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H.B. No. 2

A BILL TO BE ENTITLED

AN ACT

relating to public education and public school finance.

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

ARTICLE 1. CHANGES RELATED TO PUBLIC EDUCATION AND PUBLIC SCHOOL
FINANCE

SECTION 1.01. Section 12.1058(d), Education Code, is amended to read as follows:

(d) A political subdivision shall consider an open-enrollment charter school a school district for purposes of zoning, project permitting, platting and replatting processes, business licensing, franchises, utility services, signage, subdivision regulation, property development projects, the requirements for posting bonds or securities, contract requirements, land development standards as provided by Section 212.902, Local Government Code, tree and vegetation regulations, regulations of architectural features of a structure, construction of fences, landscaping, garbage disposal, noise levels, fees or other assessments, and construction or site development work ~~[if the charter school provides to the political subdivision the certification described by Subsection (e)].~~

SECTION 1.02. Section 12.106, Education Code, is amended by amending Subsections (a), (a-2), (d), (e), and (f) and adding Subsections (d-1), (d-2), (d-3), (e-1), and (e-2) to read as follows:

1 (a) A charter holder is entitled to receive for the
2 open-enrollment charter school funding under Chapter 48 equal to
3 the amount of funding per student in weighted average daily
4 attendance to which the charter holder would be entitled for the
5 school under that chapter if the school were a school district
6 without a tier one local share for purposes of Section 48.266,
7 excluding:

8 (1) the adjustment under Section 48.052;

9 (2) ~~[]~~ the funding under Sections 48.101 and ~~[]~~
10 ~~48.110,~~ 48.111; ~~[] and 48.112,~~ and

11 (3) enrichment funding under Section 48.202(a) ~~[] to~~
12 ~~which the charter holder would be entitled for the school under~~
13 ~~Chapter 48 if the school were a school district without a tier one~~
14 ~~local share for purposes of Section 48.266].~~

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

19 (1) the product of:

20 (A) the quotient of:

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

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

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

27 (i) the total number of students in average

1 daily attendance in school districts that receive an allotment
2 under Section 48.101(b) or (c); and

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

5 (2) \$700 [~~\$125~~].

6 (d) Subject to Subsections [~~Subsection~~] (e) and (e-1), in
7 addition to other amounts provided by this section, a charter
8 holder is entitled to receive, for the open-enrollment charter
9 school, an annual allotment [~~funding~~] per student in average daily
10 attendance [~~in an amount~~] equal to [~~the guaranteed level of state~~
11 ~~and local funds per student per cent of tax effort under Section~~
12 ~~46.032(a) multiplied by~~] the lesser of:

13 (1) the state average interest and sinking fund tax
14 rate imposed by school districts for the current year multiplied by
15 the guaranteed level of state and local funds per student per cent
16 of tax effort under Section 46.032(a); or

17 (2) the maximum amount of the basic allotment provided
18 under Section 48.051 for the applicable school year multiplied by
19 0.07 [~~a rate that would result in a total amount to which charter~~
20 ~~schools are entitled under this subsection for the current year~~
21 ~~equal to \$60 million~~].

22 (d-1) Notwithstanding Subsection (d), the total amount that
23 may be used to provide allotments under Subsection (d) may not
24 exceed:

25 (1) for the 2025-2026 school year, \$100 million; and

26 (2) for the 2026-2027 school year, \$160 million.

27 (d-2) If the total amount of allotments to which charter

1 holders are entitled for open-enrollment charter schools under
2 Subsection (d) for a school year exceeds the amount permitted under
3 Subsection (d-1), the commissioner shall proportionately reduce
4 the amount of each charter holder's allotment until the total
5 amount for the allotments is equal to the amount permitted under
6 that subsection.

7 (d-3) Subsections (d-1) and (d-2) and this subsection
8 expire September 1, 2027.

9 (e) Subject to Subsection (e-1), a [A] charter holder is not
10 entitled to receive funding under Subsection (d) for an
11 open-enrollment charter school [only] if the school has been
12 assigned:

13 (1) an unacceptable [~~most recent overall~~] performance
14 rating [~~assigned to the open-enrollment charter school~~] under
15 Subchapter C, Chapter 39, for the two preceding school years;

16 (2) a financial accountability performance rating
17 under Subchapter D, Chapter 39, indicating a financial performance
18 lower than satisfactory for the two preceding school years; or

19 (3) any combination of the ratings described by
20 Subdivisions (1) and (2) for the two preceding school years
21 [~~reflects at least acceptable performance~~].

22 (e-1) Subsection (e) [~~This subsection~~] does not apply to a
23 charter holder:

24 (1) during the first two years of the applicable
25 open-enrollment charter school's operation; or

26 (2) that operates a school program located at a day
27 treatment facility, residential treatment facility, psychiatric

1 hospital, or medical hospital.

2 (e-2) A charter holder is entitled to receive funding under
3 Subsection (d) for an open-enrollment charter school only if the
4 governing body of the school annually certifies in writing to the
5 agency that no administrator, officer, or employee of the school
6 and no member of the governing body of the school or its charter
7 holder derives any personal financial benefit from a real estate
8 transaction with the school.

9 (f) Funds received by a charter holder under Subsection (d):

10 (1) notwithstanding any other law, may not be used to
11 pay a salary, bonus, stipend, or any other form of compensation to a
12 school superintendent or administrator serving as educational
13 leader and chief executive officer of the school; and

14 (2) may only be used:

15 (A) [~~(1)~~] to lease an instructional facility;

16 (B) [~~(2)~~] to pay property taxes imposed on an
17 instructional facility;

18 (C) [~~(3)~~] to pay debt service on bonds issued for
19 a purpose for which a school district is authorized to issue bonds
20 under Section 45.001(a)(1) or to pay for a purchase for which a
21 school district is authorized to issue bonds under that section [~~to~~
22 finance an instructional facility]; or

23 (D) [~~(4)~~] for any other purpose related to the
24 purchase, lease, sale, acquisition, or maintenance of an
25 instructional facility.

26 SECTION 1.03. Section 12.156(a), Education Code, is amended
27 to read as follows:

1 (a) Except as otherwise provided by this subchapter,
2 Subchapter D, including Section 12.106(d), applies to a college or
3 university charter school or junior college charter school as
4 though the college or university charter school or junior college
5 charter school, as applicable, were granted a charter under that
6 subchapter.

7 SECTION 1.04. Section 12.263, Education Code, is amended by
8 adding Subsection (a-1) to read as follows:

9 (a-1) An eligible entity granted a charter under this
10 subchapter is not entitled to receive an allotment under Section
11 12.106(d) for the adult education program if the program has been
12 assigned under the applicable accountability framework adopted
13 under Section 12.262:

14 (1) an overall performance rating that reflects
15 unacceptable performance for the two preceding school years;

16 (2) a financial accountability performance rating
17 that indicates a financial performance lower than satisfactory for
18 the two preceding school years; or

19 (3) any combination of the ratings described by
20 Subdivisions (1) and (2) for the two preceding school years.

21 SECTION 1.05. Section 21.3521, Education Code, is amended
22 by amending Subsections (a), (c), and (e) and adding Subsections
23 (d-1), (d-2), and (d-3) to read as follows:

24 (a) Subject to Subsection (b), a school district or
25 open-enrollment charter school may designate a classroom teacher as
26 a master, exemplary, ~~or~~ recognized, or acknowledged teacher for a
27 five-year period based on the results from single year or multiyear

1 appraisals that comply with Section 21.351 or 21.352.

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

7 (d-1) Each school year, the commissioner shall, using
8 criteria developed by the commissioner, designate as enhanced
9 teacher incentive allotment public schools school districts and
10 open-enrollment charter schools that implement comprehensive
11 school evaluation and support systems. The criteria developed by
12 the commissioner must require a district or school to:

13 (1) for principals and assistant principals,
14 implement:

15 (A) a strategic evaluations system aligned with
16 the district's or school's teacher designation system; and

17 (B) a compensation system based on performance;

18 (2) ensure that under the school district's or
19 open-enrollment charter school's teacher designation system
20 substantially all classroom teachers, regardless of the grade level
21 or subject area to which the teacher is assigned, are eligible to
22 earn a designation under Subsection (a);

23 (3) implement for all classroom teachers a
24 compensation plan based on performance that:

25 (A) uses a salary schedule that is based on
26 differentiation among classroom teacher appraisals as permitted
27 under this section; and

1 (B) does not include across-the-board salary
2 increases for classroom teachers except for periodic changes to the
3 district's or school's salary schedule to adjust for significant
4 inflation; and

5 (4) implement a locally designed plan to place highly
6 effective teachers at high needs campuses and in accordance with
7 Section 28.0062(a)(3).

8 (d-2) The commissioner may remove a school district's or
9 open-enrollment charter school's designation under Subsection
10 (d-1) if the commissioner determines the district or school no
11 longer meets the criteria for the designation.

12 (d-3) Not later than September 1 of each year, the
13 commissioner shall post on the agency's Internet website a list of
14 the school districts and open-enrollment charter schools
15 designated as enhanced teacher incentive allotment public schools
16 under Subsection (d-1).

17 (e) The agency shall use contracted services to develop and
18 provide technical assistance for school districts and
19 open-enrollment charter schools that request assistance in:

20 (1) earning a designation under Subsection (d-1); or

21 (2) implementing a local optional teacher designation
22 system, including:

23 (A) providing assistance in prioritizing high
24 needs campuses;

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

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

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

6 (E) providing centralized support for the
7 analysis of the results of assessment instruments administered to
8 district or school students; and

9 (F) facilitating effective communication on and
10 promotion of local optional teacher designation systems.

11 SECTION 1.06. Subchapter H, Chapter 21, Education Code, is
12 amended by adding Section 21.3522 to read as follows:

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

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

19 (2) increase the number of classroom teachers eligible
20 for a designation under that section; and

21 (3) increase the salaries paid to classroom teachers
22 employed by school districts or open-enrollment charter schools
23 that have established or are seeking to establish a designation
24 system under that section.

25 (b) A grant awarded under this section must:

26 (1) meet the needs of individual school districts or
27 open-enrollment charter schools; and

1 (2) enable regional leadership capacity.

2 (c) The commissioner may adopt rules as necessary to
3 implement this section.

4 SECTION 1.07. Subchapter C, Chapter 25, Education Code, is
5 amended by adding Section 25.0816 to read as follows:

6 Sec. 25.0816. ADDITIONAL DAYS SCHOOL YEAR PLANNING GRANT
7 PROGRAM. (a) From money appropriated or otherwise available for
8 the purpose, the agency shall establish and administer a grant
9 program to provide funding and technical assistance to school
10 districts and open-enrollment charter schools to plan the school
11 year and adjust operations as necessary to qualify for the
12 incentive funding under Section 48.0051.

13 (b) In awarding grants under the program, the agency shall
14 prioritize school districts and open-enrollment charter schools
15 that seek to maximize incentive funding under Section 48.0051.

16 (c) The agency may solicit and accept gifts, grants, and
17 donations for purposes of this section.

18 SECTION 1.08. Section 28.0211(a-1), Education Code, is
19 amended to read as follows:

20 (a-1) Each time a student fails to perform satisfactorily on
21 an assessment instrument administered under Section 39.023(a) or
22 (1) in the third, fourth, fifth, sixth, seventh, or eighth grade or
23 an end-of-course assessment instrument administered under Section
24 39.023(c), other than an assessment instrument developed or adopted
25 based on alternative academic achievement standards, the school
26 district in which the student attends school shall provide to the
27 student accelerated instruction in the applicable subject area

1 during the subsequent summer or school year and, subject to
2 Subsections (a-7) and (a-8), either:

3 (1) allow the student to be assigned a classroom
4 teacher who has earned a designation [~~is certified as a master,~~
5 ~~exemplary, or recognized teacher~~] under Section 21.3521 for the
6 subsequent school year in the applicable subject area; or

7 (2) provide the student supplemental instruction
8 under Subsection (a-4).

9 SECTION 1.09. Section 29.153, Education Code, is amended by
10 adding Subsections (b-1) and (h) to read as follows:

11 (b-1) Notwithstanding Subsection (b), any child who is at
12 least three years of age is eligible for enrollment in a
13 prekindergarten class under this section if:

14 (1) the class is provided through a partnership
15 between a school district or open-enrollment charter school and a
16 community-based child-care provider described by Subsection (g);
17 and

18 (2) the child receives subsidized child-care services
19 provided through the child-care services program administered by
20 the Texas Workforce Commission.

21 (h) Notwithstanding any other law, a facility or location at
22 which prekindergarten classes are provided by a school district or
23 open-enrollment charter school in partnership with a private entity
24 under this section:

25 (1) must comply with any municipal ordinance
26 applicable to the operation of a private prekindergarten program;
27 and

1 (2) may not be required to comply with any municipal
2 ordinance applicable to the operation of a prekindergarten program
3 by a school district or open-enrollment charter school.

4 SECTION 1.10. Section 29.934, Education Code, is amended by
5 amending Subsections (b) and (d) and adding Subsection (d-1) to
6 read as follows:

7 (b) To apply to be designated as a resource campus under
8 this section, the campus must have received an overall performance
9 rating under Section 39.054 of D or F, or an overall performance
10 rating under Section 39.054(a-4)(1) or 39.0546 of "Not Rated," for
11 three [~~four~~] years over a 10-year period of time.

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

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

15 (2) adopt an accelerated campus excellence turnaround
16 plan as provided by Section 39A.105(b) [~~except that a classroom~~
17 ~~teacher who satisfies the requirements for demonstrated~~
18 ~~instructional effectiveness under Section 39A.105(b)(3) must also~~
19 ~~hold a current designation assigned under Section 21.3521~~];

20 (3) be in a school district that has adopted an
21 approved local optional teacher designation system under Section
22 21.3521;

23 (4) satisfy certain staff criteria by:

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

27 (B) for a subject in the foundation curriculum

1 under Section 28.002(a)(1):

2 (i) employing only teachers who have at
3 least two [~~three~~] years of teaching experience; and

4 (ii) ensuring that at least 50 percent of
5 teachers hold a current designation assigned under Section 21.3521;

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

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

11 (i) family and community liaison;

12 (ii) clinical social worker;

13 (iii) specialist in school psychology; or

14 (iv) professional counselor;

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

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

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

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

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

27 (d-1) The commissioner may grant to a campus requesting to

1 be designated as a resource campus under this section a one-year
2 waiver from the requirement under Subsection (d)(4)(B)(ii) if the
3 campus provides substantial evidence that the campus is working
4 toward meeting the requirement.

5 SECTION 1.11. Effective September 1, 2028, Section 29.934,
6 Education Code, is amended by amending Subsection (b) and adding
7 Subsection (b-1) to read as follows:

8 (b) To apply to be designated as a resource campus under
9 this section, the campus must have received an overall performance
10 rating under Section 39.054 of D or F, or an overall performance
11 rating under Section 39.054(a-4)(1) of "Not Rated," for three
12 ~~[four]~~ years over a 10-year period of time.

13 (b-1) Notwithstanding Subsection (b), a campus may apply to
14 be designated as a resource campus under this section if the campus
15 received an overall performance rating under Section 39.054 of D or
16 F, or an overall performance rating under Section 39.054(a-4)(1) or
17 former Section 39.0546 of "Not Rated," for three years over a
18 10-year period of time. This subsection expires September 1, 2033.

19 SECTION 1.12. Subchapter 7, Chapter 29, Education Code, is
20 amended by adding Sections 29.940 and 29.941 to read as follows:

21 Sec. 29.940. FEDERAL GRANT ADMINISTRATION. For a federal
22 grant program under which the agency oversees and administers
23 services to nonpublic schools, the agency shall follow federal
24 disposition rules and procedures to dispose of equipment or
25 supplies that are unused or no longer needed and were previously
26 allocated to nonpublic schools participating in the grant program.

27 Sec. 29.941. GRANT PROGRAM TO PROMOTE PARENTAL ENGAGEMENT.

1 (a) From money appropriated or otherwise available for the
2 purpose, the commissioner shall establish a grant program to
3 provide grants to school districts and open-enrollment charter
4 schools to assist with costs associated with operating programs or
5 projects to encourage parental engagement in the educational
6 success of students in the district or school, including:

7 (1) educational programming for parents on how to
8 teach the parent's child how to read, including how to read with the
9 parent's child outside of school in a manner that complements
10 instruction;

11 (2) for a parent of a child identified as academically
12 behind, educational programming on identifying and addressing the
13 child's academic struggles;

14 (3) for a parent of a child enrolled in a special
15 education program under Subchapter A, educational programming on
16 how to prepare the child for educational success; and

17 (4) for a parent of a child who exhibits behavioral
18 issues or has been subject to disciplinary measures, programs or
19 policies to engage the parent in efforts to discipline and improve
20 the behavior of the child.

