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S.B. No. 1474

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to special education in public schools, including the  
3 special education allotment under the Foundation School Program, an  
4 education savings account program for certain children with  
5 disabilities, and a grant program to reimburse public schools for  
6 the cost of certain employer contributions for retirees of the  
7 Teacher Retirement System of Texas employed to teach or provide  
8 services related to special education.

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

10 SECTION 1. Effective September 1, 2024, Section 8.051(d),  
11 Education Code, is amended to read as follows:

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

15 (1) training and assistance in:

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

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

20 (2) training and assistance in providing each program  
21 that qualifies for a funding allotment under Section 48.102,  
22 48.1021, 48.104, 48.105, or 48.109;

23 (3) assistance specifically designed for a school  
24 district or campus assigned an unacceptable performance rating

1 under Section 39.054;

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

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

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

10 SECTION 2. Chapter 22, Education Code, is amended by adding  
11 Subchapter E to read as follows:

12 SUBCHAPTER E. RETIRED SPECIAL EDUCATION TEACHER GRANT PROGRAM

13 Sec. 22.151. RETIRED SPECIAL EDUCATION TEACHER GRANT  
14 PROGRAM. (a) From money appropriated or otherwise available for  
15 the purpose, the commissioner shall establish a grant program to  
16 reimburse school districts and open-enrollment charter schools for  
17 the cost of required contributions under Section 825.4092,  
18 Government Code, for the employment of a retiree hired to teach  
19 special education or provide services related to special education.

20 (b) A grant received under the program may only be used for  
21 the cost of required contributions for the employment of a retiree:

22 (1) who retired before September 1, 2022; or

23 (2) as provided by the General Appropriations Act.

24 (c) If the amount of grant requests under the program  
25 exceeds the amount appropriated or otherwise available for the  
26 purpose, the commissioner shall proportionately reduce the amount  
27 of each grant.

1 SECTION 3. Section 29.001, Education Code, is amended to  
2 read as follows:

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

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

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

23 (1) rulemaking, technical assistance, guidance  
24 documents, monitoring protocols, and other resources as necessary  
25 to implement and ensure compliance with federal and state law  
26 related to special education [~~ensure state compliance with~~  
27 ~~requirements for supplemental federal funding for all~~

1 ~~state-administered programs involving the delivery of~~  
2 ~~instructional or related services to students with disabilities];~~

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

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

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

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

27 (6) the provision of training and technical assistance

1 to ensure that:

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

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

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

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

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

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

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

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

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

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

5                    (vi) [~~(F)~~] exercise independent judgment  
6 in pursuing the child's interests; and

7                    (vii) [~~(G)~~] exercise the child's due  
8 process rights under applicable state and federal law; and

9                    (F) [~~(11) — ensure that~~] each district develops a  
10 process to be used by a teacher who instructs a student with a  
11 disability in a regular classroom setting:

12                    (i) [~~(A)~~] to request a review of the  
13 student's individualized education program;

14                    (ii) [~~(B)~~] to provide input in the  
15 development of the student's individualized education program;

16                    (iii) [~~(C)~~] that provides for a timely  
17 district response to the teacher's request; and

18                    (iv) [~~(D)~~] that provides for notification  
19 to the student's parent or legal guardian of that response.

20                    SECTION 4. Subchapter A, Chapter 29, Education Code, is  
21 amended by adding Section 29.0012 to read as follows:

22                    Sec. 29.0012. ANNUAL MEETING ON SPECIAL EDUCATION. (a) At  
23 least once each year, the board of trustees of a school district or  
24 the governing body of an open-enrollment charter school shall  
25 include during a public meeting a discussion of the performance of  
26 students receiving special education services at the district or  
27 school.

1        (b) The agency by rule shall adopt a set of performance  
2 indicators for measuring and evaluating the quality of learning and  
3 achievement for students receiving special education services at  
4 the school district or open-enrollment charter school to be  
5 considered at a meeting held under this section. The indicators  
6 must include performance on the college, career, or military  
7 readiness outcomes described by Section 48.110.

8        SECTION 5. Section 29.003, Education Code, is amended to  
9 read as follows:

10        Sec. 29.003. ELIGIBILITY CRITERIA. (a) The agency shall  
11 develop specific eligibility criteria based on the general  
12 classifications established by this section and in accordance with  
13 federal law [~~with reference to contemporary diagnostic or~~  
14 ~~evaluative terminologies and techniques~~]. Eligible students with  
15 disabilities shall enjoy the right to a free appropriate public  
16 education, which may include instruction in the regular classroom,  
17 instruction through special teaching, or instruction through  
18 contracts approved under this subchapter. Instruction shall be  
19 supplemented by the provision of related services when appropriate.

20        (b) A student is eligible to participate in a school  
21 district's special education program [~~if the student~~]:

22                (1) from birth through [~~is not more than~~] 21 years of  
23 age if the student [~~and~~] has a visual [~~or auditory~~] impairment or is  
24 deaf or hard of hearing and that disability prevents the student  
25 from being adequately or safely educated in public school without  
26 the provision of special education services; [~~or~~]

27                (2) from three years of age through five years of age

1 if the student is experiencing developmental delays as described by  
2 20 U.S.C. Section 1401(3)(B) and defined by commissioner rule; or  
3 (3) from 3 years of age through ~~[is at least three but~~  
4 ~~not more than]~~ 21 years of age if the student ~~[and]~~ has one or more  
5 of the ~~[following]~~ disabilities described by 20 U.S.C. Section  
6 1401(3)(A) and that disability prevents the student from being  
7 adequately or safely educated in public school without the  
8 provision of special education services[+]

9 ~~[(A) physical disability;~~

10 ~~[(B) intellectual or developmental disability;~~

11 ~~[(C) emotional disturbance;~~

12 ~~[(D) learning disability;~~

13 ~~[(E) autism;~~

14 ~~[(F) speech disability; or~~

15 ~~[(G) traumatic brain injury].~~

16 SECTION 6. Subchapter A, Chapter 29, Education Code, is  
17 amended by adding Section 29.0056 to read as follows:

18 Sec. 29.0056. INFORMATION REGARDING STATE SUPPORTED LIVING  
19 CENTERS. (a) In this section, "state supported living center" has  
20 the meaning assigned by Section 531.002, Health and Safety Code.

21 (b) The Health and Human Services Commission, in  
22 collaboration with the agency and stakeholders who represent the  
23 full continuum of educational residential placement options, shall  
24 develop and provide to the agency materials regarding educational  
25 residential placement options for children who may qualify for  
26 placement in a state supported living center. The agency shall make  
27 the materials developed under this subsection available to school



1 districts.

2 (c) At a meeting of a child's admission, review, and  
3 dismissal committee at which residential placement is discussed,  
4 the school district shall provide to the child's parent the  
5 materials developed under Subsection (b).

6 SECTION 7. Section 29.008, Education Code, is amended by  
7 amending Subsections (a) and (b) and adding Subsection (a-1) to  
8 read as follows:

9 (a) The commissioner shall establish a list of approved  
10 public or private facilities, institutions, or agencies inside or  
11 outside of this state that a [A] school district, shared services  
12 arrangement unit, or regional education service center may contract  
13 with [a public or private facility, institution, or agency inside  
14 or outside of this state] for the provision of services to students  
15 with disabilities in a residential placement. The commissioner may  
16 approve either the whole or a part of a facility or program.

17 (a-1) Each contract described by this section [~~for~~  
18 ~~residential placement~~] must be approved by the commissioner. The  
19 commissioner may approve a [~~residential placement~~] contract under  
20 this section only after at least a programmatic evaluation of  
21 personnel qualifications, costs, adequacy of physical plant and  
22 equipment, and curriculum content. [~~The commissioner may approve~~  
23 ~~either the whole or a part of a facility or program.~~]

24 (b) Except as provided by Subsection (c), costs of an  
25 approved contract for residential placement may be paid from a  
26 combination of federal, state, and local funds. The local share of  
27 the total contract cost for each student is that portion of the

1 local tax effort that exceeds the district's local fund assignment  
2 under Section 48.256, divided by the average daily attendance in  
3 the district. If the contract involves a private facility, the  
4 state share of the total contract cost is that amount remaining  
5 after subtracting the local share. If the contract involves a  
6 public facility, the state share is that amount remaining after  
7 subtracting the local share from the portion of the contract that  
8 involves the costs of instructional and related services. For  
9 purposes of this subsection, "local tax effort" means the total  
10 amount of money generated by taxes imposed for debt service and  
11 maintenance and operation less any amounts paid into a tax  
12 increment fund under Chapter 311, Tax Code. This subsection  
13 expires September 1, 2027.

14 SECTION 8. The heading to Section 29.009, Education Code,  
15 is amended to read as follows:

16 Sec. 29.009. PUBLIC NOTICE CONCERNING EARLY CHILDHOOD  
17 SPECIAL EDUCATION [~~PRESCHOOL~~] PROGRAMS [~~FOR STUDENTS WITH~~  
18 ~~DISABILITIES~~].

19 SECTION 9. Section 29.010, Education Code, is amended to  
20 read as follows:

21 Sec. 29.010. GENERAL SUPERVISION AND COMPLIANCE. (a) The  
22 agency shall develop [~~adopt~~] and implement a comprehensive system  
23 for monitoring school district compliance with federal and state  
24 laws relating to special education. The monitoring system must  
25 include a comprehensive cyclical process and a targeted risk-based  
26 process [~~provide for ongoing analysis of district special education~~  
27 ~~data and of complaints filed with the agency concerning special~~

1 ~~education services and for inspections of school districts at~~  
2 ~~district facilities].~~ The agency shall establish criteria and  
3 instruments for use in determining district compliance under this  
4 section [~~use the information obtained through analysis of district~~  
5 ~~data and from the complaints management system to determine the~~  
6 ~~appropriate schedule for and extent of the inspection)].~~

7 (b) As part of the monitoring process [~~To complete the~~  
8 ~~inspection]~~, the agency must obtain information from parents and  
9 teachers of students in special education programs in the district.

10 (c) The agency shall develop and implement a system of  
11 interventions and sanctions for school districts the agency  
12 identifies as being in noncompliance with [~~whose most recent~~  
13 ~~monitoring visit shows a failure to comply with major requirements~~  
14 ~~of]~~ the Individuals with Disabilities Education Act (20 U.S.C.  
15 Section 1400 et seq.), federal regulations, state statutes, or  
16 agency requirements necessary to carry out federal law or  
17 regulations or state law relating to special education.

18 (d) The agency shall establish a graduated process of  
19 sanctions to apply to [~~For]~~ districts that remain in noncompliance  
20 for more than one year[~~, the first stage of sanctions shall begin~~  
21 ~~with annual or more frequent monitoring visits]. The [~~Subsequent~~  
22 ~~sanctions shall~~ may] range in severity and may include [~~up to~~] the  
23 withholding of funds. If funds are withheld, the agency may use the  
24 funds to provide, through alternative arrangements, services to  
25 students and staff members in the district from which the funds are  
26 withheld.~~

27 (e) The agency's complaint management division shall

1 develop a system for expedited investigation and resolution of  
2 complaints concerning a district's failure to provide special  
3 education or related services to a student eligible to participate  
4 in the district's special education program.

5 ~~[(f) This section does not create an obligation for or  
6 impose a requirement on a school district or open-enrollment  
7 charter school that is not also created or imposed under another  
8 state law or a federal law.]~~

9 SECTION 10. Effective September 1, 2024, Section 29.014(d),  
10 Education Code, is amended to read as follows:

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

16 SECTION 11. Section 29.018, Education Code, is amended by  
17 adding Subsection (g) to read as follows:

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

19 SECTION 12. Sections 29.022(a), (a-1), (b), (c), (c-1),  
20 (d), (f), (h), (k), (l), (s), and (t), Education Code, are amended  
21 to read as follows:

22 (a) In order to promote student safety, on receipt of a  
23 written request authorized under Subsection (a-1), a school  
24 district or open-enrollment charter school shall provide  
25 equipment, including a video camera, to the school or schools in the  
26 district or the charter school campus or campuses specified in the  
27 request. A school or campus that receives equipment as provided by

1 this subsection shall place, operate, and maintain one or more  
2 video cameras in special education [~~self-contained~~] classrooms and  
3 other special education settings [~~in which a majority of the~~  
4 ~~students in regular attendance are provided special education and~~  
5 ~~related services and are assigned to one or more self-contained~~  
6 ~~classrooms or other special education settings for at least 50~~  
7 ~~percent of the instructional day)], provided that:~~

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

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

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

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

25           (2) a board of trustees or governing body may request  
26 in writing that equipment be provided to one or more specified  
27 schools or campuses at which one or more children receive special

1 education services in special education [~~self-contained~~]  
2 classrooms or other special education settings;

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

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

14 (b) A school or campus that places a video camera in a  
15 special education classroom or other special education setting in  
16 accordance with Subsection (a) shall operate and maintain the video  
17 camera in the classroom or setting, as long as the classroom or  
18 setting continues to satisfy the requirements under Subsection (a),  
19 for the remainder of the school year in which the school or campus  
20 received the request, unless the requestor withdraws the request in  
21 writing. If for any reason a school or campus will discontinue  
22 operation of a video camera during a school year, not later than the  
23 fifth school day before the date the operation of the video camera  
24 will be discontinued, the school or campus must notify the parents  
25 of each student in regular attendance in the classroom or setting  
26 that operation of the video camera will not continue unless  
27 requested by a person eligible to make a request under Subsection

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

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

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

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

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

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

26 (f) A school district or open-enrollment charter school may  
27 solicit and accept gifts, grants, and donations from any person for

1 use in placing video cameras in special education classrooms or  
2 other special education settings under this section.

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

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

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

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

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

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

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



1 request;

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

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

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

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

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

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

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

27           (s) This section applies to the placement, operation, and

1 maintenance of a video camera in a special education  
2 [~~self-contained~~] classroom or other special education setting  
3 during the regular school year and extended school year services.

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

8 SECTION 13. Sections 29.022(u)(3) and (4), Education Code,  
9 are amended to read as follows:

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

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

21 SECTION 14. Section 29.026(i), Education Code, is amended  
22 to read as follows:

23 (i) A program selected to receive a grant under this section  
24 is [~~The commissioner shall select programs and award grant funds to~~  
25 ~~those programs beginning in the 2018-2019 school year. The~~  
26 ~~selected programs are~~] to be funded for two years.

27 SECTION 15. Section 29.027(d), Education Code, is amended

1 to read as follows:

2 (d) A grant under this section is [~~The commissioner shall~~  
3 ~~select grant recipients and award grant funds beginning in the~~  
4 ~~2021-2022 school year. The grants are~~] to be awarded for two years.

5 SECTION 16. Subchapter A, Chapter 29, Education Code, is  
6 amended by adding Section 29.029 to read as follows:

7 Sec. 29.029. SUPPORTS FOR RECRUITING SPECIAL EDUCATION  
8 STAFF. (a) From funds appropriated or otherwise available for the  
9 purpose, the agency shall provide grants to school districts and  
10 open-enrollment charter schools to increase the number of qualified  
11 and appropriately credentialed special education staff, including  
12 special education teachers, special education paraprofessionals,  
13 evaluation personnel, ancillary instruction personnel, and related  
14 service personnel.

