

AN ACT

relating to the public school accountability system.

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

SECTION 1. Section 39.053(b), Education Code, is amended to read as follows:

(b) Performance on the achievement indicators adopted under Subsections (c)(1)-(4) shall be compared to state-established standards. To the extent feasible, the [The] indicators should allow for disaggregation [~~must be based on information that is disaggregated~~] by race, ethnicity, and socioeconomic status.

SECTION 2. Section 39.053, Education Code, is amended by amending Subsection (c) and adding Subsections (c-4) and (g-3) to read as follows:

(c) School districts and campuses must be evaluated based on five domains of indicators of achievement adopted under this section that include:

(1) in the first domain, the results of:

(A) assessment instruments required under Sections 39.023(a), (c), and (l), including the results of assessment instruments required for graduation retaken by a student, aggregated across grade levels by subject area, including:

(i) for the performance standard determined by the commissioner under Section 39.0241(a), the percentage of students who performed satisfactorily on the assessment

1 instruments, aggregated across grade levels by subject area; and

2 (ii) for the college readiness performance
3 standard as determined under Section 39.0241, the percentage of
4 students who performed satisfactorily on the assessment
5 instruments, aggregated across grade levels by subject area; and

6 (B) assessment instruments required under
7 Section 39.023(b), aggregated across grade levels by subject area,
8 including the percentage of students who performed satisfactorily
9 on the assessment instruments, as determined by the performance
10 standard adopted by the agency, aggregated across grade levels by
11 subject area;

12 (2) in the second domain:

13 (A) for assessment instruments under Subdivision
14 (1)(A):

15 (i) for the performance standard determined
16 by the commissioner under Section 39.0241(a), the percentage of
17 students who met the standard for annual improvement on the
18 assessment instruments, as determined by the commissioner by rule
19 or by the method for measuring annual improvement under Section
20 39.034, aggregated across grade levels by subject area; and

21 (ii) for the college readiness performance
22 standard as determined under Section 39.0241, the percentage of
23 students who met the standard for annual improvement on the
24 assessment instruments, as determined by the commissioner by rule
25 or by the method for measuring annual improvement under Section
26 39.034, aggregated across grade levels by subject area; and

27 (B) for assessment instruments under Subdivision

1 (1)(B), the percentage of students who met the standard for annual
2 improvement on the assessment instruments, as determined by the
3 commissioner by rule or by the method for measuring annual
4 improvement under Section 39.034, aggregated across grade levels by
5 subject area;

6 (3) in the third domain, the student academic
7 achievement differentials among students from different racial and
8 ethnic groups and socioeconomic backgrounds;

9 (4) in the fourth domain:

10 (A) for evaluating the performance of high school
11 campuses and districts that include high school campuses:

12 (i) dropout rates, including dropout rates
13 and district completion rates for grade levels 9 through 12,
14 computed in accordance with standards and definitions adopted by
15 the National Center for Education Statistics of the United States
16 Department of Education;

17 (ii) high school graduation rates, computed
18 in accordance with standards and definitions adopted in compliance
19 with the Every Student Succeeds Act [~~No Child Left Behind Act of~~
20 ~~2001~~] (20 U.S.C. Section 6301 et seq.);

21 (iii) the percentage of students who
22 successfully completed the curriculum requirements for the
23 distinguished level of achievement under the foundation high school
24 program;

25 (iv) the percentage of students who
26 successfully completed the curriculum requirements for an
27 endorsement under Section 28.025(c-1);

1 (v) the percentage of students who
2 completed a coherent sequence of career and technical or fine arts
3 courses;

4 (vi) the percentage of students who satisfy
5 the Texas Success Initiative (TSI) college readiness benchmarks
6 prescribed by the Texas Higher Education Coordinating Board under
7 Section 51.3062(f) on an assessment instrument in reading, writing,
8 or mathematics designated by the Texas Higher Education
9 Coordinating Board under Section 51.3062(c);

10 (vii) the percentage of students who earn
11 at least 12 hours of postsecondary credit required for the
12 foundation high school program under Section 28.025 or to earn an
13 endorsement under Section 28.025(c-1);

14 (viii) the percentage of students who have
15 completed an advanced placement or international baccalaureate
16 course;

17 (ix) the percentage of students who enlist
18 in the armed forces of the United States; ~~and~~

19 (x) the percentage of students who earn an
20 industry certification;

21 (xi) the percentage of students who
22 successfully completed an OnRamps dual enrollment course;

23 (xii) the percentage of students who have
24 received credit by examination;

25 (xiii) the percentage of students who have
26 been promoted to higher grade levels than the grade levels to which
27 the students would ordinarily be assigned;