21 (b) A school district or open-enrollment charter school may
22 use money awarded under Subsection (a) to:

23 (1) pay staff working additional hours to operate a
24 program or project described by Subsection (a);

25 (2) pay for food offered at training meetings for a
26 program or project described by Subsection (a); and

27 (3) pay for educational materials provided to parents

1 related to a program or project described by Subsection (a).

2 (c) The commissioner may adopt rules as necessary to
3 implement this section.

4 SECTION 1.13. Section 38.312, Education Code, is amended to
5 read as follows:

6 Sec. 38.312. EXPIRATION. The task force is abolished and
7 this subchapter expires December 1, 2031 [~~2025~~].

8 SECTION 1.14. Section 39.082(c), Education Code, is amended
9 to read as follows:

10 (c) The system may not include an indicator under Subsection
11 (b) or any other performance measure that:

12 (1) requires a school district to spend at least 65
13 percent or any other specified percentage of district operating
14 funds for instructional purposes; [~~or~~]

15 (2) lowers the financial management performance
16 rating of a school district for failure to spend at least 65 percent
17 or any other specified percentage of district operating funds for
18 instructional purposes; or

19 (3) for a school district required to reduce its local
20 revenue level under Section 48.257, includes in determining the
21 district's ratio of assets to liabilities any amount required to be
22 expended by the district to comply with Chapter 49.

23 SECTION 1.15. Section 46.071, Education Code, is amended by
24 adding Subsections (d-1) and (d-2) to read as follows:

25 (d-1) If the amount required to pay debt service on bonds
26 issued under Subchapter A, Chapter 45, is less than the sum of state
27 assistance provided under this chapter, including the amount of

1 additional state aid provided under this section, and the revenue
2 from the district's interest and sinking tax for a school year, the
3 commissioner shall, except as provided by Subsection (d-2), reduce
4 the amount of additional state aid provided under this section by
5 the difference between:

6 (1) the sum of state assistance provided under this
7 chapter, including the amount of additional state aid provided
8 under this section, and the revenue from the district's interest
9 and sinking tax for the school year; and

10 (2) the amount required to pay debt service on bonds
11 described by this subsection for the school year.

12 (d-2) The amount of additional state aid provided under this
13 section may not be reduced under Subsection (d-1) to an amount below
14 zero.

15 SECTION 1.16. Section 48.005, Education Code, is amended by
16 amending Subsections (a) and (e) and adding Subsection (a-1) to
17 read as follows:

18 (a) In this chapter, average daily attendance is:

19 (1) the quotient of the sum of attendance for each day
20 of the minimum number of days of instruction as described under
21 Section 25.081(a) divided by the minimum number of days of
22 instruction;

23 (2) for a district that operates under a flexible year
24 program under Section 29.0821, the quotient of the sum of
25 attendance for each actual day of instruction as permitted by
26 Section 29.0821(b)(1) divided by the number of actual days of
27 instruction as permitted by Section 29.0821(b)(1);

1 (3) for a district that operates under a flexible
2 school day program under Section 29.0822, the average daily
3 attendance as calculated by the commissioner in accordance with
4 Sections 29.0822(d) and (d-1); or

5 (4) except as provided by Subsection (a-1), for a
6 district that operates a half-day program or a full-day program
7 under Section 29.153(c), one-half of the average daily attendance
8 calculated under Subdivision (1).

9 (a-1) Average daily attendance is calculated under
10 Subsection (a)(1) for students:

11 (1) enrolled in a half-day program or full-day program
12 under Section 29.153(c) provided by an eligible private provider
13 under Section 29.171; and

14 (2) assigned to a campus:

15 (A) that is operated under a contract entered
16 into by the district with an entity under Section 11.174 or an
17 eligible private provider under Section 29.171; or

18 (B) of an open-enrollment charter school that is
19 operated by an entity governed by a management contract approved by
20 the agency.

21 (e) For each school year, the commissioner shall adjust the
22 average daily attendance of school districts that are entitled to
23 funding on the basis of an adjusted average daily attendance under
24 Subsection (b)(2) so that:

25 (1) all districts are funded on the basis of the same
26 percentage of the preceding year's actual average daily attendance;

27 and

1 (2) the total cost to the state does not exceed \$300
2 million, or a greater amount provided by appropriation [~~the amount~~
3 ~~specifically appropriated for that year for purposes of Subsection~~
4 ~~(b)(2)~~].

5 SECTION 1.17. Section 48.0051, Education Code, is amended
6 by amending Subsections (a), (b), and (d) and adding Subsection
7 (b-1) to read as follows:

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

12 (1) provides the minimum number of minutes of
13 operational and instructional time required under Section 25.081
14 and commissioner rules adopted under that section over at least 175
15 [~~180~~] days of instruction; and

16 (2) offers an additional 30 days of half-day
17 instruction for students enrolled in prekindergarten through
18 eighth [~~fifth~~] grade.

19 (b) Subject to Subsection (b-1), for [~~For~~] a school district
20 or open-enrollment charter school described by Subsection (a), the
21 commissioner shall increase the average daily attendance of the
22 district or school under Section 48.005 by the amount that results
23 from the quotient of the sum of attendance by students described by
24 Subsection (a)(2) for each of the 30 additional instructional days
25 of half-day instruction that are provided divided by 175 [~~180~~].

26 (b-1) For a school district or open-enrollment charter
27 school described by Subsection (a) that provides at least 200 full

1 days of instruction to students described by Subsection (a)(2), the
2 commissioner shall increase the amount computed for the district or
3 school under Subsection (b) by 50 percent.

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

9 SECTION 1.18. Subchapter A, Chapter 48, Education Code, is
10 amended by adding Section 48.014 to read as follows:

11 Sec. 48.014. NOTICE FOR SCHOOL DISTRICTS REGARDING RECOURSE
12 FOR INVALID PROPERTY VALUES. (a) This section applies only to a
13 school district located in an appraisal district in which the
14 comptroller has certified the preliminary findings of the school
15 district property value study under Section 403.302(g), Government
16 Code, and determined that a school district located in the
17 appraisal district has an invalid local value, regardless of
18 whether the district meets the definition of an eligible school
19 district under Section 403.3011, Government Code.

20 (b) For each school district to which this section applies
21 and as soon as practicable after the comptroller has certified the
22 preliminary findings of the school district property value study
23 under Section 403.302(g), Government Code, the commissioner shall
24 provide notice to the board of trustees of the district that
25 includes information regarding the impact or possible impact of a
26 final certification of an invalid local value on the district's
27 finances, including:

1 (1) an estimate of the effect on the district's
2 finances; and

3 (2) any right of recourse available to the district.

4 (c) Each school district shall annually report to the agency
5 contact information for the members of the district's board of
6 trustees for purposes of receiving the notice under this section.

7 (d) The commissioner shall coordinate with the comptroller
8 to provide copies of the notice under this section to the board of
9 directors of each applicable appraisal district.

10 SECTION 1.19. Section 48.051, Education Code, is amended by
11 amending Subsections (a), (c), and (c-1) and adding Subsections
12 (c-3), (c-4), (c-5), and (c-6) to read as follows:

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

21 (1) A = \$6,500 + GYIA; [\$6,160] or [the amount that
22 results from the following formula:]

23 (2) A = (\$6,500 + GYIA) [\$6,160] X TR/MCR

24 where:

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

26 "GYIA" is the guaranteed yield increment adjustment
27 determined under Section 48.2561;

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

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

5 (c) During any school year for which the maximum amount of
6 the basic allotment provided under Subsection (a) or (b) is greater
7 than the maximum amount provided for the preceding school year, a
8 school district must use at least 40 [~~30~~] percent of the amount, if
9 the amount is greater than zero, that equals the product of the
10 average daily attendance of the district multiplied by the amount
11 of the difference between the district's funding under this chapter
12 per student in average daily attendance for the current school year
13 and the preceding school year to provide compensation increases to
14 full-time district employees other than administrators as follows:

15 (1) 75 percent must be used to increase the salary
16 [~~compensation~~] paid to classroom teachers, full-time librarians,
17 full-time school counselors certified under Subchapter B, Chapter
18 21, and full-time school nurses, prioritizing higher salary
19 increases [~~differentiated compensation~~] for classroom teachers in
20 the following order:

21 (A) classroom teachers with 10 or more years of
22 experience; and

23 (B) classroom teachers with [~~more than~~] five or
24 more years of experience; and

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

1 (c-1) A school district employee who received a salary
2 increase under Subsection (c) [~~from a school district for the~~
3 ~~2019-2020 school year~~] is, as long as the employee remains employed
4 by the same district and the district is receiving at least the same
5 amount of funding as the amount of funding the district received for
6 the [~~2019-2020~~] school year in which the requirement under
7 Subsection (c) applied, entitled to salary that is at least equal to
8 the salary the employee received for the preceding [~~2019-2020~~]
9 school year. This subsection does not apply if:

10 (1) the board of trustees of the school district at
11 which the employee is employed:

12 (A) [~~(1)~~] complies with Sections 21.4021,
13 21.4022, and 21.4032 in reducing the employee's salary; and

14 (B) [~~(2)~~] has adopted a resolution declaring a
15 financial exigency for the district under Section 44.011; or

16 (2) the school district evaluates the employee's
17 performance and the employee's performance rating is lower than the
18 employee's performance rating during the school year in which the
19 requirement under Subsection (c) applied.

20 (c-3) A school district must ensure that the salary
21 increases provided under Subsection (c)(1) provide for:

22 (1) a difference of at least 40 percent between the
23 average salary schedule increase provided to a classroom teacher
24 described by Subsection (c)(1)(A) and a classroom teacher described
25 by Subsection (c)(1)(B); or

26 (2) an increase based on performance in accordance
27 with the district's compensation plan implemented under Section

1 [21.3521\(d-1\)\(3\)](#).

2 (c-4) Notwithstanding Subsection (c-3), a school district
3 is not required to provide a salary increase to an employee under
4 Subsection (c) in an amount that exceeds \$15,000 per year. A
5 district may spend excess money available as a result of this
6 subsection for any purpose for which money provided under this
7 section may be spent.

8 (c-5) A school district that increases employee
9 compensation in the 2025-2026 school year to comply with Subsection
10 (c), as amended by H.B. 2, Acts of the 89th Legislature, Regular
11 Session, 2025, is providing compensation for services rendered
12 independently of an existing employment contract applicable to that
13 year and is not in violation of Section 53, Article III, Texas
14 Constitution. A school district that does not meet the
15 requirements of Subsection (c) in the 2025-2026 school year may
16 satisfy the requirements of this section by providing an employee a
17 one-time bonus payment during the 2026-2027 school year in an
18 amount equal to the difference between the compensation earned by
19 the employee during the 2025-2026 school year and the compensation
20 the employee should have received during that school year if the
21 district had complied with Subsection (c).

22 (c-6) In calculating the difference between a school
23 district's funding under this chapter per student in average daily
24 attendance for the current school year and the preceding school
25 year for purposes of Subsection (c), the agency may not include the
26 amounts to which the district is entitled under Section [48.115](#) or
27 [48.284](#).

1 SECTION 1.20. Section 48.101, Education Code, is amended to
2 read as follows:

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

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

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

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

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

19
$$AA = ((1,600 - ADA) \times \underline{.00057} [\del{.0004}]) \times BA$$

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

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

27 (2)
$$AA = ((5,000 - ADA) \times \underline{.00003} [\del{.000025}]) \times BA.$$

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

$$6 \quad AA = ((1,600 - ADA) \times \underline{.0006} [\text{~~-.00047~~}) \times BA$$

7 SECTION 1.21. Sections [48.104\(a\)](#), (d), and (e), Education
 8 Code, are amended to read as follows:

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

18 (d) The weights assigned to the five tiers of the index
 19 established under Subsection (c) are, from least to most severe
 20 economic disadvantage, 0.23 [~~0.225~~], 0.2425 [~~0.2375~~], 0.255
 21 [~~0.25~~], 0.2675 [~~0.2625~~], and 0.28 [~~0.275~~].

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

1 SECTION 1.22. Subchapter C, Chapter 48, Education Code, is
2 amended by adding Section 48.1042 to read as follows:

3 Sec. 48.1042. DISTRIBUTION OF CERTAIN COMPENSATORY
4 EDUCATION ALLOTMENT AND EARLY EDUCATION ALLOTMENT MONEY. (a) This
5 section applies only to money to which a school district is entitled
6 under:

7 (1) Section 48.104; or

8 (2) Section 48.108 for students in prekindergarten.

9 (b) Notwithstanding any other provision of this chapter,
10 instead of providing money to which this section applies to school
11 districts in accordance with Sections 48.104 and 48.108, the
12 commissioner shall distribute that money as follows:

13 (1) provide to each school district that operates a
14 full-day program under Section 29.153(c), funding under this
15 chapter based on one-half of the average daily attendance
16 calculated under Section 48.005 for each student in that program;
17 and

18 (2) if any amount remains after distributing money
19 under Subdivision (1), provide to each school district an amount
20 that is proportional to the district's entitlement under Section
21 48.104.

22 SECTION 1.23. Sections 48.105(a) and (b), Education Code,
23 are amended to read as follows:

24 (a) For each student in average daily attendance in a
25 bilingual education or special language program under Subchapter B,
26 Chapter 29, a district is entitled to an annual allotment equal to
27 the basic allotment multiplied by:

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

3 (A) 0.12 [~~0.1~~]; or

4 (B) 0.17 [~~0.15~~] if the student is in a bilingual
5 education program using a dual language immersion/one-way or
6 two-way program model; and

7 (2) for a student not described by Subdivision (1),
8 0.07 [~~0.05~~] if the student is in a bilingual education program using
9 a dual language immersion/two-way program model.

10 (b) At least 55 percent of the funds allocated under this
11 section must be used in providing bilingual education or special
12 language programs under Subchapter B, Chapter 29. A district's
13 bilingual education or special language allocation may be used only
14 for program and student evaluation, instructional materials and
15 equipment, staff development, supplemental staff expenses,
16 salaries [~~salary supplements~~] for teachers, incremental costs
17 associated with providing smaller class sizes, and other supplies
18 required for quality instruction.

19 SECTION 1.24. Section 48.108(a), Education Code, is amended
20 to read as follows:

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

25 (1) educationally disadvantaged; or

26 (2) an emergent bilingual student, as defined by
27 Section 29.052, and is in a bilingual education or special language

1 program under Subchapter B, Chapter 29.

2 SECTION 1.25. Section 48.112, Education Code, is amended by
3 amending Subsections (c), (d), and (i) and adding Subsection (g-1)
4 to read as follows:

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

10 (1) \$12,000, or an increased amount not to exceed
11 \$36,000 [~~\$32,000~~] as determined under Subsection (d), for each
12 master teacher;

13 (2) \$9,000 [~~\$6,000~~], or an increased amount not to
14 exceed \$25,000 [~~\$18,000~~] as determined under Subsection (d), for
15 each exemplary teacher; ~~and~~

16 (3) \$5,000 [~~\$3,000~~], or an increased amount not to
17 exceed \$15,000 [~~\$9,000~~] as determined under Subsection (d), for
18 each recognized teacher; and

19 (4) \$3,000, or an increased amount not to exceed
20 \$9,000 as determined under Subsection (d), for each:

21 (A) acknowledged teacher; or

22 (B) nationally board certified teacher.

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

27 (1) \$6,000 [~~\$5,000~~] for each master teacher;

1 (2) \$4,000 [~~\$3,000~~] for each exemplary teacher; [~~and~~]

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

3 (4) \$1,500 for each:

4 (A) acknowledged teacher; or

5 (B) nationally board certified teacher.

6 (g-1) For a district that is designated as an enhanced
7 teacher incentive allotment public school under Section
8 21.3521(d-1), the commissioner shall increase the amount to which
9 the district is entitled under this section by multiplying that
10 amount by 1.1.

