

BILL ANALYSIS

Senate Research Center
79R8843 SLO-D

S.B. 422
By: Jackson, Mike
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AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

The 51st Legislature created the Central Education Agency in 1949, consisting of the State Board of Education (SBOE), the state commissioner of education (commissioner), and the state department of education (department). In 1995, the 74th Legislature abolished the Central Education Agency and transferred its duties to the Texas Education Agency (TEA) and specified powers and duties for the commissioner and SBOE separately. TEA's current mission is to provide leadership, guidance, and resources to help schools meet the educational needs of all students.

TEA and the regional education service centers are subject to the Sunset Act and will be abolished on September 1, 2005, unless continued by the legislature.

S.B. 422 contains the Sunset Advisory Commission's recommendations to continue TEA and several statutory recommendations that address areas needing improvement. In addition, S.B. 422 includes the Sunset Advisory Commission's recommendations to continue the regional education service centers and require training for the boards of directors.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the commissioner of education in SECTION 1.04 (Section 7.033, Education Code), SECTION 1.08 (Section 8.0031, Education Code), SECTION 1.10 (Section 12.006, Education Code), and SECTION 1.15 (Section 39.005, Education Code) of this bill.

Rulemaking authority previously granted to the Texas Education Agency is transferred to the Texas Commission of Licensing and Regulation in SECTION 2.04 (Section 1001.052, Education Code), SECTION 2.09 (Section 1001.055, Education Code), SECTION 2.10 (Section 1001.056, Education Code), and SECTION 2.13 (Section 1001.102, Education Code) of this bill.

Rulemaking authority previously granted to the commissioner of education is transferred to the Texas Commission of Licensing and Regulation in SECTION 2.08 (Section 1001.054, Education Code), SECTION 2.10 (Section 1001.056, Education Code), SECTION 2.13 (Section 1001.101, Education Code), SECTION 2.16 (Section 1001.106, Education Code), SECTION 2.17 (Section 1001.107, Education Code), and SECTION 2.18 (Section 1001.108, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

ARTICLE 1. TEXAS EDUCATION AGENCY AND REGIONAL EDUCATION SERVICE CENTERS

SECTION 1.01. Amends Section 5.001, Education Code, by adding Subdivision (1-a), to define "charter school."

SECTION 1.02. Amends Section 7.004, Education Code, as follows:

Sec. 7.004. SUNSET PROVISION. Provides that the Texas Education Agency (TEA) is subject to Chapter 325, Government Code (Texas Sunset Act), and, unless continued in existence as provided by that chapter, TEA is abolished on September 1, 2017, rather than 2005.

SECTION 1.03. Amends Subchapter A, Chapter 7, Education Code, by adding Section 7.010, as follows:

Sec. 7.010. BEST PRACTICES. (a) Requires TEA and the regional education service centers to collect and disseminate best practices information and to enter into a memorandum of understanding that establishes the respective duties of TEA and the regional education service centers in collecting and disseminating the best practices information.

(b) Requires TEA and the regional education service centers to solicit from school district trustees, educators, including school and district administrators, and other education experts information concerning the best practices of school districts. Sets forth specific information which may be included.

(c) Requires the best practices information to include information investigated by TEA or a regional education service center concerning the effective use of online courses and sets forth specific information which must be included.

(d) Provides that TEA and the regional education service centers are not required to evaluate and are prohibited from endorsing the best practices information collected under this section.

(e) Requires TEA and the regional education service centers to develop incentives for school districts to implement best practices.

SECTION 1.04. Amends Subchapter B, Chapter 7, Education Code, by adding Sections 7.032 and 7.033, as follows:

Sec. 7.032. RECORDS OF COMPLAINTS. Requires TEA to maintain a system to promptly and efficiently act on complaints filed with TEA. Sets forth specific information which must be maintained by TEA. Requires TEA to make information available describing its procedures for complaint investigation and resolution and to periodically notify the parties of the status of the complaint until final disposition of the complaint.

Sec. 7.033. COMPREHENSIVE MONITORING SYSTEM. (a) Requires TEA, in compliance with other provisions of Title 1 and this title, to develop and implement a comprehensive, integrated monitoring system for monitoring school district and charter school overall performance under and compliance with federal and state education laws. Requires the system to incorporate performance and compliance information collected by various TEA divisions for each school district and charter school, including information relating to specific issues.

