

1-1 By: King of Hemphill, et al. H.B. No. 100  
 1-2 (Senate Sponsor - Creighton)  
 1-3 (In the Senate - Received from the House May 1, 2023;  
 1-4 May 2, 2023, read first time and referred to Committee on  
 1-5 Education; May 22, 2023, reported adversely, with favorable  
 1-6 Committee Substitute by the following vote: Yeas 9, Nays 3;  
 1-7 May 22, 2023, sent to printer.)

1-8 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-9				
1-10	X			
1-11	X			
1-12	X			
1-13			X	
1-14	X			
1-15	X			
1-16		X		
1-17		X		
1-18	X			
1-19	X			
1-20	X			
1-21	X			
1-22		X		

1-23 COMMITTEE SUBSTITUTE FOR H.B. No. 100 By: King

1-24 A BILL TO BE ENTITLED  
 1-25 AN ACT

1-26 relating to public education and public school finance, including  
 1-27 the rights, certification, and compensation of public school  
 1-28 educators, contributions by a public school to the Teacher  
 1-29 Retirement System of Texas, and an education savings account  
 1-30 program for certain children.

1-31 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-32 ARTICLE 1. CHANGES GENERALLY APPLICABLE TO PUBLIC SCHOOLS EFFECTIVE  
 1-33 FOR 2023-2024 SCHOOL YEAR

1-34 SECTION 1.01. Section 12.104(b), Education Code, as amended  
 1-35 by Chapters 542 (S.B. 168), 887 (S.B. 1697), 915 (H.B. 3607), 974  
 1-36 (S.B. 2081), and 1046 (S.B. 1365), Acts of the 87th Legislature,  
 1-37 Regular Session, 2021, is reenacted and amended to read as follows:

1-38 (b) An open-enrollment charter school is subject to:

1-39 (1) a provision of this title establishing a criminal  
 1-40 offense;

1-41 (2) the provisions in Chapter 554, Government Code;  
 1-42 and

1-43 (3) a prohibition, restriction, or requirement, as  
 1-44 applicable, imposed by this title or a rule adopted under this  
 1-45 title, relating to:

1-46 (A) the Public Education Information Management  
 1-47 System (PEIMS) to the extent necessary to monitor compliance with  
 1-48 this subchapter as determined by the commissioner;

1-49 (B) criminal history records under Subchapter C,  
 1-50 Chapter 22;

1-51 (C) reading instruments and accelerated reading  
 1-52 instruction programs under Section 28.006;

1-53 (D) accelerated instruction under Section  
 1-54 28.0211;

1-55 (E) high school graduation requirements under  
 1-56 Section 28.025;

1-57 (F) special education programs under Subchapter  
 1-58 A, Chapter 29;

1-59 (G) bilingual education under Subchapter B,  
 1-60 Chapter 29;

2-1 (H) prekindergarten programs under Subchapter E  
 2-2 or E-1, Chapter 29, except class size limits for prekindergarten  
 2-3 classes imposed under Section 25.112, which do not apply;  
 2-4 (I) extracurricular activities under Section  
 2-5 33.081;  
 2-6 (J) discipline management practices or behavior  
 2-7 management techniques under Section 37.0021;  
 2-8 (K) health and safety under Chapter 38;  
 2-9 (L) the provisions of Subchapter A, Chapter 39;  
 2-10 (M) public school accountability and special  
 2-11 investigations under Subchapters A, B, C, D, F, G, and J, Chapter  
 2-12 39, and Chapter 39A;  
 2-13 (N) the requirement under Section 21.006 to  
 2-14 report an educator's misconduct;  
 2-15 (O) intensive programs of instruction under  
 2-16 Section 28.0213;  
 2-17 (P) the right of a school employee to report a  
 2-18 crime, as provided by Section 37.148;  
 2-19 (Q) bullying prevention policies and procedures  
 2-20 under Section 37.0832;  
 2-21 (R) the right of a school under Section 37.0052  
 2-22 to place a student who has engaged in certain bullying behavior in a  
 2-23 disciplinary alternative education program or to expel the student;  
 2-24 (S) the right under Section 37.0151 to report to  
 2-25 local law enforcement certain conduct constituting assault or  
 2-26 harassment;  
 2-27 (T) a parent's right to information regarding the  
 2-28 provision of assistance for learning difficulties to the parent's  
 2-29 child as provided by Sections 26.004(b)(11) and 26.0081(c) and (d);  
 2-30 (U) establishment of residency under Section  
 2-31 25.001;  
 2-32 (V) school safety requirements under Sections  
 2-33 37.108, 37.1081, 37.1082, 37.109, 37.113, 37.114, 37.1141, 37.115,  
 2-34 37.207, and 37.2071;  
 2-35 (W) the early childhood literacy and mathematics  
 2-36 proficiency plans under Section 11.185;  
 2-37 (X) the college, career, and military readiness  
 2-38 plans under Section 11.186; ~~and~~  
 2-39 (Y) ~~[(X)]~~ parental options to retain a student  
 2-40 under Section 28.02124; and  
 2-41 (Z) establishing a local school health advisory  
 2-42 council in which members are appointed by the governing body of the  
 2-43 school and health education instruction complies with Section  
 2-44 28.004.  
 2-45 SECTION 1.02. Sections 12.106(a-2) and (d), Education Code,  
 2-46 are amended to read as follows:  
 2-47 (a-2) In addition to the funding provided by Subsection (a),  
 2-48 a charter holder is entitled to receive for the open-enrollment  
 2-49 charter school an allotment per student in average daily attendance  
 2-50 in an amount equal to the difference between:  
 2-51 (1) the product of:  
 2-52 (A) the quotient of:  
 2-53 (i) the total amount of funding provided to  
 2-54 eligible school districts under Section 48.101(b) or (c); and  
 2-55 (ii) the total number of students in  
 2-56 average daily attendance in school districts that receive an  
 2-57 allotment under Section 48.101(b) or (c); and  
 2-58 (B) the sum of one and the quotient of:  
 2-59 (i) the total number of students in average  
 2-60 daily attendance in school districts that receive an allotment  
 2-61 under Section 48.101(b) or (c); and  
 2-62 (ii) the total number of students in  
 2-63 average daily attendance in school districts statewide; and  
 2-64 (2) \$460 ~~[\$125]~~.  
 2-65 (d) Subject to Subsection (e), in addition to other amounts  
 2-66 provided by this section, a charter holder is entitled to receive,  
 2-67 for the open-enrollment charter school, an annual allotment  
 2-68 [funding] per student in average daily attendance [in an amount]  
 2-69 equal to the basic allotment under Section 48.051 [guaranteed level]

3-1 ~~of state and local funds per student per cent of tax effort under~~  
3-2 ~~Section 46.032(a)] multiplied by 0.04 [the lesser of:~~  
3-3 ~~[(1) the state average interest and sinking fund tax~~  
3-4 ~~rate imposed by school districts for the current year, or~~  
3-5 ~~[(2) a rate that would result in a total amount to~~  
3-6 ~~which charter schools are entitled under this subsection for the~~  
3-7 ~~current year equal to \$60 million].~~

3-8 SECTION 1.03. Section 13.054, Education Code, is amended by  
3-9 amending Subsection (f) and adding Subsections (i-1), (i-2), (i-3),  
3-10 (i-4), and (i-5) to read as follows:

3-11 (f) For five years beginning with the school year in which  
3-12 the annexation occurs, a school district shall receive additional  
3-13 funding under this subsection or Subsection (h). The amount of  
3-14 funding shall be determined by multiplying the lesser of the  
3-15 enlarged district's local fund assignment computed under Section  
3-16 48.256 or the enlarged district's total cost of tier one by a  
3-17 fraction, the numerator of which is the number of students residing  
3-18 in the territory annexed to the receiving district preceding the  
3-19 date of the annexation and the denominator of which is the number of  
3-20 students residing in the district as enlarged on the date of the  
3-21 annexation, and multiplying the resulting product by the quotient  
3-22 of the enlarged district's maximum compressed tax rate, as  
3-23 determined under Section 48.2551, for the current school year  
3-24 divided by the receiving district's maximum compressed tax rate, as  
3-25 determined under Section 48.2551, for the year in which the  
3-26 annexation occurred. The commissioner shall provide the funding  
3-27 under this subsection from funds appropriated for purposes of the  
3-28 Foundation School Program. A determination by the commissioner  
3-29 under this subsection is final and may not be appealed.

3-30 (i-1) Notwithstanding any other law, a school district is  
3-31 entitled to funding under Subsection (f) for an annexation that  
3-32 occurs on or after June 1, 2013.

3-33 (i-2) For each school district entitled to funding under  
3-34 Subsection (f) as provided by Subsection (i-1) that, as of  
3-35 September 1, 2023, has not received the full amount of funding to  
3-36 which the district would have been entitled under Subsection (f) if  
3-37 Subsection (i-1) had been in effect since June 1, 2013, the  
3-38 commissioner shall:

3-39 (1) determine the difference between:

3-40 (A) the amount of funding to which the district  
3-41 would have been entitled under Subsection (f) if Subsection (i-1)  
3-42 had been in effect since June 1, 2013; and

3-43 (B) the amount of funding the district has  
3-44 received under Subsection (f); and

3-45 (2) provide the amount determined under Subdivision  
3-46 (1) to the district in the form of:

3-47 (A) a lump sum; or

3-48 (B) equal annual installments over a period not  
3-49 to exceed three years.

3-50 (i-3) In addition to the funding provided to a school  
3-51 district under Subsection (i-2), the commissioner may allocate  
3-52 money to the district from funds appropriated for purposes of the  
3-53 Foundation School Program to pay for facilities improvements the  
3-54 commissioner determines necessary as a result of the annexation.

3-55 (i-4) Each school district that receives funding under  
3-56 Subsection (f) as provided by Subsection (i-2) or under Subsection  
3-57 (i-3) for any year shall submit to the commissioner in the form and  
3-58 manner provided by commissioner rule a report on the district's use  
3-59 of the funding for that year.

3-60 (i-5) This subsection and Subsections (i-2), (i-3), and  
3-61 (i-4) expire September 1, 2027.

3-62 SECTION 1.04. Section 19.009(d-2), Education Code, is  
3-63 amended to read as follows:

3-64 (d-2) Beginning with the 2009-2010 school year, the  
3-65 district shall increase the [monthly] salary of each classroom  
3-66 teacher, full-time speech pathologist, full-time librarian,  
3-67 full-time school counselor certified under Subchapter B, Chapter  
3-68 21, and full-time school nurse employed by the district by the  
3-69 greater of:

4-1 (1) \$80 per month; or  
 4-2 (2) the maximum uniform amount per month that, when  
 4-3 combined with any resulting increases in the amount of  
 4-4 contributions made by the district for social security coverage for  
 4-5 the specified employees or by the district on behalf of the  
 4-6 specified employees under Section 825.405, Government Code, may be  
 4-7 provided using an amount equal to the product of \$60 multiplied by  
 4-8 the number of students in weighted average daily attendance in the  
 4-9 district during the 2009-2010 school year.

4-10 SECTION 1.05. Subchapter A, Chapter 21, Education Code, is  
 4-11 amended by adding Section 21.010 to read as follows:

4-12 Sec. 21.010. TEACHER POSITION DATA COLLECTION. The agency  
 4-13 shall collect data from school districts and open-enrollment  
 4-14 charter schools for the recruitment and retention of classroom  
 4-15 teachers, including the classification, grade level, subject area,  
 4-16 duration, and other relevant information regarding vacant teaching  
 4-17 positions in a district or school. The data may be collected using  
 4-18 the Public Education Information Management System (PEIMS) or  
 4-19 another reporting mechanism specified by the agency.

4-20 SECTION 1.06. Subchapter B, Chapter 21, Education Code, is  
 4-21 amended by adding Section 21.0411 to read as follows:

4-22 Sec. 21.0411. WAIVER OR PAYMENT OF CERTAIN EXAMINATION AND  
 4-23 CERTIFICATION FEES. (a) Notwithstanding a rule adopted under  
 4-24 Section 21.041(c), the board shall, for a person applying for a  
 4-25 certification in special education, bilingual education, or  
 4-26 another area specified by the General Appropriations Act, waive:

4-27 (1) a certification examination fee imposed by the  
 4-28 board for the first administration of the examination to the  
 4-29 person; and

4-30 (2) a fee associated with the application for  
 4-31 certification by the person.

4-32 (b) The board shall pay to a vendor that administers a  
 4-33 certification examination described by Subsection (a) a fee  
 4-34 assessed by that vendor for the examination of a person applying for  
 4-35 a certification described by Subsection (a) for the first  
 4-36 administration of the examination to the person.

4-37 SECTION 1.07. Section 21.054, Education Code, is amended by  
 4-38 amending Subsections (a) and (i) and adding Subsection (i-1) to  
 4-39 read as follows:

4-40 (a) The board shall propose rules establishing a process for  
 4-41 identifying continuing education courses and programs that fulfill  
 4-42 educators' continuing education requirements, including  
 4-43 opportunities for educators to receive micro-credentials, as  
 4-44 provided by Subsection (i), in:

4-45 (1) fields of study related to the educator's  
 4-46 certification class; or

4-47 (2) digital teaching [as provided by Subsection (i)].

4-48 (i) The board shall propose rules establishing a program to  
 4-49 issue micro-credentials in fields of study related to an educator's  
 4-50 certification class or in digital teaching. The agency shall  
 4-51 approve continuing education providers to offer micro-credential  
 4-52 courses. A micro-credential received by an educator shall be  
 4-53 recorded on the agency's Educator Certification Online System  
 4-54 (ECOS) and included as part of the educator's public certification  
 4-55 records.

4-56 (i-1) In proposing rules under Subsection (i) for  
 4-57 micro-credentials related to digital teaching, the board shall  
 4-58 engage relevant stakeholders.

4-59 SECTION 1.08. Section 21.105, Education Code, is amended by  
 4-60 amending Subsection (c) and adding Subsection (g) to read as  
 4-61 follows:

4-62 (c) Subject to Subsections (e), ~~and~~ (f), and (g), on  
 4-63 written complaint by the employing district, the State Board for  
 4-64 Educator Certification may impose sanctions against a teacher  
 4-65 employed under a probationary contract who:

4-66 (1) resigns;

4-67 (2) fails without good cause to comply with Subsection  
 4-68 (a) or (b); and

4-69 (3) fails to perform the contract.

5-1 (g) The State Board for Educator Certification may not  
 5-2 impose a sanction under Subsection (c) against a teacher who  
 5-3 relinquishes a position under a probationary contract and leaves  
 5-4 the employment of the district after the 45th day before the first  
 5-5 day of instruction for the upcoming school year in violation of  
 5-6 Subsection (a) and without the consent of the board of trustees  
 5-7 under Subsection (b) if the teacher's failure to comply with  
 5-8 Subsection (a) was due to:

5-9 (1) a serious illness or health condition of the  
 5-10 teacher or a close family member of the teacher;

5-11 (2) the teacher's relocation because the teacher's  
 5-12 spouse or a partner who resides with the teacher changes employers;

5-13 (3) a significant change in the needs of the teacher's  
 5-14 family in a manner that requires the teacher to:

5-15 (A) relocate; or

5-16 (B) forgo employment during a period of required  
 5-17 employment under the teacher's contract; or

5-18 (4) the teacher's reasonable belief that the teacher  
 5-19 had written permission from the school district's administration to  
 5-20 resign.

5-21 SECTION 1.09. Section 21.160, Education Code, is amended by  
 5-22 amending Subsection (c) and adding Subsection (g) to read as  
 5-23 follows:

5-24 (c) Subject to Subsections (e), ~~and~~ (f), and (g), on  
 5-25 written complaint by the employing district, the State Board for  
 5-26 Educator Certification may impose sanctions against a teacher who  
 5-27 is employed under a continuing contract that obligates the district  
 5-28 to employ the person for the following school year and who:

5-29 (1) resigns;

5-30 (2) fails without good cause to comply with Subsection  
 5-31 (a) or (b); and

5-32 (3) fails to perform the contract.

5-33 (g) The State Board for Educator Certification may not  
 5-34 impose a sanction under Subsection (c) against a teacher who  
 5-35 relinquishes a position under a continuing contract and leaves the  
 5-36 employment of the district after the 45th day before the first day  
 5-37 of instruction of the upcoming school year in violation of  
 5-38 Subsection (a) and without the consent of the board of trustees  
 5-39 under Subsection (b) if the teacher's failure to comply with  
 5-40 Subsection (a) was due to:

5-41 (1) a serious illness or health condition of the  
 5-42 teacher or a close family member of the teacher;

5-43 (2) the teacher's relocation because the teacher's  
 5-44 spouse or a partner who resides with the teacher changes employers;

5-45 (3) a significant change in the needs of the teacher's  
 5-46 family in a manner that requires the teacher to:

5-47 (A) relocate; or

5-48 (B) forgo employment during a period of required  
 5-49 employment under the teacher's contract; or

5-50 (4) the teacher's reasonable belief that the teacher  
 5-51 had written permission from the school district's administration to  
 5-52 resign.

5-53 SECTION 1.10. Section 21.210, Education Code, is amended by  
 5-54 amending Subsection (c) and adding Subsection (g) to read as  
 5-55 follows:

5-56 (c) Subject to Subsections (e), ~~and~~ (f), and (g), on  
 5-57 written complaint by the employing district, the State Board for  
 5-58 Educator Certification may impose sanctions against a teacher who  
 5-59 is employed under a term contract that obligates the district to  
 5-60 employ the person for the following school year and who:

5-61 (1) resigns;

5-62 (2) fails without good cause to comply with Subsection  
 5-63 (a) or (b); and

5-64 (3) fails to perform the contract.

5-65 (g) The State Board for Educator Certification may not  
 5-66 impose a sanction under Subsection (c) against a teacher who  
 5-67 relinquishes a position under a term contract and leaves the  
 5-68 employment of the district after the 45th day before the first day  
 5-69 of instruction of the upcoming school year in violation of

6-1 Subsection (a) and without the consent of the board of trustees  
 6-2 under Subsection (b) if the teacher's failure to comply with  
 6-3 Subsection (a) was due to:

6-4 (1) a serious illness or health condition of the  
 6-5 teacher or a close family member of the teacher;

6-6 (2) the teacher's relocation because the teacher's  
 6-7 spouse or a partner who resides with the teacher changes employers;

6-8 (3) a significant change in the needs of the teacher's  
 6-9 family in a manner that requires the teacher to:

6-10 (A) relocate; or

6-11 (B) forgo employment during a period of required  
 6-12 employment under the teacher's contract; or

6-13 (4) the teacher's reasonable belief that the teacher  
 6-14 had written permission from the school district's administration to  
 6-15 resign.

6-16 SECTION 1.11. Section 21.257, Education Code, is amended by  
 6-17 amending Subsection (a) and adding Subsection (f) to read as  
 6-18 follows:

6-19 (a) Except as provided by Subsection (f), not [~~Not~~] later  
 6-20 than the 60th day after the date on which the commissioner receives  
 6-21 a teacher's written request for a hearing, the hearing examiner  
 6-22 shall complete the hearing and make a written recommendation that:

6-23 (1) includes proposed findings of fact and conclusions  
 6-24 of law; and

6-25 (2) may include a proposal for granting relief.

6-26 (f) The hearing examiner may dismiss a hearing before  
 6-27 completing the hearing or making a written recommendation if:

6-28 (1) the teacher requests the dismissal;

6-29 (2) the school district withdraws the proposed  
 6-30 decision that is the basis of the hearing; or

6-31 (3) the teacher and school district request the  
 6-32 dismissal after reaching a settlement regarding the proposed  
 6-33 decision that is the basis of the hearing.

6-34 SECTION 1.12. Sections 21.3521(a), (c), and (e), Education  
 6-35 Code, are amended to read as follows:

6-36 (a) Subject to Subsection (b), a school district or  
 6-37 open-enrollment charter school may designate a classroom teacher as  
 6-38 a master, exemplary, [~~or~~] recognized, or acknowledged teacher for a  
 6-39 five-year period based on the results from single year or multiyear  
 6-40 appraisals that comply with Section 21.351 or 21.352.

6-41 (c) Notwithstanding performance standards established  
 6-42 under Subsection (b), a classroom teacher that holds a National  
 6-43 Board Certification issued by the National Board for Professional  
 6-44 Teaching Standards may be designated as nationally board certified  
 6-45 [~~recognized~~].

6-46 (e) The agency shall develop and provide technical  
 6-47 assistance for school districts and open-enrollment charter  
 6-48 schools that request assistance in implementing a local optional  
 6-49 teacher designation system, including:

6-50 (1) providing assistance in prioritizing high needs  
 6-51 campuses;

6-52 (2) providing examples or models of local optional  
 6-53 teacher designation systems to reduce the time required for a  
 6-54 district or school to implement a teacher designation system;

6-55 (3) establishing partnerships between districts and  
 6-56 schools that request assistance and districts and schools that have  
 6-57 implemented a teacher designation system;

6-58 (4) applying the performance and validity standards  
 6-59 established by the commissioner under Subsection (b);

6-60 (5) providing centralized support for the analysis of  
 6-61 the results of assessment instruments administered to district  
 6-62 students; and

6-63 (6) facilitating effective communication on and  
 6-64 promotion of local optional teacher designation systems.

6-65 SECTION 1.13. Subchapter H, Chapter 21, Education Code, is  
 6-66 amended by adding Section 21.3522 to read as follows:

6-67 Sec. 21.3522. LOCAL OPTIONAL TEACHER DESIGNATION SYSTEM  
 6-68 GRANT PROGRAM. (a) From funds appropriated or otherwise  
 6-69 available for the purpose, the agency shall establish and

7-1 administer a grant program to provide money and technical  
7-2 assistance to:

7-3 (1) expand implementation of local optional teacher  
7-4 designation systems under Section 21.3521; and

7-5 (2) increase the number of classroom teachers eligible  
7-6 for a designation under that section.

7-7 (b) A grant awarded under this section must:

7-8 (1) meet the needs of individual school districts; and

7-9 (2) enable regional leadership capacity.

7-10 (c) The commissioner may adopt rules to establish and  
7-11 administer the grant program under this section.

7-12 SECTION 1.14. Section 21.402, Education Code, is amended by  
7-13 amending Subsections (a) and (g) and adding Subsections (a-1),  
7-14 (c-2), (i), (j), and (k) to read as follows:

7-15 (a) Except as provided by Subsection (c-2) [~~(e-1) or (f)~~], a  
7-16 school district must pay each employee who is employed as a  
7-17 classroom teacher, full-time librarian, full-time school counselor  
7-18 certified under Subchapter B, or full-time school nurse not less  
7-19 than the highest annual minimum [~~minimum monthly~~] salary described  
7-20 by the following schedule applicable to [~~, based on~~] the employee's  
7-21 certification, if any, and years [~~level~~] of experience:

7-22 (1) for an employee with less than five years of  
7-23 experience who:

7-24 (A) holds no certification . . . . . \$35,000;

7-25 (B) holds a teacher intern, teacher trainee, or  
7-26 probationary certificate issued under Subchapter B . . . \$37,000;

7-27 (C) holds the base certificate required under  
7-28 Section 21.003(a) for employment in the employee's position other  
7-29 than a certificate described by Paragraph (B) . . . . . \$40,000;

7-30 (D) holds a designation under Section 21.3521 . .  
7-31 \$43,000; or

7-32 (E) holds a residency educator certificate or has  
7-33 successfully completed a residency partnership program under  
7-34 Subchapter R . . . . . \$43,000;

7-35 (2) for an employee with at least five years of  
7-36 experience who holds:

7-37 (A) no certification . . . . . \$45,000;

7-38 (B) a teacher intern, teacher trainee, or  
7-39 probationary certificate issued under Subchapter B . . . \$47,000;

7-40 (C) the base certificate required under Section  
7-41 21.003(a) for employment in the employee's position other than a  
7-42 certificate described by Paragraph (B) . . . . . \$50,000; or

7-43 (D) a designation under Section 21.3521 . . . . .  
7-44 \$53,000; or

7-45 (3) for an employee with at least 10 years of  
7-46 experience who holds:

7-47 (A) no certification . . . . . \$55,000;

7-48 (B) a teacher intern, teacher trainee, or  
7-49 probationary certificate issued under Subchapter B . . . \$57,000;

7-50 (C) the base certificate required under Section  
7-51 21.003(a) for employment in the employee's  
7-52 position . . . . . \$60,000; or

7-53 (D) a designation under Section 21.3521 . . . . .  
7-54 \$63,000 [~~in addition to other factors, as determined by~~  
7-55 commissioner rule, determined by the following formula:

7-56 
$$[MS = SF \times FS]$$

7-57 [where:

7-58 "MS" is the minimum monthly salary;

7-59 "SF" is the applicable salary factor specified by Subsection  
7-60 (c); and

7-61 "FS" is the amount, as determined by the commissioner under  
7-62 Subsection (b), of the basic allotment as provided by Section  
7-63 48.051(a) or (b) for a school district with a maintenance and  
7-64 operations tax rate at least equal to the state maximum compressed  
7-65 tax rate, as defined by Section 48.051(a)].