11 (i) A district shall annually certify that:

12 (1) funds received under this section were used as
13 follows:

14 (A) at least 90 percent of each allotment
15 received under Subsection (c) was used for the compensation of
16 teachers employed at the campus at which the teacher for whom the
17 district received the allotment is employed; [~~and~~]

18 (B) for a district whose allotment was increased
19 under Subsection (g-1), the amount by which the allotment was
20 increased under that subsection was used to meet the criteria to
21 maintain a designation as an enhanced teacher incentive allotment
22 public school under Section 21.3521(d-1); and

23 (C) any other funds received under this section
24 were used for costs associated with implementing Section 21.3521,
25 including efforts to support teachers in obtaining designations;
26 and

27 (2) the district prioritized high needs campuses in

1 the district in using funds received under this section.

2 SECTION 1.26. Section 48.115(a), Education Code, is amended
3 to read as follows:

4 (a) Except as provided by Subsection (a-1), a school
5 district is entitled to an annual allotment equal to the sum of the
6 following amounts or a greater amount provided by appropriation:

7 (1) \$10 for each student in average daily attendance,
8 plus \$1 for each student in average daily attendance per every \$50
9 by which the district's maximum basic allotment under Section
10 48.051 exceeds \$6,555 [~~\$6,160~~], prorated as necessary; and

11 (2) \$15,000 per campus.

12 SECTION 1.27. Subchapter C, Chapter 48, Education Code, is
13 amended by adding Section 48.116 to read as follows:

14 Sec. 48.116. FINE ARTS ALLOTMENT. (a) For each student in
15 average daily attendance enrolled in a fine arts education course
16 approved by the agency under Subsection (b) in grades 6 through 12,
17 a school district is entitled to an annual allotment equal to:

18 (1) if the student is not educationally disadvantaged,
19 the basic allotment, or, if applicable, the sum of the basic
20 allotment and the allotment under Section 48.101 to which the
21 district is entitled, multiplied by 0.008; or

22 (2) if the student is educationally disadvantaged, the
23 amount determined under Subdivision (1) multiplied by two.

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

27 (1) are authorized by the State Board of Education,

1 including music, art, theater, and dance;

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

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

6 (c) The agency shall annually publish a list of fine arts
7 education courses approved under Subsection (b).

8 (d) The total amount of allotments provided under this
9 section for a school year may not exceed \$15 million.

10 (e) The agency may proportionally reduce each school
11 district's allotment under this section if the amount appropriated
12 for purposes of this section is insufficient to pay for all
13 allotments to which districts are entitled under this section.

14 SECTION 1.28. Section 48.202, Education Code, is amended by
15 amending Subsection (a-1) and adding Subsection (e-2) to read as
16 follows:

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

20 (1) the greater of \$129.52 or an amount set by
21 appropriation [~~the amount of district tax revenue per weighted~~
22 ~~student per cent of tax effort available to a school district at the~~
23 ~~96th percentile of wealth per weighted student or the amount that~~
24 ~~results from multiplying 6,160, or the greater amount provided~~
25 ~~under Section 48.051(b), if applicable, by 0.016,~~] for the first
26 eight cents by which the district's maintenance and operations tax
27 rate exceeds the district's tier one tax rate; and

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

7 (e-2) For purposes of this section, the total amount of
8 maintenance and operations taxes collected by a school district not
9 required to reduce its local revenue level under Section 48.257
10 includes the amount of tax revenue received from a county-wide
11 equalization tax.

12 SECTION 1.29. Subchapter F, Chapter 48, Education Code, is
13 amended by adding Section 48.2561 to read as follows:

14 Sec. 48.2561. GUARANTEED YIELD INCREMENT ADJUSTMENT. (a)
15 Not later than October 1 of each even-numbered year, for the
16 subsequent state fiscal biennium, the agency shall determine the
17 amount of the guaranteed yield increment adjustment for each state
18 fiscal year of the biennium. The amount of the guaranteed yield
19 increment adjustment is the difference between:

20 (1) the estimated cost to the state of maintaining the
21 guaranteed level of state and local funds per weighted student per
22 cent of tax effort under Section 48.202(a-1)(1) at the 96th
23 percentile of wealth per weighted student for each year of the
24 biennium; and

25 (2) the state cost of maintaining the guaranteed level
26 of state and local funds per weighted student per cent of tax effort
27 at the amount provided by Section 48.202(a-1)(1).

1 (b) Notwithstanding Subsection (a), the amount of the
2 guaranteed yield increment adjustment for each state fiscal year of
3 the state fiscal biennium beginning September 1, 2025, is \$55. This
4 subsection expires September 1, 2027.

5 SECTION 1.30. Section 48.266, Education Code, is amended by
6 amending Subsection (b) and adding Subsection (b-1) to read as
7 follows:

8 (b) Except as provided by this subsection and subject to
9 Subsection (b-1), the commissioner shall base the determinations
10 under Subsection (a) on the estimates provided to the legislature
11 under Section 48.269, or, if the General Appropriations Act
12 provides estimates for that purpose, on the estimates provided
13 under that Act, for each school district for each school year. The
14 commissioner shall reduce the entitlement of each district that has
15 a final taxable value of property for the second year of a state
16 fiscal biennium that is higher than the estimate under Section
17 48.269 or the General Appropriations Act, as applicable. A
18 reduction under this subsection may not reduce the district's
19 entitlement below the amount to which it is entitled at its actual
20 taxable value of property.

21 (b-1) Periodically throughout the school year, the
22 commissioner shall adjust the determinations made under Subsection
23 (a) to reflect current school year estimates of a district's
24 enrollment and average daily attendance, based on attendance
25 reporting for each six-week interval.

26 SECTION 1.31. Section 48.283, Education Code, is amended to
27 read as follows:

1 Sec. 48.283. ADDITIONAL STATE AID FOR CERTAIN DISTRICTS
2 IMPACTED BY COMPRESSION. (a) For the 2023-2024 and 2024-2025
3 school years, a [A] school district that received an adjustment
4 under Section 48.257(b) for the 2022-2023 school year is entitled
5 to additional state aid [~~for each school year~~] in an amount equal to
6 [~~the amount of that adjustment for the 2022-2023 school year less~~]
7 the difference, if the difference is greater than zero, between:

8 (1) [~~the amount to which the district is entitled~~
9 ~~under this chapter for the current school year; and~~

10 [~~(2)~~] the amount of state and local revenue that would
11 have been available to [which] the district [would be entitled]
12 under this chapter and Chapter 49 for the 2023-2024 or 2024-2025
13 [current] school year, as applicable, if the district's maximum
14 compressed tax rate had not been reduced under Section 48.2555, as
15 added by S.B. 2, Acts of the 88th Legislature, 2nd Called Session,
16 2023; and

17 (2) the amount of state and local revenue available to
18 the district under this chapter and Chapter 49 for the 2023-2024 or
19 2024-2025 school year, as applicable.

20 (b) This section expires January 1, 2026.

21 SECTION 1.32. Subchapter F, Chapter 48, Education Code, is
22 amended by adding Sections 48.2711, 48.2831, and 48.284 to read as
23 follows:

24 Sec. 48.2711. ADJUSTMENT FOR LOSS OF REVENUE DUE TO USE OF
25 STATE VALUE. (a) This section applies only to a school district:

26 (1) for which the state value for the district's
27 taxable value of property is used under Section 403.302(c),

1 Government Code; and

2 (2) in which the district's board of trustees adopts a
3 resolution during the school year recognizing the need for an
4 adjustment under this section.

5 (b) For each school district to which this section applies,
6 the agency shall determine whether the district's entitlement under
7 this chapter for a school year is greater if the district's taxable
8 value of property is:

9 (1) the local value; or

10 (2) the state value as determined by the comptroller
11 under Sections 403.302(a) and (b), Government Code.

12 (c) If the agency determines under Subsection (b) that the
13 school district's entitlement is greater for the applicable school
14 year using the local value for the district's taxable value of
15 property, the commissioner shall increase state aid or adjust the
16 limit on local revenue under Section 48.257 for the district for
17 that school year in an amount equal to:

18 (1) for the first school year in which this subsection
19 applies to the district, the difference between the amounts
20 determined under Subsection (b);

21 (2) for the second consecutive school year in which
22 this subsection applies to the district, 70 percent of the
23 difference between the amounts determined under Subsection (b); and

24 (3) for the third consecutive school year in which
25 this subsection applies to the district, 40 percent of the
26 difference between the amounts determined under Subsection (b).

27 (d) A school district may not receive an adjustment under

1 this section for more than three consecutive school years unless
2 the legislature specifically appropriates money for the purpose of
3 making adjustments under this section for the fourth or a
4 subsequent consecutive school year.

5 (e) For purposes of determining the number of consecutive
6 school years for which this section applies to a school district,
7 the commissioner may not consider a school year before the
8 2025-2026 school year.

9 (f) A school year in which the comptroller determines a
10 school district's local value to be valid under Section 403.302(c),
11 Government Code, that occurs after the district receives an
12 adjustment under this section is not included in calculating
13 consecutive school years under Subsection (c) or (d) and is not
14 considered a break in consecutive school years, except as provided
15 by Subsection (h).

16 (g) A school district may not receive an adjustment under
17 this section for a school year in which the district is determined
18 to be an eligible school district, as defined by Section 403.3011,
19 Government Code. A school year in which the district is not
20 eligible for an adjustment under this subsection is included in
21 calculating consecutive school years under Subsections (c) and (d).

22 (h) Except as provided by Subsection (d), a school district
23 that receives an adjustment under this section for three
24 consecutive school years is not eligible to receive an adjustment
25 under this section in the subsequent school year but may be again
26 eligible for the adjustment following two consecutive school years
27 for which the local value is used for the district's taxable value

1 of property under Section 403.302(c), Government Code.

2 (i) The total amount of adjustments made under this section
3 for a school year may not exceed \$60 million.

4 (j) If the total amount of adjustments for which school
5 districts are eligible under this section for a school year exceeds
6 the limit under Subsection (i), the commissioner shall prioritize
7 school districts experiencing the greatest percentage reduction in
8 funding, as determined based on the difference between the amounts
9 determined under Subsection (b).

10 (k) A determination made by the commissioner under this
11 section is final and may not be appealed.

12 Sec. 48.2831. ADDITIONAL STATE AID TO ENSURE MINIMUM
13 FUNDING LEVEL. (a) Beginning with the 2025-2026 school year, a
14 school district is entitled to additional state aid in an amount
15 necessary to ensure the district receives state and local revenue
16 per student in weighted average daily attendance under this chapter
17 and Chapter 49 in an amount at least equal to the sum of:

18 (1) state and local revenue per student in weighted
19 average daily attendance that would have been available to the
20 district for the 2025-2026 school year under this chapter and
21 Chapter 49, as those chapters existed on September 1, 2024; and

22 (2) \$200.

23 (b) The amount of additional state aid to which a district
24 is entitled under this section shall be calculated only after all
25 other funding to which the district is entitled under this chapter
26 and Chapter 49 has been calculated.

27 (c) For purposes of calculating the amount of additional

1 state aid to which a district is entitled under this section, the
2 agency shall:

3 (1) for the 2025-2026 school year, use the same values
4 for formula funding adjustments under this chapter and Chapter 49,
5 as those chapters existed on September 1, 2024, that the agency used
6 during that school year; and

7 (2) for a school year after the 2025-2026 school year,
8 exclude any formula funding adjustments under this chapter and
9 Chapter 49, as those chapters existed on September 1, 2024, that are
10 expired or do not apply to the district for a school year following
11 the 2025-2026 school year as provided by this chapter and Chapter
12 49, as those chapters existed on September 1, 2024.

13 (d) The agency shall notify the Legislative Budget Board as
14 soon as practicable after the agency determines that no school
15 districts qualify for additional state aid under this section.

16 Sec. 48.284. ADDITIONAL STATE AID FOR REGIONAL INSURANCE
17 COST DIFFERENTIALS. (a) In this section, "catastrophe area" and
18 "first tier coastal county" have the meanings assigned by Section
19 2210.003, Insurance Code.

20 (b) This section applies to a school district or
21 open-enrollment charter school that has the following property
22 located in a first tier coastal county or an area designated in 2024
23 as a catastrophe area:

24 (1) the central administrative office of the district
25 or school; and

26 (2) a majority of campuses of the district or school.

27 (c) A school district or open-enrollment charter school to

1 which this section applies is entitled to additional state aid for
2 each student in adjusted average daily attendance in an amount
3 equal to the difference between, for the 2023-2024 school year, or a
4 different school year specified by appropriation:

5 (1) the total amount paid for property and casualty
6 insurance by districts and schools in the county or catastrophe
7 area described by Subsection (b) in which the district's or school's
8 property is located divided by the total number of students in
9 average daily attendance for all districts and schools in the
10 county or catastrophe area; and

11 (2) the total amount paid for property and casualty
12 insurance by districts and schools in the state divided by the total
13 number of students in average daily attendance in the state.

14 (d) For purposes of Subsection (c), the average daily
15 attendance of a school district that qualifies for, or an
16 open-enrollment charter school that if the school were a school
17 district would qualify for, an allotment under Section 48.101 is
18 the district's or school's average daily attendance multiplied by
19 the sum of one and:

20 (1) for a school district, the district's annual
21 allotment per student in average daily attendance under that
22 section divided by the basic allotment; or

23 (2) for an open-enrollment charter school, the
24 school's allotment determined per student in average daily
25 attendance under Section 12.106(a-2) divided by the basic
26 allotment.

27 SECTION 1.33. Sections 12.1058(e) and 12.106(a-4),

1 Education Code, are repealed.

2 SECTION 1.34. Immediately following the effective date of
3 this Act, a school district or open-enrollment charter school shall
4 redesignate a teacher who holds a designation made under Section
5 21.3521, Education Code, before the effective date of this Act, to
6 reflect the teacher's designation under Section 21.3521, Education
7 Code, as amended by this article. Funding provided to a school
8 district under Section 48.112, Education Code, as amended by this
9 article, for a teacher who held a designation made under Section
10 21.3521, Education Code, as that section existed immediately before
11 the effective date of this Act, shall be increased to reflect the
12 teacher's redesignation under Section 21.3521, Education Code, as
13 amended by this article.

14 SECTION 1.35. Not later than September 1, 2027, the
15 commissioner of education shall post on the Texas Education
16 Agency's Internet website the initial list of enhanced teacher
17 incentive allotment public schools required by Section
18 21.3521(d-3), Education Code, as added by this article.

19 SECTION 1.36. As soon as practicable after the effective
20 date of this Act, the commissioner of education shall establish the
21 grant program required under Section 29.941, Education Code, as
22 added by this article.

23 ARTICLE 2. TEACHER PREPARATION AND CHANGES RELATED TO EMPLOYEES

24 SECTION 2.01. Section 12A.004(a), Education Code, is
25 amended to read as follows:

26 (a) A local innovation plan may not provide for the
27 exemption of a district designated as a district of innovation from

1 the following provisions of this title:

2 (1) a state or federal requirement applicable to an
3 open-enrollment charter school operating under Subchapter D,
4 Chapter 12;

5 (2) Subchapters A, C, D, and E, Chapter 11, except that
6 a district may be exempt from Sections 11.1511(b)(5) and (14) and
7 Section 11.162;

8 (3) the employment of uncertified classroom teachers
9 under Section 21.0032;

10 (4) parental notification requirements under Section
11 21.057;

12 (5) state curriculum and graduation requirements
13 adopted under Chapter 28; and

14 (6) [~~4~~] academic and financial accountability and
15 sanctions under Chapters 39 and 39A.

16 SECTION 2.02. Section 21.001, Education Code, is amended by
17 adding Subdivision (3-b) to read as follows:

18 (3-b) "Teacher of record" means a person employed by a
19 school district who teaches the majority of the instructional day
20 in an academic instructional setting and is responsible for
21 evaluating student achievement and assigning grades.

22 SECTION 2.03. Subchapter A, Chapter 21, Education Code, is
23 amended by adding Sections 21.0032 and 21.0033 to read as follows:

24 Sec. 21.0032. EMPLOYMENT OF UNCERTIFIED CLASSROOM
25 TEACHERS. (a) A school district may not employ as a teacher of
26 record for a course in the foundation curriculum under Section
27 28.002 a person who does not hold an appropriate certificate or

1 permit required by the State Board for Educator Certification under
2 Subchapter B.