(b) Requires the commissioner of education (commissioner), by rule, to develop clear minimum performance standards that relate TEA interventions and sanctions to performance-based indicators. Requires said standards to identify a range of interventions and sanctions that TEA may use if a school fails to meet one or more of the minimum performance standards. Requires TEA, if a district or school fails to meet a minimum performance standard, to determine the appropriate intervention or sanction authorized under the performance standards for the particular area of unsatisfactory performance based on all relevant circumstances, including the number of areas involved and the extent and duration of the unsatisfactory performance.

SECTION 1.05. Amends Sections 7.057(a) and (d), Education Code, as follows:

(a) Authorizes a person, except as provided by Subsection (e) and except to the extent of a conflict with a rule adopted under Section 39.005, to appeal in writing to the commissioner if the person is aggrieved by certain laws or actions.

(d) Authorizes a person aggrieved by an action of TEA or decision of the commissioner, except to the extent of a conflict with a rule adopted under Section 39.005, Education Code, to appeal to a district court in Travis County.

SECTION 1.06. Amends Subchapter C, Chapter 7, Education Code, by adding Sections 7.061, 7.062, and 7.063, as follows:

Sec. 7.061. TECHNOLOGY POLICY. Requires the commissioner to implement a policy requiring TEA to use appropriate technological solutions to improve TEA's ability to perform its functions. Requires said policy to ensure that the public is able to interact with TEA on the Internet.

Sec. 7.062. NEGOTIATED RULEMAKING AND ALTERNATIVE DISPUTE RESOLUTION. Requires the commissioner to develop and implement a policy to encourage the use of negotiated rulemaking procedures under Chapter 2008, Government Code, for the adoption of TEA rules, and appropriate alternative dispute resolution procedures under Chapter 2009, Government Code, to assist in the resolution of internal and external disputes under TEA's jurisdiction. Requires TEA's procedures relating to alternative dispute resolution to conform, to the extent possible, to any model guidelines issued by the State Office of Administrative Hearings for the use of alternative dispute resolution by state agencies. Requires the commissioner to designate a trained person to perform specific functions relating to the policy adopted under this section.

Sec. 7.063. ASSESSMENT OF EDUCATOR WORKLOAD IN ADOPTION OF RULES. Requires the commissioner, before adopting a new rule, to assess whether the proposed rule will impose additional paperwork requirements on educators and, if the commissioner determines that the proposed rule will impose additional paperwork requirements on educators, to structure the rule in a manner that minimizes the paperwork requirements.

SECTION 1.07. Amends Chapter 7, Education Code, by adding Subchapter E, as follows:

SUBCHAPTER E. PERFORMANCE-BASED GRANT SYSTEM

Sec. 7.151. PERFORMANCE-BASED GRANT SYSTEM. Requires TEA to implement a comprehensive, performance-based grant system to collect and report grant performance and spending information in making future grants. Sets forth specific requirements for the grant system.

Sec. 7.152. GRANT PROGRAM PROCEDURES. Requires TEA to ensure that the mission, purpose, and objectives of each TEA grant program supports student academic performance or another public education mission, objective, or goal specified under Sections 4.001 and 4.002, Education Code, each TEA grant program coordinates with other grant programs administered by TEA, grant programs with similar objectives have common performance measures, and the most efficient method for coordinating grant objectives, grant activities, academic performance measures, and funding are used in TEA's grant application and reporting systems.

Sec. 7.153. GRANT ELIGIBILITY NOTIFICATION. Authorizes TEA to use existing data to identify and notify an eligible school district or charter school of the opportunity to apply for a state-funded discretionary grant.

Sec. 7.154. APPLICATION FOR STATE-FUNDED FORMULA GRANTS. Requires TEA to develop a consolidated application to be used by school districts and charter schools in applying for any state-funded formula grant administered by TEA.

Sec. 7.155. AVAILABILITY OF GRANT INFORMATION. Requires TEA to ensure that information relating to the grant system is available to the legislature and the public.

Sec. 7.156. BEST PRACTICES GRANT INFORMATION. Requires TEA to provide data relating to the grant system, including grant spending and performance information,

to each regional education service center. Requires a regional education service center, based on the information provided by TEA, to identify successful grant programs and provide information concerning successful grant programs to the school districts in the service center's region. Provides that application of this section begins with the 2009-2010 school year and that this subsection expires June 1, 2010.