7-66 (a-1) For purposes of Subsection (a), a full-time school  
7-67 nurse is considered to hold the base certificate required under  
7-68 Section 21.003(a) for employment as a school nurse, regardless of  
7-69 the other certifications held by the nurse.

8-1 (c-2) A school district is not required to pay an employee  
 8-2 who is employed as a classroom teacher, full-time librarian,  
 8-3 full-time school counselor certified under Subchapter B, or  
 8-4 full-time school nurse the minimum salary required under Subsection  
 8-5 (a) for the school year following a school year during which the  
 8-6 district reviews the employee's performance and finds the  
 8-7 employee's performance unsatisfactory.

8-8 (g) The commissioner may adopt rules to govern the  
 8-9 application of this section, including rules that:

8-10 (1) require the payment of a minimum salary under this  
 8-11 section to a person employed in more than one capacity for which a  
 8-12 minimum salary is provided and whose combined employment in those  
 8-13 capacities constitutes full-time employment; and

8-14 (2) specify the credentials a person must hold to be  
 8-15 considered a [~~speech pathologist or~~] school nurse under this  
 8-16 section.

8-17 (i) A school district that increases employee compensation  
 8-18 in the 2023-2024 school year to comply with Subsection (a), as  
 8-19 amended by H.B. 100, Acts of the 88th Legislature, Regular Session,  
 8-20 2023, is providing compensation for services rendered  
 8-21 independently of an existing employment contract applicable to that  
 8-22 year and is not in violation of Section 53, Article III, Texas  
 8-23 Constitution. A school district that does not meet the  
 8-24 requirements of Subsection (a) in the 2023-2024 school year may  
 8-25 satisfy the requirements of this section by providing an employee a  
 8-26 one-time bonus payment during the 2024-2025 school year in an  
 8-27 amount equal to the difference between the compensation earned by  
 8-28 the employee during the 2023-2024 school year and the compensation  
 8-29 the employee should have received during that school year if the  
 8-30 district had complied with Subsection (a).

8-31 (j) Notwithstanding the minimum salary schedule under  
 8-32 Subsection (a), a school district that increases the amount a  
 8-33 classroom teacher, full-time librarian, full-time school counselor  
 8-34 certified under Subchapter B, or full-time school nurse is  
 8-35 compensated during the 2023-2024 school year by at least \$8,000  
 8-36 more than the amount the employee was compensated during the  
 8-37 2022-2023 school year complies with the requirements of this  
 8-38 section for the 2023-2024 school year.

8-39 (k) Subsections (i) and (j) and this subsection expire  
 8-40 September 1, 2025.

8-41 SECTION 1.15. The heading to Section 21.403, Education  
 8-42 Code, is amended to read as follows:

8-43 Sec. 21.403. DETERMINATION OF YEARS OF EXPERIENCE  
 8-44 [~~PLACEMENT ON MINIMUM SALARY SCHEDULE~~].

8-45 SECTION 1.16. Sections 21.403(b) and (c), Education Code,  
 8-46 are amended to read as follows:

8-47 (b) For each year of work experience required for  
 8-48 certification in a career or technological field, up to a maximum of  
 8-49 two years, a certified career or technology education teacher is  
 8-50 entitled to [~~salary step~~] credit as if the work experience were  
 8-51 teaching experience.

8-52 (c) The commissioner shall adopt rules for determining the  
 8-53 experience for which a teacher, librarian, school counselor, or  
 8-54 nurse is to be given credit for purposes of the minimum salary  
 8-55 schedule under Section 21.402(a) [~~in placing the teacher,~~  
 8-56 ~~librarian, school counselor, or nurse on the minimum salary~~  
 8-57 ~~schedule~~]. A district shall credit the teacher, librarian, school  
 8-58 counselor, or nurse for each year of experience without regard to  
 8-59 whether the years are consecutive.

8-60 SECTION 1.17. Subchapter I, Chapter 21, Education Code, is  
 8-61 amended by adding Sections 21.416 and 21.417 to read as follows:

8-62 Sec. 21.416. EMPLOYED RETIREE TEACHER REIMBURSEMENT GRANT  
 8-63 PROGRAM. (a) From funds appropriated or otherwise available, the  
 8-64 commissioner shall establish and administer a grant program to  
 8-65 award funds to reimburse a school district, an open-enrollment  
 8-66 charter school, the Windham School District, the Texas School for  
 8-67 the Deaf, or the Texas School for the Blind and Visually Impaired  
 8-68 that hires a teacher, including an educator who provides services  
 8-69 related to special education, who retired before September 1, 2022,



9-1 for the increased contributions to the Teacher Retirement System of  
9-2 Texas associated with hiring the retired teacher.

9-3 (b) In appropriating money for grants awarded under this  
9-4 section, the legislature may provide for, modify, or limit amounts  
9-5 appropriated for that purpose in the General Appropriations Act,  
9-6 including by:

9-7 (1) providing, notwithstanding Subsection (a), a date  
9-8 or date range other than September 1, 2022, before which a teacher  
9-9 must have retired for a school district, an open-enrollment charter  
9-10 school, the Windham School District, the Texas School for the Deaf,  
9-11 or the Texas School for the Blind and Visually Impaired that hires  
9-12 the teacher to be eligible; or

9-13 (2) limiting eligibility to a school district or  
9-14 open-enrollment charter school that hires a retired teacher:

9-15 (A) who holds a certain certification;

9-16 (B) to teach a certain subject or grade;

9-17 (C) in a certain geographical area; or

9-18 (D) to provide instruction to certain students,  
9-19 including to students with disabilities.

9-20 (c) The commissioner shall proportionally reduce the amount  
9-21 of funds awarded to school districts, open-enrollment charter  
9-22 schools, the Windham School District, the Texas School for the  
9-23 Deaf, and the Texas School for the Blind and Visually Impaired under  
9-24 this section if the number of grant applications by eligible  
9-25 districts or schools exceeds the number of grants the commissioner  
9-26 could award with the money appropriated or otherwise available for  
9-27 the purpose.

9-28 (d) A school district, an open-enrollment charter school,  
9-29 the Windham School District, the Texas School for the Deaf, or the  
9-30 Texas School for the Blind and Visually Impaired may use funds  
9-31 received under this section to make required payments under Section  
9-32 825.4092, Government Code.

9-33 Sec. 21.417. RESOURCES, INCLUDING LIABILITY INSURANCE, FOR  
9-34 CLASSROOM TEACHERS. (a) From funds appropriated or otherwise  
9-35 available for the purpose, the agency shall contract with a third  
9-36 party to provide the following services for a classroom teacher  
9-37 employed under a probationary, continuing, or term contract:

9-38 (1) assistance in understanding the teacher's rights,  
9-39 duties, and benefits; and

9-40 (2) liability insurance to protect a teacher against  
9-41 liability to a third party based on conduct that the teacher  
9-42 allegedly engaged in during the course of the teacher's duties.

9-43 (b) A school district may not interfere with a classroom  
9-44 teacher's access to services provided under this section.

9-45 (c) A contract entered into by the agency to provide  
9-46 services under Subsection (a) must prohibit the entity with which  
9-47 the agency contracts from using funds received under the contract  
9-48 to engage in:

9-49 (1) conduct that a state agency using appropriated  
9-50 money is prohibited from engaging in under Chapter 556, Government  
9-51 Code; and

9-52 (2) political activities or advocate for issues  
9-53 regarding public schools, including for boards of trustees of  
9-54 school districts or school districts.

9-55 (d) This section may not be interpreted to interfere with a  
9-56 classroom teacher's or other school district employee's exercise of  
9-57 a right protected by the First Amendment to the United States  
9-58 Constitution.

9-59 SECTION 1.18. Section 21.4552(d), Education Code, is  
9-60 amended to read as follows:

9-61 (d) From funds appropriated for that purpose, a teacher who  
9-62 attends a literacy achievement academy is entitled to receive a  
9-63 stipend in the amount determined by the commissioner. A stipend  
9-64 received under this subsection is not considered in determining  
9-65 whether a school district is paying the teacher the minimum  
9-66 [monthly] salary under Section 21.402.

9-67 SECTION 1.19. Section 21.4553(d), Education Code, is  
9-68 amended to read as follows:

9-69 (d) From funds appropriated for that purpose, a teacher who

10-1 attends a mathematics achievement academy is entitled to receive a  
10-2 stipend in the amount determined by the commissioner. A stipend  
10-3 received under this subsection is not considered in determining  
10-4 whether a district is paying the teacher the minimum [monthly]  
10-5 salary under Section 21.402.

10-6 SECTION 1.20. Section 21.4555(f), Education Code, is  
10-7 amended to read as follows:

10-8 (f) From funds available for that purpose, a teacher who  
10-9 attends a civics training program may receive a stipend in an amount  
10-10 determined by the commissioner. A stipend received under this  
10-11 section is not included in determining whether a district is paying  
10-12 the teacher the minimum [monthly] salary under Section 21.402.

10-13 SECTION 1.21. Subchapter J, Chapter 21, Education Code, is  
10-14 amended by adding Sections 21.466 and 21.467 to read as follows:

10-15 Sec. 21.466. TEACHER QUALITY ASSISTANCE. (a) From funds  
10-16 appropriated or otherwise available for the purpose, the agency  
10-17 shall develop training for and provide technical assistance to  
10-18 school districts and open-enrollment charter schools regarding:

10-19 (1) strategic compensation, staffing, and scheduling  
10-20 efforts that improve professional growth, teacher leadership  
10-21 opportunities, and staff retention;

10-22 (2) programs that encourage high school students or  
10-23 other members of the community in the area served by the district to  
10-24 become teachers, including available teacher apprenticeship  
10-25 programs; and

10-26 (3) programs or strategies that school leaders may use  
10-27 to establish clear and attainable behavior expectations while  
10-28 proactively supporting students.

10-29 (b) From funds appropriated or otherwise available, the  
10-30 agency shall provide grants to school districts and open-enrollment  
10-31 charter schools to implement initiatives developed under this  
10-32 section.

10-33 Sec. 21.467. TEACHER TIME STUDY. (a) From funds  
10-34 appropriated or otherwise available for the purpose, the agency  
10-35 shall develop and maintain a technical assistance program to  
10-36 support school districts and open-enrollment charter schools in:

10-37 (1) studying how the district's or school's staff and  
10-38 student schedules, required noninstructional duties for classroom  
10-39 teachers, and professional development requirements for educators  
10-40 are affecting the amount of time classroom teachers work each week;  
10-41 and

10-42 (2) refining the schedules for students or staff as  
10-43 necessary to ensure teachers have sufficient time during normal  
10-44 work hours to fulfill all job duties, including addressing the  
10-45 needs of students.

10-46 (b) The agency shall periodically make findings and  
10-47 recommendations for best practices publicly available using  
10-48 information from participating school districts and  
10-49 open-enrollment charter schools.

10-50 SECTION 1.22. Chapter 21, Education Code, is amended by  
10-51 adding Subchapter R to read as follows:

10-52 SUBCHAPTER R. TEXAS TEACHER RESIDENCY PARTNERSHIP PROGRAM

10-53 Sec. 21.901. DEFINITIONS. In this subchapter:

10-54 (1) "Board" means the State Board for Educator  
10-55 Certification.

10-56 (2) "Cooperating teacher" means a classroom teacher  
10-57 who:

10-58 (A) has at least three full school years of  
10-59 teaching experience with a superior record of assisting students in  
10-60 achieving improvement in student performance;

10-61 (B) is employed by a school district or  
10-62 open-enrollment charter school participating in a partnership  
10-63 program under this subchapter and paired with a partnership  
10-64 resident at the district or school; and

10-65 (C) provides coaching to a partnership resident  
10-66 in the teacher's classroom.

10-67 (3) "Partnership program" means a Texas Teacher  
10-68 Residency Partnership Program established at a school district or  
10-69 open-enrollment charter school in accordance with this subchapter.

11-1 (4) "Partnership resident" means a person enrolled in  
 11-2 a qualified educator preparation program participating in a  
 11-3 partnership program as a candidate for educator certification.

11-4 (5) "Qualified educator preparation program" means an  
 11-5 educator preparation program approved in accordance with rules  
 11-6 proposed under Section 21.903.

11-7 Sec. 21.902. ESTABLISHMENT OF PARTNERSHIP PROGRAM. (a)  
 11-8 The commissioner shall establish the Texas Teacher Residency  
 11-9 Partnership Program to enable qualified educator preparation  
 11-10 programs to form partnerships with school districts or  
 11-11 open-enrollment charter schools to provide residency positions to  
 11-12 partnership residents at the district or school.

11-13 (b) The partnership program must be designed to:

11-14 (1) allow partnership residents to receive  
 11-15 field-based experience working with cooperating teachers in  
 11-16 prekindergarten through grade 12 classrooms; and

11-17 (2) gradually increase the amount of time a  
 11-18 partnership resident spends engaging in instructional  
 11-19 responsibilities, including observation, co-teaching, and  
 11-20 lead-teaching responsibilities.

11-21 Sec. 21.903. QUALIFIED EDUCATOR PREPARATION PROGRAMS. The  
 11-22 board shall propose rules specifying the requirements for board  
 11-23 approval of an educator preparation program as a qualified educator  
 11-24 preparation program for purposes of this subchapter. The rules  
 11-25 must require an educator preparation program to:

11-26 (1) use research-based best practices for recruiting  
 11-27 and admitting candidates into the educator preparation program to  
 11-28 participate in the partnership program;

11-29 (2) integrate curriculum, classroom practice, and  
 11-30 formal observation and feedback;

11-31 (3) use multiple assessments to measure a partnership  
 11-32 resident's progress in the partnership program; and

11-33 (4) partner with a school district or open-enrollment  
 11-34 charter school.

11-35 Sec. 21.904. REQUIREMENTS FOR PARTICIPATING DISTRICTS AND  
 11-36 SCHOOLS. (a) A school district or open-enrollment charter school  
 11-37 participating in the partnership program shall:

11-38 (1) enter into a written agreement with a qualified  
 11-39 educator preparation program to:

11-40 (A) provide a partnership resident with at least  
 11-41 one school year of clinical teaching in a residency position at the  
 11-42 district or school in the subject area and grade level for which the  
 11-43 resident seeks certification; and

11-44 (B) pair the partnership resident with a  
 11-45 cooperating teacher;

11-46 (2) specify the amount of money the district receives  
 11-47 under Section 48.157 that the district will provide to the program;

11-48 (3) only use money received under Section 48.157 to:

11-49 (A) implement the partnership program;

11-50 (B) provide compensation to:

11-51 (i) partnership residents in residency  
 11-52 positions at the district or school; and

11-53 (ii) cooperating teachers who are paired  
 11-54 with partnership residents at the district or school; and

11-55 (C) provide an amount equal to at least 10  
 11-56 percent of the funding received by the district or school to the  
 11-57 qualified educator preparation program with which the district or  
 11-58 school partners;

11-59 (4) pay at least 50 percent of the compensation paid to  
 11-60 partnership residents using money other than money received under  
 11-61 Section 48.157; and

11-62 (5) provide any information required by the agency  
 11-63 regarding the district's or school's implementation of the program.

11-64 (b) A school district or open-enrollment charter school may  
 11-65 only pair a partnership resident with a cooperating teacher who  
 11-66 agrees to participate in that role in a partnership program at the  
 11-67 district or school partnership program.

11-68 (c) A partnership resident may not serve as a teacher of  
 11-69 record, as that term is defined by Section 21.051.

12-1 Sec. 21.905. RESIDENCY EDUCATOR CERTIFICATE. The board  
 12-2 shall propose rules specifying the requirements for the issuance of  
 12-3 a residency educator certificate to a candidate who has  
 12-4 successfully completed a qualified educator preparation program  
 12-5 under Section 21.903. The rules may not require the resident to  
 12-6 pass a pedagogy examination unless the examination tests  
 12-7 subject-specific content appropriate for the grade and subject area  
 12-8 for which the candidate seeks certification.

12-9 Sec. 21.906. AGENCY SUPPORT. The agency shall provide  
 12-10 technical assistance, planning, and support to school districts,  
 12-11 open-enrollment charter schools, and qualified educator  
 12-12 preparation programs, which must include:

12-13 (1) providing model forms and agreements a district,  
 12-14 school, or educator preparation program may use to comply with the  
 12-15 requirements of this subchapter; and

12-16 (2) support for district and school strategic staffing  
 12-17 and compensation models to incentivize participation in a  
 12-18 partnership program.

12-19 Sec. 21.907. AUTHORITY TO ACCEPT CERTAIN FUNDS. The  
 12-20 commissioner may solicit and accept gifts, grants, and donations  
 12-21 from public and private entities to use for the purposes of this  
 12-22 subchapter.

12-23 Sec. 21.908. RULES. (a) The board shall propose rules  
 12-24 necessary to implement this subchapter, including rules under  
 12-25 Sections 21.903 and 21.905.

12-26 (b) The commissioner shall adopt rules as necessary to  
 12-27 implement this subchapter using negotiated rulemaking procedures  
 12-28 under Chapter 2008, Government Code.

12-29 SECTION 1.23. The heading to Section 22.001, Education  
 12-30 Code, is amended to read as follows:

12-31 Sec. 22.001. SALARY DEDUCTIONS FOR PROFESSIONAL OR OTHER  
 12-32 DUES.

12-33 SECTION 1.24. Sections 22.001(a) and (b), Education Code,  
 12-34 are amended to read as follows:

12-35 (a) A school district employee is entitled to have an amount  
 12-36 deducted from the employee's salary for membership fees or dues to a  
 12-37 professional organization or an entity providing services to  
 12-38 classroom teachers under Section 21.417. The employee must:

12-39 (1) file with the district a signed written request  
 12-40 identifying the organization or entity ~~and specifying the number~~  
 12-41 ~~of pay periods per year the deductions are to be made~~; and

12-42 (2) inform the district of the total amount of the fees  
 12-43 and dues for each year or have the organization or entity notify the  
 12-44 district of the amount.

12-45 (b) The district shall deduct the total amount of the fees  
 12-46 or dues for a year in equal amounts per pay period ~~[for the number of~~  
 12-47 ~~periods specified by the employee]~~. The district shall notify the  
 12-48 employee not later than the 45th day after the district receives a  
 12-49 request under Subsection (a) of the number of pay periods annually  
 12-50 from which the district will deduct the fees or dues. The  
 12-51 deductions shall be made until the employee requests in writing  
 12-52 that the deductions be discontinued.

12-53 SECTION 1.25. Section 25.001(h), Education Code, is amended  
 12-54 to read as follows:

12-55 (h) In addition to the penalty provided by Section 37.10,  
 12-56 Penal Code, a person who knowingly falsifies information on a form  
 12-57 required for enrollment of a student in a school district is liable  
 12-58 to the district if the student is not eligible for enrollment in the  
 12-59 district but is enrolled on the basis of the false information. The  
 12-60 person is liable, for the period during which the ineligible  
 12-61 student is enrolled, for ~~[the greater of:~~

12-62 ~~(1) the maximum tuition fee the district may charge~~  
 12-63 ~~under Section 25.038, or~~

12-64 ~~(2) the amount the district has budgeted for each~~  
 12-65 ~~student as maintenance and operating expenses.~~

12-66 SECTION 1.26. Section 25.036, Education Code, is amended to  
 12-67 read as follows:

12-68 Sec. 25.036. TRANSFER OF STUDENT. (a) Any child, other  
 12-69 than a high school graduate, who is younger than 21 years of age and

13-1 eligible for enrollment on September 1 of any school year may apply  
 13-2 to transfer for in-person instruction annually from the child's  
 13-3 school district of residence to another district in this state [~~if~~  
 13-4 ~~both the receiving district and the applicant parent or guardian or~~  
 13-5 ~~person having lawful control of the child jointly approve and~~  
 13-6 ~~timely agree in writing to the transfer~~].

13-7 (b) A transfer application approved [~~agreement~~] under this  
 13-8 section shall be filed and preserved as a receiving district record  
 13-9 for audit purposes of the agency.

13-10 (c) A school district may deny approval of a transfer under  
 13-11 this section only if:

13-12 (1) the district or a school in the district to which a  
 13-13 student seeks to transfer is at full student capacity or has more  
 13-14 requests for transfers than available positions after the district  
 13-15 has filled available positions in accordance with Subsection (e)  
 13-16 and has satisfied the requirement provided under Subsection (f);

13-17 (2) before the application deadline for the applicable  
 13-18 school year, the district adopted a policy that provides for the  
 13-19 exclusion of a student who has a documented history of a criminal  
 13-20 offense, a juvenile court adjudication, or discipline problems  
 13-21 under Subchapter A, Chapter 37, and the student meets the  
 13-22 conditions for exclusion under the policy; or

13-23 (3) approving the transfer would supersede a  
 13-24 court-ordered desegregation plan.

13-25 (d) For the purpose of determining whether a school in a  
 13-26 school district is at full student capacity under Subsection  
 13-27 (c)(1), the district may not consider equity as a factor in the  
 13-28 district's decision-making process.

13-29 (e) A school district that has more applicants for transfer  
 13-30 under this section than available positions must fill the available  
 13-31 positions by lottery and must give priority to applicants in the  
 13-32 following order:

13-33 (1) students who:  
 13-34 (A) do not reside in the district but were  
 13-35 enrolled in the district in the preceding school year; or  
 13-36 (B) are dependents of an employee of the  
 13-37 receiving district; and

13-38 (2) students:  
 13-39 (A) receiving special education services under  
 13-40 Subchapter A, Chapter 29;

13-41 (B) who are dependents of military personnel;  
 13-42 (C) who are dependents of law enforcement  
 13-43 personnel;

13-44 (D) in foster care;  
 13-45 (E) who are the subject of court-ordered  
 13-46 modification of an order establishing conservatorship or  
 13-47 possession and access; or

13-48 (F) who are siblings of a student who is enrolled  
 13-49 in the receiving district at the time the student seeks to transfer.

13-50 (f) A school district may deny approval of a transfer under  
 13-51 Subsection (c)(1) only if the district publishes and annually  
 13-52 updates the district's full student capacity by campus.

13-53 (g) A receiving school district may, but is not required to,  
 13-54 provide transportation to a student who transfers to the receiving  
 13-55 district under this section.

13-56 (h) A receiving school district may revoke, at any time  
 13-57 during the school year, the approval of the student's transfer only  
 13-58 if:

13-59 (1) the student engages in conduct:  
 13-60 (A) for which a student is required or permitted  
 13-61 to be removed from class and placed in a disciplinary alternative  
 13-62 education program under Section 37.006; or

13-63 (B) for which a student is required or permitted  
 13-64 to be expelled from school under Section 37.007; and

13-65 (2) before revoking approval of the student's  
 13-66 transfer, the district ensures the student is afforded appropriate  
 13-67 due process and complies with any requirements of state law or  
 13-68 district policy relating to the expulsion of a student to the same  
 13-69 extent as if the student were being expelled under Section 37.007.

14-1 SECTION 1.27. Section 25.038, Education Code, is amended to  
14-2 read as follows:

14-3 Sec. 25.038. TUITION FEE FOR TRANSFER STUDENTS PAID BY  
14-4 SCHOOL DISTRICT. (a) Except as provided by Subsection (b), a  
14-5 ~~[The]~~ receiving school district may charge a tuition fee to another  
14-6 school district, if the receiving district has contracted with the  
14-7 other district to educate the other district's students, to the  
14-8 extent that the district's actual expenditure per student in  
14-9 average daily attendance, as determined by its board of trustees,  
14-10 exceeds the sum the district benefits from state aid sources as  
14-11 provided by Section 25.037. However, unless a tuition fee is  
14-12 prescribed and set out in a transfer agreement before its execution  
14-13 by the parties, an increase in tuition charge may not be made for  
14-14 the year of that transfer that exceeds the tuition charge, if any,  
14-15 of the preceding school year.

14-16 (b) A school district may not charge a tuition fee under  
14-17 this section for a student transfer authorized under Section  
14-18 25.036.

