

By: King of Hemphill, VanDeaver, Dutton,
Howard, Buckley, et al.

H.B. No. 100

Substitute the following for H.B. No. 100:

By: Buckley

C.S.H.B. No. 100

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the compensation of public school educators and to the
3 public school finance system, including enrollment-based funding
4 for certain allotments under the Foundation School Program.

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

6 ARTICLE 1. CHANGES EFFECTIVE FOR 2023-2024 SCHOOL YEAR

7 SECTION 1.01. Section 12.106(a-2), Education Code, is
8 amended to read as follows:

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

13 (1) the product of:

14 (A) the quotient of:

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

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

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

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

24 (ii) the total number of students in

1 average daily attendance in school districts statewide; and

2 (2) \$500 [~~\$125~~].

3 SECTION 1.02. Section 13.054, Education Code, is amended by
4 amending Subsection (f) and adding Subsections (i-1), (i-2), (i-3),
5 (i-4), and (i-5) to read as follows:

6 (f) For five years beginning with the school year in which
7 the annexation occurs, a school district shall receive additional
8 funding under this subsection or Subsection (h). The amount of
9 funding shall be determined by multiplying the lesser of the
10 enlarged district's local fund assignment computed under Section
11 48.256 or the enlarged district's total cost of tier one by a
12 fraction, the numerator of which is the number of students residing
13 in the territory annexed to the receiving district preceding the
14 date of the annexation and the denominator of which is the number of
15 students residing in the district as enlarged on the date of the
16 annexation, and multiplying the resulting product by the quotient
17 of the enlarged district's maximum compressed tax rate, as
18 determined under Section 48.2551, for the current school year
19 divided by the receiving district's maximum compressed tax rate, as
20 determined under Section 48.2551, for the year in which the
21 annexation occurred. The commissioner shall provide the funding
22 under this subsection from funds appropriated for purposes of the
23 Foundation School Program. A determination by the commissioner
24 under this subsection is final and may not be appealed.

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

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

7 (1) determine the difference between:

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

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

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

15 (A) a lump sum; or

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

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

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

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

3 SECTION 1.03. Section 19.009(d-2), Education Code, is
4 amended to read as follows:

5 (d-2) Beginning with the 2009-2010 school year, the
6 district shall increase the [~~monthly~~] salary of each classroom
7 teacher, full-time speech pathologist, full-time librarian,
8 full-time school counselor certified under Subchapter B, Chapter
9 21, and full-time school nurse employed by the district by the
10 greater of:

11 (1) \$80 per month; or

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

20 SECTION 1.04. (a) This section takes effect only if H.B.
21 11, 88th Legislature, Regular Session, 2023, or another Act of that
22 legislature establishing a residency partnership program and
23 authorizing the issuance of a residency educator certificate
24 becomes law.

25 (b) Section 21.402(a), Education Code, is amended to read as
26 follows:

27 (a) Except as provided by Subsection (c-2) [~~(e-1) or (f)~~], a

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

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

9 (A) holds no certification \$35,000;

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

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

15 (D) holds a designation under Section 21.3521 . .
16 \$43,000; or

17 (E) holds a residency educator certificate or has
18 successfully completed a residency partnership program . . \$43,000;

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

21 (A) no certification \$45,000;

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

24 (C) the base certificate required under Section
25 21.003(a) for employment in the employee's position other than a
26 certificate described by Paragraph (B) \$50,000; or

27 (D) a designation under Section 21.3521

1 \$53,000; or

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

4 (A) no certification \$55,000;

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

7 (C) the base certificate required under Section
8 21.003(a) for employment in the employee's
9 position \$60,000; or

10 (D) a designation under Section 21.3521
11 \$63,000 [~~in addition to other factors, as determined by~~

12 ~~commissioner rule, determined by the following formula:~~

13
$$[\text{MS} = \text{SF} \times \text{FS}]$$

14 [~~where:~~

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

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

18 [~~"FS" is the amount, as determined by the commissioner under~~
19 ~~Subsection (b), of the basic allotment as provided by Section~~
20 ~~48.051(a) or (b) for a school district with a maintenance and~~
21 ~~operations tax rate at least equal to the state maximum compressed~~
22 ~~tax rate, as defined by Section 48.051(a)].~~

23 SECTION 1.05. (a) This section takes effect only if H.B.
24 11, 88th Legislature, Regular Session, 2023, or another Act of that
25 legislature establishing a residency partnership program and
26 authorizing the issuance of a residency educator certificate does
27 not become law.

1 (b) Section 21.402(a), Education Code, is amended to read as
2 follows:

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

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

12 (A) no certification \$35,000;

13 (B) a teacher intern, teacher trainee, or
14 probationary certificate issued under Subchapter B . . . \$37,000;

15 (C) the base certificate required under Section
16 21.003(a) for employment in the employee's position other than a
17 certificate described by Paragraph (B) \$40,000; or

18 (D) a designation under Section 21.3521 . .
19 \$43,000;

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

22 (A) no certification \$45,000;

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

25 (C) the base certificate required under Section
26 21.003(a) for employment in the employee's position other than a
27 certificate described by Paragraph (B) \$50,000; or

1 nurse is considered to hold the base certificate required under
2 Section 21.003(a) for employment as a school nurse, regardless of
3 the other certifications held by the nurse.

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

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

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

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

20 (i) A school district must use at least 50 percent of the
21 difference between what the district would have paid under Section
22 825.405, Government Code, based on the salaries paid under this
23 section as it existed on January 1, 2023, and what the district pays
24 under Section 825.405, Government Code, based on the salaries paid
25 under this section as it exists after September 1, 2023, to increase
26 the average total compensation per district employee employed as a
27 classroom teacher, full-time librarian, full-time school counselor

1 certified under Subchapter B, or full-time school nurse. In
2 calculating average total compensation per district employee under
3 this subsection, a district may not include compensation paid to a
4 classroom teacher, full-time librarian, full-time school counselor
5 certified under Subchapter B, or full-time school nurse in a
6 position added by the school district for the current school year
7 that increases the ratio of those employees to enrolled students
8 over the ratio of those employees to enrolled students for the
9 preceding year.

