89R1978 KJE-F

By:  Bettencourt, et al. S.B. No. 568

A BILL TO BE ENTITLED

AN ACT

relating to special education in public schools, including funding for special education under the Foundation School Program.

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

SECTION 1.  Section 8.051(d), Education Code, is amended to read as follows:

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

(1)  training and assistance in:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SECTION 3.  Subchapter A, Chapter 29, Education Code, is amended by adding Section 29.0012 to read as follows:

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

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

SECTION 4.  Section 29.003, Education Code, is amended to read as follows:

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

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

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

(2)  from three years of age through five years of age if the student is experiencing developmental delays as described by 20 U.S.C. Section 1401(3)(B) and defined by commissioner rule; or

(3)  from 3 years of age through [~~is at least three but not more than~~] 21 years of age if the student [~~and~~] has one or more of the [~~following~~] disabilities described by 20 U.S.C. Section 1401(3)(A) and that disability prevents the student from being adequately or safely educated in public school without the provision of special education services[~~:~~

[~~(A)  physical disability;~~

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

[~~(C)  emotional disturbance;~~

[~~(D)  learning disability;~~

[~~(E)  autism;~~

[~~(F)  speech disability; or~~

[~~(G)  traumatic brain injury~~].

SECTION 5.  Sections 29.005(d) and (e), Education Code, are amended to read as follows:

(d)  If the child's parent primarily uses a language or mode of communication other than [~~is unable to speak~~] English, the district shall:

(1)  if the parent primarily uses Spanish, provide the parent with a written or audiotaped copy of the child's individualized education program translated into Spanish [~~if Spanish is the parent's native language~~]; or

(2)  if the parent primarily uses a [~~parent's native~~] language or mode of communication [~~is a language~~] other than Spanish, make a good faith effort to provide the parent with a written or audiotaped copy of the child's individualized education program translated into the parent's primary [~~native~~] language or mode of communication.

(e)  The commissioner by rule may require a school district to include in the individualized education program of a student with autism [~~or another pervasive developmental disorder~~] any information or requirement determined necessary to ensure the student receives a free appropriate public education as required under the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.).

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

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

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

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

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

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

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

(b)  Except as provided by Subsection (c), costs of an approved contract for residential placement may be paid from a combination of federal, state, and local funds. The local share of the total contract cost for each student is that portion of the local tax effort that exceeds the district's local fund assignment under Section 48.256, divided by the average daily attendance in the district. If the contract involves a private facility, the state share of the total contract cost is that amount remaining after subtracting the local share. If the contract involves a public facility, the state share is that amount remaining after subtracting the local share from the portion of the contract that involves the costs of instructional and related services. For purposes of this subsection, "local tax effort" means the total amount of money generated by taxes imposed for debt service and maintenance and operation less any amounts paid into a tax increment fund under Chapter 311, Tax Code. This subsection expires September 1, 2029.

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

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

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

Sec. 29.010.  GENERAL SUPERVISION AND COMPLIANCE. (a) The agency shall develop [~~adopt~~] and implement a comprehensive system for monitoring school district compliance with federal and state laws relating to special education. The monitoring system must include a comprehensive cyclical process and a targeted risk-based process [~~provide for ongoing analysis of district special education data and of complaints filed with the agency concerning special education services and for inspections of school districts at district facilities~~]. The agency shall establish criteria and instruments for use in determining district compliance under this section [~~use the information obtained through analysis of district data and from the complaints management system to determine the appropriate schedule for and extent of the inspection~~].

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

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

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

(e)  The agency's complaint management division shall develop a system for expedited investigation and resolution of complaints concerning a district's failure to provide special education or related services to a student eligible to participate in the district's special education program.

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

SECTION 10.  Section 29.014(d), Education Code, is amended to read as follows:

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

SECTION 11.  Sections 29.022(a), (a-1), (b), (c), (c-1), (d), (f), (h), (k), (l), (s), and (t), Education Code, are amended to read as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SECTION 12.  Sections 29.022(u)(3) and (4), Education Code, are amended to read as follows:

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

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

SECTION 13.  Subchapter A, Chapter 29, Education Code, is amended by adding Sections 29.023, 29.024, and 29.025 to read as follows:

Sec. 29.023.  GRANT PROGRAM PROVIDING SERVICES TO STUDENTS WITH AUTISM. (a)  The commissioner shall establish a program to award grants to school districts and open-enrollment charter schools that provide innovative services to students with autism.