1 (xiv) the percentage of students who have
2 earned a diploma after not more than three years of high school
3 attendance; and

4 (xv) the percentage of students who earn an
5 associate degree;

6 (B) for evaluating the performance of middle and
7 junior high school and elementary school campuses and districts
8 that include those campuses:

9 (i) student attendance; ~~and~~

10 (ii) for middle and junior high school
11 campuses:

12 (a) dropout rates, computed in the
13 manner described by Paragraph (A)(i); ~~and~~

14 (b) the percentage of students in
15 grades seven and eight who receive instruction in preparing for
16 high school, college, and a career that includes information
17 regarding the creation of a high school personal graduation plan
18 under Section 28.02121, the distinguished level of achievement
19 described by Section 28.025(b-15), each endorsement described by
20 Section 28.025(c-1), college readiness standards, and potential
21 career choices and the education needed to enter those careers; and

22 (c) the percentage of students in
23 grades seven and eight who complete a pre-advanced placement course
24 or pre-international baccalaureate course; and

25 (iii) the percentage of students who
26 participate in a University Interscholastic League A+ academic
27 event; and

1 (C) any additional indicators of student
2 achievement not associated with performance on standardized
3 assessment instruments determined appropriate for consideration by
4 the commissioner in consultation with educators, parents, business
5 and industry representatives, and employers; and

6 (5) in the fifth domain, three programs or specific
7 categories of performance related to community and student
8 engagement locally selected and evaluated as provided by Section
9 39.0546.

10 (c-4) For purposes of evaluating the performance of a
11 district or campus under Subsection (c), the commissioner shall
12 determine a method by which the performance of a student is
13 attributed greater weight for each school year a student has been
14 continuously enrolled in the school district or at the campus, as
15 applicable.

16 (g-3) The commissioner shall adopt rules for computing the
17 percentage of students participating in a University
18 Interscholastic League A+ academic event under Subsection
19 (c)(4)(B)(iii).

20 SECTION 3. Sections 39.054(a) and (a-1), Education Code, as
21 effective September 1, 2017, are amended to read as follows:

22 (a) The commissioner shall adopt rules to evaluate school
23 district and campus performance and assign each district and campus
24 an overall performance rating of A, B, C, D, or F. In addition to the
25 overall performance rating, the commissioner shall assign each
26 district and campus a separate domain performance rating of A, B, C,
27 D, or F for each applicable domain under Sections 39.053(c)(1)-(4).

1 An overall or domain performance rating of A reflects exemplary
2 performance. An overall or domain performance rating of B reflects
3 recognized performance. An overall or domain performance rating of
4 C reflects acceptable performance. An overall or domain
5 performance rating of D reflects performance that needs
6 improvement. An overall or domain performance rating of ~~or~~ F
7 reflects unacceptable performance. A district may not receive an
8 overall or domain performance rating of A if the district includes
9 any campus with a corresponding overall or domain performance
10 rating of [~~D or~~] F. A reference in law to an acceptable rating or
11 acceptable performance includes an overall or domain performance
12 rating of A, B, [~~or~~] C, or D or performance that is exemplary,
13 recognized, or acceptable or needs improvement [performance].

14 (a-1) In [~~For purposes of~~] assigning [~~an overall~~]
15 performance ratings [~~rating~~] under Subsection (a), the
16 commissioner may adjust the overall performance rating of a
17 district or campus if the performance of the district or campus
18 under the indicators described by Section 39.053(c), based on
19 information disaggregated by race, ethnicity, socioeconomic
20 status, or other factors, does not meet standards established by
21 the commissioner. The commissioner shall [~~attribute~~]:

22 (1) attribute 55 percent of the performance evaluation
23 to the achievement indicators for the first, second, and third
24 domains under Sections 39.053(c)(1)-(3), provided that the
25 commissioner shall consider either the district's or campus's
26 performance rating under the first domain or the second domain,
27 whichever performance rating is higher, unless the district or

1 campus received a performance rating of F in either domain, in which
2 case the district or campus may not be assigned an overall
3 performance rating higher than B;

4 (2) for middle and junior high school and elementary
5 campuses and districts that include only those campuses, attribute
6 35 percent of the performance evaluation to the applicable
7 achievement indicators for the fourth domain under Section
8 39.053(c)(4);

9 (3) for high school campuses and districts that
10 include those campuses, attribute:

11 (A) 10 percent of the performance evaluation to
12 the high school graduation rate achievement indicator described by
13 Section 39.053(c)(4)(A)(ii); and

14 (B) 25 percent to the remaining applicable
15 achievement indicators for the fourth domain under Section
16 39.053(c)(4); and

17 (4) attribute 10 percent of the performance evaluation
18 to the locally selected and evaluated achievement indicators
19 provided for under the fifth domain under Section 39.053(c)(5).