14-19 SECTION 1.28. Subchapter C, Chapter 25, Education Code, is  
14-20 amended by adding Section 25.0813 to read as follows:

14-21 Sec. 25.0813. FIVE-DAY SCHOOL WEEK SCHEDULE. (a) A school  
14-22 district must operate a school week of not fewer than five  
14-23 instructional days for at least two-thirds of the weeks the  
14-24 district operates during the school year.

14-25 (b) Subsection (a) does not apply to:

14-26 (1) a school district specifically authorized by other  
14-27 law to operate a school week of fewer than five instructional days;  
14-28 or

14-29 (2) a school district that before May 1, 2023, adopted  
14-30 for the 2023-2024 school year a four-day school week schedule.

14-31 SECTION 1.29. Section 29.153(b), Education Code, is amended  
14-32 to read as follows:

14-33 (b) A child is eligible for enrollment in a prekindergarten  
14-34 class under this section if the child is at least three years of age  
14-35 and:

14-36 (1) is unable to speak and comprehend the English  
14-37 language;

14-38 (2) is educationally disadvantaged;

14-39 (3) is homeless, regardless of the residence of the  
14-40 child, of either parent of the child, or of the child's guardian or  
14-41 other person having lawful control of the child;

14-42 (4) is the child of an active duty member of the armed  
14-43 forces of the United States, including the state military forces or  
14-44 a reserve component of the armed forces, who is ordered to active  
14-45 duty by proper authority;

14-46 (5) is the child of a member of the armed forces of the  
14-47 United States, including the state military forces or a reserve  
14-48 component of the armed forces, who was injured or killed while  
14-49 serving on active duty;

14-50 (6) is or ever has been in:

14-51 (A) the conservatorship of the Department of  
14-52 Family and Protective Services following an adversary hearing held  
14-53 as provided by Section 262.201, Family Code; or

14-54 (B) foster care in another state or territory, if  
14-55 the child resides in this state; ~~[or]~~

14-56 (7) is the child of a person eligible for the Star of  
14-57 Texas Award as:

14-58 (A) a peace officer under Section 3106.002,  
14-59 Government Code;

14-60 (B) a firefighter under Section 3106.003,  
14-61 Government Code; or

14-62 (C) an emergency medical first responder under  
14-63 Section 3106.004, Government Code; or

14-64 (8) is the child of a person employed as a classroom  
14-65 teacher at a public primary or secondary school in the school  
14-66 district that offers a prekindergarten class under this section.

14-67 SECTION 1.30. Section 29.934(d), Education Code, is amended  
14-68 to read as follows:

14-69 (d) To be designated as a resource campus, the campus must:

15-1 (1) implement a targeted improvement plan as described  
 15-2 by Chapter 39A and establish a school community partnership team;  
 15-3 (2) adopt an accelerated campus excellence turnaround  
 15-4 plan as provided by Section 39A.105(b) and ensure that from the date  
 15-5 of the adoption of the plan, not less than 20 percent of the  
 15-6 classroom teachers assigned to the campus who teach subjects  
 15-7 included in the foundation curriculum under Section 28.002(a)(1)  
 15-8 hold a current designation under Section 21.3521 [~~except that a~~  
 15-9 ~~classroom teacher who satisfies the requirements for demonstrated~~  
 15-10 ~~instructional effectiveness under Section 39A.105(b)(3) must also~~  
 15-11 ~~hold a current designation assigned under Section 21.3521];  
 15-12 (3) be in a school district that has adopted an  
 15-13 approved local optional teacher designation system under Section  
 15-14 21.3521;  
 15-15 (4) satisfy certain staff criteria by:  
 15-16 (A) requiring a principal or teacher employed at  
 15-17 the campus before the designation to apply for a position to  
 15-18 continue at the campus;  
 15-19 (B) for a subject in the foundation curriculum,  
 15-20 employing only teachers who have at least two [three] years of  
 15-21 teaching experience;  
 15-22 (C) employing at least one school counselor for  
 15-23 every 300 students; and  
 15-24 (D) employing at least one appropriately  
 15-25 licensed professional to assist with the social and emotional needs  
 15-26 of students and staff, who must be a:  
 15-27 (i) family and community liaison;  
 15-28 (ii) clinical social worker;  
 15-29 (iii) specialist in school psychology; or  
 15-30 (iv) professional counselor;  
 15-31 (5) implement a positive behavior program as provided  
 15-32 by Section 37.0013;  
 15-33 (6) implement a family engagement plan as described by  
 15-34 Section 29.168;  
 15-35 (7) develop and implement a plan to use high quality  
 15-36 instructional materials;  
 15-37 (8) if the campus is an elementary campus, operate the  
 15-38 campus for a school year that qualifies for funding under Section  
 15-39 48.0051; and  
 15-40 (9) annually submit to the commissioner data and  
 15-41 information required by the commissioner to assess fidelity of  
 15-42 implementation.  
 15-43 SECTION 1.31. Section 30.003, Education Code, is amended by  
 15-44 amending Subsections (b) and (f-1) and adding Subsection (b-1) to  
 15-45 read as follows:  
 15-46 (b) If the student is admitted to the school for a full-time  
 15-47 program for the equivalent of two long semesters, the district's  
 15-48 share of the cost is an amount equal to the dollar amount of  
 15-49 maintenance and debt service taxes imposed by the district for that  
 15-50 year, subject to Subsection (b-1), divided by the district's  
 15-51 average daily attendance for the preceding year.  
 15-52 (b-1) For purposes of Subsection (b), the commissioner  
 15-53 shall reduce the dollar amount of maintenance and debt service  
 15-54 taxes imposed by the district for a year by the amount, if any, by  
 15-55 which the district is required to reduce the district's local  
 15-56 revenue level under Section 48.257 for that year.  
 15-57 (f-1) The commissioner shall determine the total amount  
 15-58 that the Texas School for the Blind and Visually Impaired and the  
 15-59 Texas School for the Deaf would have received from school districts  
 15-60 in accordance with this section if the following provisions had not  
 15-61 reduced the districts' share of the cost of providing education  
 15-62 services:  
 15-63 (1) H.B. No. 1, Acts of the 79th Legislature, 3rd  
 15-64 Called Session, 2006;  
 15-65 (2) Subsection (b-1) of this section;  
 15-66 (3) Section 45.0032;  
 15-67 (4) [~~3~~] Section 48.255; and  
 15-68 (5) [~~4~~] Section 48.2551.  
 15-69 SECTION 1.32. Section 30.102(b), Education Code, is amended~~

16-1 to read as follows:

16-2 (b) A classroom teacher, full-time librarian, full-time  
16-3 school counselor certified under Subchapter B, Chapter 21, or  
16-4 full-time school nurse employed by the department is entitled to  
16-5 receive as a minimum salary the [monthly] salary specified by  
16-6 Section 21.402. A classroom teacher, full-time librarian,  
16-7 full-time school counselor, or full-time school nurse may be paid,  
16-8 from funds appropriated to the department, a salary in excess of the  
16-9 minimum specified by that section, but the salary may not exceed the  
16-10 rate of pay for a similar position in the public schools of an  
16-11 adjacent school district.

16-12 SECTION 1.33. Section 33.009(h), Education Code, is amended  
16-13 to read as follows:

16-14 (h) From funds appropriated for that purpose, a school  
16-15 counselor who attends the academy under this section is entitled to  
16-16 receive a stipend in the amount determined by the coordinating  
16-17 board. If funds are available after all eligible school counselors  
16-18 have received a stipend under this subsection, the coordinating  
16-19 board shall pay a stipend in the amount determined by the  
16-20 coordinating board to a teacher who attends the academy under this  
16-21 section. A stipend received under this subsection is not  
16-22 considered in determining whether a district is paying the school  
16-23 counselor or teacher the minimum [monthly] salary under Section  
16-24 21.402.

16-25 SECTION 1.34. Section 37.002, Education Code, is amended by  
16-26 amending Subsections (b), (c), and (d) and adding Subsections  
16-27 (b-2), (f), and (g) to read as follows:

16-28 (b) A teacher may remove from class a student who:

16-29 (1) interferes [~~who has been documented by the teacher~~  
16-30 ~~to repeatedly interfere~~] with the teacher's ability to communicate  
16-31 effectively with the students in the class or with the ability of  
16-32 the student's classmates to learn; [~~or~~]

16-33 (2) demonstrates [~~whose~~] behavior that is unruly,  
16-34 disruptive, or abusive toward the teacher or another adult or  
16-35 another student; or

16-36 (3) engages in conduct that constitutes bullying, as  
16-37 defined by Section 37.0832 [~~determines is so unruly, disruptive, or~~  
16-38 ~~abusive that it seriously interferes with the teacher's ability to~~  
16-39 ~~communicate effectively with the students in the class or with the~~  
16-40 ~~ability of the student's classmates to learn~~].

16-41 (b-2) A teacher, campus behavior coordinator, or other  
16-42 appropriate administrator shall notify a parent or person standing  
16-43 in parental relation to a student of the removal of a student under  
16-44 this section.

16-45 (c) If a teacher removes a student from class under  
16-46 Subsection (b), the principal may place the student into another  
16-47 appropriate classroom, into in-school suspension, or into a  
16-48 disciplinary alternative education program as provided by Section  
16-49 37.008. The principal may not return the student to that teacher's  
16-50 class without the teacher's written consent unless the committee  
16-51 established under Section 37.003 determines that such placement is  
16-52 the best or only alternative available. The principal may not  
16-53 return the student to that teacher's class, regardless of the  
16-54 teacher's consent, until a return to class plan has been prepared  
16-55 for that student. The principal may only designate an employee of  
16-56 the school whose primary duties do not include classroom  
16-57 instruction to create a return to class plan. The terms of the  
16-58 removal may prohibit the student from attending or participating in  
16-59 school-sponsored or school-related activity.

16-60 (d) A teacher shall remove from class and send to the  
16-61 principal for placement in a disciplinary alternative education  
16-62 program or for expulsion, as appropriate, a student who engages in  
16-63 conduct described under Section 37.006 or 37.007. The student may  
16-64 not be returned to that teacher's class without the teacher's  
16-65 written consent unless the committee established under Section  
16-66 37.003 determines that such placement is the best or only  
16-67 alternative available. If the teacher removed the student from  
16-68 class because the student has engaged in the elements of any offense  
16-69 listed in Section 37.006(a)(2)(B) or Section 37.007(a)(2)(A) or



17-1 (b)(2)(C) against the teacher, the student may not be returned to  
 17-2 the teacher's class without the teacher's consent. The teacher may  
 17-3 not be coerced to consent.

17-4 (f) A student may appeal the student's removal from class  
 17-5 under this section to:

17-6 (1) the school's placement review committee  
 17-7 established under Section 37.003; or

17-8 (2) the safe and supportive school team established  
 17-9 under Section 37.115, in accordance with a district policy  
 17-10 providing for such an appeal to be made to the team.

17-11 (g) Section 37.004 applies to the removal or placement under  
 17-12 this section of a student with a disability who receives special  
 17-13 education services.

17-14 SECTION 1.35. Sections 48.0051(a), (b), and (d), Education  
 17-15 Code, are amended to read as follows:

17-16 (a) The [Subject to Subsection (a-1), the] commissioner  
 17-17 shall adjust the average daily attendance of a school district or  
 17-18 open-enrollment charter school under Section 48.005 in the manner  
 17-19 provided by Subsection (b) if the district or school:

17-20 (1) provides the minimum number of minutes of  
 17-21 operational and instructional time required under Section 25.081  
 17-22 and commissioner rules adopted under that section over at least 175  
 17-23 [180] days of instruction; and

17-24 (2) offers an additional 30 days of half-day  
 17-25 instruction for students enrolled in prekindergarten through fifth  
 17-26 grade.

17-27 (b) For a school district or open-enrollment charter school  
 17-28 described by Subsection (a), the commissioner shall increase the  
 17-29 average daily attendance of the district or school under Section  
 17-30 48.005 by the amount that results from the quotient of the sum of  
 17-31 attendance by students described by Subsection (a)(2) for each of  
 17-32 the 30 additional instructional days of half-day instruction that  
 17-33 are provided divided by 175 [180].

17-34 (d) This section does not prohibit a school district from  
 17-35 providing the minimum number of minutes of operational and  
 17-36 instructional time required under Section 25.081 and commissioner  
 17-37 rules adopted under that section over fewer than 175 [180] days of  
 17-38 instruction.

17-39 SECTION 1.36. Subchapter A, Chapter 48, Education Code, is  
 17-40 amended by adding Section 48.0055 to read as follows:

17-41 Sec. 48.0055. ENROLLMENT-BASED FUNDING. The commissioner  
 17-42 by rule shall establish the method for determining average  
 17-43 enrollment for purposes of funding provided based on average  
 17-44 enrollment under Chapter 46 and this chapter.

17-45 SECTION 1.37. Sections 48.011(a), (a-1), (d), and (e),  
 17-46 Education Code, are amended to read as follows:

17-47 (a) Subject to Subsections (b) and (d), the commissioner may  
 17-48 adjust the [a school district's] funding entitlement under this  
 17-49 code for a school district, an open-enrollment charter school, the  
 17-50 Windham School District, the Texas School for the Deaf, or the Texas  
 17-51 School for the Blind and Visually Impaired [chapter] if the funding  
 17-52 formulas used to determine the [district's] entitlement result in  
 17-53 an unanticipated loss or gain [for a district].

17-54 (a-1) The commissioner may modify dates relating to the  
 17-55 adoption of a school district's maintenance and operations tax rate  
 17-56 and, if applicable, an election required for the district to adopt  
 17-57 that rate as necessary to implement the changes to the Foundation  
 17-58 School Program and requirements relating to school district tax  
 17-59 rates made by the 88th [H.B. 3, 86th] Legislature, Regular Session,  
 17-60 2023 [2019].

17-61 (d) Beginning with the 2026-2027 [2021-2022] school year,  
 17-62 the commissioner may not make an adjustment under Subsection (a) or  
 17-63 (a-1).

17-64 (e) This section expires September 1, 2027 [2023].

17-65 SECTION 1.38. Section 48.051, Education Code, is amended by  
 17-66 amending Subsections (a), (c), and (d) and adding Subsections  
 17-67 (c-3), (c-4), (c-5), and (c-6) to read as follows:

17-68 (a) For each student in average daily attendance, not  
 17-69 including the time students spend each day in special education

18-1 programs in an instructional arrangement other than mainstream or  
 18-2 career and technology education programs, for which an additional  
 18-3 allotment is made under Subchapter C, a district is entitled to an  
 18-4 allotment equal to ~~[the lesser of \$6,160 or]~~ the amount that results  
 18-5 from the following formula:

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

18-6 where:

18-7 "A" is the allotment to which a district is entitled;

18-8 "B" is the base amount, which equals the greater of:

18-9 (1) \$6,210;

18-10 (2) an amount equal to the district's base amount under  
 18-11 this section for the preceding school year; or

18-12 (3) the amount appropriated under Subsection (b);

18-13 "TR" is the district's tier one maintenance and operations  
 18-14 tax rate, as provided by Section 45.0032; and

18-15 "MCR" is the district's maximum compressed tax rate, as  
 18-16 determined under Section 48.2551.

18-17 (c) During any school year for which the value of "A"  
 18-18 determined ~~[maximum amount of the basic allotment provided]~~ under  
 18-19 Subsection (a) or, if applicable, the sum of the value of "A" and  
 18-20 the allotment under Section 48.101 to which the district is  
 18-21 entitled, ~~[or (b)]~~ is greater than the value of "A" or, if  
 18-22 applicable, the sum of the value of "A" and the allotment under  
 18-23 Section 48.101 to which the district is entitled, ~~[maximum amount~~  
 18-24 provided] for the preceding school year, a school district must use  
 18-25 at least 50 ~~[30]~~ percent of the amount ~~[, if the amount is greater~~  
 18-26 than zero, that equals the product of the average daily attendance  
 18-27 of the district multiplied by the amount of the difference between  
 18-28 the district's funding under this chapter per student in average  
 18-29 daily attendance, excluding the amounts described by Subsection  
 18-30 (c-6), for the current school year and the preceding school year to  
 18-31 increase the average total compensation per full-time classroom  
 18-32 teacher ~~[provide compensation increases to full-time district~~  
 18-33 employees other than administrators as follows:

18-34 (1) 75 percent must be used to increase the  
 18-35 compensation paid to classroom teachers, full-time librarians,  
 18-36 full-time school counselors certified under Subchapter B, Chapter  
 18-37 21, and full-time school nurses, prioritizing differentiated  
 18-38 compensation for classroom teachers with more than five years of  
 18-39 experience; and

18-40 (2) 25 percent may be used as determined by the  
 18-41 district to increase compensation paid to full-time district  
 18-42 employees].

18-43 (c-3) In calculating the average total compensation per  
 18-44 full-time classroom teacher under Subsection (c), a school district  
 18-45 may not consider compensation paid to a classroom teacher added by  
 18-46 the district for the current school year that increases the ratio of  
 18-47 classroom teachers to students enrolled in the district compared to  
 18-48 the preceding school year.

18-49 (c-4) If a school district increases employee compensation  
 18-50 in a school year to comply with Subsection (c), as amended by  
 18-51 H.B. 100, Acts of the 88th Legislature, Regular Session, 2023, the  
 18-52 district is providing compensation for services rendered  
 18-53 independently of an existing employment contract applicable to that  
 18-54 year and is not a violation of Section 53, Article III, Texas  
 18-55 Constitution.

18-56 (c-5) A school district that does not meet the requirements  
 18-57 of Subsection (c) during a school year may satisfy the requirements  
 18-58 of this section by providing a full-time classroom teacher a  
 18-59 one-time bonus payment during the following school year in an  
 18-60 amount equal to the difference between the compensation earned by  
 18-61 the teacher and the compensation the teacher should have received  
 18-62 during the school year if the district had complied with Subsection  
 18-63 (c).

18-64 (c-6) For purposes of determining the amount of a school  
 18-65 district's funding under this chapter under Subsection (c), the  
 18-66 commissioner shall exclude:

18-67 (1) funding under Section 13.054;

18-68 (2) incentive aid payments under Subchapter G, Chapter  
 18-69

19-1 13;

19-2 (3) money received from the state instructional  
19-3 materials and technology fund under Section 31.021;

19-4 (4) the special education full individual and initial  
19-5 evaluation allotment under Section 48.1022;

19-6 (5) the college, career, and military readiness  
19-7 outcomes bonuses under Section 48.110;

19-8 (6) the school safety allotment under Section 48.115;

19-9 and

19-10 (7) the allotments under Subchapter D, other than the  
19-11 allotments under Sections 48.153 and 48.154.

19-12 (d) In this section, "compensation" includes:

19-13 (1) benefits such as insurance premiums; and

19-14 (2) contributions to the Teacher Retirement System of  
19-15 Texas under Section 825.4035, Government Code.

19-16 SECTION 1.39. Section 48.101, Education Code, is amended to  
19-17 read as follows:

19-18 Sec. 48.101. SMALL AND MID-SIZED DISTRICT ALLOTMENT. (a)  
19-19 Small and mid-sized districts are entitled to an annual allotment  
19-20 in accordance with this section. In this section:

19-21 (1) "AA" is the district's annual allotment per  
19-22 student in average daily attendance;

19-23 (2) "ADA" is the number of students in average daily  
19-24 attendance for which the district is entitled to an allotment under  
19-25 Section 48.051, other than students who do not reside in the  
19-26 district enrolled in a full-time virtual program; and

19-27 (3) "BA" is the basic allotment determined under  
19-28 Section 48.051.

19-29 (b) A school district that has fewer than 1,600 students in  
19-30 average daily attendance is entitled to an annual allotment for  
19-31 each student in average daily attendance based on the following  
19-32 formula:

$$19-33 \quad AA = ((1,600 - ADA) \times .00055 [~~-.0004~~]) \times BA$$

19-34 (c) A school district that offers a kindergarten through  
19-35 grade 12 program and has less than 5,000 students in average daily  
19-36 attendance is entitled to an annual allotment for each student in  
19-37 average daily attendance based on the formula, of the following  
19-38 formulas, that results in the greatest annual allotment:

19-39 (1) the formula in Subsection (b), if the district is  
19-40 eligible for that formula; or

$$19-41 \quad (2) \quad AA = ((5,000 - ADA) \times .0000345 [~~-.000025~~]) \times BA.$$

19-42 (d) Instead of the allotment under Subsection (b) or (c)(1),  
19-43 a school district that has fewer than 300 students in average daily  
19-44 attendance and is the only school district located in and operating  
19-45 in a county is entitled to an annual allotment for each student in  
19-46 average daily attendance based on the following formula:

$$19-47 \quad AA = ((1,600 - ADA) \times .00057 [~~-.00047~~]) \times BA$$

19-48 SECTION 1.40. Subchapter C, Chapter 48, Education Code, is  
19-49 amended by adding Section 48.1022 to read as follows:

19-50 Sec. 48.1022. SPECIAL EDUCATION FULL INDIVIDUAL AND INITIAL  
19-51 EVALUATION. For each student for whom a school district conducts a  
19-52 full individual and initial evaluation under Section 29.004 or 20  
19-53 U.S.C. Section 1414(a)(1), the district is entitled to an allotment  
19-54 of \$500 or a greater amount provided by appropriation.

19-55 SECTION 1.41. Section 48.110(d), Education Code, is amended  
19-56 to read as follows:

19-57 (d) For each annual graduate in a cohort described by  
19-58 Subsection (b) who demonstrates college, career, or military  
19-59 readiness as described by Subsection (f) in excess of the minimum  
19-60 number of students determined for the applicable district cohort  
19-61 under Subsection (c), a school district is entitled to an annual  
19-62 outcomes bonus of:

19-63 (1) if the annual graduate is educationally  
19-64 disadvantaged, \$5,000;

19-65 (2) if the annual graduate is not educationally  
19-66 disadvantaged, \$3,000; and

19-67 (3) if the annual graduate is enrolled in a special  
19-68 education program under Subchapter A, Chapter 29, \$4,000 [~~\$2,000~~],  
19-69 regardless of whether the annual graduate is educationally

20-1 disadvantaged.

20-2 SECTION 1.42. Section 48.111(a), Education Code, is amended  
20-3 to read as follows:

20-4 (a) A [~~Except as provided by Subsection (c), a~~] school  
20-5 district is entitled to an annual allotment equal to the basic  
20-6 allotment multiplied by the applicable weight under Subsection  
20-7 (a-1) for each enrolled student equal to the difference, if the  
20-8 difference is greater than zero, that results from subtracting 250  
20-9 from the difference between the number of students enrolled in the  
20-10 district during the school year immediately preceding the current  
20-11 school year and the number of students enrolled in the district  
20-12 during the school year six years preceding the current school year.

20-13 SECTION 1.43. Sections 48.112(c) and (d), Education Code,  
20-14 are amended to read as follows:

20-15 (c) For each classroom teacher with a teacher designation  
20-16 under Section 21.3521 employed by a school district, the school  
20-17 district is entitled to an allotment equal to the following  
20-18 applicable base amount increased by the high needs and rural factor  
20-19 as determined under Subsection (d):

20-20 (1) \$12,000, or an increased amount not to exceed  
20-21 \$36,000 [~~\$32,000~~] as determined under Subsection (d), for each  
20-22 master teacher;

20-23 (2) \$9,000 [~~\$6,000~~], or an increased amount not to  
20-24 exceed \$25,000 [~~\$18,000~~] as determined under Subsection (d), for  
20-25 each exemplary teacher; ~~and~~

20-26 (3) \$5,000 [~~\$3,000~~], or an increased amount not to  
20-27 exceed \$15,000 [~~\$9,000~~] as determined under Subsection (d), for  
20-28 each recognized teacher; and

20-29 (4) \$3,000, or an increased amount not to exceed  
20-30 \$9,000 as determined under Subsection (d), for each:

20-31 (A) acknowledged teacher; or

20-32 (B) teacher designated as nationally board  
20-33 certified.

20-34 (d) The high needs and rural factor is determined by  
20-35 multiplying the following applicable amounts by the average of the  
20-36 point value assigned to each student at a district campus under  
20-37 Subsection (e):

20-38 (1) \$6,000 [~~\$5,000~~] for each master teacher;

20-39 (2) \$4,000 [~~\$3,000~~] for each exemplary teacher; ~~and~~

20-40 (3) \$2,500 [~~\$1,500~~] for each recognized teacher; and

20-41 (4) \$1,500 for each:

20-42 (A) acknowledged teacher; or

20-43 (B) teacher designated as nationally board  
20-44 certified.