Sec. 7.157. DEVELOPMENT OF GRANT SYSTEM. Requires TEA, in developing the performance-based grant system, to identify each area of data collected for grant programs and the method in which TEA collects the data, determine whether grant data that a school district or charter school is required to collect is useful and supports certain objectives and goals, determine whether grant data is analyzed and disseminated efficiently, and review TEA's policies, procedures, and reporting requirements relating to grant programs administered by TEA to simplify and make more efficient certain processes. Provides that this section expires June 1, 2010.

Sec. 7.158. GRANT ADMINISTRATION DURING CERTAIN SCHOOL YEARS; STATUS REPORT. Requires TEA, not later than January 1, 2007, to provide the legislature with a status report concerning TEA's development of the grant system. Authorizes the report to suggest any statutory changes needed to facilitate a full transition to a performance-based grant system. Requires TEA, beginning with the 2009-2010 school year, to make the performance-based grant system fully available to school districts and charter schools. Provides that this section expires June 1, 2010.

SECTION 1.08. Amends Subchapter A, Chapter 8, Education Code, by adding Section 8.0031, as follows:

Sec. 8.0031. TRAINING FOR MEMBERS OF BOARD OF DIRECTORS. Requires the commissioner to adopt rules prescribing training requirements for members of regional education service center boards of directors. Authorizes specific curriculum to be included in the training curriculum. Requires a member of a regional education service center board of directors to complete any training required by commissioner rule.

SECTION 1.09. Amends Section 8.051(c), Education Code, to require each regional education service center to provide services that enable school districts to operate more efficiently and economically, including collecting and disseminating best practices information as provided by Section 7.010 and identifying and providing information concerning successful grant programs to school districts as provided by Section 7.156.

SECTION 1.10. Amends Subchapter A, Chapter 12, Education Code, by adding Sections 12.004, 12.005, and 12.006, as follows:

Sec. 12.004. CLOSURE AND REVOCATION OR DENIAL OF RENEWAL BECAUSE OF UNSATISFACTORY PERFORMANCE. Requires the commissioner, if for three consecutive school years a charter school receives a rating indicating unacceptable performance as determined by commissioner rule under Subchapter D, Chapter 39, or under an alternative education accountability system for alternative education campuses, to close the charter school and revoke the school's charter or deny renewal of the school's charter if the school's charter is due for renewal.

Sec. 12.005. MONITORING OF CERTAIN CHARTER SCHOOLS. Provides that this section applies only to certain charter schools. Requires TEA to monitor a charter school to which this section applies to make certain assessments. Provides that this section expires September 1, 2007.

Sec. 12.006. FINANCIAL ACCOUNTABILITY. (a) Defines "parent" and "system."

(b) Requires the commissioner to develop and implement a financial accountability rating system for charter schools. Requires the system to include uniform indicators adopted by the commissioner by which to measure a charter school's financial management performance.

- (c) Requires the commissioner to develop, as part of the system, a specific reporting procedure.
- (d) Requires the annual financial management report to include specific information.
- (e) Authorizes the report to include specific information.
- (f) Requires the governing body of each charter school to hold a public hearing on the report and to provide notice of the hearing to the parents of students enrolled in the school. Requires notice of the hearing, in addition to other notice required by law, to be provided through specific media.
- (g) Requires the governing body of the charter school, after the hearing, to provide the report to the parents of students enrolled in the school.
- (h) Requires the commissioner to adopt rules as necessary for the administration of this section.

SECTION 1.11. Amends Section 29.0161, Education Code, to require TEA and the State Office of Administrative Hearings to enter into an interagency contract under which the office conducts TEA's special education due process hearing under 20 U.S.C. Section 1415. Deletes existing text requiring TEA and the State Office of Administrative Hearings, not later than December 1, 2003, to jointly determine whether it would be cost-effective for TEA to enter an interagency contract with the office under which the office would conduct all or part of TEA's special education due process hearings under 20 U.S.C. 1415 and its subsequent amendments. Requires the contract to specify the manner in which TEA will transfer federal funds to the office to pay the costs of conducting the hearing.

SECTION 1.12. Amends Section 29.252(a-1), Education Code, to require TEA to use existing funds to contract with the Texas Workforce Commission for the development of a demand-driven workplace literacy and basic skills curriculum that complies with the requirements adopted under Section 301.172, rather than 301.152, Labor Code. Provides that this subsection expires September 1, 2007, rather than 2005.