(b)  A school district, including a school district acting through a district charter issued under Subchapter C, Chapter 12, and an open-enrollment charter school, including a charter school that primarily serves students with disabilities, as provided under Section 12.1014, may apply for a grant under this section.

(c)  A program is eligible for a grant under this section if the program:

(1)  incorporates:

(A)  evidence-based and research-based design;

(B)  the use of empirical data on student achievement and improvement;

(C)  parental support and collaboration;

(D)  the use of technology;

(E)  meaningful inclusion; and

(F)  the ability to replicate the program for students statewide; and

(2)  gives priority for enrollment to students with autism.

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

(1)  charge a fee for the program, other than those authorized by law for students in public schools;

(2)  require a parent to enroll a child in the program;

(3)  allow an admission, review, and dismissal committee to place a student in the program without the written consent of the student's parent or guardian; or

(4)  continue the placement of a student in the program after the student's parent or guardian revokes consent, in writing, to the student's placement in the program.

(e)  A program under this section may:

(1)  alter the length of the school day or school year or the number of minutes of instruction received by students;

(2)  coordinate services with private or community-based providers;

(3)  allow the enrollment of students without disabilities or with other disabilities, if approved by the commissioner; and

(4)  adopt staff qualifications and staff-to-student ratios that differ from the applicable requirements of this title.

(f)  The commissioner shall create an external panel of stakeholders, including parents of students with disabilities, to provide assistance in the selection of applications for the award of grants under this section.

(g)  In selecting programs to receive a grant under this section, the commissioner shall prioritize programs that are collaborations between multiple school districts, multiple charter schools, or school districts and charter schools.  The selected programs must reflect the diversity of this state.

(h)  A program selected to receive a grant under this section is to be funded for two years.

(i)  A grant awarded to a school district or open-enrollment charter school under this section is in addition to the Foundation School Program money that the district or charter school is otherwise entitled to receive.  A grant awarded under this section may not come out of Foundation School Program money.

(j)  The commissioner shall use money appropriated or otherwise available to fund grants under this section.

(k)  The commissioner and any program selected under this section may accept gifts, grants, and donations from any public or private source, person, or group to implement and administer the program.  The commissioner and any program selected under this section may not require any financial contribution from parents to implement and administer the program.

(l)  A regional education service center may administer grants awarded under this section.

Sec. 29.024.  GRANT PROGRAM PROVIDING TRAINING IN DYSLEXIA FOR TEACHERS AND STAFF. (a)  The commissioner shall establish a program to award grants to school districts and open-enrollment charter schools to increase local capacity to appropriately serve students with dyslexia.

(b)  A school district, including a school district acting through a district charter issued under Subchapter C, Chapter 12, or an open-enrollment charter school, including a charter school that primarily serves students with disabilities, as provided under Section 12.1014, is eligible to apply for a grant under this section if the district or school submits to the commissioner a proposal on the use of grant funds that:

(1)  incorporates  evidence-based and research-based design; and

(2)  increases local capacity to appropriately serve students with dyslexia by providing:

(A)  high-quality training to classroom teachers and administrators in meeting the needs of students with dyslexia; or

(B)  training to intervention staff resulting in appropriate credentialing related to dyslexia.

(c)   The commissioner shall create an external panel of stakeholders, including parents of students with disabilities, to provide assistance in the selection of applications for the award of grants under this section.

(d)  A grant under this section is to be awarded for two years.

(e)  A grant awarded to a school district or open-enrollment charter school under this section is in addition to the Foundation School Program money that the district or charter school is otherwise entitled to receive. A grant awarded under this section may not come out of Foundation School Program money.

(f)  The commissioner shall use money appropriated or otherwise available to fund grants under this section.

(g)  The commissioner and any grant recipient selected under this section may accept gifts, grants, and donations from any public or private source, person, or group to implement and administer the grant.  The commissioner and any grant recipient selected under this section may not require any financial contribution from parents to implement and administer the grant.

(h)  A regional education service center may administer grants awarded under this section.

Sec. 29.025.  SUPPORTS FOR RECRUITING SPECIAL EDUCATION STAFF. (a) From money appropriated or otherwise available for the purpose, the agency shall provide grants to school districts and open-enrollment charter schools to increase the number of qualified and appropriately credentialed special education staff, including special education teachers, special education paraprofessionals, evaluation personnel, ancillary instruction personnel, and related service personnel.