20-45 SECTION 1.44. Section 48.114, Education Code, is amended by  
20-46 amending Subsection (a) and adding Subsection (d) to read as  
20-47 follows:

20-48 (a) A school district [~~that has implemented a mentoring~~  
20-49 ~~program for classroom teachers who have less than two years of~~  
20-50 ~~teaching experience under Section 21.458~~] is entitled to an  
20-51 allotment [~~as determined under Subsection (b)~~] to fund a [~~the~~]  
20-52 mentoring program and to provide stipends for mentor teachers if:

20-53 (1) the district has implemented a mentoring program  
20-54 for classroom teachers under Section 21.458; and

20-55 (2) the mentor teachers assigned under that program  
20-56 complete a training program that is required or developed by the  
20-57 agency for mentor teachers.

20-58 (d) A school district is entitled to an allotment of \$2,000  
20-59 for each classroom teacher with less than two years of experience  
20-60 who participates in a mentoring program described by Subsection  
20-61 (a). A district may receive an allotment under this section for no  
20-62 more than 40 teachers during a school year unless an appropriation  
20-63 is made for the purposes of providing a greater number of allotments  
20-64 per district.

20-65 SECTION 1.45. Section 48.151(g), Education Code, is amended  
20-66 to read as follows:

20-67 (g) A school district or county that provides special  
20-68 transportation services for eligible special education students is  
20-69 entitled to a state allocation at a [~~paid on a previous year's~~

21-1 ~~cost-per-mile basis. The] rate per mile equal to the sum of the~~  
 21-2 ~~rate per mile set under Subsection (c) and \$0.13, or a greater~~  
 21-3 ~~amount provided [allowable shall be set] by appropriation [based on~~  
 21-4 ~~data gathered from the first year of each preceding biennium].~~  
 21-5 Districts may use a portion of their support allocation to pay  
 21-6 transportation costs, if necessary. The commissioner may grant an  
 21-7 amount set by appropriation for private transportation to reimburse  
 21-8 parents or their agents for transporting eligible special education  
 21-9 students. The mileage allowed shall be computed along the shortest  
 21-10 public road from the student's home to school and back, morning and  
 21-11 afternoon. The need for this type of transportation shall be  
 21-12 determined on an individual basis and shall be approved only in  
 21-13 extreme hardship cases.

21-14 SECTION 1.46. Subchapter D, Chapter 48, Education Code, is  
 21-15 amended by adding Section 48.157 to read as follows:

21-16 Sec. 48.157. RESIDENCY PARTNERSHIP ALLOTMENT. (a) In this  
 21-17 section, "partnership program" and "partnership resident" have the  
 21-18 meanings assigned by Section 21.901.

21-19 (b) For each partnership resident employed at a school  
 21-20 district in a residency position under Subchapter R, Chapter 21,  
 21-21 the district is entitled to an allotment equal to a base amount of  
 21-22 \$22,000 increased by the high needs and rural factor, as determined  
 21-23 under Subsection (c), to an amount not to exceed \$42,000.

21-24 (c) The high needs and rural factor is determined by  
 21-25 multiplying \$5,000 by the lesser of:

21-26 (1) the average of the point value assigned to each  
 21-27 student at a district campus under Sections 48.112(e) and (f); or

21-28 (2) 4.0.

21-29 (d) In addition to the funding under Subsection (b), a  
 21-30 district that qualifies for an allotment under this section is  
 21-31 entitled to an additional \$2,000 for each partnership resident  
 21-32 employed in a residency position at the district who is a candidate  
 21-33 for special education or bilingual education certification.

21-34 (e) The Texas School for the Deaf and the Texas School for  
 21-35 the Blind and Visually Impaired are entitled to an allotment under  
 21-36 this section. If the commissioner determines that assigning point  
 21-37 values under Subsection (c) to students enrolled in the Texas  
 21-38 School for the Deaf or the Texas School for the Blind and Visually  
 21-39 Impaired is impractical, the commissioner may use the average point  
 21-40 value assigned for those students' home districts for purposes of  
 21-41 calculating the high needs and rural factor.

21-42 SECTION 1.47. Subchapter D, Chapter 48, Education Code, is  
 21-43 amended by adding Section 48.160 to read as follows:

21-44 Sec. 48.160. ALLOTMENT FOR ADVANCED MATHEMATICS PATHWAYS  
 21-45 AND CERTAIN PROGRAMS OF STUDY. (a) A school district is eligible  
 21-46 to receive an allotment under this section if the district offers  
 21-47 through in-person instruction, remote instruction, or a hybrid of  
 21-48 in-person and remote instruction:

21-49 (1) an advanced mathematics pathway that begins with  
 21-50 Algebra I in grade eight and continues through progressively more  
 21-51 advanced mathematics courses in each grade from grade 9 through 12;

21-52 (2) a program of study in:

21-53 (A) computer programming and software  
 21-54 development; or

21-55 (B) cybersecurity; and

21-56 (3) a program of study in a specialized skilled trade,  
 21-57 such as:

21-58 (A) plumbing and pipefitting;

21-59 (B) electrical;

21-60 (C) welding;

21-61 (D) diesel and heavy equipment;

21-62 (E) aviation maintenance; or

21-63 (F) applied agricultural engineering.

21-64 (b) Notwithstanding Subsection (a), a school district is  
 21-65 eligible for the allotment under this section for students enrolled  
 21-66 in a high school in the district that does not offer a program of  
 21-67 study described by Subsection (a)(2) or (3) if:

21-68 (1) high school students who reside in the attendance  
 21-69 zone of the high school may participate in the program of study by

22-1 enrolling in another high school:  
22-2 (A) that:  
22-3 (i) is in the same district or a neighboring  
22-4 school district;  
22-5 (ii) was assigned the same or a better  
22-6 campus overall performance rating under Section 39.054 as the high  
22-7 school in whose attendance zone the students reside; and  
22-8 (iii) offers the program of study; and  
22-9 (B) to and from which transportation is provided  
22-10 for those students; or  
22-11 (2) students enrolled in the high school:  
22-12 (A) are offered instruction for the program of  
22-13 study at another location, such as another high school in the same  
22-14 district or a neighboring school district; and  
22-15 (B) receive transportation to and from the  
22-16 location described by Paragraph (A).  
22-17 (c) An eligible school district is entitled to an annual  
22-18 allotment of \$10 for each student enrolled at a high school in the  
22-19 district that offers a pathway or program of study from each  
22-20 subdivision described by Subsection (a) if:  
22-21 (1) each student enrolled at the high school takes a  
22-22 progressively more advanced mathematics course each year of  
22-23 enrollment; and  
22-24 (2) for each of those pathways or programs of study, at  
22-25 least one student enrolled at the high school completes a course in  
22-26 the pathway or program of study.  
22-27 (d) A school district that receives an allotment under  
22-28 Subsection (c) and Section 48.101 is entitled to receive an  
22-29 additional allotment in an amount equal to the product of 0.1 and  
22-30 the allotment to which the district is entitled under Section  
22-31 48.101 for each student for which the district receives an  
22-32 allotment under Subsection (c). An open-enrollment charter school  
22-33 is not eligible for an allotment under this subsection.  
22-34 (e) The commissioner by rule may establish requirements to  
22-35 ensure students enrolled in a high school to which Subsection (b)  
22-36 applies have meaningful access to the programs of study described  
22-37 by Subsections (a)(2) and (3).  
22-38 (f) The agency may reduce the amount of a school district's  
22-39 allotment under this section if the agency determines that the  
22-40 district has not complied with any provision of this section.  
22-41 SECTION 1.48. Section 48.202(a-1), Education Code, is  
22-42 amended to read as follows:  
22-43 (a-1) For purposes of Subsection (a), the dollar amount  
22-44 guaranteed level of state and local funds per weighted student per  
22-45 cent of tax effort ("GL") for a school district is:  
22-46 (1) the greater of the amount of district tax revenue  
22-47 per weighted student per cent of tax effort available to a school  
22-48 district at the 96th percentile of wealth per weighted student or  
22-49 the amount that results from multiplying the maximum amount of the  
22-50 basic allotment provided under Section 48.051 for the applicable  
22-51 school year [6,160, or the greater amount provided under Section  
22-52 48.051(b), if applicable,] by 0.016, for the first eight cents by  
22-53 which the district's maintenance and operations tax rate exceeds  
22-54 the district's tier one tax rate; and  
22-55 (2) subject to Subsection (f), the amount that results  
22-56 from multiplying the maximum amount of the basic allotment provided  
22-57 under Section 48.051 for the applicable school year [\$6,160, or the  
22-58 greater amount provided under Section 48.051(b), if applicable,] by  
22-59 0.008, for the district's maintenance and operations tax effort  
22-60 that exceeds the amount of tax effort described by Subdivision (1).  
22-61 SECTION 1.49. Section 48.257, Education Code, is amended by  
22-62 adding Subsection (b-1) and amending Subsection (c) to read as  
22-63 follows:  
22-64 (b-1) If for any school year a school district receives an  
22-65 adjustment under Subsection (b) and, after that adjustment, is no  
22-66 longer subject to Subsection (a), the district is entitled to  
22-67 additional state aid for that school year in an amount equal to the  
22-68 lesser of:  
22-69 (1) the difference, if the difference is greater than

23-1 zero, between:

23-2 (A) the amount to which the district is entitled  
 23-3 under Subchapters B, C, and D less the district's distribution from  
 23-4 the available school fund for that school year; and

23-5 (B) the district's tier one maintenance and  
 23-6 operations tax collections for that school year; or

23-7 (2) the sum of the district's allotments under  
 23-8 Sections 48.0051 and 48.112 for that school year.

23-9 (c) For purposes of Subsection (a), state aid to which a  
 23-10 district is entitled under Section 13.054 or this chapter that is  
 23-11 not described by Section 48.266(a)(3) may offset the amount by  
 23-12 which a district must reduce the district's revenue level under  
 23-13 this section. Any amount of state aid used as an offset under this  
 23-14 subsection shall reduce the amount of state aid to which the  
 23-15 district is entitled.

23-16 SECTION 1.50. Subchapter F, Chapter 48, Education Code, is  
 23-17 amended by adding Section 48.280 to read as follows:

23-18 Sec. 48.280. SALARY TRANSITION ALLOTMENT. (a) In the  
 23-19 2023-2024, 2024-2025, and 2025-2026 school years, a school district  
 23-20 is entitled to receive an annual salary transition allotment equal  
 23-21 to the difference, if that amount is greater than zero, between:

23-22 (1) the amount calculated under Subsection (b); and

23-23 (2) the amount calculated under Subsection (c).

23-24 (b) The agency shall calculate a school district's value for  
 23-25 Subsection (a)(1) by determining the difference between:

23-26 (1) the amount the district must pay in compensation  
 23-27 for the current school year for employees on the minimum salary  
 23-28 schedule under Section 21.402, as amended by H.B. 100, Acts of the  
 23-29 88th Legislature, Regular Session, 2023, divided by the total  
 23-30 number of employees on the minimum salary schedule under that  
 23-31 section for that school year; and

23-32 (2) the amount paid in compensation for the 2022-2023  
 23-33 school year for employees on the minimum salary schedule under  
 23-34 Section 21.402 divided by the total number of employees on the  
 23-35 minimum salary schedule under that section for that school year.

23-36 (c) The agency shall calculate a school district's value for  
 23-37 Subsection (a)(2) by determining the difference between:

23-38 (1) the total maintenance and operations revenue for  
 23-39 the current school year divided by the total number of employees on  
 23-40 the minimum salary schedule under Section 21.402 for that school  
 23-41 year; and

23-42 (2) the total maintenance and operations revenue that  
 23-43 would have been available to the district for the current school  
 23-44 year using the basic allotment formula provided by Section 48.051  
 23-45 and the small and mid-sized allotment formulas provided by Section  
 23-46 48.101 as those sections existed on January 1, 2023, divided by the  
 23-47 total number of employees on the minimum salary schedule under  
 23-48 Section 21.402 for that school year.

23-49 (d) In calculating the values under Subsections (b) and (c)  
 23-50 for a school district or open-enrollment charter school to which  
 23-51 Section 21.402 does not apply, the agency shall include as  
 23-52 employees on the minimum salary schedule under that section  
 23-53 employees of the district or school who would have been on the  
 23-54 minimum salary schedule under that section if the district or  
 23-55 school were a school district to which that section applies.

23-56 (e) Before making a final determination of the amount of an  
 23-57 allotment to which a school district is entitled under this  
 23-58 section, the agency shall ensure each school district has an  
 23-59 opportunity to review and submit revised information to the agency  
 23-60 for purposes of calculating the values under Subsection (a).

23-61 (f) A school district is entitled to an allotment in an  
 23-62 amount equal to:

23-63 (1) for the 2026-2027 school year, two-thirds of the  
 23-64 value determined under Subsection (a); and

23-65 (2) for the 2027-2028 school year, one-third of the  
 23-66 value determined under Subsection (a).

23-67 (g) A school district is not entitled to an allotment under  
 23-68 this section in the 2028-2029 school year or a later school year.

23-69 (h) For purposes of this section, "compensation" includes

24-1 contributions made to the Teacher Retirement System of Texas under  
24-2 Sections 825.4035 and 825.405, Government Code.

24-3 (i) This section expires September 1, 2029.

24-4 SECTION 1.51. Subchapter G, Chapter 48, Education Code, is  
24-5 amended by adding Sections 48.304 and 48.305 to read as follows:

24-6 Sec. 48.304. DAY PLACEMENT PROGRAM FUNDING. (a) For each  
24-7 qualifying day placement program that a regional education service  
24-8 center makes available in partnership with a school district,  
24-9 open-enrollment charter school, or shared services arrangement,  
24-10 the center is entitled to an allotment of:

24-11 (1) \$250,000 for the first year of the program's  
24-12 operation; and

24-13 (2) \$150,000 for each year of the program's operation  
24-14 after the first year.

24-15 (b) A day placement program qualifies for purposes of  
24-16 Subsection (a) if:

24-17 (1) the program complies with commissioner rules  
24-18 adopted under Section 48.102(c);

24-19 (2) the program offers services to students who are  
24-20 enrolled at any school district or open-enrollment charter school  
24-21 in the county in which the program is offered, unless the  
24-22 commissioner by rule waives or modifies the requirement under this  
24-23 subdivision for the program to serve all students in a county; and

24-24 (3) the agency has designated the program for service  
24-25 in the county in which the program is offered and determined that,  
24-26 at the time of designation, the program increases the availability  
24-27 of day placement services in the county.

24-28 Sec. 48.305. PARENT-DIRECTED SERVICES FOR STUDENTS  
24-29 RECEIVING SPECIAL EDUCATION SERVICES GRANT. (a) A student to whom  
24-30 the agency awards a grant under Subchapter A-1, Chapter 29, is  
24-31 entitled to receive an amount of \$1,500 or a greater amount provided  
24-32 by appropriation.

24-33 (b) The legislature shall include in the appropriations for  
24-34 the Foundation School Program state aid sufficient for the agency  
24-35 to award grants under Subchapter A-1, Chapter 29, in the amount  
24-36 provided by this section.

24-37 (c) A student may receive one grant under Subchapter A-1,  
24-38 Chapter 29, unless the legislature appropriates money for an  
24-39 additional grant in the General Appropriations Act.

24-40 (d) A determination of the commissioner under this section  
24-41 is final and may not be appealed.

24-42 SECTION 1.52. The following provisions are repealed:

24-43 (1) Section 21.042, Education Code;

24-44 (2) Sections 21.402(b), (c), (c-1), (f), and (h),  
24-45 Education Code;

24-46 (3) Sections 21.403(a) and (d), Education Code;

24-47 (4) Subchapter Q, Chapter 21, Education Code;

24-48 (5) Section 29.002, Education Code;

24-49 (6) Sections 29.026(n) and (o), Education Code;

24-50 (7) Section 29.027(i), Education Code;

24-51 (8) Section 29.050, Education Code;

24-52 (9) Section 37.002(e), Education Code;

24-53 (10) Sections 48.111(c), (c-1), and (c-2), Education  
24-54 Code;

24-55 (11) Section 48.114(b), Education Code; and

24-56 (12) Section 825.4092(f), Government Code, as added by  
24-57 Chapter 546 (S.B. 202), Acts of the 87th Legislature, Regular  
24-58 Session, 2021.

24-59 SECTION 1.53. (a) The legislature finds that:

24-60 (1) the Windfall Elimination Provision was enacted in  
24-61 1983 to equalize the earned social security benefits of workers who  
24-62 spend part of their careers in exempt public service and workers who  
24-63 spend their entire careers participating in social security;

24-64 (2) the Windfall Elimination Provision reduces the  
24-65 social security benefits of public servants who have received a  
24-66 pension that is not subject to social security taxes, including  
24-67 thousands of teachers in Texas as well as the spouses and children  
24-68 of these public servants;

24-69 (3) the flawed application of the Windfall Elimination



25-1 Provision diminishes Texans' retirement security and fails to  
 25-2 recognize their rightfully earned social security and public  
 25-3 pension benefits;

25-4 (4) for years, the United States Congress has failed  
 25-5 to act to remove this detriment to many citizens of Texas, including  
 25-6 teachers; and

25-7 (5) the United States Congress should take swift  
 25-8 action to replace the Windfall Elimination Provision with a more  
 25-9 fair and just formula that accurately reflects the contributions of  
 25-10 all American workers to the social security system.

25-11 (b) As soon as practicable after the effective date of this  
 25-12 Act, the secretary of the Senate shall forward official copies of  
 25-13 the legislative findings under Subsection (a) of this section to  
 25-14 the president of the United States, to the president of the Senate  
 25-15 and the speaker of the House of Representatives of the United States  
 25-16 Congress, and to all the members of the Texas delegation to  
 25-17 Congress.

25-18 SECTION 1.54. Not later than September 1, 2024, the  
 25-19 commissioner of education, with the assistance of the executive  
 25-20 director of the Teacher Retirement System of Texas and the  
 25-21 comptroller of public accounts, shall make recommendations to the  
 25-22 legislature to improve and coordinate pension contribution  
 25-23 appropriations for public school employees.

25-24 SECTION 1.55. Section 21.257(f), Education Code, as added  
 25-25 by this article, applies only to a hearing before a hearing examiner  
 25-26 commenced on or after the effective date of this article.

25-27 SECTION 1.56. Immediately following the effective date of  
 25-28 this article, a school district or open-enrollment charter school  
 25-29 shall redesignate a teacher who holds a designation made under  
 25-30 Section 21.3521, Education Code, before the effective date of this  
 25-31 article, to reflect the teacher's designation under Section  
 25-32 21.3521, Education Code, as amended by this article. Funding  
 25-33 provided to a school district under Section 48.112, Education Code,  
 25-34 for a teacher who held a designation made under Section 21.3521,  
 25-35 Education Code, as that section existed immediately before the  
 25-36 effective date of this article, shall be increased to reflect the  
 25-37 teacher's redesignation under Section 21.3521, Education Code, as  
 25-38 amended by this article.

25-39 SECTION 1.57. Notwithstanding Section 21.903, Education  
 25-40 Code, as added by this article, until the State Board for Educator  
 25-41 Certification adopts rules specifying the requirements for  
 25-42 approval of an educator preparation program as a qualified educator  
 25-43 preparation program as required by that section, the commissioner  
 25-44 of education may approve a program as a qualified educator  
 25-45 preparation program for purposes of Subchapter R, Chapter 21,  
 25-46 Education Code, as added by this article, if the commissioner  
 25-47 determines that the program meets the requirements under Section  
 25-48 21.903, Education Code, as added by this article. An educator  
 25-49 preparation program's designation as a qualified educator  
 25-50 preparation program by the commissioner under this section remains  
 25-51 effective until the first anniversary of the earliest effective  
 25-52 date of a rule adopted by the State Board for Educator Certification  
 25-53 under Section 21.903, Education Code, as added by this article.

25-54 SECTION 1.58. To the extent of any conflict, this article  
 25-55 prevails over another Act of the 88th Legislature, Regular Session,  
 25-56 2023, relating to nonsubstantive additions to and corrections in  
 25-57 enacted codes.

25-58 SECTION 1.59. (a) Except as provided by Subsection (b) of  
 25-59 this section or as otherwise provided by this article, this article  
 25-60 takes effect immediately if this Act receives a vote of two-thirds  
 25-61 of all the members elected to each house, as provided by Section 39,  
 25-62 Article III, Texas Constitution. If this Act does not receive the  
 25-63 vote necessary for immediate effect, the entirety of this article  
 25-64 takes effect September 1, 2023.

25-65 (b) Sections 12.106(a-2) and (d), 13.054, 30.003,  
 25-66 48.0051(a), (b), and (d), 48.011(a), (a-1), (d), and (e), 48.051,  
 25-67 48.101, 48.110(d), 48.111, 48.112(c) and (d), 48.114, 48.151(g),  
 25-68 48.202(a-1), and 48.257, Education Code, as amended by this  
 25-69 article, and Sections 48.0055, 48.1022, 48.157, 48.160, and 48.280,

26-1 Education Code, as added by this article, take effect September 1,  
26-2 2023.

26-3 ARTICLE 2. CHANGES GENERALLY APPLICABLE TO PUBLIC SCHOOLS EFFECTIVE  
26-4 FOR 2024-2025 SCHOOL YEAR

26-5 SECTION 2.01. Section 8.051(d), Education Code, is amended  
26-6 to read as follows:

26-7 (d) Each regional education service center shall maintain  
26-8 core services for purchase by school districts and campuses. The  
26-9 core services are:

26-10 (1) training and assistance in:

26-11 (A) teaching each subject area assessed under  
26-12 Section 39.023; and

26-13 (B) providing instruction in personal financial  
26-14 literacy as required under Section 28.0021;

26-15 (2) training and assistance in providing each program  
26-16 that qualifies for a funding allotment under Section 48.102,  
26-17 48.1021, 48.104, 48.105, or 48.109;

26-18 (3) assistance specifically designed for a school  
26-19 district or campus assigned an unacceptable performance rating  
26-20 under Section 39.054;

26-21 (4) training and assistance to teachers,  
26-22 administrators, members of district boards of trustees, and members  
26-23 of site-based decision-making committees;

26-24 (5) assistance specifically designed for a school  
26-25 district that is considered out of compliance with state or federal  
26-26 special education requirements, based on the agency's most recent  
26-27 compliance review of the district's special education programs; and

26-28 (6) assistance in complying with state laws and rules.

26-29 SECTION 2.02. Section 11.1513, Education Code, is amended  
26-30 by adding Subsection (1) to read as follows:

26-31 (1) The employment policy must provide that:

26-32 (1) before the beginning of each school year, the  
26-33 district shall provide a duty calendar for certain professional  
26-34 staff as required by Section 11.15131; and

26-35 (2) for purposes of determining the amount of a  
26-36 reduction in the salary of a classroom teacher, full-time  
26-37 counselor, or full-time librarian for unpaid leave, the employee's  
26-38 daily rate of pay is computed by dividing the employee's annual  
26-39 salary by the number of days the employee is expected to work for  
26-40 that school year as provided by the district's duty calendar  
26-41 adopted under Section 11.15131.

26-42 SECTION 2.03. Subchapter D, Chapter 11, Education Code, is  
26-43 amended by adding Section 11.15131 to read as follows:

26-44 Sec. 11.15131. DUTY CALENDAR FOR CERTAIN PROFESSIONAL  
26-45 STAFF. (a) In this section, "supplemental duty" means a duty other  
26-46 than a duty assigned under an employee's contract that is generally  
26-47 expected to be performed during an instructional day and which may  
26-48 be governed by an agreement, other than the employee's contract,  
26-49 between the district and the employee.

26-50 (b) Not later than the 15th day before the first  
26-51 instructional day of each school year, the board of trustees of a  
26-52 school district shall adopt and provide to each classroom teacher,  
26-53 full-time counselor, and full-time librarian employed by the  
26-54 district a calendar that specifies the days each employee is  
26-55 expected to work for that school year, including the days on which  
26-56 the employee is expected to perform supplemental duties for more  
26-57 than 30 minutes outside of the instructional day, and except for  
26-58 days on which the employee may be required to spend time on an  
26-59 unanticipated duty outside of the instructional day to comply with  
26-60 a state or federal law.

26-61 SECTION 2.04. Section 29.014(d), Education Code, is amended  
26-62 to read as follows:

26-63 (d) The basic allotment for a student enrolled in a district  
26-64 to which this section applies is adjusted by the tier of intensity  
26-65 of service defined in accordance with [~~weight for a homebound~~  
26-66 ~~student under~~] Section 48.102 and designated by commissioner rule  
26-67 for use under this section [48.102(a)].

26-68 SECTION 2.05. Section 29.018, Education Code, is amended by  
26-69 adding Subsection (g) to read as follows:

27-1 (g) This section expires September 1, 2026.

