

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 218
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Education
4/15/2013
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Education Agency (TEA) oversees the state's elementary and secondary public education system, providing leadership, guidance, and resources to help schools meet the educational needs of all students.

TEA is subject to the Sunset Act and will be abolished on September 1, 2013, unless continued by the legislature. The Sunset review focused on evaluating the effectiveness of TEA in reshaping its role and priorities within the education system after losing one-third of its general revenue funding and staff in 2011. Despite the recent downsizing, the TEA's statutory responsibilities have not been similarly reduced. The Sunset Commission concluded that Texas has an ongoing need for the functions of TEA, particularly in ensuring that public schools provide a quality education and use taxpayer dollars appropriately, but that changes are needed to allow TEA to focus on its key duties, eliminate unnecessary responsibilities, and improve program effectiveness.

The purpose of C.S.S.B. 218 is to enact the recommendations of the Sunset Advisory Commission on TEA.

C.S.S.B. 218 amends current law relating to the continuation and functions of the Texas Education Agency and to the abolition of the State Board for Educator Certification and the transfer of its functions to the Texas Education Agency, changes the amounts of certain fees, and provides for the ad valorem tax rate to be imposed after annexation of an insolvent or inoperative school district.

[**Note:** While the statutory reference in this bill is to the Department of Protective and Regulatory Services (DPRS), the following amendments affect the Department of Family and Protective Services, as the successor agency to DPRS.]

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the commissioner of education (commissioner) is modified in SECTION 102 (Section 39.305, Education Code) of this bill.

Rulemaking authority is expressly granted to the Texas Education Agency (TEA) in SECTION 111 (Section 42.011, Education Code) of this bill.

Rulemaking authority is expressly granted to the commissioner in SECTION 8 (Section 7.064, Education Code), SECTION 12 (Section 12.1141, Education Code), SECTION 17 (Sections 12.1165 and 12.1166, Education Code), SECTION 20 (Section 12.1201, Education Code), SECTION 22 (Section 13.0521, Education Code), SECTION 23 (Section 13.054, Education Code), SECTION 26 (Section 21.006, Education Code), SECTION 27 (Section 21.007, Education Code), SECTION 28 (Section 21.031, Education Code), SECTION 30 (Section 21.041, Education Code), SECTION 31 (Section 21.044, Education Code), SECTION 32 (Section 21.045, Education Code), SECTION 34 (Section 21.0451, Education Code), SECTION 36 (Section 21.0455, Education Code), SECTION 38 (Section 21.047, Education Code), SECTION 39 (Section 21.048, Education Code), SECTION 45 (Section 21.049, Education Code), SECTION 46 (Section 21.050, Education Code), SECTION 47 (Section 21.051, Education Code), SECTION 49 (Section 21.054, Education Code), SECTION 51 (Section

21.056, Education Code), SECTION 53 (Section 21.058, Education Code), SECTION 66 (Section 21.553, Education Code), SECTION 71 (Section 22.0831, Education Code), SECTION 82 (Section 29.252, Education Code), SECTION 92 (Section 39.082, Education Code), and SECTION 207 of this bill.

Rulemaking authority previously granted to TEA is rescinded in SECTION 82 (Section 29.252, Education Code), SECTION 83 (Section 29.255, Education Code), and SECTION 204 (Section 29.2535, Education Code) of this bill.

Rulemaking authority previously granted to the commissioner is rescinded in SECTION 99 (Section 39.233, Education Code), SECTION 124 (Section 1001.053, Education Code), and SECTION 204 (Sections 7.055, 11.201, 21.4541, 29.096, 29.099, 39.0822, 39.204, 39.407, and 39.416, Education Code) of this bill.

Rulemaking authority previously granted to TEA is transferred to the Texas Commission of Licensing and Regulation (TCLR) in SECTION 124 (Section 1001.052, Education Code), SECTION 125 (Section 1001.055, Education Code), SECTION 126 (Section 1001.056, Education Code), SECTION 131 (Section 1001.102, Education Code), SECTION 132 (Section 1001.1025, Education Code), and SECTION 199 (Sections 543.111 and 543.112, Transportation Code) of this bill.

Rulemaking authority is expressly granted to TCLR in SECTION 124 (Section 1001.053, Education Code), SECTION 125 (Section 1001.055, Education Code), SECTION 126 (Section 1001.056, Education Code), SECTION 140 (Section 1001.151, Education Code), SECTION 160 (Section 1001.303, Education Code), SECTION 161 (Section 1001.304, Education Code), and SECTION 200 (Section 543.113, Transportation Code) of this bill.

Rulemaking authority previously granted to the commissioner is transferred to TCLR in SECTION 122 (Section 1001.003, Education Code), SECTION 124 (Section 1001.054, Education Code), SECTION 126 (Section 1001.056, Education Code), SECTION 129 (Section 1001.101, Education Code), SECTION 130 (Section 1001.1015, Education Code), SECTION 135 (Section 1001.106, Education Code), SECTION 136 (Section 1001.107, Education Code), SECTION 137 (Section 1001.108, Education Code), SECTION 138 (Section 1001.110, Education Code), SECTION 139 (Section 1001.111, Education Code), SECTION 151 (Section 1001.2511, Education Code), SECTION 152 (Section 1001.2512, Education Code) of this bill.

Rulemaking authority transferred to TCLR is restricted in SECTION 124 (Section 1001.054, Education Code) of this bill.

Rulemaking authority previously granted to the State Board for Educator Certification (SBEC) is transferred to the commissioner in SECTION 184 (Section 821.103, Education Code) of this bill.

Rulemaking authority is expressly granted to the Texas Workforce Commission in SECTION 187 (Sections 315.002 and 315.007, Labor Code) of this bill.

Rulemaking authority previously granted to TEA is transferred to the Texas Department of Licensing and Regulation (TDLR) in SECTION 199 (Section 543.111, Transportation Code) of this bill.

Rulemaking authority previously granted to the State Board of Education (SBOE) is transferred to TCLR in SECTION 199 (Section 543.112, Transportation Code) of this bill.

Rulemaking authority previously granted to SBOE is rescinded in SECTION 204 (Sections 7.102 and 42.152, Education Code) of this bill.

Rulemaking authority previously granted to the commissioner of higher education is rescinded in SECTION 204 (Sections 39.407 and 39.416, Education Code) of this bill.

Rulemaking authority previously granted to the commissioner is transferred to TCLR or TDLR, as applicable in SECTION 209 of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 7.004, Education Code, as follows:

Sec. 7004. SUNSET PROVISION. Provides that the Texas Education Agency (TEA), unless continued in existence as provided by Chapter 325 (Sunset Law), Government Code (Texas Sunset Act), is abolished September 1, 2025, rather than September 1, 2013.

SECTION 2. Amends Section 7.021(a), Education Code, as follows:

(a) Requires TEA to:

- (1) distribute state and federal funding to public schools and ensure the proper use of those funds;
- (2) monitor public schools for compliance with state and federal guidelines, subject to the limitations in Section 7.028 (Limitation on Compliance Monitoring);
- (3) administer the statewide standardized testing program and accountability systems;
- (4) provide assistance to and impose interventions and sanctions on public schools that consistently fail to meet state or federal accountability standards;
- (5) provide support to SBOE in developing statewide curriculum standards, adopting instructional materials, managing the instructional materials allotment and distribution process, and carrying out duties related to the permanent school fund;
- (6) collect, analyze, and make accessible a wide array of educational and financial data from public schools;
- (7) ensure the quality of public school educators by certifying educators, regulating educator preparation programs, and taking enforcement action in cases of educator misconduct; and
- (8) carry out any other duties imposed on TEA by the legislature consistent with TEA's appropriations and mission.

Deletes existing text requiring TEA to perform the educational functions provided by Subsection (b) (relating to requiring TEA to perform certain educational functions as set forth).

SECTION 3. Amends Subchapter B, Chapter 7, Education Code, by adding Section 7.0235, as follows:

Sec. 7.0235. RESTRICTIONS ON AGENCY EMPLOYMENT. (a) Defines "Texas trade association" in this section.

(b) Prohibits a person from being a TEA employee employed in a "bona fide executive, administrative, or professional capacity," as that phrase is used for purposes of establishing an exemption to the overtime provisions of the federal Fair Labor Standards Act of 1938 (29 U.S.C. Section 201 et seq.), if:

- (1) the person is an officer, employee, or paid consultant of a Texas trade association in the field of elementary or secondary education; or

(2) the person's spouse is an officer, manager, or paid consultant of a Texas trade association in the field of elementary or secondary education.

(c) Prohibits a person from acting as the general counsel to the commissioner of education (commissioner) or TEA if the person is required to register as a lobbyist under Chapter 305 (Registration of Lobbyists), Government Code, because of the person's activities for compensation on behalf of a profession related to the operation of TEA.

SECTION 4. Amends Subchapter B, Chapter 7, Education Code, by adding Sections 7.034, 7.035, and 7.036, as follows:

Sec. 7.034. PUBLIC INVOLVEMENT POLICY. Requires TEA to develop and implement a policy regarding public involvement with TEA. Requires that the policy:

- (1) describe how TEA will proactively engage stakeholders;
- (2) distinguish the purposes and appropriate uses of advisory committees and informal work groups, including by specifying that an informal work group:
 - (A) is not subject to Chapter 2110 (State Agencies Advisory Committees), Government Code; and
 - (B) is required to have a well-defined purpose and follow specific timelines for completing tasks;
- (3) identify actions TEA will take that exceed the minimum open meetings requirements under Chapter 551 (Open Meetings), Government Code;
- (4) include a strategy for providing updated information regarding advisory committees and issues of concern to stakeholders through TEA's Internet website; and
- (5) describe how public input will affect TEA decisions, including by providing information regarding the specific outcomes for all types of public input.

Sec. 7.035. COMPLAINTS. (a) Requires TEA to maintain a system to promptly and efficiently act on complaints filed with TEA. Requires TEA to maintain information about parties to the complaint, the subject matter of the complaint, a summary of the results of the review or investigation of the complaint, and its disposition.

(b) Requires TEA to make information available describing its procedures for complaint investigation and resolution.

(c) Requires TEA to periodically notify the complaint parties of the status of the complaint until final disposition.

Sec. 7.036. NEGOTIATED RULEMAKING; ALTERNATIVE DISPUTE RESOLUTION. (a) Requires TEA to develop and implement a policy to encourage the use of:

- (1) negotiated rulemaking procedures under Chapter 2008 (Negotiated Rulemaking), Government Code, for the adoption of TEA rules; and
- (2) appropriate alternative dispute resolution procedures under Chapter 2009 (Alternative Dispute Resolution for Use by Governmental Bodies), Government Code, to assist in the resolution of internal and external disputes under TEA's jurisdiction.

(b) Requires that TEA's procedures relating to alternative dispute resolution conform, to the extent possible, to any model guidelines issued by the State Office of Administrative Hearings (SOAH) for the use of alternative dispute resolution by state agencies.

(c) Requires TEA to coordinate the implementation of the policy adopted under Subsection (a), to provide training as needed to implement the procedures for negotiated rulemaking or alternative dispute resolution, and to collect data concerning the effectiveness of those procedures.

SECTION 5. Amends Section 7.055(a), Education Code, as follows:

(a) Requires the commissioner to:

(1) serve as the educational leader of the state;

(2) serve as executive officer of TEA, with authority to:

(A) employ division heads and any other employees and clerks necessary to perform the duties of TEA;

(B) delegate ministerial and executive functions to TEA staff;

(C) appoint advisory committees, in accordance with Chapter 2110, Government Code, as necessary to advise the commissioner in carrying out the duties and mission of TEA; and

(D) appoint an internal auditor for TEA; and

(3) carry out the duties imposed on the commissioner by the legislature.

Deletes existing text providing that the commissioner has the powers and duties provided by Subsection (b) (relating to requiring the commissioner to execute certain powers and duties as set forth).

SECTION 6. Transfers Section 7.055(b)(9), Education Code, to Subchapter A, Chapter 7, Education Code, redesignates it as Section 7.011, Education Code, and amends it as follows:

Sec. 7.011. New heading: TEXAS SCHOOL LAW BULLETIN. Redesignates existing Section 7.055(b)(9) as Section 7.011. Requires the commissioner to have a bulletin, rather than manual, published at least once every two years that contains certain provisions. Requires the commissioner to provide for the distribution of the bulletin, rather than manual, as determined by the State Board of Education (SBOE).

SECTION 7. Transfers Section 7.055(b)(40), Education Code, to Subchapter A, Chapter 21, Education Code, and redesignates it as Section 21.009, Education Code, and amends it as follows:

Sec. 21.009. New heading: SUSPENSION RELATING TO COLLECTIVE BARGAINING OR STRIKES. Redesignates existing Section 7.055(b)(40) as Section 21.009. Makes no further change to this section.

SECTION 8. Amends Subchapter C, Chapter 7, Education Code, by adding Section 7.064, as follows:

Sec. 7.064. ADVISORY COMMITTEE RULES. (a) Requires the commissioner to adopt rules, in compliance with Chapter 2110, Government Code, regarding an advisory committee that primarily functions to advise the commissioner or TEA, including rules governing an advisory committee's purpose, tasks, reporting requirements, and abolishment date.

(b) Authorizes the commissioner to adopt rules under this section regarding an advisory committee's:

- (1) size and quorum requirements;
- (2) qualifications for membership, including experience requirements and geographic representation;
- (3) appointment procedures;
- (4) terms of service; and
- (5) compliance with the requirements for open meetings under Chapter 551, Government Code.

SECTION 9. Amends Section 12.102, Education Code, to provide that an open-enrollment charter school retains authority to operate under the charter to the extent authorized under Section 12.1141.

SECTION 10. Amends Section 12.111(a), Education Code, as follows:

(a) Requires each charter granted under this subchapter (Open-Enrollment Charter School) to:

- (1) Makes no change to this subdivision;
- (2) specify that the period for which the initial charter or any charter renewal is valid is eight years;
- (3) provide that the continuation or renewal of the charter is contingent on:
 - (A) Creates this subdivision from existing text and makes nonsubstantive changes;
 - (B) a determination by the commissioner under Section 12.1141;
- (4) Makes a nonsubstantive change; and
- (5)-(15) Makes no change to these subdivisions.