10 (j) A school district that increases employee compensation
11 in the 2023-2024 school year to comply with Subsection (a), as
12 amended by H.B. 100, Acts of the 88th Legislature, Regular Session,
13 2023, is providing compensation for services rendered
14 independently of an existing employment contract applicable to that
15 year and is not in violation of Section 53, Article III, Texas
16 Constitution. A school district that does not meet the
17 requirements of Subsection (a) in the 2023-2024 school year may
18 satisfy the requirements of this section by providing an employee a
19 one-time bonus payment during the 2024-2025 school year in an
20 amount equal to the difference between the compensation earned by
21 the employee during the 2023-2024 school year and the compensation
22 the employee should have received during that school year if the
23 district had complied with Subsection (a).

24 (k) Notwithstanding the minimum salary schedule under
25 Subsection (a), a school district that increases the amount a
26 classroom teacher, full-time librarian, full-time school counselor
27 certified under Subchapter B, or full-time school nurse is

1 compensated during the 2023-2024 school year by at least \$8,000
2 more than the amount the employee was compensated during the
3 2022-2023 school year complies with the requirements of this
4 section for the 2023-2024 school year.

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

7 SECTION 1.07. The heading to Section 21.403, Education
8 Code, is amended to read as follows:

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

11 SECTION 1.08. Sections 21.403(b) and (c), Education Code,
12 are amended to read as follows:

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

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

26 SECTION 1.09. Section 21.4552(d), Education Code, is
27 amended to read as follows:

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

7 SECTION 1.10. Section 21.4553(d), Education Code, is
8 amended to read as follows:

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

15 SECTION 1.11. Section 21.4555(f), Education Code, is
16 amended to read as follows:

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

22 SECTION 1.12. Subchapter 7, Chapter 29, Education Code, is
23 amended by adding Section 29.912 to read as follows:

24 Sec. 29.912. RURAL PATHWAY EXCELLENCE PARTNERSHIP (R-PEP)
25 PROGRAM. (a) In this section, "program" means the Rural Pathway
26 Excellence Partnership (R-PEP) program established under this
27 section.

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

7 (c) The program must enable an eligible school district that
8 lacks an economy of scale, as determined by commissioner rule, to
9 partner with at least one other school district to offer a broader
10 array of robust college and career pathways. Each partnership must:

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

14 (2) be managed by a coordinating entity that:

15 (A) has or will have at the time students are
16 served under the partnership the capacity to effectively coordinate
17 the partnership;

18 (B) has entered into a performance agreement
19 approved by the board of trustees of each partnering school
20 district that confers to the coordinating entity the same authority
21 with respect to the partnership as provided to an entity that
22 contracts to operate a district campus under Section [11.174](#);

23 (C) is eligible to be awarded a charter under
24 Section [12.101\(a\)](#);

25 (D) has been granted a charter by each partnering
26 school district under Subchapter [C](#), Chapter [12](#); and

27 (E) has on the entity's governing board as either

1 voting or ex officio members representatives of each partnering
2 school district and members of regional higher education and
3 workforce organizations.

4 (d) The performance agreement described by Subsection
5 (c)(2)(B) must:

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

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

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

20 (4) provide that any eligible student residing in a
21 partnering school district may participate in a college or career
22 pathway offered through the partnership.

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

1 (f) A student enrolled in a college or career pathway
2 offered through a partnership under the program is not considered
3 for accountability purposes under Chapter 39 to have dropped out of
4 high school or failed to complete the curriculum requirements for
5 high school graduation until the sixth anniversary of the student's
6 first day in high school.

7 (g) A school district proposing to enter into a performance
8 agreement under this section shall notify the commissioner of the
9 district's intent to enter into the agreement. The commissioner
10 shall establish procedures for a district to notify the
11 commissioner, including the period within which notification is
12 required before the school year in which the proposed agreement
13 would take effect, and to provide any additional information
14 required by the commissioner. The commissioner shall notify the
15 district whether the proposed agreement is approved or denied not
16 later than the 60th day after the date the commissioner receives
17 notification of the proposed agreement and all other information
18 required by the commissioner. If the commissioner fails to notify
19 the district that the proposed agreement has been approved or
20 denied within the period prescribed by this subsection, the
21 proposed agreement is considered approved.

22 (h) From money appropriated for that purpose, the
23 commissioner shall establish a grant program to assist in the
24 planning and implementation of a partnership under the program.
25 The commissioner may award a grant only to a coordinating entity
26 that has entered into a performance agreement approved under
27 Subsection (g). The commissioner may use not more than 15 percent

1 of the money appropriated for the grant program to cover the cost of
2 administering the grant program and to provide technical assistance
3 and support to partnerships under the program.

4 (i) The commissioner shall adopt rules as necessary to
5 implement this section, including rules establishing:

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

8 (2) the period for which a partnership under the
9 program may operate after commissioner approval before renewal of
10 commissioner approval is required; and

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

13 (j) This section does not prohibit an agreement between a
14 school district and another entity for the provision of services at
15 a district campus.

16 (k) The commissioner may accept gifts, grants, and
17 donations from any source, including private and nonprofit
18 organizations, for the program. A private or nonprofit
19 organization that contributes to the program may receive an award
20 under Section 7.113.

21 SECTION 1.13. Section 30.003, Education Code, is amended by
22 amending Subsections (b) and (f-1) and adding Subsection (b-1) to
23 read as follows:

24 (b) If the student is admitted to the school for a full-time
25 program for the equivalent of two long semesters, the district's
26 share of the cost is an amount equal to the dollar amount of
27 maintenance and debt service taxes imposed by the district for that

1 year, subject to Subsection (b-1), divided by the district's
2 average daily attendance for the preceding year.

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

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

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

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

17 (3) Section 45.0032;

18 (4) [~~3~~] Section 48.255; and

19 (5) [~~4~~] Section 48.2551.