27-2 SECTION 2.06. Sections 29.022(a), (a-1), (b), (c), (c-1),  
27-3 (d), (f), (h), (k), (l), (s), and (t), Education Code, are amended  
27-4 to read as follows:

27-5 (a) In order to promote student safety, on receipt of a  
27-6 written request authorized under Subsection (a-1), a school  
27-7 district or open-enrollment charter school shall provide  
27-8 equipment, including a video camera, to the school or schools in the  
27-9 district or the charter school campus or campuses specified in the  
27-10 request. A school or campus that receives equipment as provided by  
27-11 this subsection shall place, operate, and maintain one or more  
27-12 video cameras in special education [~~self-contained~~] classrooms and  
27-13 other special education settings [~~in which a majority of the~~  
27-14 ~~students in regular attendance are provided special education and~~  
27-15 ~~related services and are assigned to one or more self-contained~~  
27-16 ~~classrooms or other special education settings for at least 50~~  
27-17 ~~percent of the instructional day]~~, provided that:

27-18 (1) a school or campus that receives equipment as a  
27-19 result of the request by a parent or staff member is required to  
27-20 place equipment only in classrooms or settings in which the  
27-21 parent's child is in regular attendance or to which the staff member  
27-22 is assigned, as applicable; and

27-23 (2) a school or campus that receives equipment as a  
27-24 result of the request by a board of trustees, governing body,  
27-25 principal, or assistant principal is required to place equipment  
27-26 only in classrooms or settings identified by the requestor, if the  
27-27 requestor limits the request to specific classrooms or settings  
27-28 subject to this subsection.

27-29 (a-1) For purposes of Subsection (a):

27-30 (1) a parent of a child who receives special education  
27-31 services in one or more special education [~~self-contained~~]  
27-32 classrooms or other special education settings may request in  
27-33 writing that equipment be provided to the school or campus at which  
27-34 the child receives those services;

27-35 (2) a board of trustees or governing body may request  
27-36 in writing that equipment be provided to one or more specified  
27-37 schools or campuses at which one or more children receive special  
27-38 education services in special education [~~self-contained~~]  
27-39 classrooms or other special education settings;

27-40 (3) the principal or assistant principal of a school  
27-41 or campus at which one or more children receive special education  
27-42 services in special education [~~self-contained~~] classrooms or other  
27-43 special education settings may request in writing that equipment be  
27-44 provided to the principal's or assistant principal's school or  
27-45 campus; and

27-46 (4) a staff member assigned to work with one or more  
27-47 children receiving special education services in special education  
27-48 [~~self-contained~~] classrooms or other special education settings  
27-49 may request in writing that equipment be provided to the school or  
27-50 campus at which the staff member works.

27-51 (b) A school or campus that places a video camera in a  
27-52 special education classroom or other special education setting in  
27-53 accordance with Subsection (a) shall operate and maintain the video  
27-54 camera in the classroom or setting, as long as the classroom or  
27-55 setting continues to satisfy the requirements under Subsection (a),  
27-56 for the remainder of the school year in which the school or campus  
27-57 received the request, unless the requestor withdraws the request in  
27-58 writing. If for any reason a school or campus will discontinue  
27-59 operation of a video camera during a school year, not later than the  
27-60 fifth school day before the date the operation of the video camera  
27-61 will be discontinued, the school or campus must notify the parents  
27-62 of each student in regular attendance in the classroom or setting  
27-63 that operation of the video camera will not continue unless  
27-64 requested by a person eligible to make a request under Subsection  
27-65 (a-1). Not later than the 10th school day before the end of each  
27-66 school year, the school or campus must notify the parents of each  
27-67 student in regular attendance in the classroom or setting that  
27-68 operation of the video camera will not continue during the  
27-69 following school year unless a person eligible to make a request for

28-1 the next school year under Subsection (a-1) submits a new request.

28-2 (c) Except as provided by Subsection (c-1), video cameras  
28-3 placed under this section must be capable of:

28-4 (1) covering all areas of the special education  
28-5 classroom or other special education setting, including a room  
28-6 attached to the classroom or setting used for time-out; and

28-7 (2) recording audio from all areas of the special  
28-8 education classroom or other special education setting, including a  
28-9 room attached to the classroom or setting used for time-out.

28-10 (c-1) The inside of a bathroom or any area in the special  
28-11 education classroom or other special education setting in which a  
28-12 student's clothes are changed may not be visually monitored, except  
28-13 for incidental coverage of a minor portion of a bathroom or changing  
28-14 area because of the layout of the classroom or setting.

28-15 (d) Before a school or campus activates a video camera in a  
28-16 special education classroom or other special education setting  
28-17 under this section, the school or campus shall provide written  
28-18 notice of the placement to all school or campus staff and to the  
28-19 parents of each student attending class or engaging in school  
28-20 activities in the classroom or setting.

28-21 (f) A school district or open-enrollment charter school may  
28-22 solicit and accept gifts, grants, and donations from any person for  
28-23 use in placing video cameras in special education classrooms or  
28-24 other special education settings under this section.

28-25 (h) A school district or open-enrollment charter school may  
28-26 not:

28-27 (1) allow regular or continual monitoring of video  
28-28 recorded under this section; or

28-29 (2) use video recorded under this section for teacher  
28-30 evaluation or for any other purpose other than the promotion of  
28-31 safety of students receiving special education services in a  
28-32 special education [~~self-contained~~] classroom or other special  
28-33 education setting.

28-34 (k) The commissioner may adopt rules to implement and  
28-35 administer this section, including rules regarding the special  
28-36 education classrooms and other special education settings to which  
28-37 this section applies.

28-38 (l) A school district or open-enrollment charter school  
28-39 policy relating to the placement, operation, or maintenance of  
28-40 video cameras under this section must:

28-41 (1) include information on how a person may appeal an  
28-42 action by the district or school that the person believes to be in  
28-43 violation of this section or a policy adopted in accordance with  
28-44 this section, including the appeals process under Section 7.057;

28-45 (2) require that the district or school provide a  
28-46 response to a request made under this section not later than the  
28-47 seventh school business day after receipt of the request by the  
28-48 person to whom it must be submitted under Subsection (a-3) that  
28-49 authorizes the request or states the reason for denying the  
28-50 request;

28-51 (3) except as provided by Subdivision (5), require  
28-52 that a school or a campus begin operation of a video camera in  
28-53 compliance with this section not later than the 45th school  
28-54 business day, or the first school day after the 45th school business  
28-55 day if that day is not a school day, after the request is authorized  
28-56 unless the agency grants an extension of time;

28-57 (4) permit the parent of a student whose admission,  
28-58 review, and dismissal committee has determined that the student's  
28-59 placement for the following school year will be in a special  
28-60 education classroom or other special education setting in which a  
28-61 video camera may be placed under this section to make a request for  
28-62 the video camera by the later of:

28-63 (A) the date on which the current school year  
28-64 ends; or

28-65 (B) the 10th school business day after the date  
28-66 of the placement determination by the admission, review, and  
28-67 dismissal committee; and

28-68 (5) if a request is made by a parent in compliance with  
28-69 Subdivision (4), unless the agency grants an extension of time,

29-1 require that a school or campus begin operation of a video camera in  
 29-2 compliance with this section not later than the later of:

- 29-3 (A) the 10th school day of the fall semester; or
- 29-4 (B) the 45th school business day, or the first
- 29-5 school day after the 45th school business day if that day is not a
- 29-6 school day, after the date the request is made.

29-7 (s) This section applies to the placement, operation, and  
 29-8 maintenance of a video camera in a special education  
 29-9 [~~self-contained~~] classroom or other special education setting  
 29-10 during the regular school year and extended school year services.

29-11 (t) A video camera placed under this section is not required  
 29-12 to be in operation for the time during which students are not  
 29-13 present in the special education classroom or other special  
 29-14 education setting.

29-15 SECTION 2.07. Sections 29.022(u)(3) and (4), Education  
 29-16 Code, are amended to read as follows:

29-17 (3) "Special education classroom or other special  
 29-18 education setting" means a classroom or setting primarily used for  
 29-19 delivering special education services to students who spend on  
 29-20 average less than 50 percent of an instructional day in a general  
 29-21 education classroom or setting [~~"Self-contained classroom" does~~  
 29-22 ~~not include a classroom that is a resource room instructional~~  
 29-23 ~~arrangement under Section 48.102]~~.

29-24 (4) "Staff member" means a teacher, related service  
 29-25 provider, paraprofessional, counselor, or educational aide  
 29-26 assigned to work in a special education [~~self-contained~~] classroom  
 29-27 or other special education setting.

29-28 SECTION 2.08. Section 29.316(c), Education Code, is amended  
 29-29 to read as follows:

29-30 (c) Not later than August 31 of each year, the agency, the  
 29-31 division, and the center jointly shall prepare and post on the  
 29-32 agency's, the division's, and the center's respective Internet  
 29-33 websites a report on the language acquisition of children eight  
 29-34 years of age or younger who are deaf or hard of hearing. The report  
 29-35 must:

- 29-36 (1) include:
  - 29-37 (A) existing data reported in compliance with
  - 29-38 federal law regarding children with disabilities; and
  - 29-39 (B) information relating to the language
  - 29-40 acquisition of children who are deaf or hard of hearing and also
  - 29-41 have other disabilities;

29-42 (2) state for each child:
 

- 29-43 (A) the percentage of the instructional day  
 29-44 [~~arrangement used with the child, as described by Section 48.102,~~  
 29-45 ~~including the time~~] the child spends on average in a general  
 29-46 education setting [~~mainstream instructional arrangement~~];

29-47 (B) the specific language acquisition services  
 29-48 provided to the child, including:

- 29-49 (i) the time spent providing those
- 29-50 services; and
- 29-51 (ii) a description of any hearing
- 29-52 amplification used in the delivery of those services, including:
  - 29-53 (a) the type of hearing amplification
  - 29-54 used;

- 29-55 (b) the period of time in which the
- 29-56 child has had access to the hearing amplification; and

- 29-57 (c) the average amount of time the
- 29-58 child uses the hearing amplification each day;

- 29-59 (C) the tools or assessments used to assess the
- 29-60 child's language acquisition and the results obtained;

- 29-61 (D) the preferred unique communication mode used
- 29-62 by the child at home; and

- 29-63 (E) the child's age, race, and gender, the age at
- 29-64 which the child was identified as being deaf or hard of hearing, and
- 29-65 any other relevant demographic information the commissioner
- 29-66 determines to likely be correlated with or have an impact on the
- 29-67 child's language acquisition;

29-68 (3) compare progress in English literacy made by  
 29-69 children who are deaf or hard of hearing to progress in that subject

30-1 made by children of the same age who are not deaf or hard of hearing,  
30-2 by appropriate age range; and

30-3 (4) be redacted as necessary to comply with state and  
30-4 federal law regarding the confidentiality of student medical or  
30-5 educational information.

30-6 SECTION 2.09. Section 48.051(a), Education Code, is amended  
30-7 to read as follows:

30-8 (a) For each student in average daily attendance, not  
30-9 including the time students spend each day in special education  
30-10 programs in a setting ~~[an instructional arrangement]~~ other than a  
30-11 general education setting [mainstream] or career and technology  
30-12 education programs, for which an additional allotment is made under  
30-13 Subchapter C, a district is entitled to an allotment equal to ~~[the~~  
30-14 ~~lesser of \$6,160 or]~~ the amount that results from the following  
30-15 formula:

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

30-16 where:

30-17 "A" is the allotment to which a district is entitled;

30-18 "B" is the base amount, which equals the greater of:

30-19 (1) \$6,210;

30-20 (2) an amount equal to the district's base amount under  
30-21 this section for the preceding school year; or

30-22 (3) the amount appropriated under Subsection (b);

30-23 "TR" is the district's tier one maintenance and operations  
30-24 tax rate, as provided by Section 45.0032; and

30-25 "MCR" is the district's maximum compressed tax rate, as  
30-26 determined under Section 48.2551.

30-27 SECTION 2.10. Section 48.102, Education Code, is amended to  
30-28 read as follows:

30-29 Sec. 48.102. SPECIAL EDUCATION. (a) For each student in  
30-30 average daily attendance in a special education program under  
30-31 Subchapter A, Chapter 29, ~~[in a mainstream instructional~~  
30-32 ~~arrangement,]~~ a school district is entitled to an annual allotment  
30-33 equal to the basic allotment, or, if applicable, the sum of the  
30-34 basic allotment and the allotment under Section 48.101 to which the  
30-35 district is entitled, multiplied by a weight in an amount set by the  
30-36 legislature in the General Appropriations Act for the highest tier  
30-37 of intensity of service for which the student qualifies ~~[1.15].~~  
30-38 ~~[For each full-time equivalent student in average daily attendance~~  
30-39 ~~in a special education program under Subchapter A, Chapter 29, in an~~  
30-40 ~~instructional arrangement other than a mainstream instructional~~  
30-41 ~~arrangement, a district is entitled to an annual allotment equal to~~  
30-42 ~~the basic allotment, or, if applicable, the sum of the basic~~  
30-43 ~~allotment and the allotment under Section 48.101 to which the~~  
30-44 ~~district is entitled, multiplied by a weight determined according~~  
30-45 ~~to instructional arrangement as follows:~~

30-46	[Homebound	5.0
30-47	[Hospital class	3.0
30-48	[Speech therapy	5.0
30-49	[Resource room	3.0
30-50	[Self-contained, mild and moderate,	
30-51	regular campus	3.0
30-52	[Self-contained, severe, regular campus	3.0
30-53	[Off home campus	2.7
30-54	[Nonpublic day school	1.7
30-55	[Vocational adjustment class	2.3]

30-56 (a-1) Notwithstanding Subsection (a), for the 2024-2025 and  
30-57 2025-2026 school years, the amount of an allotment under this  
30-58 section shall be determined in accordance with Section 48.1023.  
30-59 This subsection expires September 1, 2026.

30-60 (b) The commissioner by rule shall define seven tiers of  
30-61 intensity of service for use in determining funding under this  
30-62 section. The commissioner must include one tier specifically  
30-63 addressing students receiving special education services in  
30-64 residential placement [A special instructional arrangement for  
30-65 students with disabilities residing in care and treatment  
30-66 facilities, other than state schools, whose parents or guardians do  
30-67 not reside in the district providing education services shall be  
30-68 established by commissioner rule. The funding weight for this  
30-69

31-1 arrangement shall be 4.0 for those students who receive their  
 31-2 education service on a local school district campus. A special  
 31-3 instructional arrangement for students with disabilities residing  
 31-4 in state schools shall be established by commissioner rule with a  
 31-5 funding weight of 2.8].

31-6 (c) ~~[For funding purposes, the number of contact hours~~  
 31-7 ~~credited per day for each student in the off home campus~~  
 31-8 ~~instructional arrangement may not exceed the contact hours credited~~  
 31-9 ~~per day for the multidistrict class instructional arrangement in~~  
 31-10 ~~the 1992-1993 school year.~~

31-11 ~~[(d) For funding purposes the contact hours credited per day~~  
 31-12 ~~for each student in the resource room; self-contained, mild and~~  
 31-13 ~~moderate; and self-contained, severe, instructional arrangements~~  
 31-14 ~~may not exceed the average of the statewide total contact hours~~  
 31-15 ~~credited per day for those three instructional arrangements in the~~  
 31-16 ~~1992-1993 school year.~~

31-17 ~~[(e) The commissioner by rule shall prescribe the~~  
 31-18 ~~qualifications an instructional arrangement must meet in order to~~  
 31-19 ~~be funded as a particular instructional arrangement under this~~  
 31-20 ~~section. In prescribing the qualifications that a mainstream~~  
 31-21 ~~instructional arrangement must meet, the commissioner shall~~  
 31-22 ~~establish requirements that students with disabilities and their~~  
 31-23 ~~teachers receive the direct, indirect, and support services that~~  
 31-24 ~~are necessary to enrich the regular classroom and enable student~~  
 31-25 ~~success.~~

31-26 ~~[(f) In this section, "full-time equivalent student" means~~  
 31-27 ~~30 hours of contact a week between a special education student and~~  
 31-28 ~~special education program personnel.~~

31-29 ~~[(g)] The commissioner shall adopt rules and procedures~~  
 31-30 ~~governing contracts for residential and day program placement of~~  
 31-31 ~~[special education] students receiving special education services.~~

31-32 ~~(d) [The legislature shall provide by appropriation for the~~  
 31-33 ~~state's share of the costs of those placements.~~

31-34 ~~[(h)] At least 55 percent of the funds allocated under this~~  
 31-35 ~~section must be used in the special education program under~~  
 31-36 ~~Subchapter A, Chapter 29.~~

31-37 ~~(e) [(i)] The agency shall ensure [encourage] the placement~~  
 31-38 ~~of students in special education programs, including students in~~  
 31-39 ~~residential placement [instructional arrangements], in the least~~  
 31-40 ~~restrictive environment appropriate for their educational needs.~~

31-41 ~~(f) [(j)] A school district that provides an extended year~~  
 31-42 ~~program required by federal law for special education students who~~  
 31-43 ~~may regress is entitled to receive funds in an amount equal to 75~~  
 31-44 ~~percent, or a lesser percentage determined by the commissioner, of~~  
 31-45 ~~the basic allotment, or, if applicable, the sum of the basic~~  
 31-46 ~~allotment and the allotment under Section 48.101 to which the~~  
 31-47 ~~district is entitled for each [full-time equivalent] student in~~  
 31-48 ~~average daily attendance, multiplied by the amount designated for~~  
 31-49 ~~the highest tier of intensity of service for which the student~~  
 31-50 ~~qualifies [student's instructional arrangement] under this~~  
 31-51 ~~section, for each day the program is provided divided by the number~~  
 31-52 ~~of days in the minimum school year. The total amount of state~~  
 31-53 ~~funding for extended year services under this section may not~~  
 31-54 ~~exceed \$10 million per year. A school district may use funds~~  
 31-55 ~~received under this section only in providing an extended year~~  
 31-56 ~~program.~~

31-57 ~~(g) [(k)] From the total amount of funds appropriated for~~  
 31-58 ~~special education under this section, the commissioner shall~~  
 31-59 ~~withhold an amount specified in the General Appropriations Act, and~~  
 31-60 ~~distribute that amount to school districts for programs under~~  
 31-61 ~~Section 29.014. The program established under that section is~~  
 31-62 ~~required only in school districts in which the program is financed~~  
 31-63 ~~by funds distributed under this subsection and any other funds~~  
 31-64 ~~available for the program. After deducting the amount withheld~~  
 31-65 ~~under this subsection from the total amount appropriated for~~  
 31-66 ~~special education, the commissioner shall reduce each district's~~  
 31-67 ~~allotment proportionately and shall allocate funds to each district~~  
 31-68 ~~accordingly.~~

31-69 (h) Not later than December 1 of each even-numbered year,

32-1 the commissioner shall submit to the Legislative Budget Board, for  
 32-2 purposes of the allotment under this section, proposed weights for  
 32-3 the tiers of intensity of service for the next state fiscal  
 32-4 biennium.

32-5 SECTION 2.11. Subchapter C, Chapter 48, Education Code, is  
 32-6 amended by adding Sections 48.1021 and 48.1023 to read as follows:

32-7 Sec. 48.1021. SPECIAL EDUCATION SERVICE GROUP ALLOTMENT.

32-8 (a) For each six-week period in which a student in a special  
 32-9 education program under Subchapter A, Chapter 29, receives eligible  
 32-10 special education services, a school district is entitled to an  
 32-11 allotment in an amount set by the legislature in the General  
 32-12 Appropriations Act for the service group for which the student is  
 32-13 eligible.

32-14 (a-1) Notwithstanding Subsection (a), for the 2024-2025 and  
 32-15 2025-2026 school years, the amount of an allotment under this  
 32-16 section shall be determined in accordance with Section 48.1023.  
 32-17 This subsection expires September 1, 2026.

32-18 (b) The commissioner by rule shall establish four service  
 32-19 groups for use in determining funding under this section. In  
 32-20 establishing the groups, the commissioner must consider the level  
 32-21 of services, equipment, and technology required to meet the needs  
 32-22 of students receiving special education services.

32-23 (c) A school district is entitled to receive an allotment  
 32-24 under this section for each service group for which a student is  
 32-25 eligible.

32-26 (d) A school district is entitled to the full amount of an  
 32-27 allotment under this section for a student receiving eligible  
 32-28 special education services during any part of a six-week period.

32-29 (e) At least 55 percent of the funds allocated under this  
 32-30 section must be used for a special education program under  
 32-31 Subchapter A, Chapter 29.

32-32 (f) Not later than December 1 of each even-numbered year,  
 32-33 the commissioner shall submit to the Legislative Budget Board, for  
 32-34 purposes of the allotment under this section, proposed amounts of  
 32-35 funding for the service groups for the next state fiscal biennium.

32-36 Sec. 48.1023. SPECIAL EDUCATION TRANSITION FUNDING. (a)  
 32-37 For the 2024-2025 and 2025-2026 school years, the commissioner may  
 32-38 adjust weights or amounts provided under Section 48.102 or 48.1021  
 32-39 as necessary to ensure compliance with requirements regarding  
 32-40 maintenance of state financial support under 20 U.S.C. Section  
 32-41 1412(a)(18) and maintenance of local financial support under  
 32-42 applicable federal law.

32-43 (b) For the 2024-2025 and 2025-2026 school years, the  
 32-44 commissioner shall determine the formulas through which school  
 32-45 districts receive funding under Sections 48.102 and 48.1021. In  
 32-46 determining the formulas, the commissioner may combine the methods  
 32-47 of funding under those sections with the method of funding provided  
 32-48 by Section 48.102, as it existed on January 1, 2023.

32-49 (c) For the 2026-2027 school year, the commissioner may  
 32-50 adjust the weights or amounts set by the legislature in the General  
 32-51 Appropriations Act for purposes of Section 48.102 or 48.1021.  
 32-52 Before making an adjustment under this subsection, the commissioner  
 32-53 shall notify and must receive approval from the Legislative Budget  
 32-54 Board.

32-55 (d) Notwithstanding any other provision of this section,  
 32-56 the sum of funding provided under Sections 48.102 and 48.1021 for  
 32-57 the 2024-2025 or for the 2025-2026 school year as adjusted under  
 32-58 this section may not exceed the sum of:

32-59 (1) funding that would have been provided under  
 32-60 Section 48.102, as it existed on January 1, 2023; and

32-61 (2) the amount set by the legislature in the General  
 32-62 Appropriations Act.

32-63 (e) Each school district and open-enrollment charter school  
 32-64 shall report to the agency information necessary to implement this  
 32-65 section.

32-66 (f) The agency shall provide technical assistance to school  
 32-67 districts and open-enrollment charter schools to ensure a  
 32-68 successful transition in funding formulas for special education.

32-69 (g) This section expires September 1, 2028.



33-1 SECTION 2.12. Section 48.103(c), Education Code, is amended  
33-2 to read as follows:

33-3 (c) A school district may receive funding for a student  
33-4 under each provision of this section, ~~[and]~~ Section 48.102, and  
33-5 Section 48.1021 for which ~~[if]~~ the student qualifies ~~[satisfies the~~  
33-6 ~~requirements of both sections]~~.

33-7 SECTION 2.13. Sections 48.104(a), (d), and (e), Education  
33-8 Code, are amended to read as follows:

33-9 (a) For each student who does not have a disability and  
33-10 resides in a residential placement facility in a district in which  
33-11 the student's parent or legal guardian does not reside, a district  
33-12 is entitled to an annual allotment equal to the basic allotment  
33-13 multiplied by 0.2 or, if the student is educationally  
33-14 disadvantaged, 0.28 ~~[0.275]~~. For each full-time equivalent student  
33-15 who is in a remedial and support program under Section 29.081  
33-16 because the student is pregnant, a district is entitled to an annual  
33-17 allotment equal to the basic allotment multiplied by 2.41.

33-18 (d) The weights assigned to the five tiers of the index  
33-19 established under Subsection (c) are, from least to most severe  
33-20 economic disadvantage, 0.23 ~~[0.225]~~, 0.2425 ~~[0.2375]~~, 0.255  
33-21 ~~[0.25]~~, 0.2675 ~~[0.2625]~~, and 0.28 ~~[0.275]~~.

33-22 (e) If insufficient data is available for any school year to  
33-23 evaluate the level of economic disadvantage in a census block  
33-24 group, a school district is entitled to an annual allotment equal to  
33-25 the basic allotment multiplied by 0.23 ~~[0.225]~~ for each student who  
33-26 is educationally disadvantaged and resides in that census block  
33-27 group.