SECTION 11. Amends Section 12.1054(a), Education Code, as follows:

(a) Provides that a member of the governing body of a charter holder, a member of the governing body of an open-enrollment charter school, or an officer of an open-enrollment charter school is considered to be a local public official for purposes of Chapter 171 (Regulation of Conflicts of Interest of Officers of Municipalities, Counties, and Certain Other Local Governments), Local Government Code. Provides that, for purposes of that chapter:

- (1) a member of the governing body of a charter holder or a member of the governing body or officer of an open-enrollment charter school is considered to have a substantial interest in a business entity if a person related to the member or officer in the third degree by consanguinity or in the second degree by affinity, as determined under Chapter 573 (Degrees of Relationship; Nepotism Prohibitions), Government Code, has a substantial interest in the business entity under Section 171.002 (Substantial Interest in Business Entity), Local Government Code; and
- (2) notwithstanding any provision of Subdivision (1), employees of an open-enrollment charter school rated as acceptable, rather than acceptable or higher,

under Section 39.054 (Methods and Standards for Evaluating Performance) for at least two of the preceding three school years are authorized to serve as members of the governing body of the charter holder or the governing body of the school if the employees do not constitute a quorum of the governing body or any committee of the governing body; however, all members are required to comply with the requirements of Sections 171.003 (Prohibited Acts; Penalty), 171.004 (Affidavit and Abstention from Voting Required), 171.005 (Voting on Budget), 171.006 (Effect of Violation of Chapter), and 171.007 (Common Law Preempted; Cumulative of Municipal Provisions), Local Government Code.

SECTION 12. Amends Subchapter D, Chapter 12, Education Code, by adding Section 12.1141, as follows:

Sec. 12.1141. RENEWAL OF CHARTER; REVIEW. (a) Provides that the charter of an open-enrollment charter school expires after eight years unless renewed by the commissioner.

(b) Requires, under rules adopted by the commissioner, not later than the date on which a charter of an open-enrollment charter school expires under Subsection (a):

(1) a charter holder to apply for a renewal of the charter; and

(2) the commissioner to renew the charter for a term of eight years, deny renewal of the charter, or renew the charter on a probationary basis as provided by Subsection (e).

(c) Requires the commissioner by rule to establish a review process for the renewal of the charter of an open-enrollment charter school. Requires the commissioner, in establishing a review process for renewal under this section, to:

(1) adopt clear standards for renewal, including academic, financial, and governance standards and other relevant standards as determined by the commissioner; and

(2) provide a streamlined review process for an open-enrollment charter school with a history of high academic and financial performance and no interventions or sanctions, including clear standards for eligibility for this process.

(d) Provides that the commissioner, in conducting a review for renewal under this section:

(1) is required to consider the extent to which an open-enrollment charter school has met the standards established under Subsection (c)(1), and operated in compliance with the terms of the school's charter; and

(2) is authorized to request from the school any information necessary, as determined by the commissioner, to make a determination under this section.

(e) Authorizes the commissioner to renew the charter of an open-enrollment charter school on a probationary basis for a period of one year. Requires the commissioner to establish standards for improvement for a school renewed on a probationary basis. Requires the commissioner, following the probationary period under this subsection, to renew or deny renewal of the charter based on the school's performance on the standards for improvement, as determined by the commissioner.

(f) Requires an open-enrollment charter school that intends to challenge a decision by the commissioner under this section to appeal the decision under the procedures provided under Section 12.116. Authorizes an open-enrollment charter school may continue to operate pending an appeal under Section 12.116.

(g) Requires the commissioner, not later than September 1, 2014, to adopt rules for the implementation of this section. Authorizes the rules to modify the expiration date of one or more charters as necessary to equalize TEA's annual renewal workload during the transition to the renewal system required by this section. Provides that this subsection expires October 1, 2014.

SECTION 13. Amends Section 12.115, Education Code, by adding Subsections (c) and (d), as follows:

(c) Requires the commissioner to establish separate performance standards for each of the actions authorized to be taken by the commissioner under Subsection (a) (relating to authorizing the commissioner to modify, place on probation, revoke, or deny renewal of the charter of an open-enrollment charter school under certain circumstances).

(d) Requires the commissioner, in making a determination under Subsection (a), to consider:

(1) the charter holder's history of violations of the charter or performance on accountability provisions prescribed by the charter;

(2) the number and severity of previous violations or unsatisfactory performance on accountability provisions;

(3) the charter holder's efforts to correct, and whether the charter holder corrected, previous violations or unsatisfactory performance on accountability provisions; and

(4) any other actions necessary to deter future violations or unsatisfactory performance on accountability provisions, as determined by the commissioner.

SECTION 14. Amends the heading to Section 12.116, Education Code, to read as follows:

Sec. 12.116. PROCEDURES FOR MODIFICATION, PLACEMENT ON PROBATION, REVOCATION, OR DENIAL OF RENEWAL.

SECTION 15. Amends Sections 12.116(a) and (b), Education Code, as follows:

(a) Requires the commissioner to adopt procedures, rather than a procedure, to be used for modifying, placing on probation, revoking, or denting renewal of the charter of an open-enrollment charter school and to make conforming changes.

(b) Makes a conforming change.

SECTION 16. Amends Section 12.1162(e), Education Code, to authorize, rather than require, the commissioner, immediately after a hearing under Subsection (d) (relating to requiring the commissioner to provide a charter holder an opportunity for a hearing under certain circumstances), to cease the action under Subsection (b) (relating to authorizing the commissioner to impose certain reasonable sanctions against an open-enrollment charter school under certain circumstances) or impose additional sanctions as determined by the commissioner, including a sanction provision under Subchapter E (Accreditation Interventions and Sanctions), Chapter 39.

SECTION 17. Amends Subchapter D, Chapter 12, Education Code, by adding Sections 12.1165, 12.1166, and 12.1167, as follows:

Sec. 12.1165. REVOCATION REQUIRED FOR FAILURE TO MEET ACADEMIC PERFORMANCE OR FINANCIAL ACCOUNTABILITY STANDARDS. (a) Requires the commissioner to revoke the charter of an open-enrollment charter school and order closure of all campuses and programs operated under the school's charter if the open-enrollment charter school:

(1) does not satisfy the academic performance standards under Section 39.053 (Performance Indicators: Student Achievement) or 39.054 for three consecutive years; or

(2) does not satisfy a financial accountability standard, as determined by the commissioner, for three consecutive years.

(b) Provides that a charter holder, notwithstanding Section 12.116, is not entitled to a hearing before the charter is revoked under this section. Provides that a revocation order under this section is final and is prohibited from being appealed.

(c) Authorizes the charter holder, before the commissioner orders revocation under Subsection (a), to challenge under Section 39.151 (Review by Commissioner: Accountability Determination) a TEA decision relating to an academic performance or financial accountability rating that affects the open-enrollment charter school.

(d) Requires TEA, not later than June 15 of each year, to provide to each open-enrollment charter school at risk of revocation of the school's charter under this section the school's academic performance and financial accountability ratings.

(e) Requires the commissioner to adopt rules to implement this section.

(e-1) Requires the commissioner to adopt initial rules under Subsection (e) not later than June 1, 2014. Provides that this subsection expires July 1, 2014.

Sec. 12.1166. REVOCATION FOR INSOLVENCY. (a) Authorizes the commissioner, if the commissioner determines that an open-enrollment charter school does not have sufficient funding to complete the next school year, to, before the beginning of the next school year or term, suspend the authority of all campuses under the school's charter to operate, and to pursue revocation of the charter.

(b) Requires the commissioner, not later than the 10th day after the date the commissioner initiates action under Subsection (a), to provide the charter holder an opportunity for a hearing.

(c) Requires the commissioner, if after a hearing under Subsection (b) the commissioner determines that the open-enrollment charter school does not have sufficient funding to complete the next school year, to proceed with a revocation under this section. Requires the commissioner, if after a hearing under Subsection (b) the commissioner determines that the open-enrollment charter school does have sufficient funding to complete the next school year, to cease the action under Subsection (a), but authorizes the commissioner to impose sanctions as determined by the commissioner, including a sanction under Subchapter E, Chapter 39.

(d) Requires an open-enrollment charter school that intends to challenge a decision by the commissioner under this section to appeal the decision under the procedures provided under Section 12.116. Requires that the authority of an open-enrollment charter school to operate remain suspended under Subsection (a) pending an appeal under Section 12.116. Provides that the commissioner's decision following the appeal is final and is prohibited from being further appealed.

(e) Requires the commissioner to adopt rules for determining whether an open-enrollment charter school has sufficient funding to complete the next school year for purposes of this section.

(e-1) Requires the commissioner to adopt initial rules under Subsection (e) not later than March 1, 2014. Provides that this subsection expires April 1, 2014.

(f) Provides that Chapter 2001 (Administrative Procedure), Government Code, does not apply to a hearing under this section.

Sec. 12.1167. STUDENT'S BEST INTEREST STANDARD. Authorizes the commissioner, in taking action under this subchapter, to consider the best interest of an open-enrollment charter school's students.

SECTION 18. Amends Section 12.118, Education Code, as follows:

Sec. 12.118. EVALUATION OF OPEN-ENROLLMENT CHARTER SCHOOLS. (a) Requires the commissioner to designate an impartial organization with experience in evaluating school choice programs to conduct an evaluation of open-enrollment charter schools once every four years, rather than annually.

(b) Requires that an evaluation under this section include an evaluation of cost, performance, or other issues, as determined by the commissioner. Deletes existing text requiring that an evaluation under this section include consideration of certain items before implementing the charter and after implementing the charter.

Deletes existing Subsection (c) requiring that the evaluation of open-enrollment charter schools include an evaluation of certain costs and effects.

(c) Requires TEA, not later than December 1 of each year in which an evaluation is conducted under Subsection (a), to submit a report to the legislature regarding the findings of an evaluation conducted under this section. Requires that the report include appropriate recommendations, as determined by TEA, to improve the performance and regulation of open-enrollment charter schools.

(c-1) Requires TEA to submit the first report required under Subsection (c) not later than December 1, 2016. Provides that this subsection expires January 1, 2017.

SECTION 19. Amends Section 12.120, Education Code, by adding Subsections (c), (c-1), and (c-2), as follows:

(c) Prohibits a person from serving as a member of the governing body of a charter holder if the person is related to another member of the same governing body in the third degree by consanguinity or in the second degree by affinity, as determined under Chapter 573, Government Code.

(c-1) Requires a member of a governing board of a charter holder with a relationship described by Subsection (c), not later than September 1, 2015, to be replaced to comply with the requirements of that subsection.

(c-2) Provides that this subsection and Subsection (c-1) expire October 1, 2015.

SECTION 20. Amends Subchapter D, Chapter 12, Education Code, by adding Section 12.1201, as follows:

Sec. 12.1201. MODIFICATION OF GOVERNANCE. (a) Authorizes the commissioner, if the commissioner determines that the governing body of a charter

holder is not providing adequate oversight of an open-enrollment charter school and other sanctions have not been effective, to reconstitute the governing body.

(b) Requires the commissioner, in reconstituting the governing body of a charter holder under this section, to appoint members to the governing body. Provides that, in appointing members under this subsection, the commissioner:

(1) is required to consider local input from community members and parents, and appropriate credentials and expertise for membership, including financial expertise, whether the person lives in the geographic area the charter holder serves, and whether the person is an educator; and

(2) is authorized reappoint current members of the governing body.

(c) Authorizes the commissioner, if a governing body of a charter holder subject to reconstitution under this section governs enterprises other than the open-enrollment charter school, to require the charter holder to:

(1) create a new, single-purpose organization that is exempt from taxation under Section 501(c)(3), Internal Revenue Code of 1986, to govern the open-enrollment charter school; and

(2) surrender the charter to the commissioner for transfer to the organization created under Subdivision (1).

(d) Requires the commissioner to appoint the members of the governing body of an organization created under Subsection (c)(1).

(e) Provides that the authority granted to the commissioner under this section does not supersede the attorney general's authority over charitable organizations.

(f) Requires the commissioner to adopt rules necessary to implement this section.

(f-1) Requires the commissioner to adopt initial rules under Subsection (f) not later than September 1, 2014. Provides that this subsection expires October 1, 2014.

SECTION 21. Amends Section 13.005(a), Education Code, to provide that the annexation of all or part of the territory of one district to another, except as provided by this section, Section 13.054, or a local consolidation agreement under Section 13.158 (Local Consolidation Agreement), is effective on the first July 1 that is more than 30 days after the date of the order or ordinance accomplishing the annexation or of the declaration of the results of an election at which the transfer is approved.

SECTION 22. Amends Subchapter B, Chapter 13, Education Code, by adding Section 13.0521, as follows:

Sec. 13.0521. **INSOLVENT OR INOPERATIVE DISTRICT.** (a) Authorizes the board of trustees of a school district to notify the commissioner that the district is unable to complete the current or subsequent school year for financial or other reasons. Requires the commissioner, on notification, to investigate the finances and other circumstances of the district. Requires the commissioner, if the commissioner determines that the district is unable to complete the current or subsequent school year, to report the district to the commissioner's court of each county that contains district territory for annexation as provided by this section.

(b) Requires the commissioner, if a district has failed to operate school for 10 or more days of its regular school year, to notify the district that it is subject to annexation under this section. Requires the commissioner to require the district to submit a plan not later than the 10th day after the date the commissioner provides

notification describing how the district will complete the current school year and subsequent school year. Requires the commissioner, if the district fails to submit a plan, or if the commissioner, after evaluating the district's plan, determines that the district cannot reasonably be expected to complete the current or subsequent school year, to report the district to the commissioners court of each county that contains district territory for annexation as provided by this section.

(c) Requires each commissioners court by order to annex district territory within the county to one or more other districts in the county or to a contiguous district in an adjacent county, provided that the commissioners court of the adjacent county consents to the annexation. Requires that an annexation under this section occur in an open meeting with opportunity for public comment.

(d) Requires the commissioner, if a commissioners court fails to order annexation of district territory on or before the 60th day after the date the commissioner reports the district to the commissioners court, to order annexation of the territory to one or more other districts. Authorizes the commissioner to annex the territory to a district in the same county or to a contiguous district in an adjacent county.

(e) Requires the commissioners court or the commissioner, as applicable, to specify the effective date for the annexation, which is prohibited from being later than the first anniversary of the date of the annexation order. Requires that the order identify the district or districts required to serve students residing in the district to be annexed through any school year that begins before the effective date of the annexation. Requires a district required to serve students under this subsection to provide services equivalent to those provided to the district's other students and entitles a district to funding for the attendance and transportation of students served as required by the order.

(f) Requires that the annexation order define by legal boundary description the resulting territory of each district to which territory is annexed and be recorded in the minutes of the commissioners court.

(g) Provides that the governing board of a district to which territory is annexed is the governing board for the resulting district.

(h) Provides that title to real property of the annexed district vests in the district to which the property is annexed. Provides that each district to which territory is annexed assumes and is liable for any portion of the annexed district's indebtedness that is allocated to the receiving district under Section 13.004 (Allocation of Indebtedness and Personal Property).