20 SECTION 1.14. Section 30.102(b), Education Code, is amended
21 to read as follows:

22 (b) A classroom teacher, full-time librarian, full-time
23 school counselor certified under Subchapter B, Chapter 21, or
24 full-time school nurse employed by the department is entitled to
25 receive as a minimum salary the [~~monthly~~] salary specified by
26 Section 21.402. A classroom teacher, full-time librarian,
27 full-time school counselor, or full-time school nurse may be paid,

1 from funds appropriated to the department, a salary in excess of the
2 minimum specified by that section, but the salary may not exceed the
3 rate of pay for a similar position in the public schools of an
4 adjacent school district.

5 SECTION 1.15. Section 33.009(h), Education Code, is amended
6 to read as follows:

7 (h) From funds appropriated for that purpose, a school
8 counselor who attends the academy under this section is entitled to
9 receive a stipend in the amount determined by the coordinating
10 board. If funds are available after all eligible school counselors
11 have received a stipend under this subsection, the coordinating
12 board shall pay a stipend in the amount determined by the
13 coordinating board to a teacher who attends the academy under this
14 section. A stipend received under this subsection is not
15 considered in determining whether a district is paying the school
16 counselor or teacher the minimum [~~monthly~~] salary under Section
17 21.402.

18 SECTION 1.16. Subchapter A, Chapter 48, Education Code, is
19 amended by adding Section 48.0055 to read as follows:

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

24 SECTION 1.17. Section 48.051, Education Code, is amended by
25 amending Subsections (a) and (c) and adding Subsections (c-3) and
26 (c-4) to read as follows:

27 (a) For each student in average daily attendance, not

1 including the time students spend each day in special education
2 programs in an instructional arrangement other than mainstream or
3 career and technology education programs, for which an additional
4 allotment is made under Subchapter C, a district is entitled to an
5 allotment equal to [~~the lesser of \$6,160 or~~] the amount that results
6 from the following formula:

7
$$A = \underline{B} [\del{\$6,160}] \times \text{TR/MCR}$$

8 where:

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

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

11 (1) \$6,250;

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

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

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

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

19 (c) During any school year for which the value of "A"
20 determined [~~maximum amount of the basic allotment provided~~] under
21 Subsection (a) or, if applicable, the sum of the value of "A" and
22 the allotment under Section 48.101 to which the district is
23 entitled, [~~or (b)~~] is greater than the value of "A" or, if
24 applicable, the sum of the value of "A" and the allotment under
25 Section 48.101 to which the district is entitled, [~~maximum amount~~
26 provided] for the preceding school year, a school district must use
27 at least 50 [~~30~~] percent of the amount [~~, if the amount is greater~~

1 ~~than zero,~~] that equals the product of the average daily attendance
2 of the district multiplied by the amount of the difference between
3 the district's funding under this chapter per student in average
4 daily attendance for the current school year and the preceding
5 school year to increase the average total compensation per employee
6 employed by the district as [~~provide compensation increases to~~
7 ~~full-time district employees other than administrators as follows:~~

8 [(1) ~~75 percent must be used to increase the~~
9 ~~compensation paid to~~] classroom teachers, full-time librarians,
10 full-time school counselors certified under Subchapter B, Chapter
11 21, and full-time school nurses [~~, prioritizing differentiated~~
12 ~~compensation for classroom teachers with more than five years of~~
13 ~~experience, and~~

14 [(2) ~~25 percent may be used as determined by the~~
15 ~~district to increase compensation paid to full-time district~~
16 ~~employees~~]. In calculating average total compensation per employee
17 under this subsection, a school district may not consider
18 compensation paid to a district employee employed in a position
19 described by this subsection added by the school district for the
20 current school year that increases the ratio of those employees to
21 the students enrolled in the district compared to the preceding
22 school year.

23 (c-3) If a school district increases employee compensation
24 in a school year to comply with Subsection (c), as amended by
25 H.B. 100, Acts of the 88th Legislature, Regular Session, 2023, the
26 district is providing compensation for services rendered
27 independently of an existing employment contract applicable to that

1 year and is not a violation of Section 53, Article III, Texas
2 Constitution.

3 (c-4) A school district that does not meet the requirements
4 of Subsection (c) during a school year may satisfy the requirements
5 of this section by providing an employee a one-time bonus payment
6 during the following school year in an amount equal to the
7 difference between the compensation earned by the employee and the
8 compensation the employee should have received during the school
9 year if the district had complied with Subsection (c).

10 SECTION 1.18. Subchapter C, Chapter 48, Education Code, is
11 amended by adding Section 48.1022 to read as follows:

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

17 SECTION 1.19. Section 48.111(a), Education Code, is amended
18 to read as follows:

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

1 SECTION 1.20. Subchapter C, Chapter 48, Education Code, is
2 amended by adding Sections 48.116 and 48.118 to read as follows:

3 Sec. 48.116. FINE ARTS ALLOTMENT. (a) For each student in
4 average daily attendance enrolled in a fine arts education course
5 approved by the agency under Subsection (b) in grades 6 through 12,
6 a school district is entitled to an annual allotment equal to the
7 basic allotment, or, if applicable, the sum of the basic allotment
8 and the allotment under Section 48.101 to which the district is
9 entitled, multiplied by .008.

10 (b) The agency shall approve fine arts education courses
11 that qualify for the allotment provided under this section. The
12 approved courses must include fine arts education courses that:

13 (1) are authorized by the State Board of Education,
14 including music, art, theater, and dance;

15 (2) provide students with the knowledge and skills
16 necessary for success in the fine arts; and

17 (3) require a student in full-time attendance to
18 receive not less than 225 minutes of fine arts instruction per week.

19 (c) The agency shall annually publish a list of fine arts
20 courses approved under Subsection (b).

21 Sec. 48.118. RURAL PATHWAY EXCELLENCE PARTNERSHIP (R-PEP)
22 ALLOTMENT AND OUTCOME BONUS. (a) For each full-time equivalent
23 student in average daily attendance in grades 9 through 12 in a
24 college or career pathway offered through a partnership under the
25 Rural Pathway Excellence Partnership (R-PEP) program under Section
26 29.912, a school district is entitled to an allotment equal to the
27 basic allotment or, if applicable, the sum of the basic allotment

1 and the allotment under Section 48.101 to which the district is
2 entitled, multiplied by:

3 (1) 1.15, if the student is educationally
4 disadvantaged; or

5 (2) 1.11, if the student is not educationally
6 disadvantaged.

7 (b) Each year, the commissioner shall determine for each
8 school district the minimum number of annual graduates of a college
9 or career pathway described by Subsection (a) in each cohort
10 described by Section 48.110(b) who would have to demonstrate
11 college, career, or military readiness, as determined by
12 commissioner rule, in order for the district to qualify for an
13 outcomes bonus under Subsection (c).

14 (c) In addition to the allotment under Subsection (a), for
15 each annual graduate in a cohort described by Subsection (b) who
16 demonstrates college, career, or military readiness, as determined
17 by commissioner rule, in excess of the minimum number of students
18 determined for the applicable district cohort under Subsection (b),
19 a school district is entitled to an annual outcomes bonus of:

20 (1) if the annual graduate is educationally
21 disadvantaged, \$2,000;

22 (2) if the annual graduate is not educationally
23 disadvantaged, \$1,000; and

24 (3) if the annual graduate is enrolled in a special
25 education program under Subchapter A, Chapter 29, \$2,000,
26 regardless of whether the annual graduate is educationally
27 disadvantaged.

1 (d) A school district is entitled to an outcomes bonus under
2 each subdivision of Subsection (c) for which an annual graduate
3 qualifies.

4 (e) A school district may receive funding for a student
5 under this section and any other section for which the student
6 qualifies.

7 SECTION 1.21. Sections 48.151(c) and (g), Education Code,
8 are amended to read as follows:

9 (c) Each district or county operating a regular
10 transportation system is entitled to an allotment based on a rate of
11 \$1.54 per mile per regular eligible student or a greater rate set by
12 the legislature in the General Appropriations Act.

13 (g) A school district or county that provides special
14 transportation services for eligible special education students is
15 entitled to a state allocation at a [~~paid on a previous year's~~
16 ~~cost-per-mile basis. The~~] rate of \$1.28 per mile or a greater
17 amount provided [~~allowable shall be set~~] by appropriation [~~based on~~
18 ~~data gathered from the first year of each preceding biennium~~].

19 Districts may use a portion of their support allocation to pay
20 transportation costs, if necessary. The commissioner may grant an
21 amount set by appropriation for private transportation to reimburse
22 parents or their agents for transporting eligible special education
23 students. The mileage allowed shall be computed along the shortest
24 public road from the student's home to school and back, morning and
25 afternoon. The need for this type of transportation shall be
26 determined on an individual basis and shall be approved only in
27 extreme hardship cases.

SECTION 1.22. 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

1 zone of the high school may participate in the program of study by
2 enrolling in another high school:

3 (A) that:

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

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

9 (iii) offers the program of study; and

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

12 (2) students enrolled in the high school:

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

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

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

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

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

1 (d) A school district that receives an allotment under
2 Subsection (c) and Section 48.101 is entitled to receive an
3 additional allotment in an amount equal to the product of 0.1 and
4 the allotment to which the district is entitled under Section
5 48.101 for each student for which the district receives an
6 allotment under Subsection (c). An open-enrollment charter school
7 is not eligible for an allotment under this subsection.

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

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

15 SECTION 1.23. Section 48.202(a-1), Education Code, is
16 amended to read as follows:

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

20 (1) the greater of the amount of district tax revenue
21 per weighted student per cent of tax effort available to a school
22 district at the 96th percentile of wealth per weighted student or
23 the amount that results from multiplying the maximum amount of the
24 basic allotment provided under Section 48.051 for the applicable
25 school year [~~6,160, or the greater amount provided under Section~~
26 ~~48.051(b), if applicable,~~] by 0.016, for the first eight cents by
27 which the district's maintenance and operations tax rate exceeds

1 the district's tier one tax rate; and

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

8 SECTION 1.24. Section 48.257(c), Education Code, is amended
9 to read as follows:

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

17 SECTION 1.25. Sections 48.277(d) and (e), Education Code,
18 are amended to read as follows:

19 (d) A school district or open-enrollment charter school is
20 not entitled to an allotment under Subsection (a) beginning with
21 the 2029-2030 [~~2024-2025~~] school year.

22 (e) This section expires September 1, 2030 [~~2025~~].

23 SECTION 1.26. Subchapter F, Chapter 48, Education Code, is
24 amended by adding Section 48.280 to read as follows:

25 Sec. 48.280. SALARY TRANSITION ALLOTMENT. (a) In the
26 2023-2024, 2024-2025, and 2025-2026 school years, a school district
27 is entitled to receive an annual salary transition allotment equal

1 to the difference, if that amount is greater than zero, between:

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

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

4 (b) The agency shall calculate a school district's value for
5 Subsection (a)(1) by determining the difference in the amount the
6 district must pay in compensation to employees on the minimum
7 salary schedule under Section 21.402, as amended by H.B. 100, Acts
8 of the 88th Legislature, Regular Session, 2023, from the amount
9 paid in compensation to employees on the minimum salary schedule
10 under that section as effective in the 2022-2023 school year, less
11 the difference between:

12 (1) the amount of employer contributions under Section
13 825.4035, Government Code, and Section 1575.203, Insurance Code,
14 the district paid in the 2022-2023 school year for employees on the
15 minimum salary schedule under Section 21.402; and

16 (2) the amount the district would have paid in
17 employer contributions under Section 825.4035, Government Code,
18 and Section 1575.203, Insurance Code, in the 2022-2023 school year
19 for employees on the minimum salary schedule if the changes made to
20 Section 21.402 by H.B. 100, Acts of the 88th Legislature, Regular
21 Session, 2023, had been in effect.

22 (c) The agency shall calculate a school district's value for
23 Subsection (a)(2) by determining the total maintenance and
24 operations revenue for the current school year less the total
25 maintenance and operations revenue that would have been available
26 to the district using the basic allotment formula provided by
27 Section 48.051 and the small and mid-sized allotment formulas

1 provided by Section 48.101 as those sections existed on January 1,
2 2023.