33-28 SECTION 2.14. Section 48.108(a), Education Code, is amended  
33-29 to read as follows:

33-30 (a) For each student in average daily attendance in  
33-31 prekindergarten ~~[kindergarten]~~ through third grade, a school  
33-32 district is entitled to an annual allotment equal to the basic  
33-33 allotment multiplied by 0.1 if the student is:

- 33-34 (1) educationally disadvantaged; or
- 33-35 (2) an emergent bilingual student, as defined by  
33-36 Section 29.052, and is in a bilingual education or special language  
33-37 program under Subchapter B, Chapter 29.

33-38 SECTION 2.15. Section 48.279(e), Education Code, is  
33-39 amended to read as follows:

33-40 (e) After the commissioner has replaced any withheld  
33-41 federal funds as provided by Subsection (d), the commissioner shall  
33-42 distribute the remaining amount, if any, of funds described by  
33-43 Subsection (a) to proportionately increase funding for the special  
33-44 education allotment under Section 48.102 and the special education  
33-45 service group allotment under Section 48.1021.

33-46 SECTION 2.16. This article takes effect September 1, 2024.

33-47 ARTICLE 3. EDUCATION SAVINGS ACCOUNT PROGRAM

33-48 SECTION 3.01. The purpose of this article is to:

- 33-49 (1) provide additional educational options to assist  
33-50 families in this state in exercising the right to direct the  
33-51 educational needs of their children; and
- 33-52 (2) achieve a general diffusion of knowledge.

33-53 SECTION 3.02. Chapter 29, Education Code, is amended by  
33-54 adding Subchapter J to read as follows:

33-55 SUBCHAPTER J. EDUCATION SAVINGS ACCOUNT PROGRAM

33-56 Sec. 29.351. DEFINITIONS. In this subchapter:

33-57 (1) "Account" means an education savings account  
33-58 established under the program.

33-59 (2) "Certified educational assistance organization"  
33-60 means an organization certified under Section 29.354 to support the  
33-61 administration of the program.

33-62 (3) "Child with a disability" means a child who is  
33-63 eligible to participate in a school district's special education  
33-64 program under Section 29.003.

33-65 (4) "Higher education provider" means an institution  
33-66 of higher education or a private or independent institution of  
33-67 higher education, as those terms are defined by Section 61.003.

33-68 (5) "Parent" means a resident of this state who is a  
33-69 natural or adoptive parent, managing or possessory conservator,

34-1 legal guardian, custodian, or other person with legal authority to  
 34-2 act on behalf of a child.  
 34-3 (6) "Program" means the program established under this  
 34-4 subchapter.  
 34-5 (7) "Program participant" means a child and a parent  
 34-6 of a child enrolled in the program.  
 34-7 Sec. 29.352. ESTABLISHMENT OF PROGRAM. The comptroller  
 34-8 shall establish a program to provide funding for approved  
 34-9 education-related expenses of children participating in the  
 34-10 program.  
 34-11 Sec. 29.353. PROGRAM FUND. (a) The program fund is an  
 34-12 account in the general revenue fund to be administered by the  
 34-13 comptroller.  
 34-14 (b) The fund is composed of:  
 34-15 (1) general revenue transferred to the fund;  
 34-16 (2) money appropriated to the fund;  
 34-17 (3) gifts, grants, and donations received under  
 34-18 Section 29.370; and  
 34-19 (4) any other money available for purposes of the  
 34-20 program.  
 34-21 (c) Money in the fund may be appropriated only for the uses  
 34-22 specified by this subchapter.  
 34-23 Sec. 29.354. SELECTION OF CERTIFIED EDUCATIONAL ASSISTANCE  
 34-24 ORGANIZATIONS. (a) An organization may apply to the comptroller  
 34-25 for certification as a certified educational assistance  
 34-26 organization during an application period established by the  
 34-27 comptroller.  
 34-28 (b) To be eligible for certification, an organization must:  
 34-29 (1) have the ability to perform the duties and  
 34-30 functions required of a certified educational assistance  
 34-31 organization under this subchapter;  
 34-32 (2) be in good standing with the state; and  
 34-33 (3) be able to assist the comptroller in administering  
 34-34 the program, including the ability to:  
 34-35 (A) accept, process, and track applications for  
 34-36 the program;  
 34-37 (B) assist prospective applicants, applicants,  
 34-38 and program participants with finding preapproved education  
 34-39 service providers and vendors of educational products;  
 34-40 (C) accept and process payments for approved  
 34-41 education-related expenses; and  
 34-42 (D) verify that program funding is used only for  
 34-43 approved education-related expenses.  
 34-44 (c) The comptroller may certify not more than five  
 34-45 educational assistance organizations to support the administration  
 34-46 of the program, including by:  
 34-47 (1) administering:  
 34-48 (A) the application process under Section  
 34-49 29.356; and  
 34-50 (B) the program expenditures process under  
 34-51 Section 29.360; and  
 34-52 (2) assisting prospective applicants, applicants, and  
 34-53 program participants with understanding approved education-related  
 34-54 expenses and finding preapproved education service providers and  
 34-55 vendors of educational products.  
 34-56 Sec. 29.355. ELIGIBLE CHILD. (a) A child is eligible to  
 34-57 participate in the program and may, subject to available funding  
 34-58 and the requirements of this subchapter, initially enroll in the  
 34-59 program for the school year following the school year in which the  
 34-60 child's application is submitted under Section 29.356 if the child:  
 34-61 (1) is eligible to:  
 34-62 (A) attend a public school under Section 25.001;  
 34-63 or  
 34-64 (B) enroll in a public school's prekindergarten  
 34-65 program under Section 29.153; and  
 34-66 (2) either:  
 34-67 (A) attended any public school in this state for  
 34-68 at least 90 percent of the school year preceding the school year for  
 34-69 which the child applies to enroll in the program; or

35-1 (B) is enrolling in prekindergarten or  
 35-2 kindergarten for the first time, including a child who was  
 35-3 homeschooled before enrollment.

35-4 (a-1) Notwithstanding Subsection (a) and subject to Section  
 35-5 29.356(b-1), a child is eligible to participate in the program if  
 35-6 the child:

35-7 (1) meets the qualifications under Subsection (a)(1);  
 35-8 (2) attended private school on a full-time basis for  
 35-9 the preceding school year; and

35-10 (3) is a member of a household with a total annual  
 35-11 income that is at or below 200 percent of the federal poverty  
 35-12 guidelines.

35-13 (b) A child who establishes eligibility under this section  
 35-14 may, subject to available funding and the requirements of this  
 35-15 subchapter, participate in the program until the earliest of the  
 35-16 following dates:

35-17 (1) the date on which the child graduates from high  
 35-18 school;

35-19 (2) the date on which the child is no longer eligible  
 35-20 to attend a public school under Section 25.001;

35-21 (3) the date on which the child enrolls in a public  
 35-22 school, including an open-enrollment charter school, in a manner in  
 35-23 which the child will be counted toward the school's average daily  
 35-24 attendance for purposes of the allocation of funding under the  
 35-25 foundation school program; or

35-26 (4) the date on which the child is declared ineligible  
 35-27 for the program by the comptroller under this subchapter.

35-28 (c) Notwithstanding Subsection (a) or (b), a child is not  
 35-29 eligible to participate in the program during the period in which  
 35-30 the child's parent or legal guardian is a state representative or  
 35-31 state senator.

35-32 Sec. 29.356. APPLICATION TO PROGRAM. (a) A parent of an  
 35-33 eligible child may apply to a certified educational assistance  
 35-34 organization to enroll the child in the program for the following  
 35-35 school year. The comptroller shall establish quarterly deadlines  
 35-36 by which an applicant must complete and submit an application form  
 35-37 to participate in the program.

35-38 (b) On receipt of more acceptable applications during an  
 35-39 application period for admission under this section than available  
 35-40 positions in the program due to insufficient funding, a certified  
 35-41 educational assistance organization shall, at the direction of the  
 35-42 comptroller:

35-43 (1) for not more than two-thirds of the available  
 35-44 positions, prioritize applicants who would otherwise attend a  
 35-45 campus with an overall performance rating under Section 39.054 of  
 35-46 C, D, or F;

35-47 (2) fill the remaining available positions with  
 35-48 applicants who would otherwise attend a campus with an overall  
 35-49 performance rating under Section 39.054 of A or B; and

35-50 (3) subject to Subdivisions (1) and (2), consider  
 35-51 applications in the order received.

35-52 (b-1) This subsection applies only to children who are  
 35-53 eligible to participate in the program under Section 29.355(a-1).  
 35-54 Not more than 10 percent of available positions in the program may  
 35-55 be provided to children to whom this subsection applies. Each year,  
 35-56 the comptroller shall notify each certified educational assistance  
 35-57 organization regarding the number of children to whom this  
 35-58 subsection applies that the organization may accept for  
 35-59 participation in the program for that year. In accepting children  
 35-60 to whom this subsection applies to participate in the program, a  
 35-61 certified educational assistance organization shall ensure, to the  
 35-62 extent feasible, that the organization accepts an equivalent number  
 35-63 of children from each region of this state.

35-64 (c) The comptroller shall create an application form for the  
 35-65 program and each certified educational assistance organization  
 35-66 shall make the application form readily available through various  
 35-67 sources, including the organization's Internet website. The  
 35-68 application form must state the quarterly application deadlines  
 35-69 established by the comptroller under Subsection (a). Each

36-1 organization shall ensure that the application form, including any  
 36-2 required supporting document, is capable of being submitted to the  
 36-3 organization electronically.

36-4 (d) A certified educational assistance organization shall  
 36-5 post on the organization's Internet website an applicant and  
 36-6 participant handbook with a description of the program, including:

36-7 (1) expenses allowed under the program under Section  
 36-8 29.359;

36-9 (2) a list of preapproved education service providers  
 36-10 and vendors of educational products under Section 29.358;

36-11 (3) a description of the application process under  
 36-12 this section and the program expenditures process under Section  
 36-13 29.360; and

36-14 (4) a description of the responsibilities of program  
 36-15 participants.

36-16 (e) A certified educational assistance organization shall  
 36-17 annually provide to the parent of each child participating in the  
 36-18 program the information described by Subsection (d). The  
 36-19 organization may provide the information electronically.

36-20 (f) A certified educational assistance organization:

36-21 (1) may require the parent of a child participating in  
 36-22 the program to submit annual notice regarding the parent's intent  
 36-23 for the child to continue participating in the program for the next  
 36-24 school year; and

36-25 (2) may not require a program participant in good  
 36-26 standing to annually resubmit an application for continued  
 36-27 participation in the program.

36-28 Sec. 29.357. PARTICIPATION IN PROGRAM. To receive funding  
 36-29 under the program, a parent of a child participating in the program  
 36-30 must agree to:

36-31 (1) spend money received through the program only for  
 36-32 expenses allowed under Section 29.359;

36-33 (2) share or authorize the administrator of an  
 36-34 assessment instrument to share with the program participant's  
 36-35 certified educational assistance organization the results of any  
 36-36 assessment instrument required to be administered to the child  
 36-37 under Section 29.358(b)(1)(B) or other law;

36-38 (3) refrain from selling an item purchased with  
 36-39 program money; and

36-40 (4) notify the program participant's certified  
 36-41 educational assistance organization not later than 30 business days  
 36-42 after the date on which the child:

36-43 (A) enrolls in a public school, including an  
 36-44 open-enrollment charter school;

36-45 (B) graduates from high school; or

36-46 (C) is no longer eligible to either:

36-47 (i) enroll in a public school under Section  
 36-48 25.001; or

36-49 (ii) enroll in a public school's  
 36-50 prekindergarten program under Section 29.153.

36-51 Sec. 29.358. PREAPPROVED PROVIDERS. (a) The comptroller  
 36-52 shall by rule establish a process for the preapproval of education  
 36-53 service providers and vendors of educational products for  
 36-54 participation in the program. The comptroller shall allow for the  
 36-55 submission of applications on a rolling basis.

36-56 (b) The comptroller shall approve an education service  
 36-57 provider or vendor of educational products for participation in the  
 36-58 program if the provider or vendor:

36-59 (1) for a private school, demonstrates:

36-60 (A) accreditation by an organization recognized  
 36-61 by:

36-62 (i) the Texas Private School Accreditation  
 36-63 Commission; or

36-64 (ii) the agency; and

36-65 (B) annual administration of a nationally  
 36-66 norm-referenced assessment instrument or the appropriate  
 36-67 assessment instrument required under Subchapter B, Chapter 39;

36-68 (2) for a public school, demonstrates:

36-69 (A) accreditation by the agency; and

37-1 (B) the ability to provide services or products  
37-2 to children participating in the program in a manner in which the  
37-3 children are not counted toward the school's average daily  
37-4 attendance;  
37-5 (3) for a private tutor, therapist, or teaching  
37-6 service:  
37-7 (A) demonstrates that the tutor or therapist or  
37-8 each employee of the teaching service who intends to provide  
37-9 educational services to a child participating in the program:  
37-10 (i) is an educator employed by or a retired  
37-11 educator formerly employed by a school accredited by the agency, an  
37-12 organization recognized by the agency, or an organization  
37-13 recognized by the Texas Private School Accreditation Commission;  
37-14 (ii) holds a relevant license or  
37-15 accreditation issued by a state, regional, or national  
37-16 certification or accreditation organization; or  
37-17 (iii) is employed in or retired from a  
37-18 teaching or tutoring capacity at a higher education provider;  
37-19 (B) the tutor or therapist or each employee of  
37-20 the teaching service who intends to provide educational services to  
37-21 a child participating in the program either:  
37-22 (i) completes a national criminal history  
37-23 record information review; or  
37-24 (ii) provides to the comptroller  
37-25 documentation indicating that the tutor, therapist, or employee, as  
37-26 applicable, has completed a national criminal history record  
37-27 information review within a period established by comptroller rule;  
37-28 and  
37-29 (C) the tutor or therapist or each employee of  
37-30 the teaching service who intends to provide educational services to  
37-31 a child participating in the program is not included in the registry  
37-32 under Section 22.092; or  
37-33 (4) for a higher education provider, demonstrates  
37-34 nationally recognized postsecondary accreditation.  
37-35 (c) The comptroller shall review the national criminal  
37-36 history record information or documentation for each private tutor,  
37-37 therapist, or teaching service employee who submits information or  
37-38 documentation under this section and verify that the individual is  
37-39 not included in the registry under Section 22.092. The tutor,  
37-40 therapist, or service must provide the comptroller with any  
37-41 information requested by the comptroller to enable the comptroller  
37-42 to complete the review.  
37-43 (d) An education service provider or vendor of educational  
37-44 products shall provide information requested by the comptroller to  
37-45 verify the provider's or vendor's eligibility for preapproval under  
37-46 Subsection (b). The comptroller may not approve a provider or  
37-47 vendor if the comptroller cannot verify the provider's or vendor's  
37-48 eligibility for preapproval.  
37-49 (e) An education service provider or vendor of educational  
37-50 products that no longer satisfies the requirements of this section  
37-51 must notify the comptroller not later than the 30th business day  
37-52 after the date that the provider or vendor no longer meets the  
37-53 requirements.  
37-54 (f) This section may not be construed to allow a learning  
37-55 pod, as defined by Section 27.001, or a home school to qualify as an  
37-56 approved education service provider or vendor of educational  
37-57 products.  
37-58 Sec. 29.359. APPROVED EDUCATION-RELATED EXPENSES. (a)  
37-59 Subject to Subsection (b), money received under the program may be  
37-60 used only for the following education-related expenses incurred by  
37-61 a child participating in the program at a preapproved education  
37-62 service provider or vendor of educational products:  
37-63 (1) tuition and fees for a private school;  
37-64 (2) the purchase of textbooks or other instructional  
37-65 materials or uniforms required by a school, higher education  
37-66 provider, or course in which the child is enrolled, including  
37-67 purchases made through a third-party vendor of educational  
37-68 products;  
37-69 (3) costs related to academic assessments;

38-1 (4) fees for services provided by a private tutor or  
 38-2 teaching service;

38-3 (5) fees for transportation provided by a  
 38-4 fee-for-service transportation provider for the child to travel to  
 38-5 and from a preapproved education service provider or vendor of  
 38-6 educational products; and

38-7 (6) fees for educational therapies or services  
 38-8 provided by a practitioner or provider, only for fees that are not  
 38-9 covered by any federal, state, or local government benefits such as  
 38-10 Medicaid or the Children's Health Insurance Program (CHIP) or by  
 38-11 any private insurance that the child is enrolled in at the time of  
 38-12 receiving the therapies or services.

38-13 (b) Money received under the program may not be used to pay  
 38-14 any person who is related to the program participant within the  
 38-15 third degree by consanguinity or affinity, as determined under  
 38-16 Chapter 573, Government Code.

38-17 (c) A finding that a program participant used money  
 38-18 distributed under the program to pay for an expense not allowed  
 38-19 under Subsection (a) does not affect the validity of any payment  
 38-20 made by the participant for an approved education-related expense  
 38-21 that is allowed under that subsection.

38-22 Sec. 29.360. PROGRAM EXPENDITURES. (a) The comptroller  
 38-23 shall disburse from the program fund to each certified educational  
 38-24 assistance organization the amount specified under Section  
 38-25 29.361(a) for each child participating in the program served by the  
 38-26 organization.

38-27 (b) To initiate payment to an education service provider or  
 38-28 vendor of educational products for an education-related expense  
 38-29 approved under Section 29.359, the parent of a child participating  
 38-30 in the program must submit a request in a form prescribed by  
 38-31 comptroller rule to the certified educational assistance  
 38-32 organization that serves the child.

38-33 (c) Subject to Subsection (d) and Sections 29.362(h) and  
 38-34 29.364, on receiving a request under Subsection (b), a certified  
 38-35 educational assistance organization shall verify that the request  
 38-36 is for an expense approved under Section 29.359 and, not later than  
 38-37 the 15th business day after the date the organization verifies the  
 38-38 request, send payment to the education service provider or vendor  
 38-39 of educational products.

38-40 (d) A disbursement under this section may not exceed the  
 38-41 applicable program participant's account balance.

38-42 (e) A certified educational assistance organization shall  
 38-43 provide program participants with electronic access to:

38-44 (1) view the participant's current account balance;  
 38-45 (2) initiate the payment process under Subsection (b);

38-46 and

38-47 (3) view a summary of the participant's past account  
 38-48 activity, including payments from the account to education service  
 38-49 providers and vendors of educational products.

38-50 Sec. 29.361. AMOUNT OF PAYMENT; FINANCING. (a) Regardless  
 38-51 of the quarterly deadline by which the parent applies for  
 38-52 enrollment in the program under Section 29.356(a), a parent of a  
 38-53 child participating in the program shall receive each year that the  
 38-54 child participates in the program payments from the state from  
 38-55 funds available under Section 29.353 to the child's account equal  
 38-56 to a total amount of \$8,000.

38-57 (b) This subsection applies only to a school district with a  
 38-58 student enrollment of less than 20,000. For the first five school  
 38-59 years during which a child residing in the district participates in  
 38-60 the program, a school district to which this subsection applies is  
 38-61 entitled to receive \$10,000 from money appropriated for purposes of  
 38-62 this subchapter.

38-63 (c) Any money remaining in a child's account at the end of a  
 38-64 fiscal year is carried forward to the next fiscal year unless  
 38-65 another provision of this subchapter mandates the closure of the  
 38-66 account.

38-67 (d) The parent of a child participating in the program may  
 38-68 make payments for the expenses of educational programs, services,  
 38-69 and products not covered by money in the child's account.

39-1 (e) A payment under Subsection (a) may not be financed using  
 39-2 federal money or money from the available school fund or  
 39-3 instructional materials fund.

39-4 (f) Payments received under this subchapter do not  
 39-5 constitute taxable income to a parent of a child participating in  
 39-6 the program, unless otherwise provided by federal law.

39-7 (g) Not later than May 1 of each year, the agency shall  
 39-8 submit to the comptroller the data necessary to calculate the  
 39-9 amount specified under Subsection (a).

39-10 Sec. 29.362. ADMINISTRATION OF ACCOUNTS. (a) On receipt  
 39-11 of money distributed by the comptroller for purposes of making  
 39-12 payments to program participants, a certified educational  
 39-13 assistance organization shall make quarterly payments to the  
 39-14 account of each child participating in the program served by the  
 39-15 organization in equal amounts on or before the first day of July,  
 39-16 October, January, and April.

39-17 (b) Each year, the comptroller may deduct from the total  
 39-18 amount of money appropriated for purposes of this subchapter an  
 39-19 amount, not to exceed three percent of that total amount, to cover  
 39-20 the comptroller's cost of administering the program.

39-21 (c) Not later than the first day of the month preceding the  
 39-22 start of each quarter, each certified educational assistance  
 39-23 organization shall submit to the comptroller in the form prescribed  
 39-24 by comptroller rule an estimate of the organization's costs of  
 39-25 administering the program for that quarter.

39-26 (d) Each quarter, the comptroller shall disburse from money  
 39-27 appropriated for the program to each certified educational  
 39-28 assistance organization the amount necessary to cover the  
 39-29 organization's costs of administering the program for that quarter,  
 39-30 calculated as provided by Subsection (e). The total amount  
 39-31 disbursed to a certified educational assistance organization under  
 39-32 this subsection for a state fiscal year may not exceed five percent  
 39-33 of the amount distributed to the organization under the program for  
 39-34 that fiscal year.

39-35 (e) The amount of a certified educational assistance  
 39-36 organization's disbursement under Subsection (d) is the lesser of:

39-37 (1) the amount of the organization's estimate  
 39-38 submitted under Subsection (c);

39-39 (2) the product of the total amount to be disbursed and  
 39-40 the average percentage of program participants served by the  
 39-41 organization during the preceding quarter; or

39-42 (3) five percent of the amount distributed to the  
 39-43 organization for purposes of making payments to program  
 39-44 participants for that quarter.

39-45 (f) On or before the first day of October and February, a  
 39-46 certified educational assistance organization shall:

39-47 (1) verify with the agency that each child  
 39-48 participating in the program is not enrolled in a public school,  
 39-49 including an open-enrollment charter school, in a manner in which  
 39-50 the child is counted toward the school's average daily attendance  
 39-51 for purposes of the allocation of state funding under the  
 39-52 foundation school program; and

39-53 (2) notify the comptroller if the organization  
 39-54 determines that a child participating in the program is enrolled in  
 39-55 a public school, including an open-enrollment charter school, in a  
 39-56 manner in which the child is counted toward the school's average  
 39-57 daily attendance for purposes of the allocation of state funding  
 39-58 under the foundation school program.

39-59 (g) The comptroller by rule shall establish a process by  
 39-60 which a program participant may authorize the comptroller or a  
 39-61 certified education assistance organization to make a payment  
 39-62 directly from the participant's account to a preapproved education  
 39-63 service provider or vendor of educational products for an expense  
 39-64 allowed under Section 29.359.

39-65 (h) On the date on which a child who participated in the  
 39-66 program is no longer eligible to participate in the program under  
 39-67 Section 29.355 and payments for any education-related expenses  
 39-68 allowed under Section 29.359 from the child's account have been  
 39-69 completed, the child's account shall be closed and any remaining

40-1 money returned to the comptroller for deposit in the program fund.  
 40-2 (i) Each quarter, any interest or other earnings  
 40-3 attributable to money held by a certified education assistance  
 40-4 organization for purposes of the program shall be remitted to the  
 40-5 comptroller for deposit in the program fund.

40-6 Sec. 29.363. AUDITING. (a) The comptroller shall contract  
 40-7 with a private entity to audit accounts and student eligibility  
 40-8 data not less than once per year to ensure compliance with  
 40-9 applicable law and program requirements. The audit must include a  
 40-10 review of:

40-11 (1) a certified educational assistance organization's  
 40-12 internal controls over program transactions; and

40-13 (2) compliance by:

40-14 (A) program participants with the requirements  
 40-15 of Section 29.357; and

40-16 (B) certified educational assistance  
 40-17 organizations with the requirements of Section 29.354.

40-18 (b) In conducting an audit, the private entity may require a  
 40-19 program participant or a certified educational assistance  
 40-20 organization to provide information and documentation regarding  
 40-21 any transaction occurring under the program.

40-22 (c) The private entity shall report to the comptroller any  
 40-23 violation of this subchapter or other relevant law, including any  
 40-24 transactions the entity determines to be unusual or suspicious,  
 40-25 found by the entity during an audit conducted under this section.  
 40-26 The comptroller shall report the violation or transaction to:

40-27 (1) the applicable certified educational assistance  
 40-28 organization;

40-29 (2) the education service provider or vendor of  
 40-30 educational products, as applicable; and

40-31 (3) the parent of each child participating in the  
 40-32 program who is affected by the violation or transaction.