SECTION 1.13. Amends Section 31.025, Education Code, by adding Subsection (a-1), to require TEA to recommend to the State Board of Education (SBOE) a limit on the cost that may be paid from the state textbook fund for a textbook placed on the nonconforming list that is prorated in relation to the percentage of elements of the essential knowledge and skills of the subject and grade level that are missing from the textbook.

SECTION 1.14. Amends Sections 31.1011(a)-(c), Education Code, as follows:

(a) Requires the commissioner to implement a program that allows a school district or open-enrollment charter school, rather than a program to study the use of credits for textbooks, which is required to be designed to allow a participating school district or open-enrollment charter school, to receive credit for textbooks purchased at a cost below the cost limit established under Section 31.025(a).

(b) and (c) Makes conforming changes.

SECTION 1.15. Amends Chapter 39, Education Code, by adding Subchapter A, as follows:

SUBCHAPTER A. GENERAL PROVISIONS

[Reserves Sections 39.001-39.004 for expansion.]

Sec. 39.005. **APPEALS RELATING TO ACCREDITATION STANDARDS AND SANCTIONS.** Requires the commissioner, by rule, to establish a procedure under which a school district or charter school may appeal a decision of TEA or the commissioner under Subchapter D or G.

SECTION 1.16. Amends Subchapter B, Chapter 39, Education Code, by adding Section 39.0232, as follows:

Sec. 39.0232. SECURITY IN ADMINISTRATION OF ASSESSMENT INSTRUMENTS. Requires TEA to make every effort to decrease the incorrect and unfair administration of assessment instruments under Section 39.023.

SECTION 1.17. Amends Section 39.182, Education Code, by adding Subsections (b-1), (b-2), and (b-3), as follows:

(b-1) Requires the report to include an assessment of the status of the incorrect and unfair administration of assessment instruments under Section 39.023 and any progress TEA has made under Section 39.0232 in reducing the prevalence of the incorrect and unfair administration of assessment instruments.

(b-2) Requires the report to include an assessment of the impact of the performance-based grant system developed under Subchapter E, Chapter 7, on student academic performance, including specific analyses and recommendations.

(b-3) Provides that application of Subsection (b-2) begins January 1, 2009, and that this subsection expires February 1, 2009.

SECTION 1.18. Redesignates and amends Subchapter I, Chapter 301, Labor Code, as amended by Chapter 817, Acts of the 78th Legislature, Regular Session, 2003, as Subchapter J, Chapter 301, Labor Code, as follows:

SUBCHAPTER J. ADULT EDUCATION AND LITERACY

Sec. 301.171. COOPERATION WITH TEXAS EDUCATION AGENCY TO IMPROVE ADULT EDUCATION AND LITERACY SERVICES. Redesignated from existing Section 301.151, Labor Code.

Sec. 301.172. DEVELOPMENT OF WORKPLACE LITERACY AND BASIC SKILLS CURRICULUM. Redesignated from existing Section 301.152, Labor Code. Provides that this section expires September 1, 2007, rather than 2005.

SECTION 1.19. Repealers: Sections 8.010 (Sunset Provision) and 31.1011(d) and (e) (Textbook Credits), Education Code.

SECTION 1.20. (a) Requires TEA and the Texas Workforce Commission, not later than October 1, 2005, to enter into a contract for developing workplace literacy and basic skills curriculum as required by Section 29.252(a-1), Education Code, as amended by this Act, and Section 301.172, Labor Code, as redesignated and amended by this Act.

(b) Requires the Texas Workforce Commission, as soon as practicable after entering into the contract, to implement the requirements under Section 301.172, Labor Code, as redesignated and amended by this Act.

(c) Requires the Texas Workforce Commission, not later than September 1, 2007, to complete the requirements under Section 301.172, Labor Code, as redesignated and amended by this Act.

SECTION 1.21. Prohibits the commissioner of education from taking action under Section 12.004, Education Code, as added by this Act, based on the performance of a charter school for the 2004-2005 school year or an earlier school year

SECTION 1.22. Provides that this article takes effect immediately if this Act receives a vote of two-thirds of all members elected to each house, as provided by Section 39, Article III, Texas Constitution and that, if this Act does not receive the vote necessary for immediate effect, this article takes effect September 1, 2005.