20 SECTION 4. Subchapter E, Chapter 39, Education Code, is
21 amended by adding Section 39.101 to read as follows:

22 Sec. 39.101. NEEDS IMPROVEMENT RATING. (a) Notwithstanding
23 any other law, if a school district or campus is assigned an overall
24 or domain performance rating of D:

25 (1) the commissioner shall order the district or
26 campus to develop and implement a targeted improvement plan
27 approved by the board of trustees of the district; and

1 (2) the interventions and sanctions provided by this
2 subchapter based on failure to satisfy performance standards under
3 Section 39.054(e) apply to the district or campus only as provided
4 by this section.

5 (b) The interventions and sanctions provided by this
6 subchapter based on failure to satisfy performance standards under
7 Section 39.054(e) apply to a district or campus ordered to develop
8 and implement a targeted improvement plan under Subsection (a) only
9 if the district or campus is assigned an overall or domain
10 performance rating of F, including the assignment of a performance
11 rating of F in the manner provided by Subsection (c) or (d).

12 (c) If a school district or campus is assigned an overall
13 performance rating of D for two consecutive school years after the
14 district or campus is ordered to develop and implement a targeted
15 improvement plan under Subsection (a), the commissioner shall
16 assign that district or campus an overall performance rating of F
17 for the following school year unless, based on the performance of
18 the district or campus in that following school year, the
19 commissioner determines that the district or campus should be
20 assigned a performance rating of C or higher.

21 (d) If a district or campus is assigned a domain performance
22 rating of D for the same domain for two consecutive school years
23 after the district or campus is ordered to develop and implement a
24 targeted improvement plan under Subsection (a), the commissioner
25 shall assign that district or campus a domain performance rating of
26 F for that domain for the following school year unless, based on the
27 performance of the district or campus in that following school

1 year, the commissioner determines the district or campus should be
2 assigned a performance rating of C or higher in that domain.

3 (e) The commissioner shall adopt rules as necessary to
4 implement this section.

5 SECTION 5. Section 39.107, Education Code, is amended by
6 adding Subsections (b-10) and (b-11) to read as follows:

7 (b-10) Not later than June 15 of each year, the commissioner
8 shall, in writing, either approve or reject any campus turnaround
9 plan prepared and submitted to the commissioner by a district. If
10 the commissioner rejects a campus turnaround plan, the commissioner
11 must also send the district an outline of the specific concerns
12 regarding the turnaround plan that resulted in the rejection.

13 (b-11) If the commissioner rejects a campus turnaround
14 plan, the district must create a modified plan with assistance from
15 agency staff and submit the modified plan to the commissioner for
16 approval not later than the 60th day after the date the commissioner
17 rejects the campus turnaround plan. The commissioner shall notify
18 the district in writing of the commissioner's decision regarding
19 the modified plan not later than the 15th day after the date the
20 commissioner receives the modified plan.

21 SECTION 6. Section 12A.001(b), Education Code, is amended
22 to read as follows:

23 (b) A school district is eligible for designation as a
24 district of innovation only if the district's most recent overall
25 performance rating under Section 39.054 is exemplary, recognized,
26 or acceptable as reflected by an overall [~~reflects at least~~
27 ~~acceptable~~] performance rating of A, B, or C.

1 SECTION 7. Section 12A.001(b), Education Code, as amended
2 by this Act, applies only to a school district designated as a
3 district of innovation on or after the effective date of this Act.

4 SECTION 8. This Act applies beginning with the 2017-2018
5 school year.

6 SECTION 9. This Act takes effect immediately if it receives
7 a vote of two-thirds of all the members elected to each house, as
8 provided by Section 39, Article III, Texas Constitution. If this
9 Act does not receive the vote necessary for immediate effect, this
10 Act takes effect September 1, 2017.

President of the Senate

Speaker of the House

I certify that H.B. No. 1500 was passed by the House on May 3, 2017, by the following vote: Yeas 145, Nays 0, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 1500 on May 26, 2017, by the following vote: Yeas 143, Nays 0, 2 present, not voting, and that the House adopted S.C.R. No. 62 authorizing certain corrections in H.B. No. 1500 on May 29, 2017, by the following vote: Yeas 141, Nays 3, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 1500 was passed by the Senate, with amendments, on May 24, 2017, by the following vote: Yeas 31, Nays 0, and that the Senate adopted S.C.R. No. 62 authorizing certain corrections in H.B. No. 1500 on May 29, 2017, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor