

By: Lozano

H.B. No. 2209

Substitute the following for H.B. No. 2209:

By: Buckley

C.S.H.B. No. 2209

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to establishing the Rural Pathway Excellence Partnership  
3 (R-PEP) program and creating an allotment and outcomes bonus under  
4 the Foundation School Program to support the program.

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

6 SECTION 1. Subchapter 7, Chapter 29, Education Code, is  
7 amended by adding Section 29.912 to read as follows:

8 Sec. 29.912. RURAL PATHWAY EXCELLENCE PARTNERSHIP (R-PEP)  
9 PROGRAM. (a) In this section, "program" means the Rural Pathway  
10 Excellence Partnership (R-PEP) program established under this  
11 section.

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

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

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

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

2                   (A) has or will have at the time students are  
3 served under the partnership the capacity to effectively coordinate  
4 the partnership;

5                   (B) has entered into a performance agreement  
6 approved by the board of trustees of each partnering school  
7 district that confers to the coordinating entity the same authority  
8 with respect to the pathways offered under the partnership as  
9 provided to an entity that contracts to operate a district campus  
10 under Section 11.174;

11                   (C) is an eligible entity as defined by Section  
12 12.101(a); and

13                   (D) has on the entity's governing board as either  
14 voting or ex officio members representatives of each partnering  
15 school district and members of regional higher education and  
16 workforce organizations.

17           (d) The performance agreement described by Subsection  
18 (c)(2)(B) must:

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

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

27                   (3) authorize the coordinating entity to optimize the

1 value of each college and career pathway offered through the  
2 partnership by:

3 (A) determining scheduling;

4 (B) adding or removing a pathway;

5 (C) hiring pathway-specific personnel;

6 (D) developing and exercising final approval of  
7 pathway budgets, which must include at least 80 percent of the state  
8 and local funding to which each partnering school district is  
9 entitled under Chapter 48 and that is attributable to students'  
10 participation in the program, including an allotment under Section  
11 48.106 or 48.118 and an outcome bonus under Section 48.110 or  
12 48.118; and

13 (E) determining other matters critical to the  
14 efficacy of the pathways; and

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

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

23 (f) A student enrolled in a college or career pathway  
24 offered through a partnership under the program is not considered  
25 for accountability purposes under Chapter 39 to have dropped out of  
26 high school or failed to complete the curriculum requirements for  
27 high school graduation until the sixth anniversary of the student's

1 first day in high school.

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

17 (h) From money appropriated for that purpose, the  
18 commissioner shall establish a grant program to assist in the  
19 planning and implementation of a partnership under the program.  
20 The commissioner may award a grant only to a coordinating entity  
21 that has entered into a performance agreement approved under  
22 Subsection (g). The commissioner may use not more than 15 percent  
23 of the money appropriated for the grant program to cover the cost of  
24 administering the grant program and to provide technical assistance  
25 and support to partnerships under the program.

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

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

3           (2) the period for which a partnership under the  
4 program may operate after commissioner approval before renewal of  
5 commissioner approval is required; and

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

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

11           (k) The commissioner may accept gifts, grants, and  
12 donations from any source, including private and nonprofit  
13 organizations, for the program. A private or nonprofit  
14 organization that contributes to the program may receive an award  
15 under Section 7.113.

16           SECTION 2. Subchapter C, Chapter 48, Education Code, is  
17 amended by adding Section 48.118 to read as follows:

18           Sec. 48.118. RURAL PATHWAY EXCELLENCE PARTNERSHIP (R-PEP)  
19 ALLOTMENT AND OUTCOME BONUS. (a) For each full-time equivalent  
20 student in average daily attendance in grades 9 through 12 in a  
21 college or career pathway offered through a partnership under the  
22 Rural Pathway Excellence Partnership (R-PEP) program under Section  
23 29.912, a school district is entitled to an allotment equal to the  
24 basic allotment or, if applicable, the sum of the basic allotment  
25 and the allotment under Section 48.101 to which the district is  
26 entitled, multiplied by:

27           (1) 1.15, if the student is educationally

1 disadvantaged; or

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

4 (b) Each year, the commissioner shall determine for each  
5 school district the minimum number of annual graduates of a college  
6 or career pathway described by Subsection (a) in each cohort  
7 described by Section 48.110(b) who would have to obtain not later  
8 than five years after high school graduation a postsecondary  
9 credential of value, including a degree, certificate, or other  
10 credential that prepares students for continued learning and  
11 greater earnings in the state economy, in order for the district to  
12 qualify for an outcomes bonus under Subsection (c).

13 (c) In addition to the allotment under Subsection (a), for  
14 each annual graduate in a cohort described by Subsection (b) who  
15 earns a postsecondary credential of value described by that  
16 subsection during the preceding school year in excess of the  
17 minimum number of students determined for the applicable district  
18 cohort for that school year, a school district is entitled to an  
19 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 3. Section 29.912, Education Code, as added by this  
8 Act, applies beginning with the 2023-2024 school year.

9       SECTION 4. (a) Except as provided by Subsection (b) of this  
10 section, this Act takes effect immediately if it receives a vote of  
11 two-thirds of all the members elected to each house, as provided by  
12 Section 39, Article III, Texas Constitution. If this Act does not  
13 receive the vote necessary for immediate effect, this Act takes  
14 effect September 1, 2023.

15       (b) Section 48.118, Education Code, as added by this Act,  
16 takes effect September 1, 2023.