ARTICLE 2. DRIVER AND TRAFFIC SAFETY EDUCATION

SECTION 2.01. Amends Section 1001.001, Education Code, by amending Subdivisions (2), (3), (4), and (5), and adding Subdivision (13-a), to redefine "approved driving safety course," "course provider," and "department" and define "commission" and "executive director."

SECTION 2.02. Amends Section 1001.002(c), Education Code, to provide that a driver education course is exempt from this chapter, other than Section 1001.005, if the course is conducted by a school or training program that offers only instruction of purely avocational or recreational subjects as determined by the Texas Department of Licensing and Regulation (department), rather than the commissioner of education.

SECTION 2.03. Amends Sections 1001.003 and 1001.004, Education Code, as follows:

Sec. 1001.003. **LEGISLATIVE INTENT REGARDING SMALL BUSINESSES.** Provides that it is the intent of the legislature that the Texas Commission of Licensing and Regulation (commission), rather than TEA, rules that affect driver training schools that qualify as small businesses be adopted and administered so as to have the least possible adverse economic effect on the schools.

Sec. 1001.004. **COST OF ADMINISTERING CHAPTER.** Requires the cost of administering this chapter to be included in the state budget allowance for the department, rather than TEA.

SECTION 2.04. Amends Sections 1001.051 and 1001.052, Education Code, as follows:

Sec. 1001.051. **JURISDICTION OVER SCHOOLS.** Makes conforming changes.

Sec. 1001.052. **RULES.** Requires the commission, rather than TEA, to adopt, rather than adopt and administer, comprehensive rules governing driving safety courses, including rules to ensure the integrity of approved driving safety courses and enhance program quality.

SECTION 2.05. Amends the heading to Section 1001.053, Education Code, to read as follows:

Sec. 1001.053. **POWERS AND DUTIES OF DEPARTMENT.**

SECTION 2.06. Amends Section 1001.053(a), Education Code, to require the department, rather than the commissioner, to administer this chapter, rather than the policies of this chapter, enforce minimum standards for driver training schools under this chapter, and enforce rules adopted by the commission, rather than adopt and enforce rules, necessary to administer this chapter. Deletes existing text requiring a visit to and reexamination of a driver training school or course provider for compliance with this chapter.

SECTION 2.07. Amends the heading to Section 1001.054, Education Code, to read as follows:

Sec. 1001.054. **RULES RESTRICTING ADVERTISING.**

SECTION 2.08. Amends Section 1001.054(c), Education Code, to authorize the commission, rather than commissioner, by rule, to restrict advertising by a branch location of a driver training school so that the location adequately identifies the primary location of the school in a solicitation.

SECTION 2.09. Amends Section 1001.055, Education Code, to authorize the department to charge a fee, rather than a fee of not more than \$4 for each certificate and make conforming changes.

SECTION 2.10. Amends Sections 1001.056(b), (c), (d), (e), and (g), Education Code, as follows:

(a)-(c) Makes conforming changes.

(d) Requires a certificate under this section to include an identifying number by which the department, a court, or the Department of Public Safety may verify its authenticity with the course provider and makes conforming changes.

(e) and (g) Makes conforming changes.

SECTION 2.11. Amends Section 1001.057, Education Code, to make a conforming change.

SECTION 2.12. Amends Subchapter B, Chapter 1001, Education Code, by adding Section 1001.058, as follows:

Sec. 1001.058. DESIGNATION OF PERSON TO ADMINISTER CHAPTER. Authorizes the executive director to designate a person knowledgeable in the administration of regulating driver training schools to administer this chapter for the department.

SECTION 2.13. Amends Sections 1001.101 and 1001.102, Education Code, to make conforming changes.

SECTION 2.14. Amends Sections 1001.103(b), (d), and (e), to authorize the commission, rather than to authorize the commissioner, notwithstanding Section 1001.056, Subchapter D, and Sections 1001.213 and 1001.303, to establish fees in connection with the programs under this section. Makes conforming changes.

SECTION 2.15. Amends Sections 1001.104 and 1001.105, Education Code, to make conforming changes.

SECTION 2.16. Amends Sections 1001.106(b), (c), and (d), Education Code, as follows:

(b) Makes a conforming changes.

(c) Provides that Subchapter F, Chapter 51, Occupations Code, Section 51.353, Occupations Code, and Section 1001.456 of this code, rather than Sections 1001.454, 1001.456, and 1001.553, do not apply to a violation of this section or a rule adopted under this section.