(i) Entitles a district to which territory is annexed under this section to incentive aid under Section 13.281 (Incentive Aid), as determined by the commissioner, as if the district were created through consolidation.

(j) Requires that the annexation order provide for taxation of the territory annexed during the year in which the annexation takes place. Requires that the order, unless a different rate is required by Section 3-b (Independent School Districts and Junior College Districts; Taxes and Bonds; Changes in Boundaries), Article VII, Texas Constitution, provide for a levy of a tax at a rate equal to the maintenance and operations tax rate of the district to which the territory is annexed, plus any required interest and sinking fund tax.

(k) Provides that this section, except as otherwise provided by this subsection, does not affect the authority of the board of trustees of a district subject to annexation under this section to pursue consolidation under Subchapter D (Consolidation) of this chapter or Subchapter B (Consolidation by Agreement), Chapter 41. Authorizes actions authorized under this section to be taken pending the outcome of an election to consolidate districts under Subchapter D of this

chapter or a decision to consolidate under Subchapter B, Chapter 41. Provides that an election to consolidate or a decision to consolidate under Subchapter B, Chapter 41, that occurs not later than the 60th day following the date an annexation order is entered under this section prevails over the annexation order if the proposition for consolidation is adopted in both districts, provided that a district required to serve students under Subsection (e) is required to allow any student to attend school through the completion of the school year in which the effective date of a consolidation occurs. Provides that an election to consolidate or a decision to consolidate under Subchapter B, Chapter 41, that occurs later than the 60th day following the date an annexation order is entered under this section is void.

(l) Provides that a determination by the commissioner or a commissioner's court under this section, notwithstanding Section 13.009 (Appeals), is final and is prohibited from being appealed.

(m) Authorizes the commissioner to adopt rules to implement this section.

SECTION 23. Amends Section 13.054, Education Code, by amending Subsections (a), (b), and (d) and adding Subsection (h), as follows:

(a) Authorizes the commissioner by order to annex to one or more districts a school district that has received an accreditation status of accredited-warned or accredited-probation, has failed to satisfy any standard under Section 39.054(e) (relating to requiring an annual performance review under this section to include an analysis of student achievement indicators that meets certain criteria), or has failed to satisfy financial accountability standards as determined by commissioner rule for a period of two consecutive years. Deletes existing text authorizing the commissioner by order to annex to one or more adjoining districts a school district that has been rated as academically unacceptable for a period of two years.

(b) Provides that the governing board of a district to which territory, rather than territory of an academically unacceptable district, is annexed is the governing board for the new district.

(d) Provides that title to the real property of the district, rather than the academically unacceptable district, to be annexed vests in the district to which the property is annexed. Provides that each district to which territory is annexed assumes and is liable for any portion of the indebtedness of the district, rather than any portion of the academically unacceptable district's indebtedness, to be annexed that is allocated to the receiving district under Section 13.004.

(h) Authorizes the commissioner, notwithstanding Section 13.005 (Effective Date of Transfer), to provide for an alternate effective date for an annexation under this section if the alternate date is in the best interest of students.

SECTION 24. Amends Sections 21.0031(a), (b-1), and (f), Education Code, as follows:

(a) Provides that an employee's probationary, continuing, or term contract under this chapter (Educators) is void if the employee:

(1) does not hold a valid certificate or permit issued by the commissioner, rather than by the State Board for Educator Certification (SBEC);

(2) fails to fulfill the requirements necessary to renew or extend the employee's temporary, probationary, or emergency certificate or any other certificate or permit issued under Subchapter B; or

(3) fails to comply with any requirement under Subchapter C (Criminal History Records), Chapter 22, if the failure results in suspension or revocation of the employee's certificate under Section 22.0831(f)(2).

(b-1) Prohibits a school district from terminating or suspending under Subsection (b) an employee whose contract is void under Subsection (a)(1) or (2) because the employee failed to renew or extend the employee's certificate or permit if the employee:

(1) requests an extension from the commissioner, rather than SBEC, to renew, extend, or otherwise validate the employee's certificate or permit; and

(2) not later than the 10th day after the date the contract is void, takes necessary measures to renew, extend, or otherwise validate the employee's certificate or permit, as determined by the commissioner, rather than SBEC.

(f) Provides that a certificate or permit, for purposes of this section, is not considered to have expired under certain circumstances, including if the date the certificate or permit would have expired is before the date the commissioner, rather than SBEC, takes action to approve the renewal of the certificate or permit.

SECTION 25. Amends Sections 21.004(a), (b), (c), (d), and (e), Education Code, as follows:

(a) Removes SBEC from a list of governmental entities that are required to develop and implement programs to identify talented students and recruit those students and persons, including high school and undergraduate students, mid-career and retired professionals, honorably discharged and retired military personnel, and members of underrepresented gender and ethnic groups, into the teaching profession.

(b) Removes SBEC from a list of governmental entities that are required to develop and distribute materials that emphasize the importance of the teaching profession and inform individuals about state-funded loan forgiveness and tuition assistance programs.

(c) Requires the commissioner, in cooperation with the commissioner of higher education, rather than in cooperation with the commissioner of higher education and the executive director of SBEC, to annually identify the need for teachers in specific subject areas and geographic regions and among underrepresented groups.

(d) Removes SBEC from a list of governmental entities that are required to encourage the business community to cooperate with local schools to develop recruiting programs designed to attract and retain capable teachers, including programs to provide summer employment opportunities for teachers.

(e) Removes SBEC from a list of governmental entities that are required to encourage major education associations to cooperate in developing a long-range program promoting teaching as a career and to assist in identifying local activities and resources that may be used to promote the teaching profession.

SECTION 26. Amends Sections 21.006(b), (b-1), (c), (d), (e), (f), and (g), Education Code, as follows:

(b) Requires the superintendent or director of a school district, open-enrollment charter school, regional education service center, or shared services arrangement, in addition to the reporting requirement under Section 261.101, Family Code, to notify the commissioner if, rather than notify SBEC, if the superintendent or director has reasonable cause to believe that:

(1) an educator seeking employment by the district, school, service center, or shared services arrangement has a criminal record or the criminal record of an educator employed by the district, school, service center, or shared services arrangement changes, as determined by commissioner rule;

(2) an educator's employment at the district, school, service center, or shared services arrangement was terminated based on a determination that the educator:

(A) abused or otherwise committed an unlawful act with a student or minor;

(A-1) was involved in a romantic relationship with or solicited or engaged in sexual contact with a student or minor;

(B) possessed, transferred, sold, or distributed a controlled substance, as defined by Chapter 481 (Texas Controlled Substances Act), Health and Safety Code, or by 21 U.S.C. Section 801 et seq., rather than by 21 U.S.C. Section 801 et seq., and its subsequent amendments;

(C) illegally transferred, appropriated, or expended funds or other property of the district, school, service center, or shared services arrangement; or

(D)-(E) Makes no change to these paragraphs; or

(3)-(4) Makes no change to these subdivisions.

(b-1) Requires a superintendent or director of a school district or open-enrollment charter school to complete an investigation of an educator that is based on a reasonable suspicion, rather than on reasonable cause, to believe the educator may have engaged in misconduct described by Subsection (b)(2)(A) or (A-1), despite the educator's resignation from district or school employment before completion of the investigation. Requires TEA to establish procedures for an investigation under this subsection.

(c) Requires the superintendent or director to notify the commissioner, rather than SBEC, by filing a report with the commissioner, rather than SBEC, not later than the seventh day after the date the superintendent or director first learns about a change in an employee's criminal record under Subsection (b)(1) or a termination of employment or resignation following an alleged incident of misconduct described by Subsection (b). Requires that the report be in writing, and in a form prescribed by the commissioner, rather than SBEC.

(d) Requires the superintendent or director to notify the board of trustees or governing body of the school district, open-enrollment charter school, regional education service center, or shared services arrangement and the educator of the filing of the report required by Subsection (c).

(e) Provides that a superintendent or director who in good faith and while acting in an official capacity files a report with the commissioner, rather than SBEC, under this section is immune from civil or criminal liability that might otherwise be incurred or imposed.

(f) Requires the commissioner, rather than SBEC, to determine whether to impose sanctions against a superintendent or director who fails to file a report in violation of Subsection (c).

(g) Requires the commissioner to adopt rules as necessary to implement this section. Deletes existing text requiring SBEC to propose rules as necessary to implement this section.

SECTION 27. Amends Sections 21.007(b), (c), (d), (e), and (f), Education Code, as follows:

(b) Requires the commissioner, rather than SBEC, to adopt a procedure for placing a notice of alleged misconduct on an educator's public certification records. Requires that

the procedure adopted by the commissioner, rather than SBEC, provide for immediate placement of a notice of alleged misconduct on an educator's public certification records if the alleged misconduct presents a risk to the health, safety, or welfare of a student or minor as determined by the commissioner, rather than SBEC.

(c) Requires the commissioner, rather than SBEC, to notify an educator in writing when placing a notice of an alleged incident of misconduct on the public certification records of the educator.

(d) Requires the commissioner, rather than SBEC, to provide an opportunity for an educator to show cause why the notice should not be placed on the educator's public certification records. Requires the commissioner to adopt rules, rather than requiring SBEC to propose rules, establishing the length of time that a notice is authorized to remain on the educator's public certification records before the commissioner, rather than SBEC, is required to initiate a proceeding to impose a sanction on the educator on the basis of the alleged misconduct, or remove the notice from the educator's public certification records.

(e) Requires the commissioner, rather than SBEC, if it is determined that the educator has not engaged in the alleged incident of misconduct, to immediately remove the notice from the educator's public certification records.

(f) Requires the commissioner to adopt rules necessary to administer this section. Deletes existing text requiring SBEC to propose rules necessary to administer this section.

SECTION 28. Amends Section 21.031, Education Code, as follows:

Sec. 21.031. New heading: COMMISSIONER ROLE IN CERTIFICATION OF EDUCATORS. (a) Requires the commissioner, rather than SBEC, to regulate and oversee all aspects of the certification, continuing education, and standards of conduct of public school educators. Deletes existing text providing that SBEC is established to recognize public school educators as professionals and to grant educators the authority to govern the standards of their profession.

(b) Requires the commissioner, in adopting rules under this subchapter, to ensure that all candidates for certification or renewal of certification demonstrate the knowledge and skills necessary to improve the performance of the diverse student population of this state. Deletes existing text requiring the SBEC, in proposing rules under this subchapter, to ensure that all candidates for certification or renewal of certification demonstrate the knowledge and skills necessary to improve the performance of the diverse student population of this state.

SECTION 29. Amends Section 21.040, Education Code, as follows:

Sec. 21.040. New heading: ADVISORY COMMITTEE. (a) Creates this subsection from existing text. Requires the commissioner to appoint an advisory committee to recommend standards for educator certification and educator preparation programs to the commissioner.

Deletes existing text requiring SBEC to supervise the executive director's performance; approve an operating budget for SBEC and make a request for appropriations; appoint the members of any advisory committee to SBEC; for each class of educator certificate, appoint an advisory committee composed of members of that class to recommend standards for that class to SBEC; provide to its members and employees, as often as necessary, information regarding their qualifications for office or employment under this chapter and their responsibilities under applicable laws relating to standards of conduct for state officers and employees; develop and implement policies that clearly define the respective responsibilities of SBEC and SBEC staff; and execute interagency contracts to perform routine administrative functions.

(b) Requires the commissioner, in appointing the members of the advisory committee established under this section, to ensure the committee has a balanced representation of teacher, administrators, school counselors, and representatives of both traditional and alternative certification educator preparation programs.

SECTION 30. Amends Sections 21.041(b), (c), and (d), Education Code, as follows:

(b) Requires the commissioner to adopt certain rules as set forth, rather than requiring SBEC to propose certain rules.

(c) Requires the commissioner to adopt a rule establishing a fee, rather than requiring SBEC to propose a rule adopting a fee, for the issuance and maintenance of an educator certificate that, when combined with any fees imposed under Subsection (d), is adequate to cover the cost of administration of this subchapter (Certification of Educators).

(d) Requires the commissioner to adopt a rule establishing a fee, rather than requiring SBEC to propose a rule adopting a fee, for the approval or renewal of approval of an educator preparation program, or for the addition of a certificate or field of certification to the scope of a program's approval. Makes a conforming change.

SECTION 31. Reenacts Section 21.044, Education Code, as amended by Chapters 635 (S.B. 866) and 926 (S.B. 1620), Acts of the 82nd Legislature, Regular Session, 2011, and amends it as follows:

Sec. 21.044. EDUCATOR PREPARATION. (a) Requires the commissioner to adopt rules, rather than requiring SBEC to propose rules, establishing the training requirements a person must accomplish to obtain a certificate, enter an internship, or enter an induction-year program. Requires the commissioner, rather than SBEC, to specify the minimum academic qualifications required for a certificate.

(b) Makes no change to this subsection.

(c) Requires that the instruction under Subsection (b) (relating to requiring candidates for certification to receive instruction in detection and education of students with dyslexia) be developed by a panel of experts in the diagnosis and treatment of dyslexia who meet certain criteria, including being approved by the commissioner, rather than SBEC.

(d) Redesignates existing Subsection (b) as Subsection (d). Requires the commissioner in adopting, rather than requiring SBEC in proposing, rules under this section, to specify that to obtain a certificate to teach an "applied STEM course," as that term is defined by Section 28.027 (Applied Science, Technology, Engineering, and Mathematics), at a secondary school, a person is required to meet certain criteria.

SECTION 32. Amends Section 21.045, Education Code, as follows:

Sec. 21.045. New heading: ACCOUNTABILITY SYSTEM FOR EDUCATOR PREPARATION PROGRAMS; PROGRAM APPROVAL AND RENEWAL. (a) Requires the commissioner to adopt rules, rather than requiring SBEC to propose rules, establishing standards to govern the approval and continuing accountability of all educator preparation programs based on certain information that is disaggregated with respect to sex and ethnicity. Changes references to SBEC to the commissioner.

(b) Requires each educator preparation program to submit data elements as required by the commissioner, rather than SBEC, for an annual performance report to ensure access and equity.

(c) Requires the commissioner to adopt rules, rather than requiring SBEC to propose rules, establishing performance standards for the Accountability System for Educator Preparation for accrediting educator preparation programs.

(d) Requires the commissioner to adopt rules, rather than authorizing SBEC to propose rules, establishing minimum standards for approval or renewal of approval of:

(1) educator preparation programs; or

(2) certification fields authorized to be offered by an educator preparation program.