40-33 Sec. 29.364. SUSPENSION OF ACCOUNT. (a) The comptroller  
 40-34 shall suspend the account of a program participant who fails to  
 40-35 remain in good standing by complying with applicable law or a  
 40-36 requirement of the program.

40-37 (b) On suspension of an account under Subsection (a), the  
 40-38 comptroller shall notify the program participant in writing that  
 40-39 the account has been suspended and that no additional payments may  
 40-40 be made from the account. The notification must specify the grounds  
 40-41 for the suspension and state that the participant has 30 business  
 40-42 days to respond and take any corrective action required by the  
 40-43 comptroller.

40-44 (c) On the expiration of the 30-day period under Subsection  
 40-45 (b), the comptroller shall:

40-46 (1) order closure of the suspended account;

40-47 (2) order temporary reinstatement of the account,  
 40-48 conditioned on the performance of a specified action by the program  
 40-49 participant; or

40-50 (3) order full reinstatement of the account.

40-51 (d) The comptroller may recover money distributed under the  
 40-52 program that was used for expenses not allowed under Section 29.359  
 40-53 or for a child who was not eligible to participate in the program at  
 40-54 the time of the expenditure. The money may be recovered from the  
 40-55 program participant or the entity that received the money in  
 40-56 accordance with Subtitles A and B, Title 2, Tax Code, or as provided  
 40-57 by other law if the program participant's account is suspended or  
 40-58 closed under this section. The comptroller shall deposit money  
 40-59 recovered under this subsection to the credit of the program fund.

40-60 Sec. 29.365. TUITION AND FEES; REFUND PROHIBITED. (a) An  
 40-61 education service provider or vendor of educational products may  
 40-62 not charge a child participating in the program an amount greater  
 40-63 than the standard amount charged for that service or product by the  
 40-64 provider or vendor.

40-65 (b) An education service provider or vendor of educational  
 40-66 products receiving money distributed under the program may not in  
 40-67 any manner rebate, refund, or credit to or share with a program  
 40-68 participant, or any person on behalf of a participant, any program  
 40-69 money paid or owed by the participant to the provider or vendor.



41-1 Sec. 29.366. REFERRAL TO DISTRICT ATTORNEY. If the  
 41-2 comptroller obtains evidence of fraudulent use of an account or  
 41-3 money distributed under the program by a certified educational  
 41-4 assistance organization or program participant, the comptroller  
 41-5 shall notify the appropriate local county or district attorney with  
 41-6 jurisdiction over the principal place of business of the certified  
 41-7 educational assistance organization or the residence of the program  
 41-8 participant, as applicable.

41-9 Sec. 29.367. SPECIAL EDUCATION NOTICE. (a) A certified  
 41-10 educational assistance organization shall post on the  
 41-11 organization's Internet website and provide to each parent who  
 41-12 submits an application for the program a notice that:

41-13 (1) states that a private school is not subject to  
 41-14 federal and state laws regarding the provision of educational  
 41-15 services to a child with a disability in the same manner as a public  
 41-16 school; and

41-17 (2) provides information regarding rights to which a  
 41-18 child with a disability is entitled under federal and state law if  
 41-19 the child attends a public school, including:

41-20 (A) rights provided under the Individuals with  
 41-21 Disabilities Education Act (20 U.S.C. Section 1400 et seq.); and

41-22 (B) rights provided under Subchapter A.

41-23 (b) A private school in which a child with a disability who  
 41-24 is a program participant enrolls shall provide to the child's  
 41-25 parent a copy of the notice required under Subsection (a).

41-26 Sec. 29.368. PROGRAM PARTICIPANT, PROVIDER, AND VENDOR  
 41-27 AUTONOMY. (a) An education service provider or vendor of  
 41-28 educational products that receives money distributed under the  
 41-29 program is not a recipient of federal financial assistance and may  
 41-30 not be considered to be an agent of state government on the basis of  
 41-31 receiving that money.

41-32 (b) A rule adopted or other governmental action taken  
 41-33 related to the program may not impose requirements that are  
 41-34 contrary to or limit the religious or institutional values or  
 41-35 practices of an education service provider, vendor of educational  
 41-36 products, or program participant, including by limiting the ability  
 41-37 of the provider, vendor, or participant, as applicable, to:

41-38 (1) determine the methods of instruction or curriculum  
 41-39 used to educate students;

41-40 (2) determine admissions and enrollment practices,  
 41-41 policies, and standards;

41-42 (3) modify or refuse to modify the provider's,  
 41-43 vendor's, or participant's religious or institutional values or  
 41-44 practices, including operations, conduct, policies, standards,  
 41-45 assessments, or employment practices that are based on the  
 41-46 provider's, vendor's, or participant's religious or institutional  
 41-47 values or practices; or

41-48 (4) exercise the provider's, vendor's, or  
 41-49 participant's religious or institutional practices as determined  
 41-50 by the provider, vendor, or participant.

41-51 Sec. 29.369. STUDENT RECORDS AND INFORMATION. (a) On  
 41-52 request by the parent of a child participating or seeking to  
 41-53 participate in the program, the school district or open-enrollment  
 41-54 charter school that the child would otherwise attend shall provide  
 41-55 a copy of the child's school records possessed by the district or  
 41-56 school, if any, to the child's parent or, if applicable, the private  
 41-57 school the child attends.

41-58 (b) As necessary to verify a child's eligibility for the  
 41-59 program, the agency, a school district, or an open-enrollment  
 41-60 charter school shall provide to a certified educational assistance  
 41-61 organization any information available to the agency, district, or  
 41-62 school requested by the organization regarding a child who  
 41-63 participates or seeks to participate in the program, including  
 41-64 information regarding the child's public school enrollment status  
 41-65 and whether the child can be counted toward a public school's  
 41-66 average daily attendance for purposes of the allocation of funding  
 41-67 under the foundation school program. The organization may not  
 41-68 retain information provided under this subsection beyond the period  
 41-69 necessary to determine a child's eligibility to participate in the

42-1 program.

42-2 (c) The certified educational assistance organization or an  
42-3 education service provider or vendor of educational products that  
42-4 obtains information regarding a child participating in the program:

42-5 (1) shall comply with state and federal law regarding  
42-6 the confidentiality of student educational information; and

42-7 (2) may not sell or otherwise distribute information  
42-8 regarding a child participating in the program.

42-9 Sec. 29.370. GIFTS, GRANTS, AND DONATIONS. The comptroller  
42-10 and a certified educational assistance organization may solicit and  
42-11 accept gifts, grants, and donations from any public or private  
42-12 source for any expenses related to the administration of the  
42-13 program, including establishing the program and contracting for the  
42-14 report required under Section 29.371.

42-15 Sec. 29.371. ANNUAL REPORT. (a) The comptroller shall  
42-16 require that each certified educational assistance organization  
42-17 compile program data and produce an annual longitudinal report  
42-18 regarding:

42-19 (1) the number of program applications received,  
42-20 accepted, and waitlisted, disaggregated by age;

42-21 (2) program participant satisfaction;

42-22 (3) the results of assessment instruments shared in  
42-23 accordance with Section 29.357(2);

42-24 (4) the effect of the program on public and private  
42-25 school capacity, availability, and quality;

42-26 (5) the amount of cost savings accruing to the state as  
42-27 a result of the program;

42-28 (6) in a report submitted in an even-numbered year  
42-29 only, an estimate of the total amount of funding required for the  
42-30 program for the next state fiscal biennium;

42-31 (7) the amount of gifts, grants, and donations  
42-32 received under Section 29.370; and

42-33 (8) based on surveys of former program participants or  
42-34 other sources available to an organization, the number and  
42-35 percentage of children participating in the program who, within one  
42-36 year after graduating from high school, are:

42-37 (A) college ready, as indicated by earning a  
42-38 minimum of 12 non-remedial semester credit hours or the equivalent  
42-39 or an associate degree from a postsecondary educational  
42-40 institution;

42-41 (B) career ready, as indicated by:

42-42 (i) earning a credential of value included  
42-43 in the library of credentials established under Section 2308A.007,  
42-44 Government Code; or

42-45 (ii) employment at or above the median wage  
42-46 in the child's region; or

42-47 (C) military ready, as indicated by achieving a  
42-48 passing score set by the applicable military branch on the Armed  
42-49 Services Vocational Aptitude Battery and enlisting in the armed  
42-50 forces of the United States or the Texas National Guard.

42-51 (b) In producing the report, each certified educational  
42-52 assistance organization shall:

42-53 (1) use appropriate analytical and behavioral science  
42-54 methodologies to ensure public confidence in the report; and

42-55 (2) comply with the requirements regarding the  
42-56 confidentiality of student educational information under the  
42-57 Family Educational Rights and Privacy Act of 1974 (20 U.S.C.  
42-58 Section 1232g).

42-59 (c) The report must cover a period of not less than five  
42-60 years and include, subject to Subsection (b)(2), the data analyzed  
42-61 and methodology used.

42-62 (d) The comptroller and each certified educational  
42-63 assistance organization shall post the report on the comptroller's  
42-64 and organization's respective Internet websites.

42-65 Sec. 29.372. RULES; PROCEDURES. The comptroller shall  
42-66 adopt rules and procedures as necessary to implement, administer,  
42-67 and enforce this subchapter.

42-68 Sec. 29.373. APPEAL; JUDICIAL REVIEW. (a) A program  
42-69 participant may appeal to the comptroller an administrative

43-1 decision made by the comptroller or a certified educational  
43-2 assistance organization under this subchapter, including a  
43-3 decision regarding eligibility, allowable expenses, or the  
43-4 participant's removal from the program.

43-5 (b) A program participant, education service provider, or  
43-6 vendor of educational products who is adversely affected or  
43-7 aggrieved by a decision made by the comptroller or a certified  
43-8 educational assistance organization under this subchapter may file  
43-9 a suit challenging the decision in a district court in the county in  
43-10 which the program participant resides or the provider or vendor has  
43-11 its principal place of business, as applicable.

43-12 Sec. 29.374. RIGHT TO INTERVENE IN CIVIL ACTION. (a) A  
43-13 program participant, education service provider, or vendor of  
43-14 educational products may intervene in any civil action challenging  
43-15 the constitutionality of the program.

43-16 (b) A court in which a civil action described by Subsection  
43-17 (a) is filed may require that all program participants, education  
43-18 service providers, and vendors of educational products wishing to  
43-19 intervene in the action file a joint brief. A program participant,  
43-20 education service provider, or vendor of educational products may  
43-21 not be required to join a brief filed on behalf of the state or a  
43-22 state agency.

43-23 SECTION 3.03. Section 22.092(d), Education Code, is amended  
43-24 to read as follows:

43-25 (d) The agency shall provide equivalent access to the  
43-26 registry maintained under this section to:

- 43-27 (1) private schools;
- 43-28 (2) public schools; ~~and~~
- 43-29 (3) nonprofit teacher organizations approved by the  
43-30 commissioner for the purpose of participating in the tutoring  
43-31 program established under Section 33.913; and

43-32 (4) the comptroller for the purpose of preapproving  
43-33 education service providers and vendors of educational products  
43-34 under Section 29.358 for participation in the program established  
43-35 under Subchapter J, Chapter 29.

43-36 SECTION 3.04. Section 411.109, Government Code, is amended  
43-37 by adding Subsection (c) to read as follows:

43-38 (c) The comptroller is entitled to obtain criminal history  
43-39 record information maintained by the department about a person who  
43-40 is a private tutor, a therapist, or an employee of a teaching  
43-41 service or school who intends to provide educational services to a  
43-42 child participating in the program established under Subchapter J,  
43-43 Chapter 29, Education Code, and is seeking approval to receive  
43-44 money distributed under that program.

43-45 SECTION 3.05. Subchapter J, Chapter 29, Education Code, as  
43-46 added by this article, applies beginning with the 2024-2025 school  
43-47 year.

43-48 SECTION 3.06. (a) Not later than February 15, 2024, the  
43-49 comptroller of public accounts shall adopt rules as provided by  
43-50 Section 29.372, Education Code, as added by this article.

43-51 (b) The comptroller of public accounts may identify rules  
43-52 required by the passage of Subchapter J, Chapter 29, Education  
43-53 Code, as added by this article, that must be adopted on an emergency  
43-54 basis for purposes of the 2024-2025 school year and may use the  
43-55 procedures established under Section 2001.034, Government Code,  
43-56 for adopting those rules. The comptroller of public accounts is not  
43-57 required to make the finding described by Section 2001.034(a),  
43-58 Government Code, to adopt emergency rules under this subsection.

43-59 SECTION 3.07. (a) The constitutionality and other validity  
43-60 under the state or federal constitution of all or any part of  
43-61 Subchapter J, Chapter 29, Education Code, as added by this article,  
43-62 may be determined in an action for declaratory judgment under  
43-63 Chapter 37, Civil Practice and Remedies Code, in a district court in  
43-64 the county in which the violation is alleged to have occurred or  
43-65 where the plaintiff resides or has its principal place of business.

43-66 (b) An order, however characterized, of a trial court  
43-67 granting or denying a temporary or otherwise interlocutory  
43-68 injunction or a permanent injunction on the grounds of the  
43-69 constitutionality or unconstitutionality, or other validity or

44-1 invalidity, under the state or federal constitution of all or any  
 44-2 part of Subchapter J, Chapter 29, Education Code, as added by this  
 44-3 article, may be reviewed only by direct appeal to the Texas Supreme  
 44-4 Court filed not later than the 15th business day after the date on  
 44-5 which the order was entered. The Texas Supreme Court shall give  
 44-6 precedence to appeals under this section over other matters.

44-7 (c) The direct appeal is an accelerated appeal.

44-8 (d) This section exercises the authority granted by Section  
 44-9 3-b, Article V, Texas Constitution.

44-10 (e) The filing of a direct appeal under this section will  
 44-11 automatically stay any temporary or otherwise interlocutory  
 44-12 injunction or permanent injunction granted in accordance with this  
 44-13 section pending final determination by the Texas Supreme Court,  
 44-14 unless the supreme court makes specific findings that the applicant  
 44-15 seeking such injunctive relief has pleaded and proved that:

44-16 (1) the applicant has a probable right to the relief it  
 44-17 seeks on final hearing;

44-18 (2) the applicant will suffer a probable injury that  
 44-19 is imminent and irreparable, and that the applicant has no other  
 44-20 adequate legal remedy; and

44-21 (3) maintaining the injunction is in the public  
 44-22 interest.

44-23 (f) An appeal under this section, including an  
 44-24 interlocutory, accelerated, or direct appeal, is governed, as  
 44-25 applicable, by the Texas Rules of Appellate Procedure, including  
 44-26 Rules 25.1(d)(6), 28.1, 32.1(g), 37.3(a)(1), 38.6(a) and (b),  
 44-27 40.1(b), and 49.4.

44-28 (g) This section does not authorize an award of attorney's  
 44-29 fees against this state, and Section 37.009, Civil Practice and  
 44-30 Remedies Code, does not apply to an action filed under this section.

44-31 (h) This section does not authorize a taxpayer suit to  
 44-32 contest the denial of a tax credit by the comptroller of public  
 44-33 accounts.

44-34 SECTION 3.08. It is the intent of the legislature that every  
 44-35 provision, section, subsection, sentence, clause, phrase, or word  
 44-36 in this article, and every application of the provisions in this  
 44-37 article to each person or entity, is severable from each other. If  
 44-38 any application of any provision in this article to any person,  
 44-39 group of persons, or circumstances is found by a court to be invalid  
 44-40 for any reason, the remaining applications of that provision to all  
 44-41 other persons and circumstances shall be severed and may not be  
 44-42 affected.

44-43 SECTION 3.09. This article takes effect September 1, 2023.

44-44 ARTICLE 4. SPECIAL EDUCATION

44-45 SECTION 4.01. Section 29.001, Education Code, is amended to  
 44-46 read as follows:

44-47 Sec. 29.001. IMPLEMENTATION OF SPECIAL EDUCATION  
 44-48 LAW [STATEWIDE PLAN]. (a) As the state education agency  
 44-49 responsible for carrying out the purposes of Part B, Individuals  
 44-50 with Disabilities Education Act (IDEA) (20 U.S.C. Section 1411 et  
 44-51 seq.), the [The] agency shall develop, and revise [modify] as  
 44-52 necessary, a comprehensive system to ensure statewide and local  
 44-53 compliance [design, consistent] with federal and state law related  
 44-54 to special education[, for the delivery of services to children  
 44-55 with disabilities in this state that includes rules for the  
 44-56 administration and funding of the special education program so that  
 44-57 a free appropriate public education is available to all of those  
 44-58 children between the ages of three and 21].

44-59 (b) The comprehensive system [statewide design] shall  
 44-60 include the provision of services primarily through school  
 44-61 districts and shared services arrangements, supplemented by  
 44-62 regional education service centers.

44-63 (c) The comprehensive system [agency] shall focus on  
 44-64 maximizing student outcomes and include [also develop and implement  
 44-65 a statewide plan with programmatic content that includes procedures  
 44-66 designed to]:

44-67 (1) rulemaking, technical assistance, guidance  
 44-68 documents, monitoring protocols, and other resources as necessary  
 44-69 to implement and ensure compliance with federal and state law

45-1 related to special education ~~[ensure state compliance with~~  
 45-2 ~~requirements for supplemental federal funding for all~~  
 45-3 ~~state-administered programs involving the delivery of~~  
 45-4 ~~instructional or related services to students with disabilities];~~

45-5 (2) the facilitation of ~~[facilitate]~~ interagency  
 45-6 coordination when other state agencies are involved in the delivery  
 45-7 of instructional or related services to students with disabilities;

45-8 (3) the pursuit of ~~[periodically assess statewide~~  
 45-9 ~~personnel needs in all areas of specialization related to special~~  
 45-10 ~~education and pursue]~~ strategies to meet statewide special  
 45-11 education and related services personnel ~~[those]~~ needs ~~[through a~~  
 45-12 ~~consortium of representatives from regional education service~~  
 45-13 ~~centers, local education agencies, and institutions of higher~~  
 45-14 ~~education and through other available alternatives];~~

45-15 (4) ensuring ~~[ensure]~~ that regional education service  
 45-16 centers throughout the state maintain a regional support function,  
 45-17 which may include direct service delivery and a component designed  
 45-18 to facilitate the placement of students with disabilities who  
 45-19 cannot be appropriately served in their resident districts;

45-20 (5) ~~[allow the agency to]~~ effectively monitoring  
 45-21 ~~[monitor]~~ and periodically conducting ~~[conduct]~~ site visits of all  
 45-22 school districts to ensure that rules adopted under this subchapter  
 45-23 ~~[section]~~ are applied in a consistent and uniform manner, to ensure  
 45-24 that districts are complying with those rules, and to ensure that  
 45-25 annual statistical reports filed by the districts and not otherwise  
 45-26 available through the Public Education Information Management  
 45-27 System under Sections 48.008 and 48.009 are accurate and complete;  
 45-28 and

45-29 (6) the provision of training and technical assistance  
 45-30 to ensure that:

45-31 (A) appropriately trained personnel are involved  
 45-32 in the diagnostic and evaluative procedures operating in all  
 45-33 districts and that those personnel routinely serve on district  
 45-34 admissions, review, and dismissal committees;

45-35 (B) ~~[(7) ensure that]~~ an individualized  
 45-36 education program for each student with a disability is properly  
 45-37 developed, implemented, and maintained in the least restrictive  
 45-38 environment that is appropriate to meet the student's educational  
 45-39 needs;

45-40 (C) ~~[(8) ensure that,]~~ when appropriate, each  
 45-41 student with a disability is provided an opportunity to participate  
 45-42 in career and technology and physical education classes ~~[, in~~  
 45-43 ~~addition to participating in regular or special classes];~~

45-44 (D) ~~[(9) ensure that]~~ each student with a  
 45-45 disability is provided necessary related services;

45-46 (E) ~~[(10) ensure that]~~ an individual assigned  
 45-47 to act as a surrogate parent for a child with a disability, as  
 45-48 provided by 20 U.S.C. Section 1415(b), is required to:

45-49 (i) ~~[(A)]~~ complete a training program that  
 45-50 complies with minimum standards established by agency rule;

45-51 (ii) ~~[(B)]~~ visit the child and the child's  
 45-52 school;

45-53 (iii) ~~[(C)]~~ consult with persons involved  
 45-54 in the child's education, including teachers, caseworkers,  
 45-55 court-appointed volunteers, guardians ad litem, attorneys ad  
 45-56 litem, foster parents, and caretakers;

45-57 (iv) ~~[(D)]~~ review the child's educational  
 45-58 records;

45-59 (v) ~~[(E)]~~ attend meetings of the child's  
 45-60 admission, review, and dismissal committee;

45-61 (vi) ~~[(F)]~~ exercise independent judgment  
 45-62 in pursuing the child's interests; and

45-63 (vii) ~~[(G)]~~ exercise the child's due  
 45-64 process rights under applicable state and federal law; and

45-65 (F) ~~[(11) ensure that]~~ each district develops a  
 45-66 process to be used by a teacher who instructs a student with a  
 45-67 disability in a regular classroom setting:

45-68 (i) ~~[(A)]~~ to request a review of the  
 45-69 student's individualized education program;

46-1 (ii) [~~(B)~~] to provide input in the  
 46-2 development of the student's individualized education program;  
 46-3 (iii) [~~(C)~~] that provides for a timely  
 46-4 district response to the teacher's request; and  
 46-5 (iv) [~~(D)~~] that provides for notification  
 46-6 to the student's parent or legal guardian of that response.

46-7 SECTION 4.02. Subchapter A, Chapter 29, Education Code, is  
 46-8 amended by adding Section 29.0012 to read as follows:

46-9 Sec. 29.0012. ANNUAL MEETING ON SPECIAL EDUCATION. (a) At  
 46-10 least once each year, the board of trustees of a school district or  
 46-11 the governing body of an open-enrollment charter school shall  
 46-12 include during a public meeting a discussion of the performance of  
 46-13 students receiving special education services at the district or  
 46-14 school.

46-15 (b) The agency by rule shall adopt a set of performance  
 46-16 indicators for measuring and evaluating the quality of learning and  
 46-17 achievement for students receiving special education services at  
 46-18 the school district or open-enrollment charter school to be  
 46-19 considered at a meeting held under this section. The indicators  
 46-20 must include performance on the college, career, or military  
 46-21 readiness outcomes described by Section 48.110.

46-22 SECTION 4.03. Section 29.003, Education Code, is amended to  
 46-23 read as follows:

46-24 Sec. 29.003. ELIGIBILITY CRITERIA. (a) The agency shall  
 46-25 develop specific eligibility criteria based on the general  
 46-26 classifications established by this section and in accordance with  
 46-27 federal law [~~with reference to contemporary diagnostic or~~  
 46-28 ~~evaluative terminologies and techniques~~]. Eligible students with  
 46-29 disabilities shall enjoy the right to a free appropriate public  
 46-30 education, which may include instruction in the regular classroom,  
 46-31 instruction through special teaching, or instruction through  
 46-32 contracts approved under this subchapter. Instruction shall be  
 46-33 supplemented by the provision of related services when appropriate.

46-34 (b) A student is eligible to participate in a school  
 46-35 district's special education program [~~if the student~~]:

46-36 (1) from birth through [~~is not more than~~] 21 years of  
 46-37 age if the student [~~and~~] has a visual [~~or auditory~~] impairment or is  
 46-38 deaf or hard of hearing and that disability prevents the student  
 46-39 from being adequately or safely educated in public school without  
 46-40 the provision of special education services; [~~or~~]

46-41 (2) from three years of age through five years of age  
 46-42 if the student is experiencing developmental delays as described by  
 46-43 20 U.S.C. Section 1401(3)(B) and defined by commissioner rule; or

46-44 (3) from 3 years of age through [~~is at least three but~~  
 46-45 ~~not more than~~] 21 years of age if the student [~~and~~] has one or more  
 46-46 of the [~~following~~] disabilities described by 20 U.S.C. Section  
 46-47 1401(3)(A) and that disability prevents the student from being  
 46-48 adequately or safely educated in public school without the  
 46-49 provision of special education services[+.

46-50 [~~(A) physical disability,~~  
 46-51 [~~(B) intellectual or developmental disability,~~  
 46-52 [~~(C) emotional disturbance,~~  
 46-53 [~~(D) learning disability,~~  
 46-54 [~~(E) autism,~~  
 46-55 [~~(F) speech disability, or~~  
 46-56 [~~(G) traumatic brain injury~~].

