next state fiscal biennium.

(c)  This section and the suspension of the Texas Education Agency's or comptroller of public accounts' duty to implement a mandatory provision of this Act, as provided by Subsection (a) of this section, expires and the duty to implement the mandatory provision resumes on September 1, 2027.

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