(e) Requires the commissioner, in adopting rules establishing minimum standards for renewal of approval of educator preparation programs under Subsection (d)(1), to require that each educator preparation program obtain renewal of approval every five years. Requires that the commissioner adopt an evaluation process to be used for purposes of educator preparation program renewal. Requires that an educator preparation program, to be eligible for renewal and continued accreditation, meet basic standards and requirements to adequately prepare candidates for educator certification, as determined by the commissioner.

SECTION 33. Amends the heading to Section 21.0451, Education Code, to read as follows:

Sec. 21.0451. SANCTIONS FOR EDUCATOR PREPARATION PROGRAMS.

SECTION 34. Amends Section 21.0451, Education Code, by amending Subsection (a) and adding Subsections (e) and (f), as follows:

(a) Requires the commissioner to adopt rules, rather than requiring SBEC to propose rules, for the sanction of educator preparation programs that do not meet accountability standards or comply with state law or commissioner rules and to annually review the accreditation status of each educator preparation program. Provides that the rules:

(1) Makes no change to this subdivision;

(2) may provide for TEA to take any necessary action, including one or more of the following actions:

(A) requiring the program to obtain technical assistance approved by TEA, rather than TEA or SBEC;

(B) Makes no change to this paragraph;

(C) appointing a monitor to participate in and report to the commissioner, rather than SBEC, on the activities of the program; and

(D) if a program has been rated as accredited-probation, rather than as accredited-probation under the Accountability System for Educator Preparation, for a period of at least one year, revoking the approval of the program and ordering the program to be closed, provided that TEA, rather than TEA or SBEC, is required to provide the opportunity for a hearing before the effective date of the closure; and

(3) Makes conforming changes.

(e) Requires the commissioner to adopt procedures to ensure that sanctions under this section are applied fairly.

(f) Requires the commissioner to:

(1) provide information regarding sanctions under this section to each educator preparation program; and

(2) provide information to at-risk educator preparation programs about sanctions the specific program could face, including the consequences of those sanctions, a timeline for the program to comply with rules and meet accreditation standards, and how to appeal a sanction under this section.

SECTION 35. Amends Section 21.0452, Education Code, as follows:

Sec. 21.0452. CONSUMER INFORMATION REGARDING EDUCATOR PREPARATION PROGRAMS. (a) Requires the commissioner, rather than SBEC, to assist persons interested in obtaining teaching certification in selecting an educator preparation program and assist school districts in making staffing decisions, to make information regarding educator programs in this state available to the public through the TEA's, rather than SBEC's, Internet website.

(b) Requires the commissioner, rather than SBEC, to make available at least certain information regarding each educator preparation program as set forth.

(c) Requires the commissioner, rather than SBEC, for purposes of Subsection (b)(7) (relating to requiring the commissioner to make available the results of exit surveys regarding the program's effectiveness given to program participants), to require an educator preparation program to distribute an exit survey that a program participant must complete before the participant is eligible to receive a certificate under this subchapter.

(d) Requires the commissioner, rather than SBEC, for purposes of Subsections (b)(7) and (8) (relating to requiring the commissioner to make available the results of surveys regarding the program's effectiveness given to school principals), to develop surveys for distribution to program participants and school principals.

(e) Authorizes the commissioner, rather than SBEC, to develop procedures under which each educator preparation program receives a designation or ranking based on the information required to be made available under Subsection (b). Makes a conforming change.

(f) Requires the commissioner, rather than SBEC, in addition to other information required to be made available under this section, to provide information identifying employment opportunities for teachers in the various regions of this state. Requires the commissioner, rather than SBEC, to specifically identify each region of this state in which a shortage of qualified teachers exist.

(g) Authorizes the commissioner, rather than SBEC, to require any person to provide information to the commissioner, rather than SBEC, for purposes of this section.

SECTION 36. Amends Subchapter B, Chapter 21, Education Code, by adding Sections 21.0454 and 21.0455, as follows:

Sec. 21.0454. RISK FACTORS FOR EDUCATOR PREPARATION PROGRAMS; RISK-ASSESSMENT MODEL. (a) Requires the commissioner to develop a set of risk factors to use in assessing the overall risk level of each educator preparation program. Requires that the set of risk factors include:

(1) a history of the program's compliance with state law and commissioner rules, standards, and procedures;

- (2) the program's operational standards;
- (3) whether the program meets the accountability standards under Section 21.045; and
- (4) whether the program is accredited by other organizations.

(b) Requires TEA to use the set of risk factors developed under Subsection (a) to guide TEA in conducting monitoring, inspections, and compliance audits of educator preparation programs, including evaluations associated with renewals under Section 21.045(e).

Sec. 21.0455. COMPLAINTS REGARDING EDUCATOR PREPARATION PROGRAMS. (a) Requires the commissioner to adopt rules establishing a process for a candidate for teacher certification to direct a complaint against an educator preparation program to TEA.

(b) Requires the commissioner by rule to require an educator preparation program to notify candidates for teacher certification of the complaint process adopted under Subsection (a). Requires that the notice include the name, mailing address, telephone number, and Internet website address of TEA for the purpose of directing complaints to TEA. Requires that the educator preparation program provide for that notification:

- (1) on the Internet website of the educator preparation program, if the program maintains a website;
- (2) on a sign prominently displayed in program facilities; and
- (3) in any newsletter distributed by the educator preparation program, if the program distributes a newsletter.

(c) Requires the commissioner to post the complaint process adopted under Subsection (a) on the TEA's Internet website.

(d) Provides that TEA has no authority to arbitrate or resolve contractual or commercial issues between an educator preparation program and a candidate for teacher certification.

SECTION 37. Amends Sections 21.046(c) and (d), Education Code, as follows:

(c) Requires the commissioner, rather than SBEC, because an effective principal is essential to school improvement, to ensure that certain criteria are met.

(d) Requires the commissioner, rather than SBEC, in creating the qualifications for certification as a principal, to consider certain information.

SECTION 38. Amends Sections 21.047(a) and (b), Education Code, as follows:

(a) Authorizes the commissioner, rather than SBEC, to develop the process for the establishment of centers for professional development through institutions of higher education for certain purposes.

(b) Requires the commissioner, rather than SBEC, on application by a center, to make grants to the center for its programs from certain funds. Requires the commissioner, rather than SBEC, to award the grants on a competitive basis according to requirements established by commissioner rule, rather than SBEC rule.

SECTION 39. Amends Sections 21.048(a), (b), and (c), Education Code, as follows:

(a) Requires the commissioner to adopt rules, rather than requiring SBEC to propose rules, prescribing comprehensive examinations for each class of certificate issued by the commissioner, rather than by SBEC.

(b) Prohibits the commissioner, rather than SBEC, from administering a written examination to determine the competence or level of performance of an educator who has a hearing impairment unless certain criteria are met.

(c) Provides that an educator who has a hearing impairment is exempt from taking a written examination for a period ending on the first anniversary of the date on which the commissioner, rather than SBEC, determines, on the basis of appropriate field tests, that the examination complies with the standards specified in Subsection (b). Requires the commissioner, rather than SBEC, on application to the commissioner, rather than SBEC, to issue a temporary exemption certificate to a person entitled to an exemption under this subsection.

SECTION 40. Amends Section 21.0481, Education Code, as follows:

Sec. 21.0481. MASTER READING TEACHER CERTIFICATION. (a) Requires the commissioner, rather than SBEC, for certain purposes, to establish a master reading teacher certificate.

(b) Requires the commissioner, rather than SBEC, to issue a master reading teacher certificate to each eligible person.

(c) Requires a person, to be eligible for a master reading teacher certificate, to:

(1) Makes no change to this subdivision; or

(2) hold a teaching certificate issued under this subchapter and meet certain expectations, including performing satisfactorily on the master reading teacher certification examination prescribed by the commissioner, rather than by SBEC, and satisfying any other requirements prescribed by the commissioner, rather than by SBEC.

SECTION 41. Amends Section 21.0482, Education Code, as follows:

Sec. 21.0482. MASTER MATHEMATICS TEACHER CERTIFICATION. (a) Requires the commissioner, rather than SBEC, to ensure that there are teachers with special training to work with other teachers and with students in order to improve student mathematics performance, to establish certain master mathematics teacher certificates.

(b) Requires the commissioner, rather than SBEC, to issue the appropriate master mathematics teacher certificate to each eligible person.

(c) Requires a person, to be eligible for a master mathematics teacher certificate, to meet certain criteria, including performing satisfactorily on the appropriate master mathematics teacher certification examination prescribed by the commissioner, rather than by SBEC, and satisfying any other requirements prescribed by the commissioner, rather than by SBEC.

(d) Requires that the course of instruction prescribed under Subsection (c)(3) (relating to requiring an applicant for a master mathematics teaching certificate to meet certain criteria, including satisfactorily completing a certain knowledge-based course of instruction on the science of teaching children mathematics) be developed by the commissioner, rather than by SBEC, in consultation with certain persons.

SECTION 42. Amends Section 21.0483, Education Code, as follows:

Sec. 21.0483. MASTER TECHNOLOGY TEACHER CERTIFICATION. (a) Requires the commissioner, rather than SBEC, to establish a master technology teacher certificate.

(b)-(d) Changes references to SBEC to the commissioner.

SECTION 43. Amends Section 21.0484, Education Code, as follows:

Sec. 21.0484. MASTER SCIENCE TEACHER CERTIFICATION. (a) Requires the commissioner, rather than SBEC, to establish certain master science teacher certificates.

(b)-(d) Changes references to SBEC to the commissioner.

SECTION 44. Amends Section 21.0485(a), Education Code, as follows:

(a) Requires a person, to be eligible to be issued a certificate to teach students with visual impairments, to:

(1) complete either:

(A) all course work required for that certification in an approved educator preparation program;

(B) an alternative educator certification program approved for the purpose by the commissioner, rather than by SBEC;

(2) Makes no change to this subdivision; and

(3) satisfy any other requirement prescribed by the commissioner, rather than SBEC.

SECTION 45. Amends Section 21.049, Education Code, as follows:

Sec. 21.049. ALTERNATIVE CERTIFICATION. (a) Requires the commissioner to adopt rules, rather than requiring SBEC to propose rules, to provide a continuing additional source of qualified educators, providing for educator certification programs as an alternative to traditional educator preparation programs.

(b) Prohibits the commissioner, rather than SBEC, from requiring a person employed as a teacher in an alternative education program under Section 37.008 (Disciplinary Alternative Education Programs) or a juvenile justice alternative education program under Section 37.011 (Juvenile Justice Alternative Education Program) for at least three years to complete an alternative educator certification program adopted under this section before taking the appropriate certification examination.

SECTION 46. Amends Sections 21.050(a) and (b), Education Code, as follows:

(a) Requires a person who applies for a teaching certificate for which commissioner, rather than SBEC, rules require a bachelor's degree to possess a bachelor's degree received with an academic major or interdisciplinary academic major, including reading, other than education, that is related to the curriculum as prescribed under Subchapter A (Essential Knowledge and Skills; Curriculum), Chapter 28.

(b) Prohibits the commissioner, rather than SBEC, from requiring more than 18 semester credit hours of education courses at the baccalaureate level for the granting of a teaching certificate. Requires the commissioner, rather than SBEC, to provide for a minimum number of semester credit hours of internship to be included in the hours needed for certification. Authorizes the commissioner to adopt rules, rather than authorizing SBEC to propose rules, requiring additional credit hours for certification in bilingual education, English as a second language, early childhood education, or special education.

SECTION 47. Amends Sections 21.051(c), (d), (e), and (f), Education Code, as follows:

(c) Provides that Subsection (b) (relating to requiring a candidate for certification as a teacher of record to complete 15 hours of certain field-based experience) does not affect:

(1) the validity of a certification issued before September 1, 2012; or

(2) the eligibility of a person who holds a certification issued before September 1, 2012, to obtain a subsequent renewal of the certification in accordance with commissioner rule, rather than SBEC rule.

(d) Provides that Subsection (b) does not affect the period within which an individual is required to complete field-based experience hours as determined by commissioner rule, rather than SBEC rule, if the individual is not accepted into an educator preparation program before the deadline prescribed by commissioner rule, rather than SBEC rule, and is hired for a teaching assignment by a school district after the deadline prescribed by commissioner rule, rather than SBEC rule.

(e) Requires the commissioner to adopt rules, rather than requiring SBEC to propose rules, relating to the field-based experience required by Subsection (b), including rules establishing procedures and standards for recognizing a private school under Subsection (b)(2) (relating to a candidate for certification as a teacher of record at a private school). Makes nonsubstantive changes.

(f) Requires the commissioner to adopt rules, rather than requiring SBEC to propose rules, providing flexible options for persons for any field-based experience or internship required for certification.

SECTION 48. Amends Sections 21.052(a), (c), (d), (e), (f), and (h), Education Code, as follows:

(a) Authorizes the commissioner, rather than SBEC, to issue a certificate to an educator who applies for a certificate and meets certain criteria.

(c) Authorizes the commissioner, rather than SBEC, to issue a temporary certificate under this section to certain educators. Authorizes the commissioner, rather than SBEC, subject to Subsection (d), to specify the term of a temporary certificate issued under this subsection.

(d) Prohibits a temporary certificate issued under Subsection (c) to an educator employed by certain school districts from expiring before the first anniversary of the date on which the commissioner, rather than SBEC, completes the review of the educator's credentials and informs the educator of the examination or examinations under Section 21.048 on which the educator must perform successfully to receive a standard certificate.

(e) Requires an educator who has submitted all documents required by the commissioner, rather than SBEC, for certification and who receives a certificate as provided by Subsection (a) to perform satisfactorily on the examination prescribed under Section 21.048 not later than the first anniversary of the date the commissioner, rather than SBEC, completes the review of the educator's credentials and informs the educator of the examination or examinations under Section 21.048 on which the educator must perform successfully to receive a standard certificate.

(f) Requires the commissioner, rather than SBEC, to post on the commissioner's, rather than SBEC's, Internet website the procedures for obtaining a certificate under Subsection (a).

(h) Requires the commissioner, rather than SBEC, in any state fiscal year, to accept or reject, not later than the 14th day after the date the commissioner, rather than SBEC, receives the completed application, at least 90 percent of the applications the

commissioner, rather than SBEC, receives for a certificate under this subsection, and to accept or reject all completed applications the commissioner, rather than SBEC, receives under this subsection not later than the 30th day after the date the commissioner, rather than SBEC, receives the completed application. Requires an applicant under this subsection to submit:

- (1) a letter of good standing from the state in which the teacher is certified on a form determined by the commissioner, rather than SBEC;
- (2) information necessary to complete a national criminal history record information review; and
- (3) an application fee as required by the commissioner, rather than SBEC.