(d) Provides that Section 51.352, Occupations Code, and Sections 1001.501 and 1001.554 of this code, rather than Sections 1001.455(a)(6), 1001.501, 1001.551, 1001.552, and 1001.554, do not apply to a violation of this section.

SECTION 2.17. Amends Section 1001.107, Education Code, to make conforming changes.

SECTION 2.18. Amends Sections 1001.108(a) and (c), Education Code, to require the commission, in developing rules under this section, to consult with the Department of State Health Services, rather than the Texas Department of Health, and to make conforming changes.

SECTION 2.19. Amends Section 1001.151, Education Code, as follows:

Sec. 1001.151. APPLICATION, LICENSE, AND REGISTRATION FEES. (a) Requires the commission to establish, rather than collect, application, license, and registration fees. Requires the department to collect the application, license, and registration fees. Makes a conforming change.

(b) Requires the commission to establish a fee for an initial driver education school license and for each branch location, an initial driving safety school license, an initial course provider license, except that the commission may waive the fee if revenue received from the course provider is sufficient to cover the cost of licensing the course provider, the annual renewal for a course provider, driving safety school, driver education school, or branch location, except that the

commission may waive the fee if revenue generated by the issuance of uniform certificates of course completion and driver education certificates is sufficient to cover the cost of administering this chapter and Article 45.0511, Code of Criminal Procedure, a change of address for a driver education school, a driving safety school, or course provider, a change of name of a driver education school or course provider or an owner of a driver education school or course provider or a driving safety school or owner of a driving safety school, each additional driver education or driving safety course at a driver training school, an application of a director, assistant director, or administrative staff member, and an application for approval of a driving safety course that has not been evaluated by the department. Deletes existing text providing for a fee and establishing a specific dollar amount or maximum dollar amount for each fee and makes conforming changes.

(c) Deletes existing text establishing a specific dollar amount for each fee required under this subsection and makes a conforming change.

(d) Makes a conforming change.

SECTION 2.20. Amends Section 1001.153, Education Code, to make conforming changes.

SECTION 2.21. Amends Section 1001.202(b), Education Code, to make a conforming change.

SECTION 2.22. Amends Sections 1001.203, 1001.204, 1001.205, and 1001.206, Education Code, as follows:

Sec. 1001.203. APPLICATION. Makes conforming changes.

Sec. 1001.204. REQUIREMENTS FOR DRIVER EDUCATION SCHOOL LICENSE. Requires the department to approve an application for a driver education school license if, on investigation of the premises of the school, it is determined that the school provides to each student before enrollment the department's name, mailing address, telephone number, and Internet website address, for the purpose of directing complaints to the department, and does not owe an administrative penalty for a violation of, rather than under, this chapter. Makes conforming changes.

Sec. 1001.205. REQUIREMENTS FOR DRIVING SAFETY SCHOOL LICENSE. Makes conforming changes.

Sec. 1001.206. REQUIREMENTS FOR COURSE PROVIDER LICENSE. Makes conforming changes.

SECTION 2.23. Amends Sections 1001.207(a) and (b), Education Code, to make conforming changes.

SECTION 2.24. Amends Section 1001.209(b), Education Code, to make conforming changes.

SECTION 2.25. Amends Section 1001.210, Education Code, to make a conforming change.

SECTION 2.26. Amends Sections 1001.211(a) and (b), Education Code, to make conforming changes.

SECTION 2.27. Amends Section 1001.212, Education Code, to make a conforming change.

SECTION 2.28. Amends Sections 1001.213(c) and (d), Education Code, to authorize the commission to establish fees for a new driver education school or course provider license under Subsection (b) and for each branch location that are different from the amounts established under Section 1001.151 if certain requirements are met. Deletes existing text providing that, instead of the fees required by Section 1001.151, the fee for a new driver education school or course provider license under Subsection (b) is \$500, plus \$200 for each branch location if certain requirements are met. Makes a conforming change.

SECTION 2.29. Amends Section 1001.214, Education Code, to make a conforming change.

SECTION 2.30. Amends Sections 1001.251, 1001.252, and 1001.253, Education Code, to make conforming changes.

SECTION 2.31. Amends Section 1001.254(a), Education Code, to make a conforming change.

SECTION 2.32. Amends Sections 1001.255(a), (b), and (c), Education Code, to make conforming changes.

SECTION 2.33. Amends Section 1001.256, Education Code, to make conforming changes.