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

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

SECTION 14.  The heading to Subchapter A-1, Chapter 29, Education Code, is amended to read as follows:

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

SECTION 15.  Sections 29.041(2) and (3), Education Code, are amended to read as follows:

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

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

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

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

SECTION 16.  Sections 29.042(a) and (c), Education Code, are amended to read as follows:

(a)  The agency by rule shall establish and administer a parent-directed [~~supplemental special education services and instructional materials~~] program for students receiving special education services through which a parent may direct supplemental services and supplemental instructional materials for the parent's student [~~students~~] who meets [~~meet~~] the eligibility requirements for participation in the program. Subject to Subsection (c), the agency shall provide each student approved as provided by this subchapter a grant in the amount provided under Section 48.306 [~~of not more than $1,500~~] to purchase supplemental [~~special education~~] services and supplemental [~~special education~~] instructional materials.

(c)  A student may receive one grant under this subchapter unless the legislature appropriates money for an additional grant in the General Appropriations Act [~~The commissioner shall set aside an amount set by appropriation for each state fiscal year to fund the program under this section. For each state fiscal year, the total amount provided for student grants under Subsection (a) may not exceed the amount set aside by the commissioner under this subsection~~].

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

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

SECTION 18.  Sections 29.046(a) and (b), Education Code, are amended to read as follows:

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

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

SECTION 19.  Sections 29.047(a), (c), (d), and (e), Education Code, are amended to read as follows:

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

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

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

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

SECTION 20.  Subchapter A-1, Chapter 29, Education Code, is amended by adding Section 29.0475 to read as follows:

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

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

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

(2)  limit:

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

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

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

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

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

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

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

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

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

(2)  does not violate this section;

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

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

SECTION 21.  Section 29.048, Education Code, is amended to read as follows:

Sec. 29.048.  ADMISSION, REVIEW, AND DISMISSAL COMMITTEE DUTIES. (a) A student's admission, review, and dismissal committee shall develop a student's individualized education program under Section 29.005, in compliance with the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.), without consideration of any supplemental [~~special education~~] services or supplemental instructional materials that may be provided under the program under this subchapter.

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

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

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

SECTION 22.  Subchapter A-1, Chapter 29, Education Code, is amended by adding Section 29.0485 to read as follows:

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

SECTION 23.  Section 29.049, Education Code, is amended to read as follows:

Sec. 29.049.  RULES. The commissioner shall adopt rules as necessary to administer the supplemental [~~special education~~] services and supplemental instructional materials program under this subchapter.

SECTION 24.  Section 29.315, Education Code, is amended to read as follows:

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

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

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

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

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

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

SECTION 25.  Section 29.316(c), Education Code, is amended to read as follows:

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

(1)  include:

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

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

(2)  state for each child:

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

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

(i)  the time spent providing those services; and

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

(a)  the type of hearing amplification used;

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

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

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

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

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

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

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

SECTION 26.  Section 30.001(b), Education Code, is amended to read as follows:

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

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

(2)  identifying and referring children with disabilities who cannot be appropriately served by the school district in which they reside to other appropriate programs;

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

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

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

SECTION 27.  Sections 30.002(a), (b), (c), and (g), Education Code, are amended to read as follows:

(a)  The agency shall develop and administer a comprehensive statewide plan for the education of children with visual impairments who are under 22 [~~21~~] years of age that will ensure that the children have an opportunity for achievement equal to the opportunities afforded their peers with normal vision.

(b)  The agency shall:

(1)  develop standards and guidelines for all special education services for children with visual impairments that it is authorized to provide or support under this code;

(2)  supervise regional education service centers and other entities in assisting school districts in serving children with visual impairments more effectively;

(3)  develop and administer special education services for students who both have [~~with both serious~~] visual [~~and auditory~~] impairments and are deaf or hard of hearing;

(4)  evaluate special education services provided for children with visual impairments by school districts and approve or disapprove state funding of those services; and

(5)  maintain an effective liaison between special education programs provided for children with visual impairments by school districts and related initiatives of the Health and Human Services Commission, the Department of State Health Services Mental Health and Substance Abuse Division, the Texas Workforce Commission, and other related programs, agencies, or facilities as appropriate.