SECTION 49. Amends Section 21.054(a), Education Code, to require the commissioner to adopt rules, rather than requiring SBEC to propose rules, establishing a process for identifying continuing education courses and programs that fulfill educators' continuing education requirements.

SECTION 50. Amends Section 21.055(a), Education Code, to authorize a school district, as provided by this section, to issue a school district teaching permit and employ as a teacher a person who does not hold a teaching certificate issued by the commissioner, rather than by SBEC.

SECTION 51. Amends Section 21.056, Education Code, to require the commissioner, rather than SBEC, by rule to provide for a certified educator to qualify for additional certification to teach at a grade level or in a subject area not covered by the educator's certificate upon satisfactory completion of an examination or other assessment of the educator's qualification.

SECTION 52. Amends Section 21.057(d), Education Code, to redefine "inappropriately certified or uncertified teacher" for purposes of this section.

SECTION 53. Amends Sections 21.058(b) and (d), Education Code, as follows:

(b) Requires the commissioner, rather than SBEC, notwithstanding Section 21.041(b)(7), not later than the fifth day after the date the commissioner, rather than SBEC, receives notice under Article 42.018 (Notice Provided by Clerk of Court), Code of Criminal Procedure, of the conviction of a person who holds a certificate under this subchapter, to undertake certain actions as set forth.

(d) Authorizes a person whose certificate is revoked under Subsection (b) to reapply for a certificate in accordance with commissioner, rather than SBEC, rules.

SECTION 54. Amends Section 21.060, Education Code, to authorize the commissioner, rather than SBEC, to suspend or revoke the certificate or permit held by a person under this subchapter, impose other sanctions against the person, or refuse to issue a certificate or permit to a person under this subchapter if the person has been convicted of a felony or misdemeanor offense relating to the duties and responsibilities of the education profession, including certain offenses as set forth.

SECTION 55. Amends Subchapter B, Chapter 21, Education Code, by adding Sections 21.062 and 21.063, as follows:

Sec. 21.062. ISSUANCE OF SUBPOENAS. (a) Authorizes the commissioner, during an investigation by the commissioner of an educator for an alleged incident of misconduct, to issue a subpoena to compel the production, for inspection or copying, of relevant evidence that is located in this state.

(b) Authorizes a subpoena to be served personally or by certified mail.

(c) Authorizes the commissioner, acting through the attorney general, if a person fails to comply with a subpoena, to file suit to enforce the subpoena in a district court in this state. Requires the court, on finding that good cause exists for issuing the subpoena, to order the person to comply with the subpoena. Authorizes the court to punish a person who fails to obey the court order.

(d) Provides that all information and materials subpoenaed or compiled in connection with an investigation described by Subsection (a) are confidential and not subject to disclosure under Chapter 552 (Public Information), Government Code.

(e) Authorizes all information and materials subpoenaed or compiled in connection with an investigation described by Subsection (a), except as provided by a protective order and notwithstanding Subsection (d), to be used in a disciplinary proceeding against an educator based on an alleged incident of misconduct.

Sec. 21.063. DISCIPLINARY MATRIX. (a) Requires the commissioner to create a matrix to provide guidelines for ensuring the fair and consistent application of disciplinary sanctions for educators certified under this chapter who commit violations of this chapter or a rule adopted under this chapter. Requires the commissioner, in developing the matrix, to consider the range of appropriate sanctions available for a violation based on:

- (1) the severity of the violation;
- (2) the number of repeat violations;
- (3) whether the sanction serves as a deterrent to subsequent violations;
and
- (4) any aggravating or mitigating factors.

(b) Provides that the matrix developed under Subsection (a) does not prevent the commissioner from exercising discretion based on the specific circumstances of an individual case.

(c) Requires the commissioner, in developing the matrix under Subsection (a), to provide for public comment.

(d) Requires the commissioner to make the matrix developed under Subsection (a) available to the public through posting the matrix on TEA's Internet website and through other appropriate means.

SECTION 56. Amends Section 21.105(c), Education Code, to authorize the commissioner, rather than SBEC, on written complaint by the employing district, to impose sanctions against a teacher employed under a probationary contract under certain circumstances.

SECTION 57. Amends Section 21.160(c), Education Code, to authorize the commissioner, rather than SBEC, on written complaint by the employing district, to impose sanctions against a teacher who is employed under a continuing contract that obligates the district to employ the person for the following school year under certain circumstances.

SECTION 58. Amends Section 21.210(c), Education Code, to authorize the commissioner, rather than SBEC, on written complaint by the employing district, to impose sanctions against a teacher who is employed under a term contract that obligates the district to employ the person for the following school year under certain circumstances.

SECTION 59. Amends Section 21.253(a), Education Code, as follows:

(a) Requires a teacher to file a written request for a hearing under this subchapter with the district, rather than the commissioner, not later than the 15th day after the date the teacher receives written notice of the proposed action. Deletes existing text requiring the teacher to provide the district with a copy of the request and to provide the commissioner with a copy of the notice.

SECTION 60. Amends Sections 21.254(b) and (e), Education Code, as follows:

(b) Requires the commissioner, if a hearing examiner is not selected by the parties to a pending case under Subsection (e), to immediately assign the hearing examiner for a particular case by selecting the next person named on the list who resides within reasonable proximity to the district as determined by the commissioner. Requires the commissioner, when a hearing examiner has been assigned to a case, to immediately notify the parties. Provides that an assignment under this section is final.

(e) Requires the parties, if the parties do not agree on a hearing examiner, to request an assignment from the commissioner under Subsection (b) not later than the 25th calendar day after the date the teacher receives the notice of the proposed action. Deletes existing text requiring the parties, if the parties agree on a hearing examiner, before the date the commissioner is permitted to assign a hearing examiner, to notify the commissioner in writing of the agreement, including the name of the hearing examiner selected.

SECTION 61. Amends Section 21.255(d), Education Code, to require the parties, if the hearing examiner is unable to continue presiding over a case at any time before issuing a recommendation or decision, to select by agreement or request the assignment of another hearing examiner under Section 21.254 who, after a review of the record, is required to perform any remaining functions without the necessity of repeating any previous proceedings.

SECTION 62. Amends Section 21.4021(g), Education Code, to provide that a teacher who subsequently resigns, if a board of trustees adopts a furlough program after the date by which a teacher is required to give notice of resignation under Section 21.105, 21.160, or 21.210, as applicable, is not subject to sanctions imposed by the commissioner, rather than SBEC, as otherwise authorized by those sections.

SECTION 63. Amends Section 21.503, Education Code, to provide that a person is eligible for the program if the person meets certain criteria, including satisfying any other criteria for selection prescribed by TEA, rather than jointly prescribed by TEA and SBEC.

SECTION 64. Amends Section 21.504(b), Education Code, to require TEA, rather than TEA and SBEC, to distribute the applications and information regarding the program.

SECTION 65. Amends Section 21.510(c), Education Code, to provide that a participant in the program, for purposes of this section, is not considered to be in violation of an agreement under Section 21.508 (Agreement) under certain circumstances, including during any period in which the participant is pursuing a full-time course of study related to the field of teaching at a public or private institution of higher education approved by the commissioner, rather than SBEC.

SECTION 66. Amends Sections 21.551 and 21.553, Education Code, as follows:

Sec. 21.551. PURPOSES. Deletes a reference to SBEC governing the certification process of the Teach for Texas Pilot Program.

Sec. 21.553. FINANCIAL INCENTIVES. (a) Requires the commissioner, rather than SBEC, in offering a financial incentive, to:

(1) require a contract between each participant who accepts a financial incentive and the commissioner, rather than SBEC, under which the participant is obligated to teach in a public school in this state for a stated period after certification;

- (2) provide financial incentives in proportion to the length of the period the participant is obligated by contract to teach after certification; and
- (3) give special financial incentives to a participant who agrees in the contract to teach in an underserved area.

(b) Authorizes financial incentives to be paid only from funds appropriated specifically for that purpose and from gifts, grants, and donations solicited or accepted by the commissioner, rather than SBEC, for that purpose.

(c) Requires the commissioner to adopt rules, rather than requiring SBEC to propose rules, establishing criteria for awarding financial incentives under this section, including criteria for awarding financial incentives if there are more participants than funds available to provide the financial incentives.

SECTION 67. Amends Section 21.604(b), Education Code, to require TEA, rather than TEA and SBEC, to distribute the applications and information regarding the program.

SECTION 68. Amends Section 21.609(c), Education Code, to provide that, for purposes of this section, a participant in the program is not considered to be in violation of an agreement under Section 21.607 (Agreement) under certain circumstances, including during any period in which the participant is pursuing a full-time course of study related to the field of teaching at an institution of higher education approved by the commissioner, rather than SBEC.

SECTION 69. Amends Section 22.0512(b), Education Code, to redefine "disciplinary proceeding" in this section.

SECTION 70. Amends Section 22.082, Education Code, as follows:

Sec. 22.082. New heading: ACCESS TO CRIMINAL HISTORY RECORDS BY COMMISSIONER. Requires the commissioner, rather than SBEC, to subscribe to the criminal history clearinghouse as provided by Section 411.0845 (Criminal History Clearinghouse), Government Code, and authorizes the commissioner, rather than SBEC, to obtain from any law enforcement or criminal justice agency all criminal history record information and all records contained in any closed criminal investigation file that relate to a specific applicant for or holder of a certificate issued under Subchapter B, Chapter 21.

SECTION 71. Amends Sections 22.0831(c), (d), (e), and (f), Education Code, as follows:

(c) Requires the commissioner, rather than SBEC, to review the national criminal history record information of a person who has not previously submitted fingerprints to the Department of Public Safety of the State of Texas (DPS) or been subject to a national criminal history record information review.

(d) Requires the commissioner, rather than SBEC, to place an educator's certificate on inactive status for failure to comply with a deadline for submitting information required under this section.

(e) Authorizes the commissioner, rather than SBEC, to allow a person who is applying for a certificate under Subchapter B, Chapter 21, and who currently resides in another state to submit the person's fingerprints and other required information in a manner that does not impose an undue hardship on the person.

(f) Authorizes the commissioner to adopt rules, rather than requiring SBEC to propose rules, to implement this section, including certain rules as set forth.

SECTION 72. Amends Section 22.0832(a), Education Code, to require TEA to review the national criminal history record information of an employee of an open-enrollment charter school to whom Section 12.1059 (Agency Approval Required for Certain Employees) applies in

the same manner as the commissioner, rather than SBEC, reviews certified educators under Section 22.0831.

SECTION 73. Amends Section 22.0833(h), Education Code, to remove SBEC from the list of entities that are authorized to coordinate as necessary to ensure that criminal history reviews authorized or required under this subchapter are not unnecessarily duplicated.

SECTION 74. Amends Sections 22.085(d) and (e), Education Code, as follows:

(d) Authorizes a school district, open-enrollment charter school, private school, regional education service center, or shared services arrangement to discharge an employee if the district or school obtains information of the employee's conviction of a felony or of a misdemeanor involving moral turpitude that the employee did not disclose to the commissioner, rather than SBEC, or the district, school, service center, or shared services arrangement. Provides that a disclosure to SBEC before September 1, 2013, for purposes of this subsection, is considered a disclosure to the commissioner.

(e) Authorizes the commissioner, rather than SBEC, to impose a sanction on an educator who does not discharge an employee or refuse to hire an applicant if the educator knows or should have known, through a criminal history record information review, that the employee or applicant has been convicted of an offense described by Subsection (a).

SECTION 75. Amends Sections 22.086 and 22.087, Education Code, as follows:

Sec. 22.086. **LIABILITY FOR REPORTING OFFENSES.** Provides that the commissioner, rather than SBEC, a school district, an open-enrollment charter school, a private school, a regional education service center, a shared services arrangement, or an employee of TEA, rather than SBEC, district, school, service center, or shared services arrangement is not civilly or criminally liable for making a report required under this subchapter.

Sec. 22.087. **New heading: NOTIFICATION TO COMMISSIONER.** Requires the superintendent of a school district or the director of an open-enrollment charter school, private school, regional education service center, or shared services arrangement to promptly notify the commissioner, rather than SBEC, in writing if the person obtains or has knowledge of information showing that an applicant for or holder of a certificate issued under Subchapter B, Chapter 21, has a reported criminal history.

SECTION 76. Amends Section 25.001(b), Education Code, to require the board of trustees of a school district or its designee to admit into the public schools of the district free of tuition a person who is over five and younger than 21 years of age on the first day of September of the school year in which admission is sought, and authorizes the board of trustees to admit a person who is at least 21 years of age and under 26 years of age for the purpose of completing the requirements for a high school diploma, under certain circumstances, including if the person is a foreign exchange student placed with a host family that resides in the school district by a nationally recognized foreign exchange program, rather than if the person is a foreign exchange student placed with a host family that resides in the school district by a nationally recognized foreign exchange program, unless the school district has applied for and been granted a waiver by the commissioner under Subsection (e) (relating to authorizing a school district to request a waiver for the requirement that a district admit a foreign exchange student).

SECTION 77. Amends Section 28.014(d), Education Code, as follows:

(d) Requires TEA, in coordination with the Texas Higher Education Coordinating Board (THECB), to adopt a series of questions to be included in an end-of-course assessment instrument administered under Subsection (c) to be used for purposes of Section 51.3062 (Success Initiative). Requires that the questions be developed in a manner consistent with any college readiness standards adopted under Section 51.3062, rather than Sections 39.233 and 51.3062.

SECTION 78. Amends Section 29.007, Education Code, as follows:

Sec. 29.007. SHARED SERVICES ARRANGEMENTS. Authorizes school districts to enter into a written contract to jointly operate their special education programs. Deletes existing text requiring that the contract be approved by the commissioner. Authorizes funds to which the cooperating districts are entitled to be allocated to the districts jointly as shared services arrangement units or shared services arrangement funds in accordance with the shared services arrangement districts' agreement.

SECTION 79. Amends Sections 29.061(a), (b), (c), and (e), Education Code, as follows:

(a) Requires the commissioner, rather than SBEC, to provide for the issuance of teaching certificates appropriate for bilingual education instruction to teachers who possess a speaking, reading, and writing ability in a language other than English in which bilingual education programs are offered and who meet the general requirements of Chapter 21. Requires the commissioner, rather than SBEC, to also provide for the issuance of teaching certificates appropriate for teaching English as a second language. Authorizes the commissioner, rather than SBEC, to issue emergency endorsements in bilingual education and in teaching English as a second language.

(b) Requires a teacher assigned to a bilingual education program to be appropriately certified for bilingual education by the commissioner, rather than SBEC.

(c) Requires a teacher assigned to an English as a second language or other special language program to be appropriately certified for English as a second language by the commissioner, rather than SBEC.