15 (b) A school district or open-enrollment charter school  
16 that receives a grant under this section shall require each person  
17 the district or school uses the grant money to assist in becoming  
18 licensed, certified, or otherwise credentialed as described by  
19 Subsection (a) to work at the district or school for a period  
20 established by commissioner rule.

21 (c) The commissioner shall adopt rules establishing the  
22 period of required employment described by Subsection (b) and any  
23 other rules necessary to implement this section.

24 SECTION 17. The heading to Subchapter A-1, Chapter 29,  
25 Education Code, is amended to read as follows:

1 SUBCHAPTER A-1. PARENT-DIRECTED [~~SUPPLEMENTAL SPECIAL EDUCATION~~]  
2 SERVICES FOR STUDENTS RECEIVING SPECIAL EDUCATION SERVICES  
3 [~~PROGRAM~~]

4 SECTION 18. Sections 29.041(2) and (3), Education Code, are  
5 amended to read as follows:

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

11 (3) "Supplemental [~~special education~~] services" means  
12 an additive service that provides an educational benefit to a  
13 student receiving special education services under Subchapter A,  
14 including:

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

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

19 SECTION 19. Sections 29.042(a) and (c), Education Code, are  
20 amended to read as follows:

21 (a) The agency by rule shall establish and administer a  
22 parent-directed [~~supplemental special education services and~~  
23 ~~instructional materials~~] program for students receiving special  
24 education services, through which a parent may direct supplemental  
25 services and supplemental instructional materials for the parent's  
26 student [~~students~~] who meets [~~meet~~] the eligibility requirements  
27 for participation in the program. Subject to Subsection (c), the

1 agency shall provide each student approved as provided by this  
2 subchapter a grant in the amount provided under Section 48.305 [~~of~~  
3 ~~not more than \$1,500~~] to purchase supplemental [~~special education~~]  
4 services and supplemental [~~special education~~] instructional  
5 materials.

6 (c) A student may receive a grant under this subchapter once  
7 while enrolled in a grade level below grade six and once while  
8 enrolled in grade six or above. A student may receive an additional  
9 grant under this subchapter if the legislature appropriates money  
10 for the additional grant in the General Appropriations Act [~~The~~  
11 ~~commissioner shall set aside an amount not to exceed \$30 million~~  
12 ~~from the total amount of funds appropriated for each state fiscal~~  
13 ~~year to fund the program under this section. For each state fiscal~~  
14 ~~year, the total amount provided for student grants under Subsection~~  
15 ~~(a) may not exceed the amount set aside by the commissioner under~~  
16 ~~this subsection~~].

17 SECTION 20. Section 29.045, Education Code, is amended to  
18 read as follows:

19 Sec. 29.045. APPROVAL OF APPLICATION; ASSIGNMENT OF  
20 ACCOUNT. The [~~Subject to available funding the~~] agency shall  
21 approve each student who meets the program eligibility criteria  
22 established under Section 29.044 and assign to the student an  
23 account maintained under Section 29.042(b). The account may only  
24 be used by the student's parent to purchase supplemental [~~special~~  
25 ~~education~~] services or supplemental [~~special education~~]  
26 instructional materials for the student, subject to Sections 29.046  
27 and 29.047.

1 SECTION 21. Sections 29.046(a) and (b), Education Code, are  
2 amended to read as follows:

3 (a) Money in an account assigned to a student under Section  
4 29.045 may be used only for supplemental [~~special education~~]  
5 services and supplemental [~~special education~~] instructional  
6 materials.

7 (b) Supplemental [~~special education~~] services must be  
8 provided by an agency-approved provider.

9 SECTION 22. Sections 29.047(a), (c), (d), and (e),  
10 Education Code, are amended to read as follows:

11 (a) The agency shall establish criteria necessary for  
12 agency approval for each category of provider of a professional  
13 service that is a supplemental [~~special education~~] service, as  
14 identified by the agency.

15 (c) The agency shall provide a procedure for providers of  
16 supplemental [~~special education~~] services to apply to the agency to  
17 become an agency-approved provider.

18 (d) The agency may establish criteria for agency approval of  
19 vendors for each category of supplemental [~~special education~~]  
20 instructional materials identified by the agency.

21 (e) If the agency establishes criteria for agency approval  
22 for a vendor of a category of supplemental [~~special education~~]  
23 instructional materials, the agency shall provide a procedure for  
24 vendors of that category to apply to the agency to become an  
25 agency-approved vendor.

26 SECTION 23. Subchapter A-1, Chapter 29, Education Code, is  
27 amended by adding Section 29.0475 to read as follows:

1       Sec. 29.0475. PROGRAM PARTICIPANT, PROVIDER, AND VENDOR  
2 AUTONOMY. (a) A provider of supplemental services or vendor of  
3 supplemental instructional materials that receives money  
4 distributed under the program is not a recipient of federal  
5 financial assistance on the basis of receiving that money.

6       (b) A rule adopted or action taken related to the program by  
7 an individual, governmental entity, court of law, or program  
8 administrator may not:

9           (1) consider the actions of a provider of supplemental  
10 services, vendor of supplemental instructional materials, or  
11 program participant to be the actions of an agent of state  
12 government;

13           (2) limit:

14                   (A) a provider of supplemental services' ability  
15 to determine the methods used to educate the provider's students or  
16 to exercise the provider's religious or institutional values; or

17                   (B) a program participant's ability to determine  
18 the participant's educational content or to exercise the  
19 participant's religious values;

20           (3) obligate a provider of supplemental services or  
21 program participant to act contrary to the provider's or  
22 participant's religious or institutional values, as applicable;

23           (4) impose any regulation on a provider of  
24 supplemental services, vendor of supplemental instructional  
25 materials, or program participant beyond those regulations  
26 necessary to enforce the requirements of the program; or

27           (5) require as a condition of receiving money

1 distributed under the program:

2 (A) a provider of supplemental services to modify  
3 the provider's creed, practices, admissions policies, curriculum,  
4 performance standards, employment policies, or assessments; or

5 (B) a program participant to modify the  
6 participant's creed, practices, curriculum, performance standards,  
7 or assessments.

8 (c) In a proceeding challenging a rule adopted by a state  
9 agency or officer under this subchapter, the agency or officer has  
10 the burden of proof to establish by clear and convincing evidence  
11 that the rule:

12 (1) is necessary to implement or enforce the program  
13 as provided by this subchapter;

14 (2) does not violate this section;

15 (3) does not impose an undue burden on a program  
16 participant or a provider of supplemental services or vendor of  
17 supplemental instructional materials that participates or applies  
18 to participate in the program; and

19 (4) is the least restrictive means of accomplishing  
20 the purpose of the program while recognizing the independence of a  
21 provider of supplemental services to meet the educational needs of  
22 students in accordance with the provider's religious or  
23 institutional values.

24 SECTION 24. Section 29.048, Education Code, is amended to  
25 read as follows:

26 Sec. 29.048. ADMISSION, REVIEW, AND DISMISSAL COMMITTEE  
27 DUTIES. (a) A student's admission, review, and dismissal



1 committee shall develop a student's individualized education  
2 program under Section 29.005, in compliance with the Individuals  
3 with Disabilities Education Act (20 U.S.C. Section 1400 et seq.),  
4 without consideration of any supplemental [~~special education~~]  
5 services or supplemental instructional materials that may be  
6 provided under the program under this subchapter.

7 (b) Unless the district first verifies that an account has  
8 been assigned to the student under Section 29.045, the [The]  
9 admission, review, and dismissal committee of a student approved  
10 for participation in the program shall provide to the student's  
11 parent at an admission, review, and dismissal committee meeting for  
12 the student:

13 (1) information regarding the types of supplemental  
14 [~~special education~~] services or supplemental instructional  
15 materials available under the program and provided by  
16 agency-approved providers for which an account maintained under  
17 Section 29.042(b) for the student may be used; and

18 (2) instructions regarding accessing an account  
19 described by Subdivision (1).