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

8 (e) A school district is entitled to an allotment in an
9 amount equal to:

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

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

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

16 (g) This section expires September 1, 2029.

17 SECTION 1.27. Section 26.08(n), Tax Code, is amended to
18 read as follows:

19 (n) For purposes of this section, the voter-approval tax
20 rate of a school district is the sum of the following:

21 (1) the rate per \$100 of taxable value that is equal to
22 the district's maximum compressed tax rate, as determined under
23 Section 48.2551, Education Code, for the current year;

24 (2) the greater of:

25 (A) the district's enrichment tax rate for the
26 preceding tax year, less any amount by which the district is
27 required to reduce the district's enrichment tax rate under Section

1 48.202(f), Education Code, in the current tax year; or

2 (B) the rate of \$0.06 [~~\$0.05~~] per \$100 of taxable
3 value; and

4 (3) the district's current debt rate.

5 SECTION 1.28. The following provisions of the Education
6 Code are repealed:

7 (1) Sections 21.402(b), (c), (c-1), (f), and (h);

8 (2) Sections 21.403(a) and (d); and

9 (3) Sections 48.111(c), (c-1), and (c-2).

10 SECTION 1.29. If both this Act and H.B. 11, 88th
11 Legislature, Regular Session, 2023, are enacted, this Act prevails
12 over H.B. 11, to the extent of any conflict, without regard to the
13 date of enactment of this Act or H.B. 11.

14 SECTION 1.30. (a) Except as provided by Subsection (b) of
15 this section or as otherwise provided by this article, this article
16 takes effect immediately if this Act receives a vote of two-thirds
17 of all the members elected to each house, as provided by Section 39,
18 Article III, Texas Constitution. If this Act does not receive the
19 vote necessary for immediate effect, the entirety of this article
20 takes effect September 1, 2023.

21 (b) Sections 12.106(a-2), 13.054, 30.003, 48.051, 48.111,
22 48.151(c) and (g), 48.202(a-1), 48.257(c), and 48.277(d) and (e),
23 Education Code, and Section 26.08(n), Tax Code, as amended by this
24 article, and Sections 48.0055, 48.1022, 48.116, 48.118, 48.160, and
25 48.280, Education Code, as added by this article, take effect
26 September 1, 2023.

ARTICLE 2. CHANGES 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 29.002, Education Code, is amended to read as follows:

1 Sec. 29.002. DEFINITION. In this subchapter, "special
2 services" means:

3 (1) special education, as defined by 20 U.S.C. Section
4 1401(29) [~~instruction, which may be provided by professional and~~
5 ~~supported by paraprofessional personnel in the regular classroom or~~
6 ~~in an instructional arrangement described by Section 48.102~~]; and

7 (2) related services, as defined by 20 U.S.C. Section
8 1401(26) [~~which are developmental, corrective, supportive, or~~
9 ~~evaluative services, not instructional in nature, that may be~~
10 ~~required for the student to benefit from special education~~
11 ~~instruction and for implementation of a student's individualized~~
12 ~~education program~~].

13 SECTION 2.03. Section 29.014(d), Education Code, is amended
14 to read as follows:

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

20 SECTION 2.04. Section 29.018, Education Code, is amended by
21 adding Subsection (g) to read as follows:

22 (g) This section expires September 1, 2026.

23 SECTION 2.05. Sections 29.022(a), (a-1), (b), (c), (c-1),
24 (d), (f), (h), (k), (l), (s), and (t), Education Code, are amended
25 to read as follows:

26 (a) In order to promote student safety, on receipt of a
27 written request authorized under Subsection (a-1), a school

1 district or open-enrollment charter school shall provide
2 equipment, including a video camera, to the school or schools in the
3 district or the charter school campus or campuses specified in the
4 request. A school or campus that receives equipment as provided by
5 this subsection shall place, operate, and maintain one or more
6 video cameras in special education [~~self-contained~~] classrooms and
7 other special education settings [~~in which a majority of the~~
8 ~~students in regular attendance are provided special education and~~
9 ~~related services and are assigned to one or more self-contained~~
10 ~~classrooms or other special education settings for at least 50~~
11 ~~percent of the instructional day~~], provided that:

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

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

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

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

1 the child receives those services;

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

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

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

18 (b) A school or campus that places a video camera in a
19 special education classroom or other special education setting in
20 accordance with Subsection (a) shall operate and maintain the video
21 camera in the classroom or setting, as long as the classroom or
22 setting continues to satisfy the requirements under Subsection (a),
23 for the remainder of the school year in which the school or campus
24 received the request, unless the requestor withdraws the request in
25 writing. If for any reason a school or campus will discontinue
26 operation of a video camera during a school year, not later than the
27 fifth school day before the date the operation of the video camera

1 will be discontinued, the school or campus must notify the parents
2 of each student in regular attendance in the classroom or setting
3 that operation of the video camera will not continue unless
4 requested by a person eligible to make a request under Subsection
5 (a-1). Not later than the 10th school day before the end of each
6 school year, the school or campus must notify the parents of each
7 student in regular attendance in the classroom or setting that
8 operation of the video camera will not continue during the
9 following school year unless a person eligible to make a request for
10 the next school year under Subsection (a-1) submits a new request.

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

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

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

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

24 (d) Before a school or campus activates a video camera in a
25 special education classroom or other special education setting
26 under this section, the school or campus shall provide written
27 notice of the placement to all school or campus staff and to the

1 parents of each student attending class or engaging in school
2 activities in the classroom or setting.