(e) Requires the commissioner and THECB, rather than SBEC and THECB, to develop a comprehensive plan for meeting the teacher supply needs created by the programs outlined in this subchapter.

SECTION 80. Amends the heading to Subchapter H, Chapter 29, Education Code, to read as follows:

SUBCHAPTER H. COMMUNITY EDUCATION PROGRAMS

SECTION 81. Amends Section 29.251(4), Education Code, to redefine "community education."

SECTION 82. Amends Section 29.252, Education Code, as follows:

Sec. 29.252. New heading: AGENCY ROLE IN COMMUNITY EDUCATION. (a) Requires TEA to:

(1) develop, implement, and regulate a comprehensive statewide program for community education services, rather than community level education services to meet the special needs of adults;

(2) administer all state and federal funds for community education in this state, other than funds that another entity is specifically authorized to administer under this law, rather than administer all state and federal funds for adult education and related skill training in this state, except in programs for which another entity is specifically authorized to do so under other law; and

(3) accept and administer grants, gifts, services, and funds from available sources for use in community education, rather than community adult education.

Deletes existing text requiring TEA to provide adequate staffing to develop, administer, and support a comprehensive statewide adult

education program and coordinate related federal and state programs for education and training of adults; to develop the mechanism and guidelines for coordination of comprehensive adult education and related skill training services for adults with other agencies, both public and private, in planning, developing, and implementing related programs, including community education programs; to prescribe and administer standards and accrediting policies for adult education; to prescribe and administer rules for teacher certification for adult education; to adopt or develop and administer a standardized assessment mechanism for assessing all adult education program participants who need literacy instruction, adult basic education, or secondary education leading to an adult high school diploma or the equivalent; to collaborate with the Texas Workforce Commission (TWC) to improve the coordination and implementation of adult education and literacy services in this state; and to monitor and evaluate educational and employment outcomes of students who participate in TEA's adult education and literacy programs. Makes conforming and nonsubstantive changes.

(b) Authorizes the commissioner to adopt rules for the administration of this subchapter. Deletes existing text requiring that the assessment mechanism prescribed under Subsection (a)(8) (relating to a standardized assessment mechanism) include an initial basic skills screening instrument and must provide comprehensive information concerning baseline student skills before and student progress after participation in an adult education program.

SECTION 83. Amends Section 29.255, Education Code, as follows:

Sec. 29.255. New heading: STATE FUNDING. Requires that funds be appropriated to implement statewide community education programs, including pilot programs to demonstrate the effectiveness of the community education concept. Deletes existing Subsection (a) and existing text requiring that funds be appropriated to implement statewide adult basic education, adult bilingual education, high school equivalency, and high school credit programs to eliminate illiteracy in this state and to implement and support a statewide program to meet the total range of adult needs for adult education, related skill training, and pilot programs to demonstrate the effectiveness of the community education concept. Deletes existing text authorizing an additional sum of money to be appropriated to the Texas Department of Commerce for the purpose of skill training in direct support of industrial expansion and start-up, and those locations, industries, and occupations designated by the Texas Department of Commerce, when such training is also in support of the basic purposes of this subchapter. Deletes existing text authorizing an additional sum of money, to fulfill the basic purposes of this subchapter, to be appropriated for skill training that is conducted to support the expansion of civilian employment opportunities on United States military reservations. Deletes existing Subsection (b) authorizing TEA, in conjunction with the Texas Department of Commerce, to adopt rules to administer skill training programs for which TEA is responsible, and authorizing the Texas Department of Commerce to adopt rules to administer skill training programs for which it is responsible.

SECTION 84. Amends Section 29.902, Education Code, as follows:

Sec. 29.902. DRIVER EDUCATION. (a) Requires the Texas Department of Licensing and Regulation (TDLR), rather than TEA, to develop a program of organized instruction in driver education and traffic safety for public school students.

(b)-(c) Makes no change to these subsections.

SECTION 85. Amends Sections 33.002(b) and (c), Education Code, as follows:

(b) Requires a school district with 500 or more students enrolled in elementary school grades to employ a counselor certified under Subchapter B, Chapter 21, rather than under the rules of SBEC, for each elementary school in the district.

(c) Requires a school district with fewer than 500 students enrolled in elementary school grades to provide guidance and counseling services to elementary school students by:

(1) employing a part-time counselor certified under Subchapter B, Chapter 21, rather than under the rules of SBEC;

(2) employing a part-time teacher certified as a counselor under Subchapter B, Chapter 21, rather than under the rules of SBEC; or

(3) entering into a shared services arrangement agreement with one or more school districts to share a counselor certified under Subchapter B, Chapter 21, rather than under the rules of SBEC.

SECTION 86. Amends Section 33.007(c), Education Code, to require a school counselor certified under Subchapter B, Chapter 21, rather than under the rules of SBEC, at the beginning of grades 10 and 11, to explain the requirements of automatic admission to a general academic teaching institution under Section 51.803 (Automatic Admission: All Institutions) to each student enrolled in a high school or at the high school level in an open-enrollment charter school who has a grade point average in the top 25 percent of the student's high school class.

SECTION 87. Amends Section 33.081(d-1), Education Code, to delete existing text requiring TEA to review on a biennial basis courses described by this subsection to determine if other courses should be excluded from the requirement that a student be suspended from participation in an extracurricular activity under Subsection (c), and, not later than January 1 of each odd-numbered year, to report the findings under this subsection to the legislature.

SECTION 88. Amends Section 37.006(o), Education Code, to authorize the commissioner, rather than SBEC, to revoke or suspend the certification of an educator who intentionally violates this subsection.

SECTION 89. Amends Section 37.007(g), Education Code, to authorize the commissioner to revoke or suspend the certification of an educator who intentionally violates this subsection.

SECTION 90. Amends Section 39.027(e), Education Code, to require that the performance under the assessment system developed under this subsection of students to whom Subsection (a)(1) or (2) (relating to administering an accommodated or alternative assessment instrument or exempting or postponing administration of an assessment instrument under certain circumstances to a student with limited English proficiency, a student who is a recent unschooled immigrant, or is in a grade for which no instrument in the primary language of the student is available) applies be included in the indicator systems under Section 39.301, as applicable, the local performance report, under Section 39.306, and the comprehensive biennial report under Section 39.332.

SECTION 91. Amends Sections 39.0302(a) and (d), Education Code, as follows:

(a) Authorizes the commissioner, during TEA investigation or audit of a school district under Section 39.0301(e) (relating to authorizing TEA to conduct an investigation of a district for a potential violation of assessment instrument security and disclosing the identity of investigated districts) or (f) (relating to authorizing the commissioner to audit a random sample of districts to determine compliance with certain procedures and providing that the identify of audited districts is confidential), an accreditation investigation, rather than an investigation by SBOE, under Section 39.057(a)(8) (relating to requiring the commissioner to authorize special accreditation investigations to be conducted in response to an allegation regarding or an analysis using a statistical methods result indicating a possible violation of certain assessment security procedures), rather than Section 39.075(a)(8) [redesignated as Section 39.057(a)(8)], or an investigation for an alleged violation of an assessment instrument security procedure established under

Section 39.0301(a) (relating to the commissioner establishing certain assessment instrument administration procedures to ensure security and record retention requirements for school district records relating to the security of assessment instruments), to issue a subpoena to compel the attendance of a relevant witness or the production, for inspection or copying, of relevant evidence that is located in this state.

(d) Provides that all information and materials subpoenaed or compiled in connection with an investigation or audit described by Subsection (a):

(1) are confidential and not subject to disclosure under Chapter 552, Government Code; and

(2) are only subject to disclosure, discovery, subpoena, or other means of legal compulsion for release to certain persons, including to the commissioner, rather than to the commissioner or SBEC.

SECTION 92. Amends Section 39.082, Education Code, by amending Subsections (a) and (b) and adding Subsections (d), (e), (f), (g), and (g-1), as follows:

(a) Requires the commissioner to, in consultation with the comptroller of public accounts of the state of Texas (comptroller), develop and implement separate financial accountability rating systems for school districts and open-enrollment charter schools in this state that meet certain criteria, including separate financial accountability rating systems that include processes for anticipating the future financial solvency of each school district and open-enrollment charter school, including analysis of district and school revenues and expenditures for preceding school years. Makes a nonsubstantive change.

(b) Requires that the system include uniform indicators adopted by commissioner rule by which to measure the financial management performance and future financial solvency of a district or open-enrollment charter school. Requires the commissioner, in adopting indicators under this subsection, to assign a point value to each indicator to be used in a scoring matrix developed by the commissioner. Makes a nonsubstantive change.

(d) Requires the commissioner to evaluate indicators adopted under Subsection (b) at least once every three years.

(e) Requires that a district or open-enrollment charter school receive a failing rating under the system if the district or school fails to achieve a satisfactory rating on:

(1) an indicator adopted under Subsection (b) relating to financial management or solvency that the commissioner determines to be critical; or

(2) a category of indicators that suggest trends leading to financial distress as determined by the commissioner.

(f) Requires the commissioner, before assigning a final rating under the system, to assign each district or open-enrollment charter school a preliminary rating. Authorizes a district or school to submit additional information to the commissioner relating to any indicator on which performance was considered unsatisfactory. Requires the commissioner to consider any additional information submitted by a district or school before assigning a final rating. Prohibits the commissioner, if the commissioner determines that the additional information negates the concern raised by the indicator on which performance was considered unsatisfactory, from penalizing the district or school on the basis of the indicator.

(g) Requires the commissioner to adopt rules for the implementation of this section.

(g-1) Requires the commissioner to adopt initial rules necessary to implement the changes to this section made by the 83rd Legislature, Regular Session, 2013, not later than March 1, 2015. Provides that this subsection expires April 1, 2015.

SECTION 93. Amends Section 39.0823, Education Code, by amending Subsection (a) and adding Subsection (d), as follows:

(a) Requires TEA, if the commissioner, based on the indicators adopted under Section 39.082 or other relevant information, projects a deficit for a school district or open-enrollment charter school general fund within the following three school years, to provide the district or school interim financial reports, including projected revenues and expenditures, to evaluate the current budget status of the district or school. Deletes existing text requiring the district, if the review process under Section 39.0822 indicates a projected deficit for a school district general fund within the following three school years, to provide TEA interim financial reports, supplemented by staff and student count data, as needed, to evaluate the district's current budget status.

(d) Authorizes TEA to require a district or open-enrollment charter school to submit additional information needed to produce a financial report under Subsection (a). Authorizes the commissioner, if a district or school fails to provide information requested under this subsection or if the commissioner determines that the information submitted by a district or school is unreliable, to order the district or school to acquire professional services as provided by Section 39.109 (Acquisition of Professional Services).

SECTION 94. Amends Subchapter D, Chapter 39, Education Code, by adding Section 39.0824, as follows:

Sec. 39.0824. CORRECTIVE ACTION PLAN. (a) Requires a school district or open-enrollment charter school assigned a failing rating under Section 39.082 to submit to the commissioner a corrective action plan to address the financial weaknesses of the district or school. Requires that a corrective action plan identify problems and include strategies for improvement.

(b) Authorizes the commissioner to impose appropriate sanctions under Subchapter E against a district or school failing to submit or implement a corrective action plan required under Subsection (a).

SECTION 95. Amends Section 39.083(b), Education Code, to delete existing text requiring that the annual financial management report include a description of the data submitted using the electronic-based program developed under Section 39.0822, and to make nonsubstantive changes.

SECTION 96. Amends Section 39.102(a), Education Code, to require the commissioner, if a school district does not satisfy the accreditation criteria under Section 39.052 (Determination of Accreditation Status of Performance Rating), the academic performance standards under Section 39.053 or 39.054, or any financial accountability standard as determined by commissioner rule, to take any of the certain actions to the extent the commissioner determines necessary, including revoking a district's accreditation, ordering closure of the district and annexing the district to one or more districts, rather than one or more adjoining districts, under Section 13.054, if a district, for two consecutive school years, including the current school year, has received an accreditation status of accredited-warned or accredited-probation, has failed to satisfy any standard under Section 39.054(e), or has failed to satisfy financial accountability standards as determined by commissioner rule.

SECTION 97. Amends Section 39.104, Education Code, by adding Subsection (e), to authorize the commissioner, in addition to the interventions and sanctions authorized under this chapter, to reconstitute the governing body of a charter holder as provided by Section 12.1201.

SECTION 98. Amends Section 39.112, Education Code, by adding Subsection (f), as follows:

(f) Provides that Subsection (e) does not apply if the district will be closed and its territory annexed to one or more other school districts in accordance with other law. Authorizes the board of managers, in that circumstance, to, as determined by the commissioner, continue to oversee the closure and annexation of the district until the effective date of the district's annexation.

SECTION 99. Amends Section 39.233, Education Code, as follows:

Sec. 39.233. New heading: HIGH SCHOOL COMPLETION AND SUCCESS AND COLLEGE READINESS PROGRAMS; AGENCY GUIDANCE. Deletes existing text requiring TEA to develop standards for evaluating the success and cost-effectiveness of high school completion and success and college readiness programs implemented under Section 39.234 (Use of High School Allotment), and to develop standards for selecting and methods for recognizing school districts and campuses that offer exceptional high school completion and success and college readiness programs under Section 39.234. Deletes existing text authorizing the commissioner to adopt rules for the administration of this section.

SECTION 100. Amends Section 39.235(a), Education Code, to delete existing text authorizing the commissioner, from funds appropriated for that purpose, to establish a grant program under which grants are awarded to middle, junior high, and high school campuses and school districts to support the alignment of grants and programs to the strategic plan adopted under Section 39.407, and to make conforming changes.

SECTION 101. Amends Section 39.301, Education Code, by amending Subsections (a) and (c) and adding Subsection (c-1), as follows:

(a) Authorizes, rather than requires, the commissioner, in addition to the indicators adopted under Section 39.053, to adopt indicators of the quality of learning for the purpose of preparing state performance reports under Section 39.305, rather than for the purpose of preparing reports under this chapter.

(c) Authorizes, rather than requires, indicators for reporting purposes to include certain information, including additional quality indicators, as determined by the commissioner. Makes nonsubstantive changes.

(c-1) Requires the commissioner, notwithstanding Subsection (a) or (c), to adopt an indicator of the quality of learning that includes the information described by Subsection (c)(5) (relating to authorizing certain factors to be included in indicators for reporting purposes) for purposes of evaluating programs under Section 28.006(j) (relating to the appropriation of funds and the indirect costs of reading diagnosis programs).