20 SECTION 25. Subchapter A-1, Chapter 29, Education Code, is  
21 amended by adding Section 29.0485 to read as follows:

22 Sec. 29.0485. DETERMINATION OF COMMISSIONER FINAL.  
23 Notwithstanding Section 7.057, a determination of the commissioner  
24 under this subchapter is final and may not be appealed.

25 SECTION 26. Section 29.049, Education Code, is amended to  
26 read as follows:

27 Sec. 29.049. RULES. The commissioner shall adopt rules as

1 necessary to administer the supplemental [~~special education~~]  
2 services and supplemental instructional materials program under  
3 this subchapter.

4 SECTION 27. Section 29.315, Education Code, is amended to  
5 read as follows:

6 Sec. 29.315. TEXAS SCHOOL FOR THE DEAF MEMORANDUM OF  
7 UNDERSTANDING. The Texas Education Agency and the Texas School for  
8 the Deaf shall develop [~~, agree to, and by commissioner rule adopt no~~  
9 ~~later than September 1, 1998,~~] a memorandum of understanding to  
10 establish:

11 (1) the method for developing and reevaluating a set  
12 of indicators of the quality of learning at the Texas School for the  
13 Deaf;

14 (2) the process for the agency to conduct and report on  
15 an annual evaluation of the school's performance on the indicators;

16 (3) the requirements for the school's board to  
17 publish, discuss, and disseminate an annual report describing the  
18 educational performance of the school;

19 (4) the process for the agency to assign an  
20 accreditation status to the school, to reevaluate the status on an  
21 annual basis, and, if necessary, to conduct monitoring reviews; and

22 (5) the type of information the school shall be  
23 required to provide through the Public Education Information  
24 Management System (PEIMS).

25 SECTION 28. 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 29. Chapter 29, Education Code, is amended by  
19 adding Subchapter J to read as follows:

20 SUBCHAPTER J. EDUCATION SAVINGS ACCOUNT PROGRAM

21 Sec. 29.351. DEFINITIONS. In this subchapter:

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

24 (2) "Child with a disability" means a child who is:

25 (A) eligible to participate in a school  
26 district's special education program under Section 29.003; or

27 (B) covered by Section 504, Rehabilitation Act of

1 1973 (29 U.S.C. Section 794).

2 (3) "Curriculum" means a complete course of study for  
3 a particular content area or grade level.

4 (4) "Financial institution" means a bank, credit  
5 union, savings bank, or savings and loan association organized  
6 under the laws of this state, the laws of another state, or federal  
7 law that has its main office or a branch office in this state. The  
8 term does not include any institution the deposits of which are not  
9 insured by the Federal Deposit Insurance Corporation or the  
10 National Credit Union Administration.

11 (5) "Institution of higher education" and "private or  
12 independent institution of higher education" have the meanings  
13 assigned by Section 61.003.

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

18 (7) "Program" means the education savings account  
19 program established under this subchapter.

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

22 Sec. 29.352. PURPOSES. The purposes of the education  
23 savings account program are to:

24 (1) improve public schools and overall academic  
25 performance;

26 (2) promote efficiency;

27 (3) promote and preserve the liberties and rights of

1 the people; and

2 (4) increase parental choice in learning  
3 opportunities and supports.

4 Sec. 29.353. ESTABLISHMENT OF PROGRAM. (a) The agency  
5 shall establish and administer an education savings account program  
6 to provide funding for certain education-related expenses of  
7 eligible children.

8 (b) The agency shall ensure that information about the  
9 program is readily available to parents of children with  
10 disabilities and the public through various sources, including the  
11 agency's Internet website. The information made available to  
12 parents of children with disabilities must include a notice that:

13 (1) states that a private school is not subject to laws  
14 regarding the provision of educational services in the same manner  
15 as a public school, and a child with a disability attending a  
16 private school may not receive the services a child with a  
17 disability attending a public school is entitled to receive under  
18 federal and state law;

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

22 (A) rights provided under the Individuals with  
23 Disabilities Education Act (20 U.S.C. Section 1400 et seq.),  
24 including:

25 (i) an individualized education program  
26 that provides a free and appropriate public education;

27 (ii) educational services provided in the

1 least restrictive environment;  
2 (iii) instruction from certified teachers;  
3 (iv) dispute resolution options to ensure  
4 proper and full implementation of an individualized education  
5 program;  
6 (v) transition and planning services; and  
7 (vi) supplementary aids and services;  
8 (B) rights provided under Subchapter A; and  
9 (C) other rights provided under federal or state  
10 law; and  
11 (3) provides information regarding the program,  
12 including:  
13 (A) the operation of an account;  
14 (B) expenses allowed under Section 29.357 and the  
15 consequences for using money in an account on expenses that are not  
16 allowed under that section; and  
17 (C) common service offerings.  
18 Sec. 29.354. ELIGIBLE CHILD. (a) A child is eligible to  
19 participate in the program if the child:  
20 (1) is a child with a disability;  
21 (2) is eligible to attend a public school under  
22 Section 25.001; and  
23 (3) meets at least one of the following criteria:  
24 (A) was enrolled in a public school in this state  
25 during the entire preceding school year;  
26 (B) was required to attend school under Section  
27 25.085 for less than the entire preceding school year due to the

1 child's age or nonresidence in this state; or

2 (C) participated in the program during the  
3 preceding school year.

4 (b) A child who establishes eligibility under this section  
5 may participate in the program until the earliest of the following  
6 dates:

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

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

11 (3) the date on which the child enrolls in a public  
12 school, including an open-enrollment charter school; or

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

15 (c) Notwithstanding Subsection (b), the commissioner shall  
16 establish a process for, in the least disruptive manner possible:

17 (1) a child participating in the program to cease  
18 participation and enroll in a public school, including an  
19 open-enrollment charter school; and

20 (2) a child who previously participated in the program  
21 and subsequently enrolled in a public school, including an  
22 open-enrollment charter school, to resume participation in the  
23 program.

24 Sec. 29.355. ENROLLMENT IN PROGRAM. (a) A parent of an  
25 eligible child may enroll the child in the program for the following  
26 school year.

27 (b) The commissioner shall by rule create an enrollment



1 application for the program and make the enrollment application  
2 readily available to interested parents through various sources,  
3 including the agency's Internet website. An enrollment application  
4 for the program must be submitted to the commissioner  
5 electronically.

6 (c) The commissioner shall post on the agency's Internet  
7 website and provide to each parent who submits an enrollment  
8 application a publication that describes the operation of the  
9 program, including:

10 (1) expenses allowed under the program under Section  
11 29.357;

12 (2) expense reporting requirements; and

13 (3) a description of the responsibilities of program  
14 participants and the duties of the commissioner under this  
15 subchapter.

16 (d) The commissioner shall provide to each parent who  
17 submits an enrollment application a written copy of the notice  
18 described by Section 29.353(b). Before the parent may receive  
19 funding under the program, the parent must sign an acknowledgment  
20 of receipt and understanding of the notice and return the signed  
21 acknowledgment to the commissioner.

22 Sec. 29.356. PARTICIPATION IN PROGRAM. (a) To receive  
23 funding under the program, a parent of an eligible child must agree  
24 to:

25 (1) spend funds received through the program only for  
26 expenses allowed under Section 29.357;

27 (2) notify the commissioner if the child enrolls in a

1 public school, including an open-enrollment charter school, not  
2 later than the 30th day after the date of enrollment;

3 (3) provide to the commissioner information necessary  
4 to determine the child's eligibility and the amount to which the  
5 child is entitled under the program;

6 (4) ensure that the child's quality of learning is  
7 appropriately measured in accordance with Subsection (d) and  
8 commissioner rule and report the results to the agency; and

9 (5) inform the commissioner if the child graduates  
10 from high school.