(c)  The comprehensive statewide plan for the education of children with visual impairments must:

(1)  adequately provide for comprehensive diagnosis and evaluation of each school-age child with a [~~serious~~] visual impairment;

(2)  include the procedures, format, and content of the individualized education program for each child with a visual impairment;

(3)  emphasize providing educational services to children with visual impairments in their home communities whenever possible;

(4)  include methods to ensure that children with visual impairments receiving special education services in school districts receive, before being placed in a classroom setting or within a reasonable time after placement:

(A)  evaluation of the impairment; and

(B)  instruction in an expanded core curriculum, which is required for students with visual impairments to succeed in classroom settings and to derive lasting, practical benefits from the education provided by school districts, including instruction in:

(i)  compensatory skills, such as braille and concept development, and other skills needed to access the rest of the curriculum;

(ii)  orientation and mobility;

(iii)  social interaction skills;

(iv)  career planning;

(v)  assistive technology, including optical devices;

(vi)  independent living skills;

(vii)  recreation and leisure enjoyment;

(viii)  self-determination; and

(ix)  sensory efficiency;

(5)  provide for flexibility on the part of school districts to meet the special needs of children with visual impairments through:

(A)  specialty staff and resources provided by the district;

(B)  contractual arrangements with other qualified public or private agencies;

(C)  supportive assistance from regional education service centers or adjacent school districts;

(D)  short-term or long-term services through the Texas School for the Blind and Visually Impaired or related facilities or programs; or

(E)  other instructional and service arrangements approved by the agency;

(6)  include a statewide admission, review, and dismissal process;

(7)  provide for effective interaction between the visually impaired child's classroom setting and the child's home environment, including providing for parental training and counseling either by school district staff or by representatives of other organizations directly involved in the development and implementation of the individualized education program for the child;

(8)  require the continuing education and professional development of school district staff providing special education services to children with visual impairments;

(9)  provide for adequate monitoring and precise evaluation of special education services provided to children with visual impairments through school districts; and

(10)  require that school districts providing special education services to children with visual impairments develop procedures for assuring that staff assigned to work with the children have prompt and effective access directly to resources available through:

(A)  cooperating agencies in the area;

(B)  the Texas School for the Blind and Visually Impaired;

(C)  the Central Media Depository for specialized instructional materials and aids made specifically for use by students with visual impairments;

(D)  sheltered workshops participating in the state program of purchases of blind-made goods and services; and

(E)  related sources.

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

SECTION 28.  Section 30.003, Education Code, is amended by amending Subsections (b) and (f-1) and adding Subsection (b-1) to read as follows:

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

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

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

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

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

(3)  Section 45.0032;

(4) [~~(3)~~]  Section 48.255; and

(5) [~~(4)~~]  Section 48.2551.

SECTION 29.  Section 30.005, Education Code, is amended to read as follows:

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

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

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

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

(4)  the process for the agency to:

(A)  assign an accreditation status to the school;

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

(C)  if necessary, conduct monitoring reviews; and

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

SECTION 30.  Section 30.084, Education Code, is amended to read as follows:

Sec. 30.084.  ESTABLISHMENT OF REGIONAL DAY SCHOOL PROGRAMS FOR THE DEAF. (a) The director of services [~~State Board of Education~~] shall [~~apportion the state into five regions and~~] establish [~~a~~] regional day school programs [~~program~~] for the deaf [~~in each region~~].

(b)  The director of services shall include in the statewide plan developed under Section 30.083 a description regarding the manner in which regional day school programs for the deaf are established and the parameters for those programs [~~Activities of a regional day school program for the deaf may be conducted on more than one site~~].

SECTION 31.  Section 37.146(a), Education Code, is amended to read as follows:

(a)  A complaint alleging the commission of a school offense must, in addition to the requirements imposed by Article 45A.101, Code of Criminal Procedure:

(1)  be sworn to by a person who has personal knowledge of the underlying facts giving rise to probable cause to believe that an offense has been committed; and

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

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

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

SECTION 32.  Section 48.051(a), Education Code, is amended to read as follows:

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

A = $6,160 X TR/MCR

where:

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

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

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

SECTION 33.  Section 48.102, Education Code, is amended to read as follows:

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

(a-1)  Notwithstanding Subsection (a), for the 2025-2026 and 2026-2027 school years, the amount of an allotment under this section shall be determined in accordance with Section 48.1023. This subsection expires September 1, 2027. [~~For each full-time equivalent student in average daily attendance in a special education program under Subchapter A, Chapter 29, in an instructional arrangement other than a mainstream instructional arrangement, a district is entitled to an annual allotment equal to the basic allotment, or, if applicable, the sum of the basic allotment and the allotment under Section 48.101 to which the district is entitled, multiplied by a weight determined according to instructional arrangement as follows:~~