3 (a-1) Notwithstanding Subsection (a), a school district may
4 employ as a classroom teacher for a course in the foundation
5 curriculum under Section 28.002 not more than the following
6 applicable percentage of classroom teachers who do not hold an
7 appropriate certificate or permit required by the State Board for
8 Educator Certification under Subchapter B:

9 (1) for the 2026-2027 school year, 20 percent;

10 (2) for the 2027-2028 school year, 15 percent;

11 (3) for the 2028-2029 school year, 10 percent; and

12 (4) for the 2029-2030 school year, 5 percent.

13 (a-2) This subsection and Subsection (a-1) expire September
14 1, 2031.

15 (b) This section does not preclude a school district from:

16 (1) receiving a waiver under Section 7.056; or

17 (2) issuing a school district teaching permit under
18 Section 21.055.

19 Sec. 21.0033. TEACHER CERTIFICATION INCENTIVE. (a) From
20 money appropriated or otherwise available for the purpose, the
21 agency shall provide to each school district a one-time payment of
22 \$1,000 for each classroom teacher employed by the district who:

23 (1) was hired for the 2022-2023 or 2023-2024 school
24 year as a first-year teacher;

25 (2) was uncertified on January 1, 2025;

26 (3) earned a standard certificate under Subchapter B
27 by the end of the 2025-2026 school year; and

1 (4) was continuously employed by the district since
2 the school year described by Subdivision (1).

3 (b) This section expires September 1, 2027.

4 SECTION 2.04. Subchapter B, Chapter 21, Education Code, is
5 amended by adding Section 21.0411 to read as follows:

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

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

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

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

21 SECTION 2.05. Subchapter I, Chapter 21, Education Code, is
22 amended by adding Section 21.416 to read as follows:

23 Sec. 21.416. EMPLOYED RETIREE EDUCATOR REIMBURSEMENT GRANT
24 PROGRAM. (a) From money appropriated or otherwise available, the
25 commissioner shall establish and administer a grant program to
26 reimburse a school district, an open-enrollment charter school, the
27 Windham School District, the Texas School for the Deaf, or the Texas

1 School for the Blind and Visually Impaired for the increased
2 contributions to the Teacher Retirement System of Texas associated
3 with hiring a teacher, or an educator providing special education
4 services, who retired before September 1, 2024.

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

9 (1) providing, notwithstanding Subsection (a), a date
10 or date range other than September 1, 2024, before which a teacher
11 or educator must have retired for a school district, an
12 open-enrollment charter school, the Windham School District, the
13 Texas School for the Deaf, or the Texas School for the Blind and
14 Visually Impaired to be eligible; or

15 (2) limiting eligibility to a district or school
16 described by Subdivision (1) that hires a retired teacher or
17 educator, as applicable:

18 (A) who holds a certain certification;

19 (B) to teach a certain subject or grade;

20 (C) in a certain geographical area; or

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

23 (c) The commissioner shall proportionally reduce the amount
24 of money awarded to school districts, open-enrollment charter
25 schools, the Windham School District, the Texas School for the
26 Deaf, and the Texas School for the Blind and Visually Impaired under
27 this section if the number of grant applications by eligible

1 districts or schools exceeds the number of grants the commissioner
2 could award with the money appropriated or otherwise available for
3 the purpose.

4 (d) A school district, an open-enrollment charter school,
5 the Windham School District, the Texas School for the Deaf, or the
6 Texas School for the Blind and Visually Impaired may use money
7 received under this section to make required payments under Section
8 825.4092, Government Code.

9 SECTION 2.06. Chapter 21, Education Code, is amended by
10 adding Subchapter R to read as follows:

11 SUBCHAPTER R. GROW YOUR OWN PARTNERSHIP PROGRAM

12 Sec. 21.901. DEFINITIONS. In this subchapter:

13 (1) "Cooperating teacher" means a classroom teacher
14 who:

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

18 (B) is employed by a school district or
19 open-enrollment charter school participating in the program under
20 this subchapter and paired with a student or employee participating
21 in the program at the district or school; and

22 (C) provides coaching to a student or employee
23 participating in the program in the teacher's classroom.

24 (2) "Program" means the Grow Your Own Partnership
25 Program established under Section 21.902.

26 Sec. 21.902. GROW YOUR OWN PARTNERSHIP PROGRAM. (a) The
27 commissioner shall establish the Grow Your Own Partnership Program

1 to enable qualified institutions of higher education and educator
2 preparation programs, as determined by the commissioner, to form
3 partnerships with school districts or open-enrollment charter
4 schools to establish innovative staffing pipelines to ensure the
5 availability of high-quality classroom teachers to benefit future
6 district or school students.

7 (b) The program must be designed to form partnerships that
8 support:

9 (1) high school students in completing career and
10 technical education courses that help prepare the students to
11 become classroom teachers; or

12 (2) district or school employees who do not hold a
13 teaching certificate in completing an associate degree or the first
14 60 hours of a bachelor's degree to enable the person to become a
15 classroom teacher while employed by the district or school.

16 (c) A school district or open-enrollment charter school may
17 participate in the program on the approval of an application
18 submitted to the commissioner by the district or school.

19 (d) A school district or open-enrollment charter school
20 participating in the program shall:

21 (1) for a partnership described by Subsection (b)(1),
22 provide:

23 (A) authentic opportunities, which may be paid or
24 unpaid, for students to practice teaching under the supervision of
25 a cooperating teacher; and

26 (B) guidance and other transition supports as a
27 student begins an undergraduate degree program that offers a route

1 to teacher preparation;

2 (2) for a partnership described by Subsection (b)(2),
3 provide for a district or school employee:

4 (A) scheduled release time to support the
5 completion of an associate degree or the first 60 hours of a
6 bachelor's degree;

7 (B) authentic opportunities to practice teaching
8 under the supervision of a cooperating teacher;

9 (C) on-the-job training aligned with the
10 standards for educator certification established by the board;

11 (D) a job assignment that includes instructional
12 support for students enrolled in the district or school; and

13 (E) guidance and other transition supports as the
14 employee begins a program to satisfy the teacher preparation
15 requirements under Subchapter B;

16 (3) enter into a written agreement with an institution
17 of higher education;

18 (4) require an employee participating in a partnership
19 described by Subsection (b)(2) to, as a condition for
20 participation, earn a bachelor's degree and enroll in an educator
21 preparation program within three years of completion of an
22 associate degree or the first 60 hours of a bachelor's degree; and

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

25 (e) A school district or open-enrollment charter school may
26 use money received under Section 48.157 to implement the program
27 and pay tuition and fees, including certification fees, for

1 students or employees participating in the program.

2 (f) A school district or open-enrollment charter school may
3 only pair a student or employee participating in the program with a
4 cooperating teacher who agrees to participate in that role in the
5 program at the district or school.

6 (g) A student or employee participating in the program may
7 not serve:

8 (1) as a teacher of record; or

9 (2) except as provided by Subsection (h), in a
10 position in which the student or employee has the primary or sole
11 responsibility of providing instruction or supervision to
12 students.

13 (h) A student or employee participating in the program may
14 serve in a position described by Subsection (g)(2) for the limited
15 purpose of gaining experience in the position. The student's or
16 employee's amount of time serving in that position may not exceed
17 the amount of time during which the teacher of record for the
18 students has the primary or sole responsibility of providing
19 instruction or supervision to those students.

20 Sec. 21.903. RULES. The commissioner shall adopt rules as
21 necessary to implement this subchapter.

22 SECTION 2.07. Subchapter D, Chapter 48, Education Code, is
23 amended by adding Section 48.157 to read as follows:

24 Sec. 48.157. GROW YOUR OWN PARTNERSHIP PROGRAM ALLOTMENT.

25 (a) Subject to Subsection (d), for each district employee
26 participating in a partnership described by Section 21.902(b)(2), a
27 school district is entitled to an annual allotment equal to the sum

1 of:

2 (1) \$8,000; and

3 (2) the high needs and rural factor, as determined
4 under Subsection (b), multiplied by \$1,000.

5 (b) The high needs and rural factor is the lesser of:

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

8 (2) 4.0.

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

17 (d) Unless a greater number of individuals is provided for
18 by appropriation for that school year, a school district may
19 receive an allotment under this section for a school year for not
20 more than 40 district employees.

21 (e) The agency shall provide 50 percent of the money the
22 school district is entitled to receive under this section for a
23 district employee only on the employee's successful completion of a
24 bachelor's degree by the deadline established by the agency.

25 SECTION 2.08. Section 12A.004(a), Education Code, as
26 amended by this article, applies to each local innovation plan
27 adopted under Chapter 12A, Education Code, regardless of whether

1 the plan was adopted before, on, or after the effective date of this
2 article. A local innovation plan adopted or renewed before the
3 effective date of this article must comply with Section 12A.004(a),
4 Education Code, as amended by this article, not later than
5 September 1, 2025.

6 ARTICLE 3. SPECIAL EDUCATION

7 SECTION 3.01. Section 7.021(b)(10), Education Code, is
8 amended to read as follows:

9 (10) The agency shall carry out duties assigned under
10 Section 30.002 concerning children who have visual impairments, are
11 deaf or hard of hearing, or are deaf-blind [~~with visual~~
12 ~~impairments~~].

13 SECTION 3.02. Section 7.055(b)(25), Education Code, is
14 amended to read as follows:

15 (25) The commissioner shall develop a system to
16 distribute to school districts or regional education service
17 centers a special supplemental allowance for students with visual
18 impairments as required under Section 30.0021 [~~30.002~~].

19 SECTION 3.03. Section 8.051(d), Education Code, is amended
20 to read as follows:

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

24 (1) training and assistance in:

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

27 (B) providing instruction in personal financial

1 literacy as required under Section 28.0021;

2 (2) training and assistance in providing each program
3 that qualifies for a funding allotment under Section 48.102,
4 48.1021, 48.103, 48.104, 48.105, or 48.109;

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

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

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

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

16 SECTION 3.04. Sections 28.025(c-7) and (c-8), Education
17 Code, are amended to read as follows:

18 (c-7) Subject to Subsection (c-8), a student who is enrolled
19 in a special education program under Subchapter A, Chapter 29, may
20 earn the distinguished level of achievement under Subsection (b-15)
21 or an endorsement on the student's transcript under Subsection
22 (c-1) by:

23 (1) successfully completing, with or without
24 modification of the curriculum:

25 (A) the curriculum requirements identified by
26 the State Board of Education under Subsection (a); ~~and~~

27 (B) for the distinguished level of achievement,

1 the additional curriculum requirements prescribed under Subsection
2 (b-15); and

3 (C) for an endorsement, the additional
4 ~~[endorsement]~~ curriculum requirements prescribed by the State
5 Board of Education under Subsection (c-2); and

6 (2) successfully completing all curriculum
7 requirements for the distinguished level of achievement or that
8 endorsement adopted by the State Board of Education:

9 (A) without modification of the curriculum; or

10 (B) with modification of the curriculum,
11 provided that the curriculum, as modified, is sufficiently rigorous
12 as determined by the student's admission, review, and dismissal
13 committee and documented in the student's individualized education
14 program.

15 (c-8) For purposes of Subsection (c-7), the admission,
16 review, and dismissal committee of a student in a special education
17 program under Subchapter A, Chapter 29, shall determine whether the
18 student is required to achieve satisfactory performance on an
19 end-of-course assessment instrument to earn the distinguished
20 level of achievement or an endorsement on the student's transcript.

21 SECTION 3.05. Section 29.001, Education Code, is amended to
22 read as follows:

23 Sec. 29.001. IMPLEMENTATION OF SPECIAL EDUCATION
24 LAW [STATEWIDE PLAN]. (a) As the state education agency
25 responsible for carrying out the purposes of Part B, Individuals
26 with Disabilities Education Act (20 U.S.C. Section 1411 et seq.),
27 the [The] agency shall develop, and revise [modify] as necessary, a

1 comprehensive system to ensure statewide and local compliance
2 ~~[design, consistent]~~ with federal and state law related to special
3 education ~~[, for the delivery of services to children with~~
4 ~~disabilities in this state that includes rules for the~~
5 ~~administration and funding of the special education program so that~~
6 ~~a free appropriate public education is available to all of those~~
7 ~~children between the ages of three and 21]~~.

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

12 (c) The comprehensive system must focus on providing a free
13 appropriate public education and maximizing student outcomes and
14 include ~~[agency shall also develop and implement a statewide plan~~
15 ~~with programmatic content that includes procedures designed to]:~~

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

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

27 (3) the pursuit of ~~[periodically assess statewide~~

1 ~~personnel needs in all areas of specialization related to special~~
2 ~~education and pursue]~~ strategies to meet statewide special
3 education and related services personnel ~~[those]~~ needs ~~[through a~~
4 ~~consortium of representatives from regional education service~~
5 ~~centers, local education agencies, and institutions of higher~~
6 ~~education and through other available alternatives]~~;

7 (4) ensuring ~~[ensure]~~ that regional education service
8 centers throughout the state maintain a regional support function,
9 which may include procedures for service centers to assist school
10 districts in identifying existing public or private educational or
11 related services in each region, cooperatively developing programs
12 for students with disabilities, providing to or obtaining for
13 school districts special equipment, delivering services, and
14 facilitating ~~[direct service delivery and a component designed to~~
15 ~~facilitate]~~ the placement of students with disabilities who cannot
16 be appropriately served in their resident districts;

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

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

1 (A) appropriately trained personnel are involved
2 in the diagnostic and evaluative procedures operating in all
3 districts and that those personnel routinely serve on district
4 multidisciplinary evaluation teams and admissions, review, and
5 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) appropriately trained personnel are
12 available to students with disabilities who have significant
13 behavioral support needs, including by providing behavioral
14 support training for a paraprofessional or teacher placed in a
15 classroom or other setting that is intended to provide specialized
16 behavioral supports to a student with a disability, as needed or at
17 regular intervals as provided in the student's individualized
18 education program;

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

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

25 (F) school districts have an opportunity to
26 request technical assistance from the agency or a regional
27 education service center in establishing classroom environments

1 conducive to learning for students with disabilities, including
2 environments for students whose data indicate behavior that
3 significantly impedes the student's own learning and the learning
4 of other students;

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

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

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

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

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

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

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

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

24 (H) [~~(11)~~—ensure that] each district develops a
25 process to be used by a teacher who instructs a student with a
26 disability in a general education [~~regular~~] classroom setting:

27 (i) [~~(A)~~] to request a review of the

1 student's individualized education program;

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

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

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

8 SECTION 3.06. Subchapter A, Chapter 29, Education Code, is
9 amended by adding Section 29.0012 to read as follows:

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

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

23 SECTION 3.07. Section 29.003, Education Code, is amended to
24 read as follows:

25 Sec. 29.003. ELIGIBILITY CRITERIA. (a) The agency shall
26 develop specific eligibility criteria based on the general
27 classifications established by this section and in accordance with

1 federal law [~~with reference to contemporary diagnostic or~~
2 ~~evaluative terminologies and techniques~~]. Eligible students with
3 disabilities shall enjoy the right to a free appropriate public
4 education, which may include instruction in the general education
5 [~~regular~~] classroom, instruction through special teaching, or
6 instruction through contracts approved under this subchapter.
7 Instruction shall be supplemented by the provision of related
8 services when appropriate.

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

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

17 (2) from three years of age through nine years of age
18 if the student is experiencing developmental delays as described by
19 20 U.S.C. Section 1401(3)(B) and defined by commissioner rule; or

20 (3) from 3 years of age through [~~is at least three but~~
21 ~~not more than~~] 21 years of age if the student [~~and~~] has one or more
22 of the [~~following~~] disabilities described by 20 U.S.C. Section
23 1401(3)(A) and that disability prevents the student from being
24 adequately or safely educated in public school without the
25 provision of special education services[+]

26 [~~(A) physical disability,~~

27 [~~(B) intellectual or developmental disability,~~

1 [~~(C) emotional disturbance,~~
2 [~~(D) learning disability,~~
3 [~~(E) autism,~~
4 [~~(F) speech disability, or~~
5 [~~(G) traumatic brain injury~~].