11 (b) The parent of a child participating in the program is  
12 the trustee of the child's account.

13 (c) The commissioner shall provide annually to each program  
14 participant the publication provided under Section 29.355(c).

15 (d) The commissioner shall adopt a list of approved  
16 instruments that allow for a comparison between the quality of  
17 educational attainment for a child participating in the program and  
18 for students in other educational placements. To the extent  
19 practicable, the list must include nationally norm-referenced  
20 assessments and assessment instruments adopted under Section  
21 39.023. A child's performance on an instrument approved under this  
22 subsection for measuring a child's quality of learning may not be  
23 considered in determining the child's eligibility to participate in  
24 the program.

25 Sec. 29.357. APPROVED EDUCATION-RELATED EXPENSES.

26 (a) Funds received under the program may be used only for the  
27 following expenses incurred by a program participant:

- 1           (1) tuition and fees:
- 2           (A) at a private school accredited by an entity  
3 recognized by the commissioner as an accrediting entity for private  
4 schools in this state;
- 5           (B) at an institution of higher education or a  
6 private or independent institution of higher education;
- 7           (C) for an online educational course or program;  
8 or
- 9           (D) for a program that provides training for an  
10 industry-based certification;
- 11          (2) the purchase of textbooks or other instructional  
12 materials required by a school, institution, course, or program  
13 described by Subdivision (1) in which the child is enrolled;
- 14          (3) fees for classes or other educational services  
15 provided by a public school, including an open-enrollment charter  
16 school, if the classes or services do not qualify the child to be  
17 included in the school's average daily attendance;
- 18          (4) fees for services provided by a private tutor or  
19 teaching service;
- 20          (5) fees paid to a vendor for transportation to and  
21 from school, not to exceed \$500 per year;
- 22          (6) fees for educational therapies or services  
23 provided by a practitioner or provider;
- 24          (7) costs of computer hardware and software and other  
25 technological devices prescribed to facilitate a child's education  
26 by a physician, therapist, or other licensed service provider;
- 27          (8) fees for a nationally norm-referenced achievement

1 test or examination, an assessment instrument adopted under Section  
2 39.023, an advanced placement test or similar examination, an  
3 examination related to college or university admission, or any  
4 other instrument included on the agency's list under Section  
5 29.356(d);

6 (9) fees for the management of the participant's  
7 account charged by a financial institution;

8 (10) costs of breakfast or lunch provided to a child  
9 during the school day by a private school;

10 (11) the purchase of school uniforms required by a  
11 private school;

12 (12) costs of a school-age program, as defined by  
13 Section 42.002, Human Resources Code; and

14 (13) costs of a youth camp licensed under Chapter 141,  
15 Health and Safety Code, that provides educational services.

16 (b) Expenses allowed under Subsection (a) do not include  
17 expenses for:

18 (1) consumable supplies, including paper, pens,  
19 pencils, folders, and notebooks; or

20 (2) food, other than breakfast or lunch as authorized  
21 under Subsection (a)(10).

22 (c) Any money remaining in a program participant's account  
23 on the child's graduation from high school may be used by the child  
24 for tuition, fees, textbooks, and other instructional materials to  
25 attend or take courses from an institution of higher education or a  
26 private or independent institution of higher education.

27 (d) An education service provider or vendor of educational

1 products must provide a program participant with a receipt for each  
2 expense allowed under Subsection (a) charged by the provider or  
3 vendor to the participant.

4 (e) The content, subject to Section 29.364(c), or religious  
5 nature of a product or service may not be considered in determining  
6 whether a payment for the product or service is an expense allowed  
7 under Subsection (a).

8 (f) A finding that a program participant used funds  
9 distributed under the program to pay for an expense not allowed  
10 under Subsection (a) does not affect the validity of any payment  
11 made by the participant for an expense that is allowed under that  
12 subsection.

13 Sec. 29.358. AMOUNT OF PAYMENT; FINANCING. (a) A parent  
14 of an eligible child shall receive each year that the child  
15 participates in the program a payment from the state to the child's  
16 account in the amount provided under Section 48.306.

17 (b) Money in an account may not be considered to be the  
18 property of a program participant and may be spent only in  
19 accordance with this subchapter.

20 (c) Any funds remaining in a child's account at the end of a  
21 fiscal year are carried forward to the next fiscal year unless  
22 another provision of this subchapter mandates the closure of the  
23 account.

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

27 Sec. 29.359. ADMINISTRATION OF ACCOUNTS. (a) The

1 commissioner may contract with one or more financial institutions  
2 or other entities that accept fiduciary responsibility to establish  
3 and manage an account for each child participating in the program.  
4 A program participant must be able to access the participant's  
5 account by using an online or electronic transfer payment service.

6 (b) The commissioner shall make quarterly payments to each  
7 program participant's account in equal amounts, with the first  
8 payment for each school year made on September 1 and the remaining  
9 payments made on or before the 15th days of November, February, and  
10 May.

11 (c) After the end of each fiscal year, the commissioner  
12 shall reconcile payments made to and from all accounts under the  
13 program.

14 (d) On the earlier of the child's 26th birthday or the sixth  
15 anniversary of the child's graduation from high school, the child's  
16 account is closed and any remaining funds are returned to the state.

17 (e) The commissioner may contract with an entity to  
18 administer all or any part of the program.

19 (f) An entity responsible for managing accounts:

20 (1) shall ensure that each expenditure from an account  
21 is for an expense allowed under Section 29.357; and

22 (2) may require a program participant to submit any  
23 information necessary to make the determination described by  
24 Subdivision (1).

25 Sec. 29.360. RANDOM AUDITING OF ACCOUNTS. (a) The  
26 commissioner may randomly audit accounts as necessary to ensure  
27 compliance with applicable law and the requirements of the program.

1 The commissioner may contract with another entity to audit accounts  
2 under this section.

3 (b) In auditing an account, the commissioner or an entity  
4 contracted to audit accounts under this section may require that a  
5 program participant provide further information and documentation  
6 regarding any payment from the participant's account.

7 (c) An entity contracted to audit accounts under this  
8 section shall report to the commissioner any violation of this  
9 subchapter or other relevant law found by the entity during an audit  
10 conducted under this section.

11 Sec. 29.361. SUSPENSION OF ACCOUNT. (a) The commissioner  
12 shall suspend the account of a program participant who fails to  
13 comply with applicable law or a requirement of the program,  
14 including a requirement under Section 29.356(a), or who  
15 substantially misuses funds received under the program.

16 (b) On suspension of an account under Subsection (a), the  
17 commissioner shall notify the program participant in writing that  
18 the account has been suspended and that no further payments may be  
19 made from the account. The notification must specify the grounds  
20 for the suspension and state that the participant has 10 business  
21 days to respond and take any corrective action required by the  
22 commissioner.

23 (c) On the expiration of the 10-day period under Subsection  
24 (b), the commissioner shall:

25 (1) order permanent closure of the suspended account  
26 and declare the program participant ineligible for the program;

27 (2) order temporary reinstatement of the account,

1 conditioned on the performance of a specified action by the  
2 participant; or

3 (3) order full reinstatement of the account.

4 (d) The commissioner may recover funds distributed under  
5 the program that were used for expenses not allowed under Section  
6 29.357(a) from the program participant or the entity that received  
7 the funds if the participant's account is suspended or closed under  
8 this section.

9 Sec. 29.362. LIMITATION ON AMOUNTS CHARGED; REFUND  
10 PROHIBITED. (a) An education service provider may not:

11 (1) charge a child participating in the program an  
12 amount greater than the standard amount charged for that service by  
13 the provider; or

14 (2) increase the amount charged to a child  
15 participating in the program for a service:

16 (A) if the total amount charged to the child for  
17 that service by the provider during the preceding year was less than  
18 two-thirds of the amount deposited in the child's account for that  
19 year, to an amount that exceeds two-thirds of the amount deposited  
20 in the child's account for the current year; or

21 (B) if the total amount charged to the child for  
22 that service by the provider during the preceding year was  
23 two-thirds or more of the amount deposited in the child's account  
24 for that year, by more than five percent of the amount charged to  
25 the child for that service by the provider during the preceding  
26 year.