SECTION 102. Amends Section 39.305, Education Code, as follows:

Sec. 39.305. New heading: STATE PERFORMANCE REPORTS. (a) Requires TEA, each school year, to prepare and distribute to each school district a state performance report, rather than a report card, for each campus. Requires that the reports, rather than campus report cards, be based on the most current data available disaggregated by student groups.

(b) Requires that the report, rather than report card, include certain information, including, the student achievement indicators, where applicable, described by Section 39.053(c) (relating to required content of indicators of student achievement adopted under this section) and the reporting indicators adopted under Section 39.301, rather than the reporting indicators described by Sections 39.301(c)(1) through (5) (relating to required content of indicators of student achievement for reporting purposes adopted under this section).

(c) Requires the commissioner to adopt rules requiring dissemination of the information included in a state performance report under this section annually to

the parent, guardian, conservator, or other person having lawful control of each student in the district in a manner consistent with campus policy regarding providing notice to parents. Deletes existing text requiring the commissioner to adopt rules requiring dissemination of the information required under Subsection (b)(4) and appropriate class size and student performance portions of campus report cards annually to the parent, guardian, conservator, or other person having lawful control of each student at the campus. Requires the school district, on written request, to provide a copy of a report, rather than campus report card, to any other party.

(d) Requires TEA to promptly post the information included in reports on TEA's Internet website.

SECTION 103. Amends the heading to Section 39.306, Education Code, to read as follows:

Sec. 39.306. LOCAL PERFORMANCE REPORT.

SECTION 104. Amends the heading to Section 39.307, Education Code, to read as follows:

Sec. 39.307. USES OF LOCAL PERFORMANCE REPORT.

SECTION 105. Amends the heading to Section 39.332, Education Code, to read as follows:

Sec. 39.332. COMPREHENSIVE BIENNIAL REPORT.

SECTION 106. Amends Section 39.332(a), Education Code, to read as follows:

(a) Requires TEA to prepare and deliver to certain persons and entities a comprehensive report covering the preceding two school years, rather than the preceding year and containing the information described by Subsection (b). Deletes existing text requiring TEA to fulfill this subsection not later than December 1 of each year.

SECTION 107. Amends Sections 39.332(b)(2) and (20), Education Code, as follows:

(2) Requires that the report contain an evaluation of the status of education in the state as reflected by:

(A) the student achievement indicators described by Section 39.053; and

(B) the reporting indicators adopted under, rather than described by, Section 39.301.

(20) Requires that the report contain a comparison of the performance of open-enrollment charter schools and school districts on the student achievement indicators described by Section 39.053(c), the reporting indicators adopted under Section 39.301, rather than described by Section 39.301(c), and the accountability measures adopted under Section 39.053(i) (relating to requiring the commissioner by rule to adopt accountability measures to be used in assessing the progress of students who have failed to perform satisfactorily on certain assessment instruments), with a separately aggregated comparison of the performance of open-enrollment charter schools predominantly serving students at risk of dropping out of school, as described by Section 29.081(d), with the performance of school districts.

SECTION 108. Amends Section 39.362, Education Code, as follows:

Sec. 39.362. NOTICE ON DISTRICT WEBSITE. Requires a school district that maintains an Internet website, not later than the 10th day after the first day of instruction of each school year, to make the following information available to the public on the website:

(1) the information contained in the most recent state performance report, rather than the most recent campus report card, for each campus in the district under Section 39.305;

(2) the information contained in the most recent local performance report for the district under Section 39.306;

(3) the most recent accreditation status and performance rating of the district under Sections 39.052 and 39.054; and

(4) a definition and explanation of each accreditation status under Section 39.051 (Accreditation Status), based on commissioner rule adopted under that section.

SECTION 109. Transfers Section 39.409, Education Code, to Subchapter Z, Chapter 29, Education Code, redesignates it as Section 29.921, Education Code, and amends it as follows:

Sec. 29.921. PRIVATE FOUNDATION PARTNERSHIPS. Redesignates existing Section 39.409 as Section 29.921. (a) Removes the High School Completion and Success Initiative Council (council) from the list of governmental entities that are authorized to coordinate with private foundations that have made a substantial investment in the improvement of high schools in this state to maximize the impact of public and private investments.

(b) Provides that a private foundation is not required to obtain the approval of the appropriate commissioner, rather than the appropriate commissioner or the council, under Subsection (a) before allocating resources to a school in this state.

SECTION 110. Transfers Section 39.413, Education Code, to Subchapter C, Chapter 61, Education Code, redesignates it as Section 61.0767, Education Code, and amends it as follows:

Sec. 61.0767. FUNDING FOR CERTAIN PROGRAMS. Redesignates existing Section 39.413 as Section 61.0767. (a) Requires THECB, from funds appropriated, to allocate \$8.75 million each year to establish mathematics, science, and technology teacher preparation academies under Section 61.0766, and award grants under Section 61.0762(a)(3) (relating to requiring THECB to develop a pilot program to award grants to institutions of higher education for intensive programs designed to address the needs of students at risk of dropping out of college). Deletes existing text requiring THECB, from funds appropriated, to provide funding to the commissioner to implement and administer the intensive summer pilot program for students identified as being at risk of dropping out of school or college under Section 29.098 (Intensive Summer Programs).

(b) Requires THECB to establish mathematics, science, and technology teacher preparation academies under Section 61.0766, and award grants under Section 61.0762(a)(3) in a manner consistent with the goals in "Closing the Gaps," rather than with the goals of this subchapter and the goals in "Closing the Gaps," the state's master plan for higher education. Deletes existing text requiring THECB to provide funding to the commissioner to implement and administer the program under Section 29.098.

SECTION 111. Amends Subchapter A, Chapter 42, Education Code, by adding Section 42.011, as follows:

Sec. 42.011. FUNDS AUDIT. (a) Requires TEA to develop and implement by rule an auditing system for expenditures of funds under the Foundation School Program by school districts and open-enrollment charter schools. Requires that an auditing system developed under this section use a standard, risk-based approach.

(b) Requires TEA to provide guidance relating to an audit developed under this section through any training or reference material TEA provides to school districts or open-enrollment charter schools.

SECTION 112. Amends Section 45.208(a), Education Code, as follows:

(a) Requires the bank or banks selected as the depository or depositories and the school district to enter into a depository contract or contracts, bond or bonds, or other necessary instruments setting forth the duties and agreements pertaining to the depository, rather than pertaining to the depository in a form and with the content prescribed by SBOE. Requires that the parties attach to the depository contract and incorporate by reference the bid or proposal of the depository.

SECTION 113. Amends Section 51.308, Education Code, to authorize a driver education course for the purpose of preparing students to obtain a driver's license to be offered by an institution of higher education, as defined by Section 61.003 (Definitions), with the approval of TDLR, rather than the Central Education Agency.

SECTION 114. Amends Section 52.31, Education Code, to redefine "participating higher educational institution" in this subchapter.

SECTION 115. Amends Section 52.32(b), Education Code, to provide that a loan applicant, if the applicant is enrolled at a career school or college in a degree program that is approved by the board of directors of an authority or at a regional education service center or other entity in an alternative educator certification program that is approved by the commissioner, rather than by SBEC, is not required to provide evidence that the applicant is unable to obtain a guaranteed student loan from a commercial lender under Subsection (a-1) (relating to requiring the applicant to provide evidence that the applicant is unable to obtain a guaranteed student loan from a commercial lender).

SECTION 116. Amends Section 61.0514, Education Code, to require THECB, with the cooperation and advice of the commissioner, rather than SBEC, to adopt educator preparation coursework guidelines that promote, to the greatest extent practicable, the integration of subject matter knowledge with classroom teaching strategies and techniques in order to maximize the effectiveness and efficiency of coursework required for certification under Subchapter B, Chapter 21.

SECTION 117. Amends Section 61.076(b), Education Code, to remove the executive director of SBEC from the list of persons that compose the P-16 Council.

SECTION 118. Amends Section 61.0761(a), Education Code, to delete existing text requiring that the college readiness and success strategic action plan include recommendations to SBEC.

SECTION 119. Amends Section 61.0766(b), Education Code, to require an institution of higher education to have a teacher preparation program approved by the commissioner, rather than SBEC, or be affiliated with a program approved by the commissioner, rather than SBEC.

SECTION 120. Amends Section 1001.001, Education Code, by amending Subdivisions (2), (3), (4), and (5) and adding Subdivision (13-a), as follows:

(2) Redefines "approved driving safety course."

(3) Defines "commission" and deletes existing text defining "commissioner."

(4) Redefines "course provider."

(5) Redefines "department."

(13-a) Defines "executive director."

SECTION 121. Amends Section 1001.002(c), Education Code, to provide that a driver education course is exempt from this chapter (Driver and Traffic Safety Education), other than Section 1001.055, if the course meets certain criteria, including being conducted by a school or

training program that offers only instruction of purely avocational or recreational subjects as determined by TDLR, rather than the commissioner;

SECTION 122. Amends Section 1001.003, Education Code, to provide that it is the intent of the legislature that Texas Commission of Licensing and Regulation (TCLR), 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.

SECTION 123. Reenacts Section 1001.004, Education Code, as amended by Chapters 1253 (H.B. 339) and 1413 (S.B. 1317), Acts of the 81st Legislature, Regular Session, 2009, and amends it as follows:

Sec. 1001.004. COST OF ADMINISTERING CHAPTER. (a) Requires that the cost of administering this chapter be included in the state budget allowance for TDLR, rather than TEA.

(b) Authorizes TDLR, rather than the commissioner, to charge a fee to each driver education school in an amount not to exceed the actual expense incurred in the regulation of driver education courses established under Section 1001.1015.

SECTION 124. Amends Sections 1001.051, 1001.052, 1001.053, and 1001.054, Education Code, as follows:

Sec. 1001.051. JURISDICTION OVER SCHOOLS. Provides that TDLR, rather than TEA, has jurisdiction over and control of driver training schools regulated under this chapter.

Sec. 1001.052. RULES. Requires TCLR to adopt comprehensive rules governing driving safety courses, rather than requiring TEA to adopt and administer comprehensive rules governing driving safety courses.

Sec. 1001.053. New heading: POWERS AND DUTIES OF DEPARTMENT, COMMISSION, AND EXECUTIVE DIRECTOR. (a) Requires TDLR and the executive director of TDLR (executive director), as appropriate, to administer this chapter, enforce minimum standards for driver training schools under this chapter, enforce rules adopted by TCLR that are necessary to administer this chapter, and visit a driver training school or course provider and reexamine the school or course provider for compliance with this chapter. Deletes existing text requiring the commissioner to execute certain duties, including adopting and enforcing rules necessary to administer this chapter.

(b) Authorizes the executive director, rather than the commissioner, to designate a person knowledgeable in the administration of regulating driver training schools to administer this chapter.

(c) Requires TCLR to adopt rules necessary to administer this chapter. Authorizes TCLR, rather than the commissioner to adopt rules to ensure the integrity of approved driving safety courses and to enhance program quality.

Sec. 1001.054. RULES RESTRICTING ADVERTISING OR COMPETITIVE BIDDING. (a) Prohibits TCLR, rather than the commissioner, from adopting a rule restricting advertising or competitive bidding by a driver training school except to prohibit a false, misleading, or deceptive practice.

(b) Prohibits TCLR, rather than the commissioner, from including in rules to prohibit false, misleading, or deceptive practices by a driver training school a rule that restricts the use of an advertising medium, the outside dimensions of a printed advertisement or outdoor display, the duration of an advertisement, or advertisement under a trade name.

(c) Authorizes TCLR, rather than the 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 125. Amends Sections 1001.055(a), (a-1), (a-2), (b), and (c), Education Code, as follows:

(a) Requires TDLR to provide to each licensed or exempt driver education school and to each parent-taught course provider approved by DPS under Section 521.205, Transportation Code, driver education certificates or certificate numbers to enable the school or course provider to print and issue TDLR-approved driver education certificates to certify completion of an approved driver education course and satisfy the requirements of Sections 521.204(a)(2) and 521.1601, Transportation Code. Deletes existing text requiring TEA to provide to each licensed or exempt driver education school driver education certificates or certificate numbers to enable the school and each approved parent-taught course provider (approved by DPS under Section 521.205 of the Transportation Code) to print and issue TEA-approved driver education certificates with the certificate numbers to be used for certifying completion of an approved driver education course to satisfy the requirements of Sections 521.204(a)(2) and 521.1601, Transportation Code.

(a-1) Requires that a certificate printed and issued by a driver education school or DPS approved course provider be in a form required by TDLR, rather than TEA, and include an identifying certificate number provided by TDLR, rather than TEA, that is authorized to be used to verify the authenticity of the certificate with the driver education school or DPS approved course provider.

(a-2) Requires the driver education school or DPS approved course provider to electronically submit to TDLR in the manner established by TDLR data identified by TDLR relating to issuance of TDLR-approved driver education certificates with the certificate numbers, rather than to TEA in the manner established by TEA data identified by TEA relating to issuance of TEA-approved driver education certificates with the certificate numbers.

(b) Requires TCLR, rather than TEA, by rule to provide for the design and distribution of the certificates and certificate numbers in a manner that, to the greatest extent possible, prevents the unauthorized reproduction or misuse of the certificates or certificate numbers.

(c) Requires TCLR by rule to establish a fee for each certificate or certificate number. Deletes existing text authorizing TEA to charge a fee of not more than \$4 for each certificate or certificate number.

SECTION 126. Amends Sections 1001.056(b), (c), (d), (e), and (g), Education Code, as follows:

(b) Requires TDLR, rather than TEA, to provide each licensed course provider with course completion certificate numbers to enable the provider to print and issue TDLR-approved, rather than TEA-approved, uniform certificates of course completion.

(c) Requires TCLR, rather than TEA, by rule to provide for the design of the certificates and the distribution of certificate numbers in a manner that, to the greatest extent possible, prevents the unauthorized production or the misuse of the certificates or certificate numbers.

(d) Requires that a certificate under this section be in a form required by TDLR, rather than TEA, and include an identifying number that authorizes TDLR, rather than TEA, a court, or DPS, to verify its authenticity with the course provider.

(e) Requires TCLR by rule to establish a fee for each course completion certificate number, rather than authorizing TEA to charge a fee of not more than \$4 for each course

completion certificate number. Requires a course provider that supplies a certificate to an operator to collect from the operator a fee equal to the amount of the fee paid to the TDLR, rather than TEA, for the certificate number.

(g) Requires a course provider to issue a duplicate certificate by United States mail or commercial delivery. Requires TCLR, rather than the commissioner by rule to determine the amount of the fee for issuance of a duplicate certificate under this subsection.

SECTION 127. Amends Section 1001.057, Education Code, to require TDLR, rather than TEA, to investigate options to develop and implement procedures to electronically transmit information relating to driving safety courses to municipal and justice courts.