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

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

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

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

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

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

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

27 (2) require that the district or school provide a

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

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

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

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

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

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

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

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

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

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

12 SECTION 2.06. Sections [29.022\(u\)\(3\)](#) and (4), Education
13 Code, are amended to read as follows:

14 (3) "Special education classroom or other special
15 education setting" means a classroom or setting primarily used for
16 delivering special education services to students who spend on
17 average less than 40 percent of an instructional day in a general
18 education classroom or setting [~~"Self-contained classroom" does~~
19 ~~not include a classroom that is a resource room instructional~~
20 ~~arrangement under Section [48.102](#)].~~

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

25 SECTION 2.07. Section [29.316\(c\)](#), Education Code, is amended
26 to read as follows:

27 (c) Not later than August 31 of each year, the agency, the

1 division, and the center jointly shall prepare and post on the
2 agency's, the division's, and the center's respective Internet
3 websites a report on the language acquisition of children eight
4 years of age or younger who are deaf or hard of hearing. The report
5 must:

6 (1) include:

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

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

12 (2) state for each child:

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

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

19 (i) the time spent providing those
20 services; and

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

23 (a) the type of hearing amplification
24 used;

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

27 (c) the average amount of time the

1 child uses the hearing amplification each day;

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

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

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

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

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

18 SECTION 2.08. Section 46.003(a), Education Code, is amended
19 to read as follows:

20 (a) For each year, except as provided by Sections 46.005 and
21 46.006, a school district is guaranteed a specified amount per
22 student in state and local funds for each cent of tax effort, up to
23 the maximum rate under Subsection (b), to pay the principal of and
24 interest on eligible bonds issued to construct, acquire, renovate,
25 or improve an instructional facility. The amount of state support
26 is determined by the formula:

27
$$\text{FYA} = (\text{FYL} \times \text{AE} [\text{ADA}] \times \text{BTR} \times 100) - (\text{BTR} \times (\text{DPV}/100))$$

1 where:

2 "FYA" is the guaranteed facilities yield amount of state
3 funds allocated to the district for the year;

4 "FYL" is the dollar amount guaranteed level of state and
5 local funds per student per cent of tax effort, which is \$35 or a
6 greater amount for any year provided by appropriation;

7 "AE" [~~"ADA"~~] is the greater of the number of students in
8 average enrollment [~~daily attendance~~], as determined under Section
9 48.0055 [~~48.005~~], in the district or 400;

10 "BTR" is the district's bond tax rate for the current year,
11 which is determined by dividing the amount budgeted by the district
12 for payment of eligible bonds by the quotient of the district's
13 taxable value of property as determined under Subchapter M, Chapter
14 403, Government Code, or, if applicable, Section 48.258, divided by
15 100; and

16 "DPV" is the district's taxable value of property as
17 determined under Subchapter M, Chapter 403, Government Code, or, if
18 applicable, Section 48.258.

19 SECTION 2.09. Section 46.005, Education Code, is amended to
20 read as follows:

21 Sec. 46.005. LIMITATION ON GUARANTEED AMOUNT. The
22 guaranteed amount of state and local funds for a new project that a
23 district may be awarded in any state fiscal biennium under Section
24 46.003 for a school district may not exceed the lesser of:

25 (1) the amount the actual debt service payments the
26 district makes in the biennium in which the bonds are issued; or

27 (2) the greater of:

- 1 (A) \$100,000; or
- 2 (B) the product of the number of students in
- 3 average enrollment [~~daily attendance~~] in the district multiplied by
- 4 \$250.

5 SECTION 2.10. Section 46.006(g), Education Code, is amended
6 to read as follows:

7 (g) In this section, "wealth per student" means a school
8 district's taxable value of property as determined under Subchapter
9 M, Chapter 403, Government Code, or, if applicable, Section 48.258,
10 divided by the district's average enrollment [~~daily attendance~~] as
11 determined under Section 48.0055 [~~48.005~~].

12 SECTION 2.11. Section 46.032(a), Education Code, is amended
13 to read as follows:

14 (a) Each school district is guaranteed a specified amount
15 per student in state and local funds for each cent of tax effort to
16 pay the principal of and interest on eligible bonds. The amount of
17 state support, subject only to the maximum amount under Section
18 46.034, is determined by the formula:

19
$$EDA = (EDGL \times \underline{AE} [\del{ADA}] \times EDTR \times 100) - (EDTR \times (DPV/100))$$

20 where:

21 "EDA" is the amount of state funds to be allocated to the
22 district for assistance with existing debt;

23 "EDGL" is the dollar amount guaranteed level of state and
24 local funds per student per cent of tax effort, which is the lesser
25 of:

- 26 (1) \$40 or a greater amount for any year provided by
- 27 appropriation; or

1 (2) the amount that would result in a total additional
2 amount of state funds under this subchapter for the current year
3 equal to \$60 million in excess of the state funds to which school
4 districts would have been entitled under this section if the
5 guaranteed level amount were \$35;

6 "AE" [~~"ADA"~~] is the number of students in average enrollment
7 [~~daily attendance~~], as determined under Section 48.0055 [~~48.005~~],
8 in the district;

9 "EDTR" is the existing debt tax rate of the district, which is
10 determined by dividing the amount budgeted by the district for
11 payment of eligible bonds by the quotient of the district's taxable
12 value of property as determined under Subchapter M, Chapter 403,
13 Government Code, or, if applicable, under Section 48.258, divided
14 by 100; and

15 "DPV" is the district's taxable value of property as
16 determined under Subchapter M, Chapter 403, Government Code, or, if
17 applicable, under Section 48.258.

18 SECTION 2.12. Section 48.051, Education Code, is amended by
19 amending Subsection (a) and adding Subsection (a-1) to read as
20 follows:

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

1 formula:

2
$$A = \underline{B} [\$6,160] \times \text{TR/MCR}$$

3 where:

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

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

6 (1) \$6,300;

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

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

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

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

14 (a-1) Notwithstanding Subsection (a), for the second year
15 of each state fiscal biennium, the commissioner shall adjust the
16 value of "B" under that subsection for the preceding state fiscal
17 year by a factor equal to the average annual percentage increase, if
18 any, in the Texas Consumer Price Index for the preceding 10 years.
19 This subsection expires September 1, 2025.