27 (b) An education service provider or a vendor of educational



1 products receiving funds distributed under the program may not in  
2 any manner rebate, refund, or credit to or share with a program  
3 participant, or any person on behalf of a participant, any program  
4 funds paid or owed by the participant to the provider or vendor.

5 Sec. 29.363. REFERRAL TO ATTORNEY GENERAL. (a) If the  
6 commissioner obtains evidence of fraudulent use of an account, the  
7 commissioner may refer the case to the attorney general for  
8 investigation.

9 (b) With the consent of the appropriate local county or  
10 district attorney, the attorney general has concurrent  
11 jurisdiction with the consenting local prosecutor to prosecute an  
12 offense referred to the attorney general under Subsection (a).

13 Sec. 29.364. PROVIDER ACCOUNTABILITY. (a) To receive  
14 funds distributed under the program, a private school must be  
15 accredited by an entity recognized by the commissioner as an  
16 accrediting entity for private schools in this state.

17 (b) To receive funds distributed under the program, an  
18 education service provider that provides a full course load to a  
19 child participating in the program must administer to the child an  
20 instrument included on the list adopted by the commissioner under  
21 Section 29.356(d) and report the results to the agency.

22 (c) A practitioner or provider who provides educational  
23 therapies or services must be licensed or accredited by a regional  
24 or national accrediting organization to receive funds distributed  
25 under the program.

26 (d) A private tutor, teaching service, online educational  
27 course or program provider, or industry-based certification

1 training provider must apply to and be approved by the agency to  
2 receive funds distributed under the program.

3 (e) To be eligible for approval under Subsection (d), a  
4 private tutor or each employee of a teaching service who intends to  
5 provide educational services to a program participant must:

6 (1) complete a national criminal history record  
7 information review; or

8 (2) provide to the agency documentation indicating  
9 that the tutor or employee, as applicable, has completed a national  
10 criminal history record information review within a period  
11 established by commissioner rule.

12 (f) The agency shall review the national criminal history  
13 record information or documentation for each private tutor or  
14 employee of a teaching service who submits an application under  
15 Subsection (d). The tutor or employee must provide the agency with  
16 any information requested by the agency to enable the agency to  
17 complete the review.

18 (g) The agency shall maintain and post on the agency's  
19 Internet website a list of private tutors, teaching services,  
20 online educational course or program providers, and industry-based  
21 certification training providers approved to receive funds  
22 distributed under the program.

23 (h) A private tutor, teaching service, online educational  
24 course or program provider, or industry-based certification  
25 training provider may appeal the agency's rejection of an  
26 application submitted under Subsection (d). The agency shall  
27 review the application and make a recommendation to the

1 commissioner regarding whether to approve or reject the  
2 application. A decision of the commissioner under this section is  
3 final and may not be appealed.

4 Sec. 29.365. PROGRAM PARTICIPANT, PROVIDER, AND VENDOR  
5 AUTONOMY. (a) An education service provider or vendor of  
6 educational products that receives money distributed under the  
7 program is not a recipient of federal financial assistance on the  
8 basis of receiving that money.

9 (b) A rule adopted or action taken related to the program by  
10 an individual, governmental entity, court of law, or program  
11 administrator may not:

12 (1) consider the actions of an education service  
13 provider, vendor of educational products, or program participant to  
14 be the actions of an agent of state government;

15 (2) limit:

16 (A) an education service provider's ability to  
17 determine the methods used to educate the provider's students or to  
18 exercise the provider's religious or institutional values; or

19 (B) a program participant's ability to determine  
20 the participant's educational content or to exercise the  
21 participant's religious values;

22 (3) obligate an education service provider or program  
23 participant to act contrary to the provider's or participant's  
24 religious or institutional values, as applicable;

25 (4) impose any regulation on an education service  
26 provider, vendor of educational products, or program participant  
27 beyond those regulations necessary to enforce the requirements of

1 the program; or

2 (5) require as a condition of receiving money  
3 distributed under the program:

4 (A) an education service provider to modify the  
5 provider's creed, practices, admissions policies, curriculum,  
6 performance standards, employment policies, or assessments; or

7 (B) a program participant to modify the  
8 participant's creed, practices, curriculum, performance standards,  
9 or assessments.

10 (c) In a proceeding challenging a rule adopted by a state  
11 agency or officer under this subchapter, the agency or officer has  
12 the burden of proof to establish by clear and convincing evidence  
13 that the rule:

14 (1) is necessary to implement or enforce the program  
15 as provided by this subchapter;

16 (2) does not violate this section;

17 (3) does not impose an undue burden on a program  
18 participant or an education service provider or vendor of  
19 educational products that participates or applies to participate in  
20 the program; and

21 (4) is the least restrictive means of accomplishing  
22 the purpose of the program while recognizing the independence of an  
23 education service provider to meet the educational needs of  
24 students in accordance with the provider's religious or  
25 institutional values.

26 Sec. 29.366. STUDENT RECORDS AND INFORMATION. On request  
27 by the parent of a child participating in the program, the school

1 district or open-enrollment charter school that the child would  
2 otherwise attend shall provide a copy of the child's school records  
3 possessed by the district or school, if any, to the child's parent  
4 or, if applicable, the private school the child attends.

5 Sec. 29.367. ANNUAL SURVEY. The commissioner may conduct  
6 an annual parental satisfaction survey that asks each parent of a  
7 child participating in the program to express:

8 (1) the parent's overall level of satisfaction with  
9 the program; and

10 (2) the parent's opinion on specified topics and  
11 issues relevant to the effectiveness of the program.

12 Sec. 29.368. DETERMINATION OF COMMISSIONER FINAL.  
13 Notwithstanding Section 7.057, a determination of the commissioner  
14 regarding eligibility or the approval of expenses under this  
15 subchapter is final and may not be appealed.

16 Sec. 29.369. RULES. The commissioner shall:

17 (1) adopt rules as necessary to implement this  
18 subchapter, including:

19 (A) rules regarding eligibility determination,  
20 expense reporting requirements for program participants, and  
21 approval of expenses, including appeals of agency determinations on  
22 those issues;

23 (B) rules for measuring the quality of learning  
24 for a child participating in the program; and

25 (C) rules for implementing this subchapter in a  
26 manner that ensures compliance with federal law regarding  
27 confidentiality of student educational information, including the

1 Family Educational Rights and Privacy Act of 1974 (20 U.S.C.  
2 Section 1232g); and

3 (2) coordinate as necessary to:

4 (A) calculate annually the savings to the state  
5 from the implementation of the program; and

6 (B) prevent fraud in financial transactions  
7 under the program, including by adopting measures to permit  
8 anonymous fraud reporting by telephone hotline or online  
9 communication.

10 Sec. 29.370. GIFTS, GRANTS, AND DONATIONS. The  
11 commissioner may solicit and accept gifts, grants, and donations  
12 from any public or private source for any expenses related to the  
13 administration of the program, including the initial  
14 implementation of the program and making payments to a program  
15 participant's account.