6 SECTION 3.08. Sections 29.005(a), (d), and (e), Education
7 Code, are amended to read as follows:

8 (a) Before a child is enrolled in a special education
9 program of a school district, the district shall establish a
10 committee composed of the persons required under 20 U.S.C. Section
11 1414(d) to develop the child's individualized education program.
12 If a committee is required to include a general [~~regular~~] education
13 teacher, the [~~regular education~~] teacher included must, to the
14 extent practicable, be a teacher who is responsible for
15 implementing a portion of the child's individualized education
16 program.

17 (d) If the primary language of the child's parent is a
18 language other than [~~is unable to speak~~] English, the district
19 shall:

20 (1) provide the parent with a written or audiotaped
21 copy of the child's individualized education program translated
22 into Spanish if Spanish is the parent's primary [~~native~~] language;
23 or

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

1 primary [~~native~~] language.

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

9 SECTION 3.09. Section [29.0051](#), Education Code, is amended
10 by adding Subsection (d) to read as follows:

11 (d) From federal money available for the purpose, the
12 commissioner may develop or procure the model form developed under
13 Subsection (a) in a digital format. If the commissioner develops or
14 procures the model form in a digital format, the commissioner shall
15 adopt rules regarding school district use of the form in that
16 format.

17 SECTION 3.10. Subchapter [A](#), Chapter [29](#), Education Code, is
18 amended by adding Section 29.0056 to read as follows:

19 Sec. 29.0056. INFORMATION ON COMMUNITY-BASED SUPPORTS AND
20 RESIDENTIAL OPTIONS. (a) In this section, "state supported living
21 center" has the meaning assigned by Section [531.002](#), Health and
22 Safety Code.

23 (b) The Health and Human Services Commission, in
24 collaboration with the agency and stakeholders, shall develop and
25 provide to the agency materials regarding residential options and
26 supports for children who may qualify for home and community-based
27 supports or a residential placement. The agency shall make the

1 materials developed under this subsection available to school
2 districts.

3 (c) The materials must include information regarding:

4 (1) the local intellectual and developmental
5 disability authority; and

6 (2) community-based supports and residential options,
7 including:

8 (A) the following waiver programs established
9 under Section 1915(c), Social Security Act (42 U.S.C. Section
10 1396n(c)):

11 (i) the youth empowerment services program;

12 (ii) the home and community-based services
13 program;

14 (iii) the Texas home living program;

15 (iv) the community living assistance and
16 support services program; and

17 (v) the deaf-blind with multiple
18 disabilities program;

19 (B) the Medicaid program serving individuals
20 with an intellectual or developmental disability who receive care
21 in intermediate care facilities other than a state supported living
22 center; and

23 (C) state supported living centers.

24 (d) A school district shall include the materials developed
25 under Subsection (b) in the notice of procedural safeguards under
26 20 U.S.C. Section 1415(b).

27 SECTION 3.11. Sections 29.006(a) and (c), Education Code,

1 are amended to read as follows:

2 (a) The governor shall appoint a continuing advisory
3 committee consistent with [~~, composed of 17 members, under~~] 20
4 U.S.C. Section 1412(a)(21). At least one member appointed under
5 this subsection must be a director of special education programs
6 for a school district.

7 (c) Members of the committee are appointed for staggered
8 terms of four years with the terms of half of the [~~eight or nine~~]
9 members or, for an odd number of members, half of the members
10 rounded down or half of the members rounded up expiring on February
11 1 of each odd-numbered year.

12 SECTION 3.12. Section 29.008, Education Code, is amended to
13 read as follows:

14 Sec. 29.008. CONTRACTS FOR SERVICES; RESIDENTIAL AND DAY
15 PLACEMENT PROGRAMS. (a) The commissioner shall set minimum
16 standards for and develop and update as necessary a list of approved
17 public or private facilities, institutions, agencies, or
18 businesses inside or outside of this state that a [A] school
19 district, shared services arrangement unit, or regional education
20 service center may contract with [~~a public or private facility,~~
21 ~~institution, or agency inside or outside of this state~~] for the
22 provision of services to students with disabilities in a
23 residential or day placement program.

24 (a-1) [~~Each contract for residential placement must be~~
25 ~~approved by the commissioner.~~] The commissioner may approve a
26 facility, institution, agency, or business under Subsection (a)
27 [~~residential placement contract~~] only after at least a programmatic

1 evaluation of personnel qualifications, costs, adequacy of
2 physical plant and equipment, and curriculum content. [~~The~~
3 ~~commissioner may approve either the whole or a part of a facility or~~
4 ~~program.~~]

5 (a-2) Each contract described by this section must be
6 approved by the commissioner. A school district, shared services
7 arrangement unit, or regional education service center seeking to
8 place a student in a residential or day placement program that is
9 not on the list developed under Subsection (a) must submit to the
10 commissioner an application for approval in accordance with
11 Subsections (a) and (a-1).

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

1 expires September 1, 2027.

2 (c) When a student, including one for whom the state is
3 managing conservator, is placed primarily for care or treatment
4 reasons in a private [~~residential~~] facility that operates its own
5 private education program, none of the costs may be paid from public
6 education funds. If a [~~residential~~] placement primarily for care
7 or treatment reasons involves a private [~~residential~~] facility in
8 which the education program is provided by the school district, the
9 portion of the costs that includes appropriate education services,
10 as determined by the school district's admission, review, and
11 dismissal committee, shall be paid from state and federal education
12 funds.

13 (d) A district that contracts for the provision of education
14 services rather than providing the services itself shall oversee
15 the implementation of the student's individualized education
16 program and shall annually reevaluate the appropriateness of the
17 arrangement. The reevaluation must include standards and
18 expectations that the student would need to meet to be reintegrated
19 to a regular school setting. An approved facility, institution,
20 [~~or~~] agency, or business with whom the district contracts shall
21 periodically report to the district and the agency on the services
22 the student has received or will receive in accordance with the
23 contract as well as diagnostic or other evaluative information that
24 the district or agency requires in order to fulfill its obligations
25 under this subchapter.

26 (e) The commissioner shall adopt rules for residential and
27 day placement of students receiving special education services.

1 SECTION 3.13. The heading to Section 29.009, Education
2 Code, is amended to read as follows:

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

6 SECTION 3.14. Section 29.010, Education Code, is amended to
7 read as follows:

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

21 (a-1) As part of the monitoring system, the agency may
22 require a school district to obtain specialized technical
23 assistance for a documented noncompliance issue or if data
24 indicates that technical assistance is needed, such as an incident
25 involving injury to staff or students by a student receiving
26 special education services or data indicating an excessive number
27 of restraints are used on students receiving special education

1 services.

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

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

13 (d) The agency shall establish a system of progressive
14 sanctions and enforcement provisions to apply to [~~For~~] districts
15 that remain in noncompliance for more than one year[, ~~the first~~
16 ~~stage of sanctions shall begin with annual or more frequent~~
17 ~~monitoring visits~~]. The [~~Subsequent~~] sanctions must [~~may~~] range in
18 severity and may include [~~up to~~] the withholding of funds. If funds
19 are withheld, the agency may use the funds, or direct the funds to
20 be used, to provide, through alternative arrangements, services to
21 students and staff members in the district from which the funds are
22 withheld.

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

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

5 SECTION 3.15. Section 29.012(d), Education Code, is amended
6 to read as follows:

7 (d) The Texas Education Agency, the Health and Human
8 Services Commission, the Department of Family and Protective
9 Services, and the Texas Juvenile Justice Department by a
10 cooperative effort shall develop and ~~[by rule]~~ adopt a memorandum
11 of understanding. The memorandum must:

12 (1) establish the respective responsibilities of
13 school districts and of residential facilities for the provision of
14 a free, appropriate public education, as required by the
15 Individuals with Disabilities Education Act (20 U.S.C. Section 1400
16 et seq.) and its subsequent amendments, including each requirement
17 for children with disabilities who reside in those facilities;

18 (2) coordinate regulatory and planning functions of
19 the parties to the memorandum;

20 (3) establish criteria for determining when a public
21 school will provide educational services;

22 (4) provide for appropriate educational space when
23 education services will be provided at the residential facility;

24 (5) establish measures designed to ensure the safety
25 of students and teachers; and

26 (6) provide for binding arbitration consistent with
27 Chapter 2009, Government Code, and Section 154.027, Civil Practice

1 and Remedies Code.

2 SECTION 3.16. Section 29.013, Education Code, is amended to
3 read as follows:

4 Sec. 29.013. NONEDUCATIONAL COMMUNITY-BASED SUPPORT
5 SERVICES GRANTS FOR CERTAIN STUDENTS WITH DISABILITIES. (a) The
6 commissioner [~~agency~~] shall adopt rules establishing [~~establish~~]
7 procedures and criteria for the allocation of grants [~~funds~~
8 ~~appropriated~~] under this section, using money appropriated or
9 otherwise available for the purpose, to students who are eligible
10 under Subsection (b) and the students' families [~~school districts~~]
11 for the provision of noneducational community-based support
12 services [~~to certain students with disabilities and their families~~
13 ~~so that those students may receive an appropriate free public~~
14 ~~education in the least restrictive environment~~].

15 (b) A grant [~~The funds~~] may be awarded under this section
16 [~~used~~] only to a student with a disability [~~for eligible students~~
17 ~~with disabilities~~] who is [~~would remain or would have to be~~] placed
18 by the student's admission, review, and dismissal committee in:

19 (1) a residential program approved under Section
20 29.008; or

21 (2) a day placement program and is at risk of being
22 placed in a residential program approved under Section 29.008
23 [~~facilities primarily for educational reasons without the~~
24 ~~provision of noneducational community-based support services~~].

25 (c) The support services may not be related to the provision
26 of a free appropriate public education to the student and may
27 include in-home family support, behavioral and other

1 disability-related supports for the student's family, respite
2 care, and case management for the student's family [~~families with a~~
3 ~~student who otherwise would have been placed by a district in a~~
4 ~~private residential facility~~].

5 (d) A school district shall:

6 (1) notify the parent of a student described by
7 Subsection (b) of the availability of grants under this section;
8 and

9 (2) designate a campus or district staff member to
10 assist families of students described by Subsection (b) in
11 accessing grants under this section.

12 (e) On request by the parent of a student described by
13 Subsection (b), the commissioner shall create an account for the
14 student to access a grant under this section through which the
15 parent may request payment for approved support services.

16 (f) In adopting rules under this section, the commissioner
17 shall adopt rules and guidelines detailing the process to access
18 grant money and the amount of each grant, including a process for a
19 parent to apply for an increase in the grant amount.

20 (g) The provision of services under this section does not
21 supersede or limit the responsibility of a school district or other
22 agencies to provide or pay for costs [~~of noneducational~~
23 ~~community-based support services~~] to enable any student with
24 disabilities to receive a free appropriate public education in the
25 least restrictive environment. [~~Specifically, services provided~~
26 ~~under this section may not be used for a student with disabilities~~
27 ~~who is currently placed or who needs to be placed in a residential~~

1 ~~facility primarily for noneducational reasons.]~~

2 (h) The commissioner may designate a regional education
3 service center to administer grants under this section.

4 SECTION 3.17. Sections 29.014(c) and (d), Education Code,
5 are amended to read as follows:

6 (c) Notwithstanding any other provision of this code, a
7 student whose appropriate education program is a general ~~[regular]~~
8 education program may receive services and be counted for
9 attendance purposes for the number of hours per week appropriate
10 for the student's condition if the student:

11 (1) is temporarily classified as eligible for
12 participation in a special education program because of the
13 student's confinement in a hospital; and

14 (2) the student's education is provided by a district
15 to which this section applies.

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

21 SECTION 3.18. Section 29.0162(b), Education Code, is
22 amended to read as follows:

23 (b) The commissioner by rule shall adopt additional
24 qualifications and requirements for a representative for purposes
25 of Subsection (a)(2). The rules must:

26 (1) prohibit an individual from being a representative
27 under Subsection (a)(2) opposing a school district if:

1 (A) the individual has prior employment
2 experience with the district; and

3 (B) the district raises an objection to the
4 individual serving as a representative;

5 (2) include requirements that the representative have
6 knowledge of:

7 (A) all special education dispute resolution
8 options available to parents, including due process and due process
9 rules, hearings, and procedure; and

10 (B) federal and state special education laws;

11 (3) require, if the representative receives monetary
12 compensation from a person for representation in an impartial due
13 process hearing, that the representative agree to abide by a
14 voluntary code of ethics and professional conduct during the period
15 of representation; and

16 (4) require, if the representative receives monetary
17 compensation from a person for representation in an impartial due
18 process hearing, that the representative enter into a written
19 agreement for representation with the person who is the subject of
20 the special education due process hearing that includes a process
21 for resolving any disputes between the representative and the
22 person.

23 SECTION 3.19. Section 29.018(b), Education Code, is amended
24 to read as follows:

25 (b) A school district is eligible to apply for a grant under
26 this section if:

27 (1) the district does not receive sufficient funds,

1 including state funds provided under Sections [~~Section~~] 48.102 and
2 48.1021 and federal funds, for a student with disabilities to pay
3 for the special education services provided to the student; or

4 (2) the district does not receive sufficient funds,
5 including state funds provided under Sections [~~Section~~] 48.102 and
6 48.1021 and federal funds, for all students with disabilities in
7 the district to pay for the special education services provided to
8 the students.

9 SECTION 3.20. The heading to Section 29.020, Education
10 Code, is amended to read as follows:

11 Sec. 29.020. STATE-ADMINISTERED INDIVIDUALIZED EDUCATION
12 PROGRAM FACILITATION [~~PROJECT~~].

13 SECTION 3.21. Sections 29.020(a) and (c), Education Code,
14 are amended to read as follows:

15 (a) The agency shall develop rules in accordance with this
16 section applicable to state-administered [~~the administration of a~~
17 ~~state~~] individualized education program facilitation [~~project~~].
18 The program shall include the provision of an independent
19 individualized education program facilitator as a dispute
20 resolution method that may be used to avoid a potential dispute
21 between a school district and a parent of a student with a
22 disability or to facilitate an admission, review, and dismissal
23 committee meeting with parties who are in a dispute about decisions
24 relating to the provision of a free appropriate public education to
25 a student with a disability. Facilitation [~~implemented under the~~
26 ~~project~~] must comply with rules developed under this subsection.

27 (c) If the commissioner determines that adequate funding is

1 available, the commissioner may authorize the use of federal funds
2 to implement ~~[the]~~ individualized education program facilitation
3 ~~[project]~~ in accordance with this section.

4 SECTION 3.22. Sections 29.022(a), (a-1), (b), (c), (c-1),
5 (d), (f), (h), (k), (l), (q), (s), and (t), Education Code, are
6 amended to read as follows:

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

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

25 (2) a school or campus that receives equipment as a
26 result of the request by a board of trustees, governing body,
27 principal, or assistant principal is required to place equipment

1 only in classrooms or settings identified by the requestor, if the
2 requestor limits the request to specific classrooms or settings
3 subject to this subsection.

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

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

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

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

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

26 (b) A school or campus that places a video camera in a
27 special education classroom or other special education setting in

1 accordance with Subsection (a) shall operate and maintain the video
2 camera in the classroom or setting, as long as the classroom or
3 setting continues to satisfy the requirements under Subsection (a),
4 for the remainder of the school year in which the school or campus
5 received the request, unless the requestor withdraws the request in
6 writing. If for any reason a school or campus will discontinue
7 operation of a video camera during a school year, not later than the
8 fifth school day before the date the operation of the video camera
9 will be discontinued, the school or campus must notify the parents
10 of each student in regular attendance in the classroom or setting
11 that operation of the video camera will not continue unless
12 requested by a person eligible to make a request under Subsection
13 (a-1). Not later than the 10th school day before the end of each
14 school year, the school or campus must notify the parents of each
15 student in regular attendance in the classroom or setting that
16 operation of the video camera will not continue during the
17 following school year unless a person eligible to make a request for
18 the next school year under Subsection (a-1) submits a new request.

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

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

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

27 (c-1) The inside of a bathroom or any area in the special

1 education classroom or other special education setting in which a
2 student's clothes are changed may not be visually monitored, except
3 for incidental coverage of a minor portion of a bathroom or changing
4 area because of the layout of the classroom or setting.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

12 (q) The agency shall collect through the Public Education
13 Information Management System (PEIMS) data relating to requests
14 made under this section and actions taken by a school district or
15 open-enrollment charter school in response to a request, including
16 the number of requests made, authorized, and denied.

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

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

25 SECTION 3.23. Sections 29.022(u)(3) and (4), Education
26 Code, are amended to read as follows:

27 (3) "Special education classroom or other special

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

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

11 SECTION 3.24. Subchapter A, Chapter 29, Education Code, is
12 amended by adding Sections 29.023, 29.024, 29.025, and 29.026 to
13 read as follows:

14 Sec. 29.023. GRANT PROGRAM PROVIDING SERVICES TO STUDENTS
15 WITH AUTISM. (a) From money appropriated or otherwise available
16 for the purpose, the commissioner shall establish a program to
17 award grants to school districts and open-enrollment charter
18 schools that provide innovative services to students with autism.

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

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

26 (1) incorporates:

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

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

3 (C) parental support and collaboration;

4 (D) the use of technology;

5 (E) meaningful inclusion; and

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

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

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

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

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

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

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

21 (e) A program under this section may:

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

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

26 (3) allow the enrollment of students without
27 disabilities or with other disabilities, if approved by the

1 commissioner; and

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

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

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

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

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

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

26 (k) A regional education service center may administer
27 grants awarded under this section.

1 Sec. 29.024. GRANT PROGRAM PROVIDING TRAINING IN DYSLEXIA
2 FOR TEACHERS, STAFF, AND OTHER PERSONNEL. (a) From money
3 appropriated or otherwise available for the purpose, the
4 commissioner shall establish a program to award grants each school
5 year to school districts, open-enrollment charter schools, the
6 Texas Juvenile Justice Department, juvenile boards, and juvenile
7 probation departments to increase local capacity to appropriately
8 serve students with dyslexia.

9 (b) A school district, including a school district acting
10 through a district charter issued under Subchapter C, Chapter 12,
11 an open-enrollment charter school, including a charter school that
12 primarily serves students with disabilities, as provided under
13 Section 12.1014, the Texas Juvenile Justice Department, a juvenile
14 board, or a juvenile probation department is eligible to apply for a
15 grant under this section if the district, school, department, or
16 board submits to the commissioner a proposal on the use of grant
17 funds that:

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

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

22 (A) high-quality training to classroom teachers,
23 administrators, and other relevant personnel in meeting the needs
24 of students with dyslexia; or

25 (B) training to intervention staff resulting in
26 appropriate credentialing related to dyslexia, with priority for
27 training staff to earn the credentials necessary to become a

1 licensed dyslexia therapist or certified academic language
2 therapist.

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

7 (d) A grant awarded under this section is in addition to the
8 Foundation School Program money that the grant recipient is
9 otherwise entitled to receive. A grant awarded under this section
10 may not come out of Foundation School Program money.

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

17 (f) A regional education service center may administer
18 grants awarded under this section.

19 Sec. 29.025. SUPPORTS FOR RECRUITING AND RETAINING SPECIAL
20 EDUCATION STAFF. (a) From money appropriated or otherwise
21 available for the purpose, the agency shall provide grants each
22 school year to school districts and open-enrollment charter schools
23 to increase the number of qualified and appropriately credentialed
24 special education staff, including special education teachers,
25 special education paraprofessionals, evaluation personnel,
26 ancillary instruction personnel, certified interpreters,
27 board-certified behavior analysts, registered behavior

1 technicians, and related service personnel.

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

8 (c) A regional education service center may administer
9 grants awarded under this section.

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

13 Sec. 29.026. RULES. The commissioner may adopt rules as
14 necessary to implement this subchapter.

15 SECTION 3.25. The heading to Subchapter [A-1](#), Chapter [29](#),
16 Education Code, is amended to read as follows:

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

20 SECTION 3.26. Sections [29.041](#)(2) and (3), Education Code,
21 are amended to read as follows:

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

27 (3) "Supplemental [~~special education~~] services" means

1 an additive service that provides an educational benefit to a
2 student receiving special education services under Subchapter A,
3 including:

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

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

8 SECTION 3.27. Section 29.042, Education Code, is amended by
9 amending Subsections (a) and (c) and adding Subsection (e) to read
10 as follows:

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

23 (c) A student may receive one grant under this subchapter
24 unless the legislature appropriates money for an additional grant
25 in the General Appropriations Act [~~The commissioner shall set aside~~
26 ~~an amount set by appropriation for each state fiscal year to fund~~
27 ~~the program under this section. For each state fiscal year, the~~

1 ~~total amount provided for student grants under Subsection (a) may~~
2 ~~not exceed the amount set aside by the commissioner under this~~
3 ~~subsection].~~

4 (e) The agency shall maintain an online user-friendly
5 application system for parents to apply for a grant described by
6 Subsection (a).

7 SECTION 3.28. Section 29.045, Education Code, is amended to
8 read as follows:

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

18 SECTION 3.29. Sections 29.046(a) and (b), Education Code,
19 are amended to read as follows:

20 (a) Money in an account assigned to a student under Section
21 29.045 may be used only for supplemental [~~special—education~~]
22 services and supplemental [~~special—education~~] instructional
23 materials.

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

26 SECTION 3.30. Sections 29.047(a), (c), (d), and (e),
27 Education Code, are amended to read as follows:

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

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

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

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

16 SECTION 3.31. Section 29.048, Education Code, is amended to
17 read as follows:

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

26 (b) Unless the district first verifies that an account has
27 been assigned to the student under Section 29.045, the [The]

1 admission, review, and dismissal committee of a student approved
2 for participation in the program shall provide to the student's
3 parent at an admission, review, and dismissal committee meeting for
4 the student:

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

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

12 SECTION 3.32. Subchapter A-1, Chapter 29, Education Code,
13 is amended by adding Section 29.0485 to read as follows:

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

17 SECTION 3.33. Section 29.049, Education Code, is amended to
18 read as follows:

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

23 SECTION 3.34. Section 29.153, Education Code, is amended by
24 amending Subsection (b) and adding Subsection (b-2) to read as
25 follows:

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

1 and:

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

4 (2) is educationally disadvantaged;

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

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

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

16 (6) is or ever has been in:

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

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

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

24 (A) a peace officer under Section [3106.002](#),
25 Government Code;

26 (B) a firefighter under Section [3106.003](#),
27 Government Code; or

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

3 (8) is a child eligible for special education services
4 under Subchapter A and the child's admission, review, and dismissal
5 committee determines the prekindergarten class to be the most
6 appropriate placement for the child under the child's
7 individualized education program.

8 (b-2) A child described by Subsection (b)(8) who is at least
9 three years of age but younger than four years of age may be
10 enrolled in a prekindergarten class offered to children who are at
11 least four years of age if:

12 (1) the school district does not offer a
13 prekindergarten program for children who are at least three years
14 of age; and

15 (2) the child's admission, review, and dismissal
16 committee determines the prekindergarten class to be the most
17 appropriate placement for the child under the child's
18 individualized education program.

19 SECTION 3.35. Section 29.301(1), Education Code, is amended
20 to read as follows:

21 (1) "Admission, review, and dismissal committee"
22 means the committee required by [~~State Board of Education rules to~~
23 ~~develop the individualized education program required by~~] the
24 Individuals with Disabilities Education Act (20 U.S.C. Section 1400
25 et seq.) for any student needing special education.

26 SECTION 3.36. Sections 29.304(a) and (c), Education Code,
27 are amended to read as follows:

1 (a) A student who is deaf or hard of hearing must have an
2 education in which teachers, psychologists, speech language
3 pathologists [~~therapists~~], progress assessors, administrators, and
4 others involved in education understand the unique nature of
5 deafness and the hard-of-hearing condition. A teacher of students
6 who are deaf or hard of hearing either must be proficient in
7 appropriate language modes or use an interpreter certified in
8 appropriate language modes if certification is available.

9 (c) General [~~Regular~~] and special education personnel who
10 work with students who are deaf or hard of hearing must be
11 adequately prepared to provide educational instruction and
12 services to those students.

13 SECTION 3.37. Section [29.310](#), Education Code, is amended by
14 amending Subsection (c) and adding Subsection (d) to read as
15 follows:

16 (c) The procedures and materials for the assessment and
17 placement of a student who is deaf or hard of hearing shall be in the
18 student's preferred mode of communication. All other procedures
19 and materials used with any student who is deaf or hard of hearing
20 and who is an emergent bilingual student as defined by Section
21 [29.052](#) [~~has limited English proficiency~~] shall be in the student's
22 preferred mode of communication.

23 (d) In recognizing the need for development of language and
24 communication abilities in students who are deaf or hard of hearing
25 but also calling for the use of methods of communication that will
26 meet the needs of each individual student, each student who is deaf
27 or hard of hearing must be thoroughly assessed to ascertain the

1 student's potential for communicating through a variety of means.

2 SECTION 3.38. Section 29.313, Education Code, is amended to
3 read as follows:

4 Sec. 29.313. EVALUATION OF DEAF AND HARD OF HEARING
5 SERVICES [~~PROGRAMS~~]. (a) Each school district must provide
6 continuous evaluation of the effectiveness of the district's
7 services [~~programs of the district~~] for students who are deaf or
8 hard of hearing. The [~~If practicable,~~] evaluations shall follow
9 program excellence indicators established by the agency.

10 (b) Each school district shall submit the evaluations under
11 this section to the agency on a schedule set by the agency.

12 SECTION 3.39. Section 29.314, Education Code, is amended to
13 read as follows:

14 Sec. 29.314. TRANSITION INTO GENERAL EDUCATION [~~REGULAR~~]
15 CLASS. In addition to satisfying requirements of the admission,
16 review, and dismissal committee and to satisfying requirements
17 under state and federal law for vocational training, each school
18 district shall develop and implement a transition plan for the
19 transition of a student who is deaf or hard of hearing into a
20 general education [~~regular~~] class [~~program~~] if the student is to be
21 transferred from a special class or center or nonpublic,
22 nonsectarian school into a general education [~~regular~~] class in a
23 public school for any part of the school day. The transition plan
24 must provide for activities:

25 (1) to integrate the student into the general
26 [~~regular~~] education program and specify the nature of each activity
27 and the time spent on the activity each day; and

1 (2) to support the transition of the student from the
2 special education program into the general [~~regular~~] education
3 program.

4 SECTION 3.40. 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; and

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 3.41. Section 29.316, Education Code, is amended to
26 read as follows:

27 Sec. 29.316. LANGUAGE ACQUISITION. (a) In this section,

1 "language [+

2 [~~(1) "Center" means the Educational Resource Center on~~
3 ~~Deafness at the Texas School for the Deaf.~~

4 [~~(2) "Division" means the Division for Early Childhood~~
5 ~~Intervention Services of the Health and Human Services Commission.~~

6 [~~(3) "Language~~] acquisition" includes expressive and
7 receptive language acquisition and literacy development in
8 English, American Sign Language, or both, or, if applicable, in
9 another language primarily used by a child's parent or guardian,
10 and is separate from any modality used to communicate in the
11 applicable language or languages.

12 (b) Each school district [~~The commissioner and the~~
13 ~~executive commissioner of the Health and Human Services Commission~~
14 ~~jointly~~] shall ensure that the language acquisition of each child
15 eight years of age or younger who is deaf or hard of hearing is
16 regularly assessed using a tool or assessment approved by the
17 commissioner [~~determined to be valid and reliable as provided by~~
18 ~~Subsection (d)~~].

19 (c) On a schedule determined by the commissioner, each
20 school district shall report to the commissioner through the Public
21 Education Information Management System (PEIMS) or another method
22 set by commissioner rule the assessment data collected under
23 Subsection (b) [~~Not later than August 31 of each year, the agency,~~
24 ~~the division, and the center jointly shall prepare and post on the~~
25 ~~agency's, the division's, and the center's respective Internet~~
26 ~~websites a report on the language acquisition of children eight~~
27 ~~years of age or younger who are deaf or hard of hearing. The report~~

1 must:

2 ~~[(1) include:~~

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

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

8 ~~[(2) state for each child:~~

9 ~~[(A) the instructional arrangement used with the~~
10 ~~child, as described by Section 48.102, including the time the child~~
11 ~~spends in a mainstream instructional arrangement;~~

12 ~~[(B) the specific language acquisition services~~
13 ~~provided to the child, including:~~

14 ~~[(i) the time spent providing those~~
15 ~~services; and~~

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

18 ~~[(a) the type of hearing~~
19 ~~amplification used;~~

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

22 ~~[(c) the average amount of time the~~
23 ~~child uses the hearing amplification each day;~~

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

26 ~~[(D) the preferred unique communication mode~~
27 ~~used by the child at home; and~~

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

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

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

13 (d) The commissioner ~~[, the executive commissioner of the~~
14 ~~Health and Human Services Commission, and the center]~~ shall adopt
15 rules establishing the assessment data required to be reported
16 under Subsection (c) ~~[enter into a memorandum of understanding~~
17 ~~regarding:~~

18 ~~[(1) the identification of experts in deaf education,~~
19 ~~and~~

20 ~~[(2) the determination, in consultation with those~~
21 ~~experts, of the tools and assessments that are valid and reliable,~~
22 ~~in both content and administration, for use in assessing the~~
23 ~~language acquisition of children eight years of age or younger who~~
24 ~~are deaf or hard of hearing].~~

25 (e) The commissioner shall annually post on the agency's
26 Internet website a report on the language acquisition of children
27 eight years of age or younger who are deaf or hard of hearing using

1 the assessment data reported under Subsection (c) [~~agency shall use~~
2 ~~existing collected data and data collected and transferred from the~~
3 ~~Department of State Health Services and the Health and Human~~
4 ~~Services Commission, as agreed upon in the memorandum of~~
5 ~~understanding, for the report under this section)].~~

6 (f) The commissioner shall use the assessment data reported
7 under Subsection (c) in determining whether to award a grant under
8 Section 29.018 or in seeking federal money available for projects
9 aimed at improving outcomes for students with disabilities [~~and the~~
10 ~~executive commissioner of the Health and Human Services Commission~~
11 ~~jointly shall adopt rules as necessary to implement this section,~~
12 ~~including rules for:~~

13 [~~(1) assigning each child eight years of age or~~
14 ~~younger who is deaf or hard of hearing a unique identification~~
15 ~~number for purposes of the report required under Subsection (c) and~~
16 ~~to enable the tracking of the child's language acquisition, and~~
17 ~~factors affecting the child's language acquisition, over time, and~~

18 [~~(2) implementing this section in a manner that~~
19 ~~complies with federal law regarding confidentiality of student~~
20 ~~medical or educational information, including the Health Insurance~~
21 ~~Portability and Accountability Act of 1996 (42 U.S.C. Section 1320d~~
22 ~~et seq.) and the Family Educational Rights and Privacy Act of 1974~~
23 ~~(20 U.S.C. Section 1232g), and any state law relating to the privacy~~
24 ~~of student information)].~~

25 SECTION 3.42. The heading to Section 30.002, Education
26 Code, is amended to read as follows:

27 Sec. 30.002. STATE PLAN [~~EDUCATION~~] FOR CHILDREN WITH

1 VISUAL IMPAIRMENTS, WHO ARE DEAF OR HARD OF HEARING, OR WHO ARE
2 DEAF-BLIND.

3 SECTION 3.43. Sections 30.002(a), (b), (c), and (e),
4 Education Code, are amended to read as follows:

5 (a) The agency shall develop and administer a comprehensive
6 statewide plan for the education of children ~~[with visual~~
7 ~~impairments]~~ who are under 22 [21] years of age and who have visual
8 impairments, are deaf or hard of hearing, or are deaf-blind that
9 will ensure that the children have an opportunity for achievement
10 equal to the opportunities afforded their peers who do not have
11 visual impairments, are not deaf or hard of hearing, or are not
12 deaf-blind ~~[with normal vision].~~

13 (b) The agency shall:

14 (1) develop standards and guidelines for all special
15 education and related services for children who have visual
16 impairments, are deaf or hard of hearing, or are deaf-blind ~~[with~~
17 ~~visual impairments]~~ that it is authorized to provide or support
18 under this code and federal law;

19 (2) supervise regional education service centers and
20 other entities in assisting school districts in serving children
21 who have visual impairments, are deaf or hard of hearing, or are
22 deaf-blind ~~[with visual impairments]~~ more effectively; and

23 ~~(3) [develop and administer special education~~
24 ~~services for students with both serious visual and auditory~~
25 ~~impairments,~~

26 ~~[(4) evaluate special education services provided for~~
27 ~~children with visual impairments by school districts and approve or~~

1 ~~disapprove state funding of those services, and~~

2 ~~[(5)]~~ maintain an effective liaison between special
3 education programs provided for children who have visual
4 impairments, are deaf or hard of hearing, or are deaf-blind ~~[with~~
5 ~~visual impairments]~~ by school districts and related initiatives of
6 the Health and Human Services Commission, ~~[the Department of State~~
7 ~~Health Services Mental Health and Substance Abuse Division,]~~ the
8 Texas Workforce Commission, and other related programs, agencies,
9 or facilities as appropriate.

10 (c) The comprehensive statewide plan for the education of
11 children who have visual impairments, are deaf or hard of hearing,
12 or are deaf-blind ~~[with visual impairments]~~ must:

13 (1) adequately provide for comprehensive diagnosis
14 and evaluation of each school-age child who has a visual
15 impairment, is deaf or hard of hearing, or is deaf-blind and
16 adequately outline the expectations of a school district for such a
17 child under three years of age ~~[with a serious visual impairment];~~

18 (2) include the procedures, format, and content of the
19 individualized education program for each child who has a visual
20 impairment, is deaf or hard of hearing, or is deaf-blind ~~[with a~~
21 ~~visual impairment];~~

22 (3) emphasize providing educational services to
23 children who have visual impairments, are deaf or hard of hearing,
24 or are deaf-blind ~~[with visual impairments]~~ in their home
25 communities whenever possible;

26 (4) include information regarding the establishment
27 of regional day school programs for the deaf under Subchapter D and

1 the parameters of those programs [~~methods to ensure that children~~
2 ~~with visual impairments receiving special education services in~~
3 ~~school districts receive, before being placed in a classroom~~
4 ~~setting or within a reasonable time after placement:~~

5 [~~(A) evaluation of the impairment, and~~

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

11 [~~(i) compensatory skills, such as braille~~
12 ~~and concept development, and other skills needed to access the rest~~
13 ~~of the curriculum,~~

14 [~~(ii) orientation and mobility,~~

15 [~~(iii) social interaction skills,~~

16 [~~(iv) career planning,~~

17 [~~(v) assistive technology, including~~
18 ~~optical devices,~~

19 [~~(vi) independent living skills,~~

20 [~~(vii) recreation and leisure enjoyment,~~

21 [~~(viii) self-determination, and~~

22 [~~(ix) sensory efficiency];~~

23 (5) provide for flexibility on the part of school
24 districts to meet the unique [~~special~~] needs of children who have
25 visual impairments, are deaf or hard of hearing, or are deaf-blind
26 [~~with visual impairments~~] through:

27 (A) specialty staff and resources provided by the

1 district;

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

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

6 (D) short-term or long-term services through the
7 Texas School for the Blind and Visually Impaired, the Texas School
8 for the Deaf, regional day school programs for the deaf, or related
9 facilities or programs; or

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

12 (6) ~~[include a statewide admission, review, and~~
13 ~~dismissal process;~~

14 ~~[(7)]~~ provide for effective interaction between the
15 ~~[visually impaired child's]~~ classroom setting of the child who has
16 a visual impairment, is deaf or hard of hearing, or is deaf-blind
17 and the child's home environment, including providing for parental
18 training and counseling either by school district staff or by
19 representatives of other organizations directly involved in the
20 development and implementation of the individualized education
21 program for the child;

22 (7) describe recommended and required professional
23 development activities based on the special education and related
24 services provided by school district staff to children who have
25 visual impairments, are deaf or hard of hearing, or are deaf-blind

26 ~~[(8) require the continuing education and professional~~
27 ~~development of school district staff providing special education~~

1 ~~services to children with visual impairments~~];

2 (8) [(9)] provide for adequate monitoring and precise
3 evaluation of special education services provided to children who
4 have visual impairments, are deaf or hard of hearing, or are
5 deaf-blind [~~with visual impairments~~] through school districts;
6 [~~and~~]

7 (9) [(10)] require that school districts providing
8 special education services to children who have visual impairments,
9 are deaf or hard of hearing, or are deaf-blind [~~with visual~~
10 ~~impairments~~] develop procedures for assuring that staff assigned to
11 work with the children have prompt and effective access directly to
12 resources available through:

13 (A) cooperating agencies in the area;

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

16 (C) the Texas School for the Deaf;

17 (D) the statewide outreach center at the Texas
18 School for the Deaf;

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

22 (F) [~~(D)~~] sheltered workshops participating in
23 the state program of purchases of blind-made goods and services;

24 and

25 (G) [~~(E)~~] related sources; and

26 (10) assist in the coordination of educational
27 programs with other public and private agencies, including:

- 1 (A) agencies operating early childhood
2 intervention programs;
3 (B) preschools;
4 (C) agencies operating child development
5 programs;
6 (D) private nonsectarian schools;
7 (E) agencies operating regional occupational
8 centers and programs; and
9 (F) as appropriate, postsecondary and adult
10 programs for persons who are deaf or hard of hearing.

11 (e) Each eligible [~~blind or visually impaired~~] student who
12 has a visual impairment, is deaf or hard of hearing, or is
13 deaf-blind is entitled to receive educational programs according to
14 an individualized education program that:

15 (1) is developed in accordance with federal and state
16 requirements for providing special education services;

17 (2) is developed by a committee composed as required
18 by federal law;

19 (3) reflects that the student has been provided a
20 detailed explanation of the various service resources available to
21 the student in the community and throughout the state;

22 (4) provides a detailed description of the
23 arrangements made to provide the student with the evaluation and
24 instruction required under this subchapter and Subchapter A,
25 Chapter 29 [~~Subsection (c)(4)~~]; and

26 (5) sets forth the plans and arrangements made for
27 contacts with and continuing services to the student beyond regular

1 school hours to ensure the student learns the skills and receives
2 the instruction required under this subchapter and Subchapter A,
3 Chapter 29 [~~Subsection (c)(4)(B)~~].

4 SECTION 3.44. Subchapter A, Chapter 30, Education Code, is
5 amended by adding Section 30.0021 to read as follows:

6 Sec. 30.0021. REQUIREMENTS FOR CHILDREN WITH VISUAL
7 IMPAIRMENTS. (a) Each child with a visual impairment must receive
8 instruction in an expanded core curriculum required for children
9 with visual impairments to succeed in classroom settings and to
10 derive lasting, practical benefits from education in a school
11 district, including instruction in:

- 12 (1) compensatory skills, such as braille and concept
- 13 development, and other skills necessary to access the rest of the
- 14 curriculum;
- 15 (2) orientation and mobility;
- 16 (3) social interaction skills;
- 17 (4) career education;
- 18 (5) assistive technology, including optical devices;
- 19 (6) independent living skills;
- 20 (7) recreation and leisure enjoyment;
- 21 (8) self-determination; and
- 22 (9) sensory efficiency.

23 (b) To determine a child's eligibility for a school
24 district's special education program under Subchapter A, Chapter
25 29, on the basis of a visual impairment, the full individual and
26 initial evaluation of the child under Section 29.004 and any
27 reevaluation of the child must, in accordance with commissioner

1 rule:

2 (1) include an orientation and mobility evaluation
3 conducted:

4 (A) by a person who is appropriately certified as
5 an orientation and mobility specialist, as determined by
6 commissioner rule; and

7 (B) in a variety of lighting conditions and
8 settings, including in the child's home, school, and community and
9 in settings unfamiliar to the child; and

10 (2) provide for a person who is appropriately
11 certified as an orientation and mobility specialist, as determined
12 by commissioner rule, to participate, as part of a
13 multidisciplinary team, in evaluating the data on which the
14 determination of the child's eligibility is based.

15 (c) In developing an individualized education program under
16 Section 29.005 for a child with a visual impairment, proficiency in
17 reading and writing must be a significant indicator of the child's
18 satisfactory educational progress. The individualized education
19 program must include instruction in braille and the use of braille
20 unless the child's admission, review, and dismissal committee
21 documents a determination, based on an evaluation of the child's
22 appropriate literacy media and literacy skills and the child's
23 current and future instructional needs, that braille is not an
24 appropriate literacy medium for the child.

25 (d) Braille instruction:

26 (1) may be used in combination with other special
27 education services appropriate to the educational needs of a child

1 with a visual impairment; and

2 (2) must be provided by a teacher certified to teach
3 children with visual impairments under Subchapter B, Chapter 21.

4 (e) A school district shall provide to each person assisting
5 in the development of an individualized education program for a
6 child with a visual impairment information describing the benefits
7 of braille instruction.

8 (f) To facilitate implementation of this section, the
9 commissioner shall develop a system to distribute from the
10 foundation school fund to school districts or regional education
11 service centers a special supplemental allowance for each student
12 with a visual impairment. The supplemental allowance may be spent
13 only for special education services uniquely required by the nature
14 of the child's disabilities and may not be used in lieu of
15 educational funds otherwise available under this code or through
16 state or local appropriations.

17 SECTION 3.45. Section 30.003, Education Code, is amended by
18 amending Subsections (b), (d), (f-1), and (g) and adding Subsection
19 (b-1) to read as follows:

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

26 (b-1) The commissioner shall reduce the amount of
27 maintenance taxes imposed by the district that are obligated to be

1 paid under Subsection (b) for a year by the amount, if any, by which
2 the district is required to reduce the district's local revenue
3 level under Section 48.257 for that year.

4 (d) Each school district and state institution shall
5 provide to the commissioner the necessary information to determine
6 the district's share under this section. The information must be
7 reported to the commissioner on or before a date set by commissioner
8 rule [~~of the State Board of Education~~]. After determining the
9 amount of a district's share for all students for which the district
10 is responsible, the commissioner shall deduct that amount from the
11 payments of foundation school funds payable to the district. Each
12 deduction shall be in the same percentage of the total amount of the
13 district's share as the percentage of the total foundation school
14 fund entitlement being paid to the district at the time of the
15 deduction, except that the amount of any deduction may be modified
16 to make necessary adjustments or to correct errors. The
17 commissioner shall provide for remitting the amount deducted to the
18 appropriate school at the same time at which the remaining funds are
19 distributed to the district. If a district does not receive
20 foundation school funds or if a district's foundation school
21 entitlement is less than the amount of the district's share under
22 this section, the commissioner shall direct the district to remit
23 payment to the commissioner, and the commissioner shall remit the
24 district's share to the appropriate school.

25 (f-1) The commissioner shall determine the total amount
26 that the Texas School for the Blind and Visually Impaired and the
27 Texas School for the Deaf would have received from school districts

1 in accordance with this section if the following provisions had not
2 reduced the districts' share of the cost of providing education
3 services:

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

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

7 (3) Section 45.0032;

8 (4) [~~3~~] Section 48.255; and

9 (5) [~~4~~] Section 48.2551.

10 (g) The commissioner [~~State Board of Education~~] may adopt
11 rules as necessary to implement this section.

12 SECTION 3.46. Section 30.004(b), Education Code, is amended
13 to read as follows:

14 (b) The commissioner [~~State Board of Education~~] shall adopt
15 rules prescribing the form and content of information required by
16 Subsection (a).

17 SECTION 3.47. Section 30.005, Education Code, is amended to
18 read as follows:

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

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

27 (2) the process for the agency to conduct and report on

1 an annual evaluation of the school's performance on the indicators;

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

5 (4) [~~the process for the agency to:~~

6 [~~(A) assign an accreditation status to the~~
7 ~~school,~~

8 [~~(B) reevaluate the status on an annual basis,~~
9 ~~and~~

10 [~~(C) if necessary, conduct monitoring reviews,~~
11 ~~and~~

12 [~~5~~] the type of information the school shall be
13 required to provide through the Public Education Information
14 Management System (PEIMS).

15 SECTION 3.48. Section 30.021(e), Education Code, is amended
16 to read as follows:

17 (e) The school shall cooperate with public and private
18 agencies and organizations serving students and other persons with
19 visual impairments in the planning, development, and
20 implementation of effective educational and rehabilitative service
21 delivery systems associated with educating students with visual
22 impairments. To maximize and make efficient use of state
23 facilities, funding, and resources, the services provided in this
24 area may include conducting a cooperative program with other
25 agencies to serve students who have graduated from high school by
26 completing all academic requirements applicable to students in
27 general [~~regular~~] education, excluding satisfactory performance

1 under Section 39.025, who are younger than 22 years of age on
2 September 1 of the school year and who have identified needs related
3 to vocational training, independent living skills, orientation and
4 mobility, social and leisure skills, compensatory skills, or
5 remedial academic skills.

6 SECTION 3.49. Section 30.081, Education Code, is amended to
7 read as follows:

8 Sec. 30.081. LEGISLATIVE INTENT CONCERNING REGIONAL DAY
9 SCHOOLS FOR THE DEAF. The legislature, by this subchapter, intends
10 to continue a process of providing on a statewide basis a suitable
11 education to deaf or hard of hearing students who are under 22 [~~21~~]
12 years of age and assuring that those students have the opportunity
13 to become independent citizens.

14 SECTION 3.50. Section 30.083, Education Code, is amended to
15 read as follows:

16 Sec. 30.083. STATEWIDE PLAN. [~~(a)~~] The director of
17 services shall develop and administer a comprehensive statewide
18 plan for educational services for students who are deaf or hard of
19 hearing and receive special education and related services through
20 a regional day school program for the deaf [~~, including continuing~~
21 ~~diagnosis and evaluation, counseling, and teaching~~]. The plan
22 shall be included as part of the comprehensive state plan under
23 Section 30.002 [~~designed to accomplish the following objectives:~~

24 [~~(1) providing assistance and counseling to parents of~~
25 ~~students who are deaf or hard of hearing in regional day school~~
26 ~~programs for the deaf and admitting to the programs students who~~
27 ~~have a hearing loss that interferes with the processing of~~

1 ~~linguistic information;~~

2 ~~[(2) enabling students who are deaf or hard of hearing~~
3 ~~to reside with their parents or guardians and be provided an~~
4 ~~appropriate education in their home school districts or in regional~~
5 ~~day school programs for the deaf;~~

6 ~~[(3) enabling students who are deaf or hard of hearing~~
7 ~~who are unable to attend schools at their place of residence and~~
8 ~~whose parents or guardians live too far from facilities of regional~~
9 ~~day school programs for the deaf for daily commuting to be~~
10 ~~accommodated in foster homes or other residential school facilities~~
11 ~~provided for by the agency so that those children may attend a~~
12 ~~regional day school program for the deaf;~~

13 ~~[(4) enrolling in the Texas School for the Deaf those~~
14 ~~students who are deaf or hard of hearing whose needs can best be met~~
15 ~~in that school and designating the Texas School for the Deaf as the~~
16 ~~statewide educational resource for students who are deaf or hard of~~
17 ~~hearing;~~

18 ~~[(5) encouraging students in regional day school~~
19 ~~programs for the deaf to attend general education classes on a~~
20 ~~part-time, full-time, or trial basis; and~~

21 ~~[(6) recognizing the need for development of language~~
22 ~~and communications abilities in students who are deaf or hard of~~
23 ~~hearing, but also calling for the use of methods of communication~~
24 ~~that will meet the needs of each individual student, with each~~
25 ~~student assessed thoroughly so as to ascertain the student's~~
26 ~~potential for communications through a variety of means, including~~
27 ~~through oral or aural means, fingerspelling, or sign language].~~

1 ~~[(b) The director of services may establish separate~~
2 ~~programs to accommodate diverse communication methodologies.]~~

3 SECTION 3.51. Section 37.146(a), Education Code, is amended
4 to read as follows:

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

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

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

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

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

18 SECTION 3.52. Section 38.003(c-1), Education Code, is
19 amended to read as follows:

20 (c-1) The agency by rule shall develop procedures designed
21 to allow the agency to:

22 (1) effectively audit and monitor and periodically
23 conduct site visits of all school districts to ensure that
24 districts are complying with this section, including the program
25 approved by the State Board of Education under this section;

26 (2) identify any problems school districts experience
27 in complying with this section, including the program approved by

1 the State Board of Education under this section;

2 (3) develop reasonable and appropriate remedial
3 strategies to address school district noncompliance and ensure the
4 purposes of this section are accomplished, which may include the
5 publication of a recommended evidence-based dyslexia program list;
6 [~~and~~]

7 (4) solicit input from parents of students enrolled in
8 a school district during the auditing and monitoring of the
9 district under Subdivision (1) regarding the district's
10 implementation of the program approved by the State Board of
11 Education under this section; and

12 (5) engage in general supervision activities,
13 including activities under the comprehensive system for monitoring
14 described by Section 29.010, to ensure school district compliance
15 with the program approved by the State Board of Education under this
16 section and Part B, Individuals with Disabilities Education Act (20
17 U.S.C. Section 1411 et seq.).

18 SECTION 3.53. Section 48.009(b), Education Code, is amended
19 to read as follows:

20 (b) The commissioner by rule shall require each school
21 district and open-enrollment charter school to report through the
22 Public Education Information Management System information
23 regarding:

24 (1) the number of students enrolled in the district or
25 school who are identified as having dyslexia;

26 (2) the availability of school counselors, including
27 the number of full-time equivalent school counselors, at each

1 campus;

2 (3) the availability of expanded learning
3 opportunities as described by Section 33.252 at each campus;

4 (4) the total number of students, other than students
5 described by Subdivision (5), enrolled in the district or school
6 with whom the district or school, as applicable, used intervention
7 strategies, as that term is defined by Section 26.004, at any time
8 during the year for which the report is made;

9 (5) the total number of students enrolled in the
10 district or school to whom the district or school provided aids,
11 accommodations, or services under Section 504, Rehabilitation Act
12 of 1973 (29 U.S.C. Section 794), at any time during the year for
13 which the report is made;

14 (6) disaggregated by campus and grade, the number of:

15 (A) children who are required to attend school
16 under Section 25.085, are not exempted under Section 25.086, and
17 fail to attend school without excuse for 10 or more days or parts of
18 days within a six-month period in the same school year;

19 (B) students for whom the district initiates a
20 truancy prevention measure under Section 25.0915(a-4); and

21 (C) parents of students against whom an
22 attendance officer or other appropriate school official has filed a
23 complaint under Section 25.093; ~~and~~

24 (7) the number of students who are enrolled in a high
25 school equivalency program, a dropout recovery school, or an adult
26 education program provided under a high school diploma and industry
27 certification charter school program provided by the district or

1 school and who:

2 (A) are at least 18 years of age and under 26
3 years of age;

4 (B) have not previously been reported to the
5 agency as dropouts; and

6 (C) enroll in the program at the district or
7 school after not attending school for a period of at least nine
8 months; and

9 (8) students enrolled in a special education program
10 under Subchapter A, Chapter 29, as necessary for the agency to
11 adequately perform general supervision activities and determine
12 funding under Sections 48.102 and 48.1021.

13 SECTION 3.54. Subchapter A, Chapter 48, Education Code, is
14 amended by adding Section 48.011 to read as follows:

15 Sec. 48.011. COMMISSIONER AUTHORITY TO RESOLVE UNINTENDED
16 CONSEQUENCES. (a) Subject to Subsection (b), the commissioner
17 may, as necessary to implement changes made by the legislature to
18 public school finance and school district maintenance and
19 operations tax rates during the preceding four state fiscal years:

20 (1) adjust a school district's entitlement under this
21 chapter if the funding formulas used to determine the district's
22 entitlement result in an unanticipated loss, gain, or other result
23 for a school district; and

24 (2) modify dates relating to the adoption of a school
25 district's maintenance and operations tax rate and, if applicable,
26 an election required for the district to adopt that tax rate.

27 (b) Before making an adjustment under Subsection (a), the

1 commissioner shall notify and must receive approval from the
2 Legislative Budget Board and the office of the governor.

3 (c) If the commissioner makes an adjustment under
4 Subsection (a), the commissioner must provide to the legislature an
5 explanation regarding the changes necessary to resolve the
6 unintended consequences.

7 SECTION 3.55. Section 48.102, Education Code, is amended to
8 read as follows:

9 Sec. 48.102. SPECIAL EDUCATION. (a) For each student in
10 average daily attendance in a special education program under
11 Subchapter A, Chapter 29, [~~in a mainstream instructional~~
12 ~~arrangement,~~] a school district is entitled to an annual allotment
13 equal to the basic allotment, or, if applicable, the sum of the
14 basic allotment and the allotment under Section 48.101 to which the
15 district is entitled, multiplied by a weight in an amount set by the
16 legislature in the General Appropriations Act for the highest tier
17 of intensity of service for which the student qualifies [1-15].

18 (a-1) Notwithstanding Subsection (a), for the 2025-2026 and
19 2026-2027 school years, the amount of an allotment under this
20 section shall be determined in accordance with Section 48.1022.
21 This subsection expires September 1, 2027. [~~For each full-time~~
22 ~~equivalent student in average daily attendance in a special~~
23 ~~education program under Subchapter A, Chapter 29, in an~~
24 ~~instructional arrangement other than a mainstream instructional~~
25 ~~arrangement, a district is entitled to an annual allotment equal to~~
26 ~~the basic allotment, or, if applicable, the sum of the basic~~
27 ~~allotment and the allotment under Section 48.101 to which the~~

1 ~~district is entitled, multiplied by a weight determined according~~
2 ~~to instructional arrangement as follows:~~

3	[Homebound	5.0
4	[Hospital class	3.0
5	[Speech therapy	5.0
6	[Resource room	3.0
7	[Self-contained, mild and moderate, regular campus	3.0
8	[Self-contained, severe, regular campus	3.0
9	[Off home campus	2.7
10	[Nonpublic day school	1.7
11	[Vocational adjustment class	2.3]

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

26 (c) In defining the tiers of intensity of service under
27 Subsection (b), the commissioner shall consider:

1 (1) the type, frequency, and nature of services
2 provided to a student;

3 (2) the required certifications, licensures, or other
4 qualifications for personnel serving the student;

5 (3) any identified or curriculum-required
6 provider-to-student ratios for the student to receive the
7 appropriate services; and

8 (4) any equipment or technology required for the
9 services [~~For funding purposes, the number of contact hours~~
10 ~~credited per day for each student in the off home campus~~
11 ~~instructional arrangement may not exceed the contact hours credited~~
12 ~~per day for the multidistrict class instructional arrangement in~~
13 ~~the 1992-1993 school year].~~

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

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

1 ~~success.~~

2 ~~[(f) In this section, "full-time equivalent student" means~~
3 ~~30 hours of contact a week between a special education student and~~
4 ~~special education program personnel.~~

5 ~~[(g) The commissioner shall adopt rules and procedures~~
6 ~~governing contracts for residential placement of special education~~
7 ~~students. The legislature shall provide by appropriation for the~~
8 ~~state's share of the costs of those placements.~~

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

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

16 (f) ~~[(j)]~~ A school district that provides an extended year
17 program required by federal law for special education students who
18 may regress is entitled to receive funds in an amount equal to ~~[75~~
19 ~~percent, or a lesser percentage determined by the commissioner, of]~~
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 for each ~~[full-time equivalent]~~ student in
23 average daily attendance, multiplied by the amount designated for
24 the highest tier of intensity of service for which the student
25 qualifies ~~[student's instructional arrangement]~~ under this
26 section, for each day the program is provided divided by the number
27 of days in the minimum school year. ~~[The total amount of state~~

1 ~~funding for extended year services under this section may not~~
2 ~~exceed \$10 million per year.]~~ A school district may use funds
3 received under this section only in providing an extended year
4 program.

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

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

22 SECTION 3.56. Subchapter C, Chapter 48, Education Code, is
23 amended by adding Sections 48.1021 and 48.1022 to read as follows:

24 Sec. 48.1021. SPECIAL EDUCATION SERVICE GROUP ALLOTMENT.

25 (a) For each student in a special education program under
26 Subchapter A, Chapter 29, a school district is entitled to an
27 allotment in an amount set by the legislature in the General

1 Appropriations Act for the service group for which the student
2 receives services.

3 (a-1) Notwithstanding Subsection (a), for the 2025-2026 and
4 2026-2027 school years, the amount of an allotment under this
5 section shall be determined in accordance with Section 48.1022.
6 This subsection expires September 1, 2027.

7 (b) The commissioner by rule shall establish at least four
8 service groups for use in determining funding under this section.
9 In establishing the groups, the commissioner must consider:

10 (1) the type, frequency, and nature of services
11 provided to a student;

12 (2) the required certifications, licensures, or other
13 qualifications for personnel serving the student;

14 (3) any identified or curriculum-required
15 provider-to-student ratios for the student to receive the
16 appropriate services; and

17 (4) any equipment or technology required for the
18 services.

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

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

26 Sec. 48.1022. SPECIAL EDUCATION TRANSITION FUNDING.

27 (a) For the 2025-2026 and 2026-2027 school years, the commissioner

1 may adjust weights or amounts provided under Section 48.102 or
2 48.1021 as necessary to ensure compliance with requirements
3 regarding maintenance of state financial support under 20 U.S.C.
4 Section 1412(a)(18) and maintenance of local financial support
5 under applicable federal law.

6 (b) For the 2025-2026 and 2026-2027 school years, the
7 commissioner shall determine the formulas through which school
8 districts receive funding under Sections 48.102 and 48.1021. In
9 determining the formulas, the commissioner shall ensure the
10 estimated statewide increase from the allotment under Section
11 48.102 for the 2024-2025 school year to the sum of the allotments
12 under Sections 48.102 and 48.1021 for the 2025-2026 school year is
13 approximately \$800 million.

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

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

20 (e) This section expires September 1, 2028.

21 SECTION 3.57. Sections 48.103(b), (c), and (d), Education
22 Code, are amended to read as follows:

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

25 (1) is receiving:

26 (A) instruction, services, or accommodations for

27 dyslexia or a related disorder in accordance with[+]

1 ~~[(A)]~~ an individualized education program
2 developed for the student under Section 29.005; or

3 (B) accommodations for dyslexia or a related
4 disorder in accordance with a plan developed for the student under
5 Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794); or

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

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

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

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

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

20 (d) A school district may use ~~[an amount not to exceed 20~~
21 ~~percent of]~~ the allotment provided for a qualifying student under
22 this section to contract with a private provider to provide
23 supplemental academic services to the student that are recommended
24 under the student's program or plan described by Subsection (b). A
25 student may not be excused from school to receive supplemental
26 academic services provided under this subsection.

27 SECTION 3.58. Section 48.110(d), Education Code, is amended

1 to read as follows:

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

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

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

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

16 SECTION 3.59. Section 48.151(g), Education Code, is amended
17 to read as follows:

18 (g) A school district or county that provides special
19 transportation services for eligible special education students is
20 entitled to a state allocation at a [~~paid on a previous year's~~
21 ~~cost-per-mile basis. The~~] rate per mile equal to the sum of the
22 rate per mile set under Subsection (c) and \$0.13, or a greater
23 amount provided [~~allowable shall be set~~] by appropriation [~~based on~~
24 ~~data gathered from the first year of each preceding biennium~~].
25 Districts may use a portion of their support allocation to pay
26 transportation costs, if necessary. The commissioner may grant an
27 amount set by appropriation for private transportation to reimburse

1 parents or their agents for transporting eligible special education
2 students. The mileage allowed shall be computed along the shortest
3 public road from the student's home to school and back, morning and
4 afternoon. The need for this type of transportation shall be
5 determined on an individual basis and shall be approved only in
6 extreme hardship cases.

7 SECTION 3.60. Subchapter D, Chapter 48, Education Code, is
8 amended by adding Section 48.158 to read as follows:

9 Sec. 48.158. SPECIAL EDUCATION FULL INDIVIDUAL AND INITIAL
10 EVALUATION. For each child for whom a school district conducts a
11 full individual and initial evaluation under Section 29.004 or 20
12 U.S.C. Section 1414(a)(1), the district is entitled to an allotment
13 of \$1,000 or a greater amount provided by appropriation.

14 SECTION 3.61. Section 48.265(a), Education Code, is amended
15 to read as follows:

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

26 SECTION 3.62. Section 48.279(e), Education Code, is amended
27 to read as follows:

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

7 SECTION 3.63. Subchapter G, Chapter 48, Education Code, is
8 amended by adding Sections 48.304, 48.306, and 48.315 to read as
9 follows:

10 Sec. 48.304. DAY PLACEMENT PROGRAM OR COOPERATIVE FUNDING.

11 (a) For each qualifying day placement program or cooperative that a
12 regional education service center, school district, or
13 open-enrollment charter school establishes, the program or
14 cooperative is entitled to an allotment of:

15 (1) \$250,000 for the first year of the program's or
16 cooperative's operation; and

17 (2) the sum of:

18 (A) \$100,000 for each year of the program's or
19 cooperative's operation after the first year; and

20 (B) \$150,000 if at least three students are
21 enrolled in the program or cooperative for a year described by
22 Paragraph (A).

23 (b) A day placement program or cooperative qualifies for
24 purposes of Subsection (a) if:

25 (1) the program or cooperative complies with
26 commissioner rules adopted for purposes of this section under
27 Section 48.004;

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

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

12 (c) The agency may not designate more than one day placement
13 program or cooperative for service per county each year.

14 (d) The agency may designate a regional education service
15 center to implement and administer this section.

16 (e) Notwithstanding any other provision of this section,
17 the agency may not provide an allotment under this section to more
18 than 20 day placement programs or cooperatives for a year.

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

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

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

4 (d) A regional education service center designated to
5 administer the program under Subchapter A-1, Chapter 29, for a
6 school year is entitled to an amount equal to four percent of each
7 grant awarded under that subchapter for that school year.

8 (e) Notwithstanding Section 7.057, a determination of the
9 commissioner under this section is final and may not be appealed.

10 Sec. 48.315. FUNDING FOR REGIONAL DAY SCHOOL PROGRAMS FOR
11 THE DEAF. (a) The program administrator or fiscal agent of a
12 regional day school program for the deaf is entitled to receive for
13 each school year an allotment of \$6,925, or a greater amount
14 provided by appropriation, for each student receiving services from
15 the program.

16 (b) Notwithstanding Subsection (a), the agency shall adjust
17 the amount of an allotment under that subsection for a school year
18 to ensure the total amount of allotments provided under that
19 subsection is at least \$35 million for that school year.

20 SECTION 3.64. The following provisions of the Education
21 Code are repealed:

- 22 (1) Section 7.055(b)(24);
- 23 (2) Sections 7.102(c)(18), (19), (20), (21), and (22);
- 24 (3) Section 29.002;
- 25 (4) Section 29.0041(c);
- 26 (5) Section 29.005(f);
- 27 (6) Section 29.0161;

- 1 (7) Section 29.018(c);
- 2 (8) Sections 29.308, 29.309, 29.311, 30.001, and
- 3 30.0015;
- 4 (9) Sections 30.002(c-1), (c-2), (f), (f-1), and (g);
- 5 (10) Section 30.084;
- 6 (11) Section 30.087(b); and
- 7 (12) Section 38.003(d).

8 SECTION 3.65. The commissioner of education shall award a
9 grant under Subchapter A-1, Chapter 29, Education Code, as amended
10 by this Act, for the 2025-2026 school year to each eligible
11 applicant who applied but was not accepted for the 2024-2025 school
12 year.

13 ARTICLE 4. TRANSITION AND EFFECTIVE DATE

14 SECTION 4.01. (a) Except as otherwise provided by this Act
15 and by Subsection (b) of this section, the changes made by this Act
16 to Chapters 7, 8, 12A, 21, 25, 28, 29, 30, 37, and 38, Education
17 Code, apply beginning with the 2025-2026 school year.

18 (b) Section 21.0032, Education Code, as added by this Act,
19 and Sections 21.3521 and 29.008, Education Code, as amended by this
20 Act, apply beginning with the 2026-2027 school year.

21 SECTION 4.02. (a) Except as otherwise provided by this Act
22 and as provided by Subsections (b) and (c) of this section, this Act
23 takes effect September 1, 2025.

24 (b) The changes made by this Act to Chapters 7, 8, 12A, 21,
25 25, 28, 29, 30, 37, and 38, Education Code, and Section 48.283,
26 Education Code, take effect immediately if this Act receives a vote
27 of two-thirds of all the members elected to each house, as provided

1 by Section 39, Article III, Texas Constitution. If this Act does
2 not receive the vote necessary for immediate effect, those changes
3 take effect September 1, 2025.

4 (c) The changes made by this Act to Sections 48.104, 48.105,
5 and 48.112, Education Code, take effect September 1, 2026.