20 SECTION 2.13. Section 48.102, Education Code, is amended to
21 read as follows:

22 Sec. 48.102. SPECIAL EDUCATION. (a) For each student in
23 average daily attendance in a special education program under
24 Subchapter A, Chapter 29, [~~in a mainstream instructional~~
25 ~~arrangement,~~] a school district is entitled to an annual allotment
26 equal to the basic allotment, or, if applicable, the sum of the
27 basic allotment and the allotment under Section 48.101 to which the

1 district is entitled, multiplied by a weight in an amount set by the
2 legislature in the General Appropriations Act for the highest tier
3 of intensity of service for which the student qualifies
4 ~~[1.15]. [For each full-time equivalent student in average daily~~
5 ~~attendance in a special education program under Subchapter A,~~
6 ~~Chapter 29, in an instructional arrangement other than a mainstream~~
7 ~~instructional arrangement, a district is entitled to an annual~~
8 ~~allotment equal to the basic allotment, or, if applicable, the sum~~
9 ~~of the basic allotment and the allotment under Section 48.101 to~~
10 ~~which the district is entitled, multiplied by a weight determined~~
11 ~~according to instructional arrangement as follows:~~

12	[Homebound	5.0
13	[Hospital class	3.0
14	[Speech therapy	5.0
15	[Resource room	3.0
16	[Self-contained, mild and moderate,	
17	regular campus	3.0
18	[Self-contained, severe, regular campus	3.0
19	[Off home campus	2.7
20	[Nonpublic day school	1.7
21	[Vocational adjustment class	2.3]

22 (a-1) Notwithstanding Subsection (a), for the 2024-2025 and
23 2025-2026 school years, the amount of an allotment under this
24 section shall be determined in accordance with Section 48.1023.
25 This subsection expires September 1, 2026.

26 (b) The commissioner by rule shall define seven tiers of
27 intensity of service for use in determining funding under this

1 section. The commissioner must include one tier specifically
2 addressing students receiving special education services in
3 residential placement [~~A special instructional arrangement for~~
4 ~~students with disabilities residing in care and treatment~~
5 ~~facilities, other than state schools, whose parents or guardians do~~
6 ~~not reside in the district providing education services shall be~~
7 ~~established by commissioner rule. The funding weight for this~~
8 ~~arrangement shall be 4.0 for those students who receive their~~
9 ~~education service on a local school district campus. A special~~
10 ~~instructional arrangement for students with disabilities residing~~
11 ~~in state schools shall be established by commissioner rule with a~~
12 ~~funding weight of 2.8].~~

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

18 [(~~d~~) ~~For funding purposes the contact hours credited per day~~
19 ~~for each student in the resource room; self-contained, mild and~~
20 ~~moderate; and self-contained, severe, instructional arrangements~~
21 ~~may not exceed the average of the statewide total contact hours~~
22 ~~credited per day for those three instructional arrangements in the~~
23 ~~1992-1993 school year.~~

24 [(~~e~~) ~~The commissioner by rule shall prescribe the~~
25 ~~qualifications an instructional arrangement must meet in order to~~
26 ~~be funded as a particular instructional arrangement under this~~
27 ~~section. In prescribing the qualifications that a mainstream~~

1 ~~instructional arrangement must meet, the commissioner shall~~
2 ~~establish requirements that students with disabilities and their~~
3 ~~teachers receive the direct, indirect, and support services that~~
4 ~~are necessary to enrich the regular classroom and enable student~~
5 ~~success.~~

6 ~~[(f) In this section, "full-time equivalent student" means~~
7 ~~30 hours of contact a week between a special education student and~~
8 ~~special education program personnel.~~

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

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

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

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

22 (f) ~~[(j)]~~ A school district that provides an extended year
23 program required by federal law for special education students who
24 may regress is entitled to receive funds in an amount equal to 75
25 percent, or a lesser percentage determined by the commissioner, of
26 the basic allotment, or, if applicable, the sum of the basic
27 allotment and the allotment under Section 48.101 to which the

1 district is entitled for each [~~full-time equivalent~~] student in
2 average daily attendance, multiplied by the amount designated for
3 the highest tier of intensity of service for which the student
4 qualifies [~~student's instructional arrangement~~] under this
5 section, for each day the program is provided divided by the number
6 of days in the minimum school year. The total amount of state
7 funding for extended year services under this section may not
8 exceed \$10 million per year. A school district may use funds
9 received under this section only in providing an extended year
10 program.

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

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

1 SECTION 2.14. Subchapter C, Chapter 48, Education Code, is
2 amended by adding Sections 48.1021 and 48.1023 to read as follows:

3 Sec. 48.1021. SPECIAL EDUCATION SERVICE GROUP ALLOTMENT.

4 (a) For each six-week period in which a student in a special
5 education program under Subchapter A, Chapter 29, receives eligible
6 special education services, a school district is entitled to an
7 allotment in an amount set by the legislature in the General
8 Appropriations Act for the service group for which the student is
9 eligible.

10 (a-1) Notwithstanding Subsection (a), for the 2024-2025 and
11 2025-2026 school years, the amount of an allotment under this
12 section shall be determined in accordance with Section 48.1023.
13 This subsection expires September 1, 2026.

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

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

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

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

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

5 Sec. 48.1023. SPECIAL EDUCATION TRANSITION FUNDING. (a)
6 For the 2024-2025 and 2025-2026 school years, the commissioner may
7 adjust weights or amounts provided under Section 48.102 or 48.1021
8 as necessary to ensure compliance with requirements regarding
9 maintenance of state financial support under 20 U.S.C. Section
10 1412(a)(18) and maintenance of local financial support under
11 applicable federal law.

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

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

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

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

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

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

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

11 (g) This section expires September 1, 2028.

12 SECTION 2.15. Section 48.103(c), Education Code, is amended
13 to read as follows:

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

18 SECTION 2.16. Sections 48.104(a), (d), and (e), Education
19 Code, are amended to read as follows:

20 (a) For each student who does not have a disability and
21 resides in a residential placement facility in a district in which
22 the student's parent or legal guardian does not reside, a district
23 is entitled to an annual allotment equal to the basic allotment
24 multiplied by 0.2 or, if the student is educationally
25 disadvantaged, 0.2755 ~~[0.275]~~. For each full-time equivalent
26 student who is in a remedial and support program under Section
27 29.081 because the student is pregnant, a district is entitled to an

1 annual allotment equal to the basic allotment multiplied by 2.41.