16 SECTION 30. Section 30.001(b), Education Code, is amended  
17 to read as follows:

18 (b) The commissioner, with the approval of the State Board  
19 of Education, shall develop and implement a plan for the  
20 coordination of services to children with disabilities in each  
21 region served by a regional education service center. The plan  
22 must include procedures for:

23 (1) identifying existing public or private  
24 educational and related services for children with disabilities in  
25 each region;

26 (2) identifying and referring children with  
27 disabilities who cannot be appropriately served by the school

1 district in which they reside to other appropriate programs;

2 (3) assisting school districts to individually or  
3 cooperatively develop programs to identify and provide appropriate  
4 services for children with disabilities;

5 (4) expanding and coordinating services provided by  
6 regional education service centers for children with disabilities;  
7 and

8 (5) providing for special education supports  
9 [~~services~~], including special seats, books, instructional media,  
10 and other supplemental supplies and services required for proper  
11 instruction.

12 SECTION 31. Section 30.002(g), Education Code, is amended  
13 to read as follows:

14 (g) To facilitate implementation of this section, the  
15 commissioner shall develop a system to distribute from the  
16 foundation school fund to school districts or regional education  
17 service centers a special supplemental allowance for each student  
18 with a visual impairment and for each student with a serious visual  
19 disability and another medically diagnosed disability of a  
20 significantly limiting nature who is receiving special education  
21 services through any approved program. The supplemental allowance  
22 may be spent only for special education services uniquely required  
23 by the nature of the student's disabilities and may not be used in  
24 lieu of educational funds otherwise available under this code or  
25 through state or local appropriations.

26 SECTION 32. Section 30.005, Education Code, is amended to  
27 read as follows:

1           Sec. 30.005. TEXAS SCHOOL FOR THE BLIND AND VISUALLY  
2 IMPAIRED MEMORANDUM OF UNDERSTANDING. The Texas Education Agency  
3 and the Texas School for the Blind and Visually Impaired shall  
4 develop~~[, agree to, and by commissioner rule adopt]~~ a memorandum of  
5 understanding to establish:

6           (1) the method for developing and reevaluating a set  
7 of indicators of the quality of learning at the Texas School for the  
8 Blind and Visually Impaired;

9           (2) the process for the agency to conduct and report on  
10 an annual evaluation of the school's performance on the indicators;

11           (3) the requirements for the school's board to  
12 publish, discuss, and disseminate an annual report describing the  
13 educational performance of the school;

14           (4) the process for the agency to:

15                   (A) assign an accreditation status to the school;

16                   (B) reevaluate the status on an annual basis; and

17                   (C) if necessary, conduct monitoring reviews;

18 and

19           (5) the type of information the school shall be  
20 required to provide through the Public Education Information  
21 Management System (PEIMS).

22           SECTION 33. Section [37.146\(a\)](#), Education Code, is amended  
23 to read as follows:

24           (a) A complaint alleging the commission of a school offense  
25 must, in addition to the requirements imposed by Article [45.019](#),  
26 Code of Criminal Procedure:

27                   (1) be sworn to by a person who has personal knowledge



1 of the underlying facts giving rise to probable cause to believe  
2 that an offense has been committed; and

3 (2) be accompanied by a statement from a school  
4 employee stating:

5 (A) whether the child is eligible for or receives  
6 special education services under Subchapter A, Chapter 29; and

7 (B) the graduated sanctions, if required under  
8 Section 37.144, that were imposed on the child before the complaint  
9 was filed.

10 SECTION 34. Effective September 1, 2024, Section 48.051(a),  
11 Education Code, is amended to read as follows:

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

21 
$$A = \$6,160 \times TR/MCR$$

22 where:

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

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

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

1 SECTION 35. Effective September 1, 2024, Section 48.102,  
2 Education Code, is amended to read as follows:

3 Sec. 48.102. SPECIAL EDUCATION. (a) For each student in  
4 average daily attendance in a special education program under  
5 Subchapter A, Chapter 29, [~~in a mainstream instructional~~  
6 ~~arrangement,~~] a school district is entitled to an annual allotment  
7 equal to the basic allotment, or, if applicable, the sum of the  
8 basic allotment and the allotment under Section 48.101 to which the  
9 district is entitled, multiplied by a weight in an amount set by the  
10 legislature in the General Appropriations Act for the highest tier  
11 of intensity of service for which the student qualifies [1.15].

12 (a-1) Notwithstanding Subsection (a), for the 2024-2025 and  
13 2025-2026 school years, the amount of an allotment under this  
14 section shall be determined in accordance with Section 48.1023.  
15 This subsection expires September 1, 2026. [~~For each full-time~~  
16 ~~equivalent student in average daily attendance in a special~~  
17 ~~education program under Subchapter A, Chapter 29, in an~~  
18 ~~instructional arrangement other than a mainstream instructional~~  
19 ~~arrangement, a district is entitled to an annual allotment equal to~~  
20 ~~the basic allotment, or, if applicable, the sum of the basic~~  
21 ~~allotment and the allotment under Section 48.101 to which the~~  
22 ~~district is entitled, multiplied by a weight determined according~~  
23 ~~to instructional arrangement as follows:~~

- 24 [Homebound]—————5.0
- 25 [Hospital class]—————3.0
- 26 [Speech therapy]—————5.0
- 27 [Resource room]—————3.0

1 ~~[Self-contained, mild and moderate, regular campus~~

2 ~~\_\_\_\_\_ 3.0~~

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

4 ~~\_\_\_\_\_ 3.0~~

5 ~~[Off home campus \_\_\_\_\_ 2.7~~

6 ~~[Nonpublic day school \_\_\_\_\_ 1.7~~

7 ~~[Vocational adjustment class \_\_\_\_\_ 2.3]~~

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

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

27 ~~[(d) For funding purposes the contact hours credited per day~~

1 ~~for each student in the resource room; self-contained, mild and~~  
2 ~~moderate; and self-contained, severe, instructional arrangements~~  
3 ~~may not exceed the average of the statewide total contact hours~~  
4 ~~credited per day for those three instructional arrangements in the~~  
5 ~~1992-1993 school year.~~

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

15 ~~[(f) In this section, "full-time equivalent student" means~~  
16 ~~30 hours of contact a week between a special education student and~~  
17 ~~special education program personnel.~~

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

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

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

27 (e) ~~[(i)]~~ The agency shall ensure ~~[encourage]~~ the placement

1 of students in special education programs, including students in  
2 residential placement [~~instructional arrangements~~], in the least  
3 restrictive environment appropriate for their educational needs.

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

20 (g) [~~(k)~~] From the total amount of funds appropriated for  
21 special education under this section, the commissioner shall  
22 withhold an amount specified in the General Appropriations Act, and  
23 distribute that amount to school districts for programs under  
24 Section 29.014. The program established under that section is  
25 required only in school districts in which the program is financed  
26 by funds distributed under this subsection and any other funds  
27 available for the program. After deducting the amount withheld

1 under this subsection from the total amount appropriated for  
2 special education, the commissioner shall reduce each district's  
3 allotment proportionately and shall allocate funds to each district  
4 accordingly.

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

10 SECTION 36. Effective September 1, 2024, Subchapter C,  
11 Chapter 48, Education Code, is amended by adding Section 48.1021 to  
12 read as follows:

13 Sec. 48.1021. SPECIAL EDUCATION SERVICE GROUP ALLOTMENT.

14 (a) For each six-week period in which a student in a special  
15 education program under Subchapter A, Chapter 29, receives eligible  
16 special education services, a school district is entitled to an  
17 allotment in an amount set by the legislature in the General  
18 Appropriations Act for the service group for which the student is  
19 eligible.

20 (a-1) Notwithstanding Subsection (a), for the 2024-2025 and  
21 2025-2026 school years, the amount of an allotment under this  
22 section shall be determined in accordance with Section 48.1023.  
23 This subsection expires September 1, 2026.

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

1 of students receiving special education services.