[~~Homebound 5.0~~

[~~Hospital class 3.0~~

[~~Speech therapy 5.0~~

[~~Resource room 3.0~~

[~~Self-contained, mild and moderate, regular campus 3.0~~

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

[~~Off home campus 2.7~~

[~~Nonpublic day school 1.7~~

[~~Vocational adjustment class 2.3~~]

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

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

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

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

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

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

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

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

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

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

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

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

SECTION 34.  Subchapter C, Chapter 48, Education Code, is amended by adding Sections 48.1021, 48.1022, and 48.1023 to read as follows:

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

(a-1)  Notwithstanding Subsection (a), for the 2025-2026 and 2026-2027 school years, the amount of an allotment under this section shall be determined in accordance with Section 48.1023. This subsection expires September 1, 2027.

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

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

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

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

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

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

Sec. 48.1023.  SPECIAL EDUCATION TRANSITION FUNDING. (a)  For the 2025-2026 and 2026-2027 school years, the commissioner may adjust weights or amounts provided under Section 48.102 or 48.1021 as necessary to ensure compliance with requirements regarding maintenance of state financial support under 20 U.S.C. Section 1412(a)(18) and maintenance of local financial support under applicable federal law.

(b)  For the 2025-2026 and 2026-2027 school years, the commissioner shall determine the formulas through which school districts receive funding under Sections 48.102 and 48.1021. In determining the formulas, the commissioner may combine the methods of funding under those sections with the method of funding provided by Section 48.102, as it existed on September 1, 2024.

(c)  For the 2027-2028 school year, the commissioner may adjust the weights or amounts set by the legislature in the General Appropriations Act for purposes of Section 48.102 or 48.1021. Before making an adjustment under this subsection, the commissioner shall notify and must receive approval from the Legislative Budget Board.

(d)  Notwithstanding any other provision of this section, the sum of funding provided under Sections 48.102 and 48.1021 for the 2025-2026 or for the 2026-2027 school year as adjusted under this section may not exceed the sum of:

(1)  funding that would have been provided under Section 48.102, as it existed on September 1, 2024; and

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

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

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

(g)  This section expires September 1, 2029.

SECTION 35.  Sections 48.103(b) and (c), Education Code, are amended to read as follows:

(b)  A school district is entitled to an allotment under Subsection (a) only for a student who:

(1)  is receiving instruction, services, or accommodations for dyslexia or a related disorder in accordance with:

(A)  an individualized education program developed for the student under Section 29.005; or

(B)  a plan developed for the student under Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794); or

(2)  [~~is receiving instruction that:~~

[~~(A)  meets applicable dyslexia program criteria established by the State Board of Education; and~~

[~~(B)  is provided by a person with specific training in providing that instruction; or~~

[~~(3)~~]  is permitted, on the basis of having dyslexia or a related disorder, to use modifications in the classroom or accommodations in the administration of assessment instruments under Section 39.023 without a program or plan described by Subdivision (1).

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

SECTION 36.  Section 48.110(d), Education Code, is amended to read as follows:

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

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

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

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

SECTION 37.  Section 48.151(g), Education Code, is amended to read as follows:

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

SECTION 38.  Section 48.265(a), Education Code, is amended to read as follows:

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

SECTION 39.  Section 48.279(e), Education Code, is amended to read as follows:

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

SECTION 40.  Subchapter G, Chapter 48, Education Code, is amended by adding Sections 48.304 and 48.306 to read as follows:

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

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

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

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

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

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

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

Sec. 48.306.  PARENT-DIRECTED SERVICES FOR STUDENTS RECEIVING SPECIAL EDUCATION SERVICES GRANT. (a) A student to whom the agency awards a grant under Subchapter A-1, Chapter 29, is entitled to receive an amount of $1,500 or a greater amount provided by appropriation.

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

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

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

SECTION 41.  The following provisions of the Education Code are repealed:

(1)  Section 29.002;

(2)  Section 29.0041(c);

(3)  Section 29.0161; and

(4)  Section 48.103(d).

SECTION 42.  Chapter 29, Education Code, as amended by this Act, applies beginning with the 2025-2026 school year.

SECTION 43.  (a) Except as provided by Subsection (b) of this section, this Act takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect on September 1, 2025.

(b)  The amendments by this Act to Chapter 48, Education Code, take effect September 1, 2025.