2 (d) The weights assigned to the five tiers of the index
3 established under Subsection (c) are, from least to most severe
4 economic disadvantage, 0.2255 [~~0.225~~], 0.238 [~~0.2375~~], 0.2505
5 [~~0.25~~], 0.263 [~~0.2625~~], and 0.2755 [~~0.275~~].

6 (e) If insufficient data is available for any school year to
7 evaluate the level of economic disadvantage in a census block
8 group, a school district is entitled to an annual allotment equal to
9 the basic allotment multiplied by 0.2255 [~~0.225~~] for each student
10 who is educationally disadvantaged and resides in that census block
11 group.

12 SECTION 2.17. Section 48.105(a), Education Code, is amended
13 to read as follows:

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

18 (1) for an emergent bilingual student, as defined by
19 Section 29.052:

20 (A) 0.1; or

21 (B) 0.15 if the student is in a bilingual
22 education program using a dual language immersion/one-way or
23 two-way program model; and

24 (2) for a student not described by Subdivision (1),
25 0.05 if the student is in a bilingual education program using a dual
26 language immersion/two-way program model.

27 SECTION 2.18. Sections 48.106(a) and (a-1), Education Code,

1 are amended to read as follows:

2 (a) For each [~~full-time equivalent~~] student in average
3 enrollment [~~daily attendance~~] in an approved career and technology
4 education program in grades 7 through 12, a district is entitled to
5 an annual allotment equal to the basic allotment[~~7~~] or, if
6 applicable, the sum of the basic allotment and the allotment under
7 Section 48.101 to which the district is entitled, multiplied by:

8 (1) 0.1 [~~1.1~~] for a [~~full-time equivalent~~] student in
9 career and technology education courses not in an approved program
10 of study;

11 (2) 0.28 [~~1.28~~] for a [~~full-time equivalent~~] student
12 in levels one and two career and technology education courses in an
13 approved program of study, as identified by the agency; and

14 (3) 0.47 [~~1.47~~] for a [~~full-time equivalent~~] student
15 in levels three and four career and technology education courses in
16 an approved program of study, as identified by the agency.

17 (a-1) In addition to the amounts under Subsection (a), for
18 each student in average enrollment [~~daily attendance~~], a district
19 is entitled to \$50 for each of the following in which the student is
20 enrolled:

21 (1) a campus designated as a P-TECH school under
22 Section 29.556; or

23 (2) a campus that is a member of the New Tech Network
24 and that focuses on project-based learning and work-based
25 education.

26 SECTION 2.19. Section 48.107(a), Education Code, is amended
27 to read as follows:

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

8 SECTION 2.20. Section 48.108(a), Education Code, is amended
9 to read as follows:

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

- 14 (1) educationally disadvantaged; or
15 (2) an emergent bilingual student, as defined by
16 Section 29.052, and is in a bilingual education or special language
17 program under Subchapter B, Chapter 29.

18 SECTION 2.21. Section 48.109(c), Education Code, is amended
19 to read as follows:

20 (c) Not more than five percent of a district's students in
21 average enrollment [~~daily attendance~~] are eligible for funding
22 under this section.

23 SECTION 2.22. Subchapter C, Chapter 48, Education Code, is
24 amended by adding Section 48.119 to read as follows:

25 Sec. 48.119. BOOK SAFETY ALLOTMENT. (a) For each student
26 in average enrollment, a school district is entitled to an annual
27 allotment of \$3 or a greater amount provided by appropriation.

1 (b) Funds allocated under this section may be used only to
2 ensure that school library books and related materials meet the
3 standards adopted under Section 33.021.

4 (c) The agency shall adopt a list of approved vendors at
5 which a school district may spend funds allocated under this
6 section for the purpose described by Subsection (b).

7 SECTION 2.23. Section 48.153, Education Code, is amended to
8 read as follows:

9 Sec. 48.153. DROPOUT RECOVERY SCHOOL AND RESIDENTIAL
10 PLACEMENT FACILITY ALLOTMENT. A school district or open-enrollment
11 charter school is entitled to \$275 for each student in average
12 enrollment [~~daily attendance~~] who:

13 (1) resides in a residential placement facility; or

14 (2) is at a district or school or a campus of the
15 district or school that is designated as a dropout recovery school
16 under Section 39.0548.

17 SECTION 2.24. Section 48.257, Education Code, is amended by
18 amending Subsection (a) and adding Subsection (b-1) to read as
19 follows:

20 (a) Subject to Subsection (b) and except as provided by
21 Subsection (b-1), if a school district's tier one local share under
22 Section 48.256 exceeds the district's entitlement under Section
23 48.266(a)(1) less the district's distribution from the state
24 available school fund, the district must reduce the district's tier
25 one revenue level in accordance with Chapter 49 to a level not to
26 exceed the district's entitlement under Section 48.266(a)(1) less
27 the district's distribution from the state available school fund.

1 (b-1) This subsection applies only to a school district to
2 which Subsection (a) applies, that received an allotment under
3 Section 48.277 for the 2023-2024 school year, and that adopted a
4 maintenance and operations tax rate for the 2022-2023 school year
5 equal to or greater than the sum of the district's maximum
6 compressed tax rate, as determined under Section 48.2551, and five
7 cents. Notwithstanding Subsection (a), if, after reducing the tier
8 one revenue level of a school district to which this subsection
9 applies as required under Subsection (a), the maintenance and
10 operations revenue per student in average daily attendance of the
11 district for a school year would be less than the maintenance and
12 operations revenue per student in average daily attendance
13 available to the district for the 2023-2024 school year, excluding
14 any funding provided to the district under Sections 48.279 and
15 48.281, the agency shall adjust the amount of the reduction
16 required in the district's tier one revenue level under Subsection
17 (a) up to the amount of local funds necessary to provide the
18 district with the amount of maintenance and operations revenue per
19 student in average daily attendance available to the district for
20 the 2023-2024 school year.

21 SECTION 2.25. Section 48.279(e), Education Code, is
22 amended to read as follows:

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

1 service group allotment under Section 48.1021.

2 SECTION 2.26. Section 48.106(b)(2), Education Code, is
3 repealed.

4 SECTION 2.27. This article takes effect September 1, 2024.