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

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

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

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

15 SECTION 37. Subchapter C, Chapter 48, Education Code, is  
16 amended by adding Sections 48.1022 and 48.1023 to read as follows:

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

22 Sec. 48.1023. SPECIAL EDUCATION TRANSITION FUNDING.

23 (a) For the 2024-2025 and 2025-2026 school years, the commissioner  
24 may adjust weights or amounts provided under Section 48.102 or  
25 48.1021 as necessary to ensure compliance with requirements  
26 regarding maintenance of state financial support under 20 U.S.C.  
27 Section 1412(a)(18) and maintenance of local financial support

1 under applicable federal law.

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

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

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

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

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

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

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



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

2        SECTION 38. Section 48.103(c), Education Code, is amended  
3 to read as follows:

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

8        SECTION 39. Section 48.110(d), Education Code, is amended  
9 to read as follows:

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

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

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

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

24        SECTION 40. Section 48.151(b)(2), Education Code, is  
25 amended to read as follows:

26            (2) "Eligible ~~[special education]~~ student receiving  
27 special education services" means a student who is eligible for

1 special education services under Section 29.003 and who would be  
2 unable to attend classes without special transportation services.

3 SECTION 41. Section 48.151(g), Education Code, is amended  
4 to read as follows:

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

22 SECTION 42. Subchapter D, Chapter 48, Education Code, is  
23 amended by adding Section 48.159 to read as follows:

24 Sec. 48.159. SPECIAL EDUCATION CERTIFICATION ALLOTMENT.

25 (a) For each classroom teacher or educational diagnostician  
26 employed by a school district who, during the preceding year,  
27 became certified under Subchapter B, Chapter 21, to teach special

1 education or as an educational diagnostician, as applicable, the  
2 district is entitled to an allotment in the amount of the teacher's  
3 or diagnostician's certification fee.

4 (b) A school district shall use an allotment received under  
5 this section to provide a stipend in the amount of the allotment to  
6 the classroom teacher or educational diagnostician for whom the  
7 district received the allotment. A stipend received by a classroom  
8 teacher under this subsection is not considered in determining  
9 whether the district is paying the teacher the minimum monthly  
10 salary under Section 21.402.

11 SECTION 43. Section 48.265(a), Education Code, is amended  
12 to read as follows:

13 (a) If [~~Notwithstanding any other provision of law, if~~] the  
14 commissioner determines that the amount appropriated for the  
15 purposes of the Foundation School Program exceeds the amount to  
16 which school districts are entitled under this chapter, the  
17 commissioner may provide [~~by rule shall establish a grant program~~  
18 ~~through which excess funds are awarded as~~] grants using the excess  
19 money for the purchase of video equipment, or for the reimbursement  
20 of costs for previously purchased video equipment, used for  
21 monitoring special education classrooms or other special education  
22 settings required under Section 29.022.

23 SECTION 44. Section 48.279(e), Education Code, is amended  
24 to read as follows:

25 (e) After the commissioner has replaced any withheld  
26 federal funds as provided by Subsection (d), the commissioner shall  
27 distribute the remaining amount, if any, of funds described by

1 Subsection (a) to proportionately increase funding for the special  
2 education allotment under Section [48.102](#) and the special education  
3 service group allotment under Section 48.1021.

4 SECTION 45. Subchapter [G](#), Chapter [48](#), Education Code, is  
5 amended by adding Sections 48.304, 48.305, and 48.306 to read as  
6 follows:

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

12 (1) \$250,000 for the first year of the program's  
13 operation; and

14 (2) \$150,000 for each year of the program's operation  
15 after the first year.

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

18 (1) the program complies with commissioner rules  
19 adopted under Section [48.102](#)(c);

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

25 (3) the agency has designated the program for service  
26 in the county in which the program is offered and determined that,  
27 at the time of designation, the program increases the availability

1 of day placement services in the county.

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

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

11 (c) A student may receive a grant under Subchapter A-1,  
12 Chapter 29, once while enrolled in a grade level below grade six and  
13 once while enrolled in grade six or above. A student may receive an  
14 additional grant under that subchapter if the legislature  
15 appropriates money for the additional grant in the General  
16 Appropriations Act.

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

19 Sec. 48.306. EDUCATION SAVINGS ACCOUNT FUNDING. (a) A  
20 person enrolled in the education savings account program  
21 established under Subchapter J, Chapter 29, is entitled to a  
22 deposit to the person's education savings account in an amount  
23 equal to the sum of \$7,250 and:

24 (1) \$1,500, if the child is educationally  
25 disadvantaged;

26 (2) \$1,400, if the child is eligible to participate in  
27 a school district's special education program under Section 29.003

1 but has not previously participated in such a program; and

2 (3) if the child has previously participated in a  
3 school district's special education program under Section 29.003,  
4 the amount of funding for special education services the district  
5 was entitled to receive for the child under Subchapters B and C,  
6 Chapter 48, for the most recent school year in which the child  
7 participated in the district's special education program.

8 (b) The legislature shall include in the appropriations for  
9 the Foundation School Program state aid sufficient for the agency  
10 to make deposits to education savings accounts under Subchapter J,  
11 Chapter 29, in the amount provided by this section.

12 (c) A payment under Subsection (a) may not be financed using  
13 federal funds or money appropriated from the permanent school fund  
14 or the available school fund.

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

17 SECTION 46. Section 411.0901, Government Code, is amended  
18 by adding Subsection (a-1) to read as follows:

19 (a-1) The Texas Education Agency is entitled to obtain  
20 criminal history record information maintained by the department  
21 about a person who is a private tutor or an employee of a teaching  
22 service who intends to provide educational services to a child  
23 participating in the program established under Subchapter J,  
24 Chapter 29, Education Code, and is seeking approval to receive  
25 funds distributed under that program.

26 SECTION 47. The following provisions are repealed:

27 (1) Section 29.002, Education Code;

1 (2) Sections 29.026(n) and (o), Education Code;

2 (3) Section 29.027(i), Education Code;

3 (4) Section 29.050, Education Code; and

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

7 SECTION 48. The repeal by this Act of Section 825.4092(f),  
8 Government Code, as added by Chapter 546 (S.B. 202), Acts of the  
9 87th Legislature, Regular Session, 2021, applies beginning with the  
10 2023-2024 school year.

11 SECTION 49. Subchapter E, Chapter 22, Education Code, as  
12 added by this Act, and Chapter 29, Education Code, as amended by  
13 this Act, apply beginning with the 2023-2024 school year.

14 SECTION 50. (a) Notwithstanding any other section of this  
15 Act, in a state fiscal year, the Texas Education Agency is not  
16 required to implement a provision found in another section of this  
17 Act that is drafted as a mandatory provision imposing a duty on the  
18 agency to take an action unless money is specifically appropriated  
19 to the agency for that fiscal year to carry out that duty. The Texas  
20 Education Agency may implement the provision in that fiscal year to  
21 the extent other funding is available to the agency to do so.

22 (b) If, as authorized by Subsection (a) of this section, the  
23 Texas Education Agency does not implement the mandatory provision  
24 in a state fiscal year, the agency, in its legislative budget  
25 request for the next state fiscal biennium, shall certify that fact  
26 to the Legislative Budget Board and include a written estimate of  
27 the costs of implementing the provision in each year of that next

1 state fiscal biennium.

2 (c) This section and the suspension of the Texas Education  
3 Agency's duty to implement a mandatory provision of this Act, as  
4 provided by Subsection (a) of this section, expires and the duty to  
5 implement the mandatory provision resumes on September 1, 2027.

6 SECTION 51. (a) Except as provided by Subsection (b) of  
7 this section and as otherwise provided by this Act, this Act takes  
8 effect immediately if it receives a vote of two-thirds of all the  
9 members elected to each house, as provided by Section 39, Article  
10 III, Texas Constitution. If this Act does not receive the vote  
11 necessary for immediate effect, this Act takes effect September 1,  
12 2023.

13 (b) The amendments by this Act to Chapter 48, Education  
14 Code, except as otherwise provided by this Act, take effect  
15 September 1, 2023.