SECTION 2.34. Amends the heading to Subchapter G, Chapter 1001, Education Code, to read as follows:

SUBCHAPTER G. LICENSE EXPIRATION

SECTION 2.35. Amends Section 1001.351(b), Education Code, to make conforming changes.

SECTION 2.36. Amends Sections 1001.354(a) and (b), Education Code, to make conforming changes.

SECTION 2.37. Amends Sections 1001.404(b) and (c), Education Code, to make conforming changes.

SECTION 2.38. Amends Sections 1001.451 and 1001.452, Education Code, to make conforming changes.

SECTION 2.39. Amends Sections 1001.453(d) and (e), Education Code, to make conforming changes.

SECTION 2.40. Amends Section 1001.456, Education Code, to authorize the department to perform specific actions if the department believes that a driver education school or instructor has violated this chapter or a rule or order of the commission or executive director. Makes conforming changes.

SECTION 2.41. Amends the heading to Subchapter L, Chapter 1001, Education Code, to read as follows:

SUBCHAPTER L. PENALTIES

SECTION 2.42. Amends Section 1001.555(b), Education Code, to make conforming changes.

SECTION 2.43. Amends Article 45.0511(b), Code of Criminal Procedure, to make a conforming change.

SECTION 2.44. Amends Section 51.308, Education Code, to make a conforming change.

SECTION 2.45. Amends Section 521.1655(a), Transportation Code, to authorize a driver education school licensed under Chapter 1001, Education Code, rather than the Texas Driver and Traffic Safety Education Act (Article 4413(29c), V.T.C.S.), to administer to a student of that school the vision, highway sign, and traffic law parts of the examination required by Section 521.161, Transportation Code.

SECTION 2.46. Amends Section 521.203, Transportation Code, to make a conforming change.

SECTION 2.47. Amends Sections 521.205(b) and (d), Transportation Code, to make conforming changes.

SECTION 2.48. Repealers: Sections 1001.001(1) (Definitions), 1001.053(b) and (c) (Powers and Duties of Commissioner), 1001.054(a) and (b) (Rules Restricting Advertising or

Competitive Bidding), 1001.152 (Duty to Review and Recommend Adjustments in Fee Amounts), 1001.303 (Renewal of School or Course Provider License), 1001.304 (Renewal of Instructor License), 1001.454 (Revocation of or Placement of Conditions on School or Course Provider License), 1001.455 (Denial, Suspension, or Revocation of Instructor License), 1001.457 (Term of License Suspension), 1001.458 (Surrender of License), 1001.459 (Appeal and Request for Hearing), 1001.460 (Hearing), 1001.461 (Judicial Review), 1001.551 (Injunction in General), 1001.552 (Injunction Against School), and 1001.553 (Administrative Penalty), Education Code and Subchapter B, Chapter 543 (Dismissal of Certain Misdemeanor Charges on Completing Driving Safety Course), Transportation Code.

SECTION 2.49. (a) Requires the Texas Education Agency and the Texas Department of Licensing and Regulation, as soon as practicable after the effective date of this Act, to develop a transition plan for transferring the functions performed by the Texas Education Agency under Chapter 1001, Education Code, to the Texas Department of Licensing and Regulation. Requires the transition plan to include a timetable with specific steps and deadlines needed to complete the transfer.

(b) Transfers all activities, functions, rules, proceedings, funds, property, and employees of the Texas Education Agency relating to Chapter 1001, Education Code, to the Texas Department of Licensing and Regulation on November 1, 2005, in accordance with the transition plan required under Subsection (a).

(c) Authorizes the Texas Education Agency, before November 1, 2005, to agree with the Texas Department of Licensing and Regulation to transfer any property of the Texas Education Agency to the Texas Department of Licensing and Regulation to implement the transfer required by this Act.

(d) Requires the Texas Education Agency, in the period beginning September 1, 2005, and ending on November 1, 2005, to continue to perform functions and activities under Chapter 1001, Education Code, as if that chapter had not been amended by this Act, and provides that the former law is continued in effect for that purpose.

SECTION 2.50. Makes application of the changes in law made by this article, to a fee, prospective.

SECTION 2.51. Makes application of the changes in law made by this article, to a license, prospective.

SECTION 2.52. Provides that this article takes effect September 1, 2005.

ARTICLE 3. EFFECTIVE DATE

SECTION 3.01. Provides that this Act takes effect according to its terms.