46-57 SECTION 4.04. Subchapter A, Chapter 29, Education Code, is  
 46-58 amended by adding Section 29.0056 to read as follows:

46-59 Sec. 29.0056. INFORMATION REGARDING STATE SUPPORTED LIVING  
 46-60 CENTERS. (a) In this section, "state supported living center" has  
 46-61 the meaning assigned by Section 531.002, Health and Safety Code.

46-62 (b) The Health and Human Services Commission, in  
 46-63 collaboration with the agency and stakeholders who represent the  
 46-64 full continuum of educational residential placement options, shall  
 46-65 develop and provide to the agency materials regarding educational  
 46-66 residential placement options for children who may qualify for  
 46-67 placement in a state supported living center. The agency shall make  
 46-68 the materials developed under this subsection available to school  
 46-69 districts.

47-1 (c) At a meeting of a child's admission, review, and  
 47-2 dismissal committee at which residential placement is discussed,  
 47-3 the school district shall provide to the child's parent the  
 47-4 materials developed under Subsection (b).

47-5 SECTION 4.05. Section 29.008, Education Code, is amended by  
 47-6 amending Subsections (a) and (b) and adding Subsection (a-1) to  
 47-7 read as follows:

47-8 (a) The commissioner shall establish a list of approved  
 47-9 public or private facilities, institutions, or agencies inside or  
 47-10 outside of this state that a [A] school district, shared services  
 47-11 arrangement unit, or regional education service center may contract  
 47-12 with [a public or private facility, institution, or agency inside  
 47-13 or outside of this state] for the provision of services to students  
 47-14 with disabilities in a residential placement. The commissioner may  
 47-15 approve either the whole or a part of a facility or program.

47-16 (a-1) Each contract described by this section [for  
 47-17 residential placement] must be approved by the commissioner. The  
 47-18 commissioner may approve a [residential placement] contract under  
 47-19 this section only after at least a programmatic evaluation of  
 47-20 personnel qualifications, costs, adequacy of physical plant and  
 47-21 equipment, and curriculum content. [The commissioner may approve  
 47-22 either the whole or a part of a facility or program.]

47-23 (b) Except as provided by Subsection (c), costs of an  
 47-24 approved contract for residential placement may be paid from a  
 47-25 combination of federal, state, and local funds. The local share of  
 47-26 the total contract cost for each student is that portion of the  
 47-27 local tax effort that exceeds the district's local fund assignment  
 47-28 under Section 48.256, divided by the average daily attendance in  
 47-29 the district. If the contract involves a private facility, the  
 47-30 state share of the total contract cost is that amount remaining  
 47-31 after subtracting the local share. If the contract involves a  
 47-32 public facility, the state share is that amount remaining after  
 47-33 subtracting the local share from the portion of the contract that  
 47-34 involves the costs of instructional and related services. For  
 47-35 purposes of this subsection, "local tax effort" means the total  
 47-36 amount of money generated by taxes imposed for debt service and  
 47-37 maintenance and operation less any amounts paid into a tax  
 47-38 increment fund under Chapter 311, Tax Code. This subsection  
 47-39 expires September 1, 2027.

47-40 SECTION 4.06. The heading to Section 29.009, Education  
 47-41 Code, is amended to read as follows:

47-42 Sec. 29.009. PUBLIC NOTICE CONCERNING EARLY CHILDHOOD  
 47-43 SPECIAL EDUCATION [PRESCHOOL] PROGRAMS [FOR STUDENTS WITH  
 47-44 DISABILITIES].

47-45 SECTION 4.07. Section 29.010, Education Code, is amended to  
 47-46 read as follows:

47-47 Sec. 29.010. GENERAL SUPERVISION AND COMPLIANCE. (a) The  
 47-48 agency shall develop [adopt] and implement a comprehensive system  
 47-49 for monitoring school district compliance with federal and state  
 47-50 laws relating to special education. The monitoring system must  
 47-51 include a comprehensive cyclical process and a targeted risk-based  
 47-52 process [provide for ongoing analysis of district special education  
 47-53 data and of complaints filed with the agency concerning special  
 47-54 education services and for inspections of school districts at  
 47-55 district facilities]. The agency shall establish criteria and  
 47-56 instruments for use in determining district compliance under this  
 47-57 section [use the information obtained through analysis of district  
 47-58 data and from the complaints management system to determine the  
 47-59 appropriate schedule for and extent of the inspection].

47-60 (b) As part of the monitoring process [To complete the  
 47-61 inspection], the agency must obtain information from parents and  
 47-62 teachers of students in special education programs in the district.

47-63 (c) The agency shall develop and implement a system of  
 47-64 interventions and sanctions for school districts the agency  
 47-65 identifies as being in noncompliance with [whose most recent  
 47-66 monitoring visit shows a failure to comply with major requirements  
 47-67 of] the Individuals with Disabilities Education Act (20 U.S.C.  
 47-68 Section 1400 et seq.), federal regulations, state statutes, or  
 47-69 agency requirements necessary to carry out federal law or

48-1 regulations or state law relating to special education.

48-2 (d) The agency shall establish a graduated process of  
 48-3 sanctions to apply to ~~For~~ districts that remain in noncompliance  
 48-4 for more than one year ~~[, the first stage of sanctions shall begin~~  
 48-5 with annual or more frequent monitoring visits]. The ~~[Subsequent]~~  
 48-6 sanctions shall ~~[may]~~ range in severity and may include ~~[up to]~~ the  
 48-7 withholding of funds. If funds are withheld, the agency may use the  
 48-8 funds to provide, through alternative arrangements, services to  
 48-9 students and staff members in the district from which the funds are  
 48-10 withheld.

48-11 (e) The agency's complaint management division shall  
 48-12 develop a system for expedited investigation and resolution of  
 48-13 complaints concerning a district's failure to provide special  
 48-14 education or related services to a student eligible to participate  
 48-15 in the district's special education program.

48-16 ~~[(f) This section does not create an obligation for or~~  
 48-17 ~~impose a requirement on a school district or open-enrollment~~  
 48-18 ~~charter school that is not also created or imposed under another~~  
 48-19 ~~state law or a federal law.]~~

48-20 SECTION 4.08. Section 29.018, Education Code, is amended by  
 48-21 adding Subsection (g) to read as follows:

48-22 (g) This section expires September 1, 2026.

48-23 SECTION 4.09. Section 29.026(i), Education Code, is amended  
 48-24 to read as follows:

48-25 (i) A program selected to receive a grant under this section  
 48-26 is ~~[The commissioner shall select programs and award grant funds to~~  
 48-27 ~~those programs beginning in the 2018-2019 school year. The~~  
 48-28 ~~selected programs are]~~ to be funded for two years.

48-29 SECTION 4.10. Section 29.027(d), Education Code, is amended  
 48-30 to read as follows:

48-31 (d) A grant under this section is ~~[The commissioner shall~~  
 48-32 ~~select grant recipients and award grant funds beginning in the~~  
 48-33 ~~2021-2022 school year. The grants are]~~ to be awarded for two years.

48-34 SECTION 4.11. Subchapter A, Chapter 29, Education Code, is  
 48-35 amended by adding Section 29.029 to read as follows:

48-36 Sec. 29.029. SUPPORTS FOR RECRUITING SPECIAL EDUCATION  
 48-37 STAFF. (a) From funds appropriated or otherwise available for the  
 48-38 purpose, the agency shall provide grants to school districts and  
 48-39 open-enrollment charter schools to increase the number of qualified  
 48-40 and appropriately credentialed special education staff, including  
 48-41 special education teachers, special education paraprofessionals,  
 48-42 evaluation personnel, ancillary instruction personnel, and related  
 48-43 service personnel.

48-44 (b) A school district or open-enrollment charter school  
 48-45 that receives a grant under this section shall require each person  
 48-46 the district or school uses the grant money to assist in becoming  
 48-47 licensed, certified, or otherwise credentialed as described by  
 48-48 Subsection (a) to work at the district or school for a period  
 48-49 established by commissioner rule.

48-50 (c) The commissioner shall adopt rules establishing the  
 48-51 period of required employment described by Subsection (b) and any  
 48-52 other rules necessary to implement this section.

48-53 SECTION 4.12. The heading to Subchapter A-1, Chapter 29,  
 48-54 Education Code, is amended to read as follows:

48-55 SUBCHAPTER A-1. PARENT-DIRECTED ~~[SUPPLEMENTAL SPECIAL EDUCATION]~~  
 48-56 SERVICES FOR STUDENTS RECEIVING SPECIAL EDUCATION SERVICES  
 48-57 [PROGRAM]

48-58 SECTION 4.13. Sections 29.041(2) and (3), Education Code,  
 48-59 are amended to read as follows:

48-60 (2) "Supplemental ~~[special education]~~ instructional  
 48-61 materials" includes textbooks, computer hardware or software,  
 48-62 other technological devices, and other materials suitable for  
 48-63 addressing an educational need of a student receiving special  
 48-64 education services under Subchapter A.

48-65 (3) "Supplemental ~~[special education]~~ services" means  
 48-66 an additive service that provides an educational benefit to a  
 48-67 student receiving special education services under Subchapter A,  
 48-68 including:

48-69 (A) occupational therapy, physical therapy, and



49-1 speech therapy; and

49-2 (B) private tutoring and other supplemental  
49-3 private instruction or programs.

49-4 SECTION 4.14. Sections 29.042(a) and (c), Education Code,  
49-5 are amended to read as follows:

49-6 (a) The agency by rule shall establish and administer a  
49-7 parent-directed ~~[supplemental special education services and~~  
49-8 ~~instructional materials]~~ program for students receiving special  
49-9 education services, through which a parent may direct supplemental  
49-10 services and supplemental instructional materials for the parent's  
49-11 student ~~[students]~~ who meets ~~[meet]~~ the eligibility requirements  
49-12 for participation in the program. Subject to Subsection (c), the  
49-13 agency shall provide each student approved as provided by this  
49-14 subchapter a grant in the amount provided under Section 48.305 ~~[of~~  
49-15 ~~not more than \$1,500]~~ to purchase supplemental ~~[special education]~~  
49-16 services and supplemental ~~[special education]~~ instructional  
49-17 materials.

49-18 (c) A student may receive one grant under this subchapter  
49-19 unless the legislature appropriates money for an additional grant  
49-20 in the General Appropriations Act ~~[The commissioner shall set aside~~  
49-21 ~~an amount not to exceed \$30 million from the total amount of funds~~  
49-22 ~~appropriated for each state fiscal year to fund the program under~~  
49-23 ~~this section. For each state fiscal year, the total amount provided~~  
49-24 ~~for student grants under Subsection (a) may not exceed the amount~~  
49-25 ~~set aside by the commissioner under this subsection].~~

49-26 SECTION 4.15. Section 29.045, Education Code, is amended to  
49-27 read as follows:

49-28 Sec. 29.045. APPROVAL OF APPLICATION; ASSIGNMENT OF  
49-29 ACCOUNT. The ~~[Subject to available funding the]~~ agency shall  
49-30 approve each student who meets the program eligibility criteria  
49-31 established under Section 29.044 and assign to the student an  
49-32 account maintained under Section 29.042(b). The account may only  
49-33 be used by the student's parent to purchase supplemental ~~[special~~  
49-34 ~~education]~~ services or supplemental ~~[special education]~~  
49-35 instructional materials for the student, subject to Sections 29.046  
49-36 and 29.047.

49-37 SECTION 4.16. Sections 29.046(a) and (b), Education Code,  
49-38 are amended to read as follows:

49-39 (a) Money in an account assigned to a student under Section  
49-40 29.045 may be used only for supplemental ~~[special education]~~  
49-41 services and supplemental ~~[special education]~~ instructional  
49-42 materials.

49-43 (b) Supplemental ~~[special education]~~ services must be  
49-44 provided by an agency-approved provider.

49-45 SECTION 4.17. Sections 29.047(a), (c), (d), and (e),  
49-46 Education Code, are amended to read as follows:

49-47 (a) The agency shall establish criteria necessary for  
49-48 agency approval for each category of provider of a professional  
49-49 service that is a supplemental ~~[special education]~~ service, as  
49-50 identified by the agency.

49-51 (c) The agency shall provide a procedure for providers of  
49-52 supplemental ~~[special education]~~ services to apply to the agency to  
49-53 become an agency-approved provider.

49-54 (d) The agency may establish criteria for agency approval of  
49-55 vendors for each category of supplemental ~~[special education]~~  
49-56 instructional materials identified by the agency.

49-57 (e) If the agency establishes criteria for agency approval  
49-58 for a vendor of a category of supplemental ~~[special education]~~  
49-59 instructional materials, the agency shall provide a procedure for  
49-60 vendors of that category to apply to the agency to become an  
49-61 agency-approved vendor.

49-62 SECTION 4.18. Subchapter A-1, Chapter 29, Education Code,  
49-63 is amended by adding Section 29.0475 to read as follows:

49-64 Sec. 29.0475. PROGRAM PARTICIPANT, PROVIDER, AND VENDOR  
49-65 AUTONOMY. (a) A provider of supplemental services or vendor of  
49-66 supplemental instructional materials that receives money  
49-67 distributed under the program is not a recipient of federal  
49-68 financial assistance on the basis of receiving that money.

49-69 (b) A rule adopted or action taken related to the program by

50-1 an individual, governmental entity, court of law, or program  
 50-2 administrator may not:

50-3 (1) consider the actions of a provider of supplemental  
 50-4 services, vendor of supplemental instructional materials, or  
 50-5 program participant to be the actions of an agent of state  
 50-6 government;

50-7 (2) limit:

50-8 (A) a provider of supplemental services' ability  
 50-9 to determine the methods used to educate the provider's students or  
 50-10 to exercise the provider's religious or institutional values; or

50-11 (B) a program participant's ability to determine  
 50-12 the participant's educational content or to exercise the  
 50-13 participant's religious values;

50-14 (3) obligate a provider of supplemental services or  
 50-15 program participant to act contrary to the provider's or  
 50-16 participant's religious or institutional values, as applicable;

50-17 (4) impose any regulation on a provider of  
 50-18 supplemental services, vendor of supplemental instructional  
 50-19 materials, or program participant beyond those regulations  
 50-20 necessary to enforce the requirements of the program; or

50-21 (5) require as a condition of receiving money  
 50-22 distributed under the program:

50-23 (A) a provider of supplemental services to modify  
 50-24 the provider's creed, practices, admissions policies, curriculum,  
 50-25 performance standards, employment policies, or assessments; or

50-26 (B) a program participant to modify the  
 50-27 participant's creed, practices, curriculum, performance standards,  
 50-28 or assessments.

50-29 (c) In a proceeding challenging a rule adopted by a state  
 50-30 agency or officer under this subchapter, the agency or officer has  
 50-31 the burden of proof to establish by clear and convincing evidence  
 50-32 that the rule:

50-33 (1) is necessary to implement or enforce the program  
 50-34 as provided by this subchapter;

50-35 (2) does not violate this section;

50-36 (3) does not impose an undue burden on a program  
 50-37 participant or a provider of supplemental services or vendor of  
 50-38 supplemental instructional materials that participates or applies  
 50-39 to participate in the program; and

50-40 (4) is the least restrictive means of accomplishing  
 50-41 the purpose of the program while recognizing the independence of a  
 50-42 provider of supplemental services to meet the educational needs of  
 50-43 students in accordance with the provider's religious or  
 50-44 institutional values.

50-45 SECTION 4.19. Section 29.048, Education Code, is amended to  
 50-46 read as follows:

50-47 Sec. 29.048. ADMISSION, REVIEW, AND DISMISSAL COMMITTEE  
 50-48 DUTIES. (a) A student's admission, review, and dismissal  
 50-49 committee shall develop a student's individualized education  
 50-50 program under Section 29.005, in compliance with the Individuals  
 50-51 with Disabilities Education Act (20 U.S.C. Section 1400 et seq.),  
 50-52 without consideration of any supplemental [~~special education~~]  
 50-53 services or supplemental instructional materials that may be  
 50-54 provided under the program under this subchapter.

50-55 (b) Unless the district first verifies that an account has  
 50-56 been assigned to the student under Section 29.045, the [The]  
 50-57 admission, review, and dismissal committee of a student approved  
 50-58 for participation in the program shall provide to the student's  
 50-59 parent at an admission, review, and dismissal committee meeting for  
 50-60 the student:

50-61 (1) information regarding the types of supplemental  
 50-62 [~~special education~~] services or supplemental instructional  
 50-63 materials available under the program and provided by  
 50-64 agency-approved providers for which an account maintained under  
 50-65 Section 29.042(b) for the student may be used; and

50-66 (2) instructions regarding accessing an account  
 50-67 described by Subdivision (1).

50-68 SECTION 4.20. Subchapter A-1, Chapter 29, Education Code,  
 50-69 is amended by adding Section 29.0485 to read as follows:

51-1 Sec. 29.0485. DETERMINATION OF COMMISSIONER FINAL.

51-2 Notwithstanding Section 7.057, a determination of the commissioner  
 51-3 under this subchapter is final and may not be appealed.

51-4 SECTION 4.21. Section 29.049, Education Code, is amended to  
 51-5 read as follows:

51-6 Sec. 29.049. RULES. The commissioner shall adopt rules as  
 51-7 necessary to administer the supplemental [~~special education~~]  
 51-8 services and supplemental instructional materials program under  
 51-9 this subchapter.

51-10 SECTION 4.22. Section 29.315, Education Code, is amended to  
 51-11 read as follows:

51-12 Sec. 29.315. TEXAS SCHOOL FOR THE DEAF MEMORANDUM OF  
 51-13 UNDERSTANDING. The Texas Education Agency and the Texas School for  
 51-14 the Deaf shall develop [~~, agree to, and by commissioner rule adopt no~~  
 51-15 ~~later than September 1, 1998,~~] a memorandum of understanding to  
 51-16 establish:

51-17 (1) the method for developing and reevaluating a set  
 51-18 of indicators of the quality of learning at the Texas School for the  
 51-19 Deaf;

51-20 (2) the process for the agency to conduct and report on  
 51-21 an annual evaluation of the school's performance on the indicators;

51-22 (3) the requirements for the school's board to  
 51-23 publish, discuss, and disseminate an annual report describing the  
 51-24 educational performance of the school;

51-25 (4) the process for the agency to assign an  
 51-26 accreditation status to the school, to reevaluate the status on an  
 51-27 annual basis, and, if necessary, to conduct monitoring reviews; and

51-28 (5) the type of information the school shall be  
 51-29 required to provide through the Public Education Information  
 51-30 Management System (PEIMS).

51-31 SECTION 4.23. Section 30.001(b), Education Code, is amended  
 51-32 to read as follows:

51-33 (b) The commissioner, with the approval of the State Board  
 51-34 of Education, shall develop and implement a plan for the  
 51-35 coordination of services to children with disabilities in each  
 51-36 region served by a regional education service center. The plan  
 51-37 must include procedures for:

51-38 (1) identifying existing public or private  
 51-39 educational and related services for children with disabilities in  
 51-40 each region;

51-41 (2) identifying and referring children with  
 51-42 disabilities who cannot be appropriately served by the school  
 51-43 district in which they reside to other appropriate programs;

51-44 (3) assisting school districts to individually or  
 51-45 cooperatively develop programs to identify and provide appropriate  
 51-46 services for children with disabilities;

51-47 (4) expanding and coordinating services provided by  
 51-48 regional education service centers for children with disabilities;  
 51-49 and

51-50 (5) providing for special education supports  
 51-51 [~~services~~], including special seats, books, instructional media,  
 51-52 and other supplemental supplies and services required for proper  
 51-53 instruction.

51-54 SECTION 4.24. Section 30.002(g), Education Code, is amended  
 51-55 to read as follows:

51-56 (g) To facilitate implementation of this section, the  
 51-57 commissioner shall develop a system to distribute from the  
 51-58 foundation school fund to school districts or regional education  
 51-59 service centers a special supplemental allowance for each student  
 51-60 with a visual impairment and for each student with a serious visual  
 51-61 disability and another medically diagnosed disability of a  
 51-62 significantly limiting nature who is receiving special education  
 51-63 services through any approved program. The supplemental allowance  
 51-64 may be spent only for special education services uniquely required  
 51-65 by the nature of the student's disabilities and may not be used in  
 51-66 lieu of educational funds otherwise available under this code or  
 51-67 through state or local appropriations.

51-68 SECTION 4.25. Section 30.005, Education Code, is amended to  
 51-69 read as follows:

52-1           Sec. 30.005. TEXAS SCHOOL FOR THE BLIND AND VISUALLY  
52-2 IMPAIRED MEMORANDUM OF UNDERSTANDING. The Texas Education Agency  
52-3 and the Texas School for the Blind and Visually Impaired shall  
52-4 develop~~[, agree to, and by commissioner rule adopt]~~ a memorandum of  
52-5 understanding to establish:

52-6           (1) the method for developing and reevaluating a set  
52-7 of indicators of the quality of learning at the Texas School for the  
52-8 Blind and Visually Impaired;

52-9           (2) the process for the agency to conduct and report on  
52-10 an annual evaluation of the school's performance on the indicators;

52-11           (3) the requirements for the school's board to  
52-12 publish, discuss, and disseminate an annual report describing the  
52-13 educational performance of the school;

52-14           (4) the process for the agency to:  
52-15           (A) assign an accreditation status to the school;  
52-16           (B) reevaluate the status on an annual basis; and  
52-17           (C) if necessary, conduct monitoring reviews;

52-18 and  
52-19           (5) the type of information the school shall be  
52-20 required to provide through the Public Education Information  
52-21 Management System (PEIMS).

52-22           SECTION 4.26. Section 37.146(a), Education Code, is amended  
52-23 to read as follows:

52-24           (a) A complaint alleging the commission of a school offense  
52-25 must, in addition to the requirements imposed by Article 45.019,  
52-26 Code of Criminal Procedure:

52-27           (1) be sworn to by a person who has personal knowledge  
52-28 of the underlying facts giving rise to probable cause to believe  
52-29 that an offense has been committed; and

52-30           (2) be accompanied by a statement from a school  
52-31 employee stating:

52-32           (A) whether the child is eligible for or receives  
52-33 special education services under Subchapter A, Chapter 29; and

52-34           (B) the graduated sanctions, if required under  
52-35 Section 37.144, that were imposed on the child before the complaint  
52-36 was filed.

52-37           SECTION 4.27. Section 48.265(a), Education Code, is amended  
52-38 to read as follows:

52-39           (a) If ~~[Notwithstanding any other provision of law, if]~~ the  
52-40 commissioner determines that the amount appropriated for the  
52-41 purposes of the Foundation School Program exceeds the amount to  
52-42 which school districts are entitled under this chapter, the  
52-43 commissioner may provide ~~[by rule shall establish a grant program~~  
52-44 ~~through which excess funds are awarded as]~~ grants using the excess  
52-45 money for the purchase of video equipment, or for the reimbursement  
52-46 of costs for previously purchased video equipment, used for  
52-47 monitoring special education classrooms or other special education  
52-48 settings required under Section 29.022.

52-49           SECTION 4.28. This article takes effect immediately if it  
52-50 receives a vote of two-thirds of all the members elected to each  
52-51 house, as provided by Section 39, Article III, Texas Constitution.  
52-52 If this article does not receive the vote necessary for immediate  
52-53 effect, this article takes effect September 1, 2023.

#### 52-54           ARTICLE 5. FISCAL RESPONSIBILITY

52-55           SECTION 5.01. (a) Notwithstanding any other section of  
52-56 this Act, in a state fiscal year, the Texas Education Agency or  
52-57 comptroller of public accounts is not required to implement a  
52-58 provision found in another section of this Act that is drafted as a  
52-59 mandatory provision imposing a duty on the agency to take an action  
52-60 unless money is specifically appropriated to the agency for that  
52-61 fiscal year to carry out that duty. The Texas Education Agency or  
52-62 comptroller of public accounts may implement the provision in that  
52-63 fiscal year to the extent other funding is available to the agency  
52-64 to do so.

52-65           (b) If, as authorized by Subsection (a) of this section, the  
52-66 Texas Education Agency or comptroller of public accounts does not  
52-67 implement the mandatory provision in a state fiscal year, the  
52-68 agency or comptroller of public accounts, as applicable, in its  
52-69 legislative budget request for the next state fiscal biennium,

53-1 shall certify that fact to the Legislative Budget Board and include  
53-2 a written estimate of the costs of implementing the provision in  
53-3 each year of that next state fiscal biennium.

53-4 (c) This section and the suspension of the Texas Education  
53-5 Agency's or comptroller of public accounts' duty to implement a  
53-6 mandatory provision of this Act, as provided by Subsection (a) of  
53-7 this section, expires and the duty to implement the mandatory  
53-8 provision resumes on September 1, 2027.

53-9

\* \* \* \* \*