SECTION 128. Amends Subchapter B, Chapter 1001, Education Code, by adding Sections 1001.058 and 1001.059, as follows:

Sec. 1001.058. **ADVISORY COMMITTEE.** (a) Requires TCLR to establish an advisory committee to advise TCLR and TDLR on driver training rules and standards and driver education curriculum.

(b) Sets forth the composition and terms of the advisory committee.

(c) Requires the presiding officer of TCLR to appoint the presiding officer of the advisory committee.

Sec. 1001.059. **COMPLAINTS.** (a) Requires TDLR to maintain a system to promptly and efficiently act on complaints filed with TDLR regarding driver training. Requires TDLR to maintain information about parties to the complaint, the subject matter of the complaint, a summary of the results of the review or investigation of the complaint, and its disposition.

(b) Requires TDLR to make information available describing its procedures for complaint investigation and resolution.

(c) Requires TDLR to periodically notify the complaint parties of the status of the complaint until final disposition.

SECTION 129. Reenacts Section 1001.101, Education Code, as amended by Chapters 1253 (H.B. 339) and 1413 (S.B. 1317), Acts of the 81st Legislature, Regular Session, 2009, and amends it as follows:

Sec. 1001.101. **ADULT AND MINOR DRIVER EDUCATION COURSE CURRICULUM AND TEXTBOOKS.** (a) Requires TCLR, rather than the commissioner, by rule to establish or approve the curriculum and designate the textbooks to be used in a driver education course for minors and adults, including a driver education course conducted by a school district, driver education school, or parent or other individual under Section 521.205, Transportation Code.

(b) Makes no change to this subsection.

SECTION 130. Amends Section 1001.1015(a), Education Code, to require TCLR, rather than the commissioner, by rule to establish the curriculum and designate the educational materials to be used in a driver education course exclusively for adults.

SECTION 131. Amends Section 1001.102, Education Code, as follows:

Sec. 1001.102. **ALCOHOL AWARENESS INFORMATION.** (a) Requires TCLR, rather than TEA, by rule to require that information relating to alcohol awareness and the effect of alcohol on the effective operation of a motor vehicle be included in the curriculum of any driver education course or driving safety course.

(b) Requires TCLR, rather than TEA, in developing rules under this section, to consult with DPS.

SECTION 132. Amends Section 1001.1025, Education Code, as follows:

Sec. 1001.1025. MOTORCYCLE AWARENESS INFORMATION. (a) Requires TCLR, rather than TEA, by rule to require that information relating to motorcycle awareness, the dangers of failing to yield the right-of-way to a motorcyclist, and the need to share the road with motorcyclists be included in the curriculum of any driver education course or driving safety course.

(b) Requires TCLR, rather than TEA, in developing rules under this section, to consult with DPS.

SECTION 133. Amends Sections 1001.103(b), (d), and (e), Education Code, as follows:

(b) Requires TDLR, rather than TEA, to develop standards for a separate school certification and approve curricula for drug and alcohol driving awareness programs that include one or more courses. Requires that a program, except as provided by TCLR, rather than TEA, rule be offered in the same manner as a driving safety course.

(d) Requires TDLR, rather than TEA, and the Department of State Health Services (DSHS), rather than the Texas Commission on Alcohol and Drug Abuse (TCADA), to enter into a memorandum of understanding for the interagency approval of the required curricula.

(e) Authorizes TCLR, rather than the commissioner, to establish fees in connection with the programs under this section. Deletes existing text providing that this subsection applies notwithstanding Section 1001.056, Subchapter D (Fees), and Sections 1001.213 and 1001.303. Requires that the fees be in amounts reasonable and necessary to administer TDLR's, rather than TEA's, duties under this section.

SECTION 134. Amends Sections 1001.104 and 1001.105, Education Code, as follows:

Sec. 1001.104. HOSPITAL AND REHABILITATION FACILITIES. (a) Requires TDLR to enter into a memorandum of understanding with the Department of Assistive and Rehabilitative Services (DARS) and DPS, rather than requiring TEA to enter into a memorandum of understanding with the Texas Rehabilitation Commission (TRC) and DPS, for the interagency development of curricula and licensing criteria for hospital and rehabilitation facilities that teach driver education.

(b) Requires TDLR, rather than TEA, to administer comprehensive rules governing driver education courses adopted by mutual agreement among the TCLR, DARS, and DPS, rather than among TEA, TRC, and DPS.

Sec. 1001.105. TEXAS DEPARTMENT OF INSURANCE. Requires TDLR, rather than TEA, to enter into a memorandum of understanding with the Texas Department of Insurance (TDI) for the interagency development of a curriculum for driving safety courses.

SECTION 135. Amends Sections 1001.106(b), (c), and (d), Education Code, as follows:

(b) Requires TCLR, rather than the commissioner, by rule to provide minimum standards of curriculum relating to operation of vehicles at railroad and highway grade crossings.

(c) Provides that Subchapter F (Administrative Penalty), Chapter 51 (Texas Department of Licensing and Regulation), Occupations Code, Section 51.353 (License Denial; Administrative Sanctions), Occupations Code, and Sections 1001.456 and 1001.553 of this code do not apply to a violation of this section or a rule adopted under this section.

Deletes existing text providing that Section 1001.454 does not apply to a violation of this section or a rule adopted under this section.

(d) Provides that Section 51.352 (Injunctive Relief; Civil Penalty), Occupations Code, and Sections 1001.455(a)(6), 1001.501 (Authority to Bring Class Action), and 1001.554 (General Criminal Penalty) of this code do not apply to a violation of this section. Deletes existing text providing that Sections 1001.551 and 1001.552 do not apply to a violation of this section.

SECTION 136. Amends Section 1001.107, Education Code, as follows:

Sec. 1001.107. INFORMATION RELATING TO LITTER PREVENTION. (a) Requires TCLR, rather than the commissioner, by rule to require that information relating to litter prevention be included in the curriculum of each driver education and driving safety course.

(b) Requires TCLR, rather than commissioner, in developing rules under this section, to consult DPS.

SECTION 137. Amends Sections 1001.108(a) and (c), Education Code, as follows:

(a) Requires TCLR, rather than the commissioner, by rule to require that information relating to anatomical gifts be included in the curriculum of each driver education course and driving safety course.

(c) Requires TCLR, rather than the commissioner, in developing rules under this section, to consult with DPS and DSHS, rather than with DPS and the Texas Department of Health.

SECTION 138. Amends Section 1001.110, Education Code, as follows:

Sec. 1001.110. INFORMATION RELATING TO DRIVING DISTRACTIONS. (a) Requires TCLR, rather than the commissioner, by rule to require that information relating to the effect of using a wireless communication device or engaging in other actions that may distract a driver on the safe or effective operation of a motor vehicle be included in the curriculum of each driver education course or driving safety course.

(b) Requires TCLR, rather than the commissioner, to consult with DPS in developing rules under this section.

SECTION 139. Amends Section 1001.111(a), Education Code, to require TCLR, rather than the commissioner, by rule to provide minimum standards of curriculum for and designate the educational materials to be used in a driving safety course designed for drivers younger than 25 years of age.

SECTION 140. Amends Sections 1001.151, 1001.152, and 1001.153, Education Code, as follows:

Sec. 1001.151. APPLICATION, LICENSE, AND REGISTRATION FEES. (a) Requires TCLR by rule, rather than requiring the commissioner, to establish, rather than collect, application, license, and registration fees. Requires TDLR to collect the application, license, and registration fees.

(b) Requires TCLR by rule to establish a fee for:

- (1) an initial driver education school license and for each branch location;
- (2) an initial driving safety school license;

- (3) an initial course provider license, except that TCLR is authorized to waive the fee if revenue received from the course provider is sufficient to cover the cost of licensing the course provider;
- (4) the annual renewal for a course provider, driving safety school, driver education school, or branch location, except that TCLR is authorized to waive the fee if revenue generated by the issuance of course completion certificate numbers and driver education certificates is sufficient to cover the cost of administering this chapter and Article 45.0511, Code of Criminal Procedure;
- (5) a change of address of a driver education school, driving safety school, or course provider;
- (6) 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;
- (7) each additional driver education or driving safety course at a driver training school; and
- (8) an application for approval of a driving safety course that has not been evaluated by TDLR.

Deletes existing Subsections (c)-(j) designations and existing text relating to establishing certain fee amounts.

(c) Redesignates existing Subsection (k) as Subsection (c). Requires that an application for an original driver education or driving safety instructor license be accompanied by a processing fee and an annual license fee, except that TDLR, rather than the commissioner, is prohibited from collecting the processing fee from an applicant for a driver education instructor license who is currently teaching a driver education course in a public school in this state. Deletes existing text relating to establishing fee amounts.

(d) Redesignates existing Subsection (l) as Subsection (d). Requires TCLR, rather than the commissioner, to establish the amount of the fee for a duplicate license.

(e) Redesignates existing Subsection (m) as Subsection (e). Authorizes TCLR, rather than the commissioner, to establish a fee for an application for approval to offer a driver education course by an alternative method of instruction under Section 1001.3541 in an amount TCLR, rather than the commissioner, considers appropriate, not to exceed the amount sufficient to cover the costs of considering the application.

Sec. 1001.152. DUTY TO REVIEW AND RECOMMEND ADJUSTMENTS IN FEE AMOUNTS. Requires TCLR, rather than the commissioner, to periodically review the amounts of fees and recommend to the legislature adjustments to those amounts.

Sec. 1001.153. COMPLAINT INVESTIGATION FEE. (a) Requires TCLR, rather than the commissioner, to establish the amount of the fee to investigate a driver training school or course provider to resolve a complaint against the school or course provider.

(b) Authorizes the fee to be charged only under certain circumstances, including if a representative of TDLR, rather than TEA, visited the school or course provider as a part of the complaint resolution process.

SECTION 141. Amends Section 1001.202(b), Education Code, to authorize a driving safety school to use multiple classroom locations to teach a driving safety course if each location is

approved by the parent school and TDLR, rather than TEA; has the same name as the parent school; and has the same ownership as the parent school.

SECTION 142. Amends Sections 1001.203, 1001.204, 1001.205, and 1001.206, Education Code, as follows:

Sec. 1001.203. APPLICATION. Requires a driver training school, to operate or do business in this state, to apply to TDLR, rather than the commissioner, for the appropriate license. Requires that the application meet certain criteria, including being in the form prescribed by TDLR, rather the commissioner.

Sec. 1001.204. REQUIREMENTS FOR DRIVER EDUCATION SCHOOL LICENSE. Requires TDLR, rather than the commissioner, 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:

- (1)-(2) Makes no change to these subdivisions;
- (3) has instructors rather than directors, instructors, and administrators, who have adequate educational qualifications and experience;
- (4) provides to each student before enrollment certain information, including TDLR's, rather than TEA's, name, mailing address, telephone number, and Internet website address for the purpose of directing complaints to TDLR, rather than TEA;
- (5) maintains adequate records as prescribed by TDLR, rather than the commissioner, to show attendance and progress or grades and enforces satisfactory standards relating to attendance, progress, and conduct;
- (6)-(8) Makes no change to these subdivisions;
- (9) has owners and instructors, rather than administrators, directors, owners and instructors, who are of good reputation and character;
- (10) Makes no change to this subdivision;
- (11) does not use erroneous or misleading advertising, either by actual statement, omission, or intimation, as determined by TDLR, rather than the commissioner;
- (12) does not use a name similar to the name of another existing school or tax-supported educational institution in this state, unless specifically approved in writing by the executive director, rather than the commissioner;
- (13) submits to TDLR, rather than TEA, for approval the applicable course hour lengths and curriculum content for each course offered by the school;
- (14) does not owe an administrative penalty for a violation of this chapter; and
- (15) meets any additional criteria required by TDLR, rather than TEA.

Sec. 1001.205. REQUIREMENTS FOR DRIVING SAFETY SCHOOL LICENSE. Requires TDLR, rather than the commissioner, to approve an application for a driving safety school license if on investigation TDLR, rather than TEA, determines that the school:

- (1)-(2) Makes no change to these subdivisions;
- (3) has instructors, rather than instructors and administrators, who have adequate educational qualifications and experience;

(4) maintains adequate records as prescribed by TDLR, rather than the commissioner, to show attendance and progress or grades and enforces satisfactory standards relating to attendance, progress, and conduct;

(5) Makes no change to this subdivision;

(6) has owners and instructors, rather than administrators, owners, and instructors, who are of good reputation and character;

(7) does not use erroneous or misleading advertising, either by actual statement, omission, or intimation, as determined by TDLR, rather than the commissioner;

(8) does not use a name similar to the name of another existing school or tax-supported educational establishment in this state, unless specifically approved in writing by the executive director, rather than the commissioner;

(9) Makes no change to this subdivision;

(10) does not owe an administrative penalty for a violation of this chapter;

(11) Makes no change to this subdivision; and

(12) meets additional criteria required by TDLR, rather than the commissioner.

Makes nonsubstantive changes.

Sec. 1001.206. REQUIREMENTS FOR COURSE PROVIDER LICENSE. Requires TDLR, rather than the commissioner, to approve an application for a course provider license if on investigation TDLR, rather than TEA, determines that:

(1)-(2) Makes no change to these subdivisions;

(3) the course provider will meet certain criteria, including providing to the driving safety school TDLR's, rather than TEA's, name, mailing address, telephone number, and Internet website address for the purpose of directing complaints to TDLR, rather than TEA;

(4) Makes no change to this subdivision;

(5) not later than the 15th working day after the date a person successfully completes the course, the course provider will issue and deliver to the person by United States mail or commercial delivery a uniform certificate of course completion indicating the course name and successful completion;

(6) the course provider maintains adequate records as prescribed by TDLR, rather than the commissioner, to show attendance and progress or grades and enforces satisfactory standards relating to attendance, progress, and conduct;

(7)-(10) Makes no change to these subdivisions;

(11) the course provider does not use erroneous or misleading advertising, either by actual statement, omission, or intimation, as determined by TDLR, rather than the commissioner;

(12) the course provider does not use a name similar to the name of another existing school or tax-supported educational institution in this state, unless specifically approved in writing by the executive director, rather than the commissioner;

(13) the course provider does not owe an administrative penalty for a violation of this chapter; and

(14) the course provider meets additional criteria required by TDLR, rather than the commissioner.

SECTION 143. Amends Sections 1001.207(a) and (b), Education Code, as follows:

(a) Requires a driver education school, before the school may be issued a license, to file a corporate surety bond with TDLR, rather than the commissioner, in the amount of \$10,000 for the primary location of the school, and \$5,000 for each branch location.

(b) Requires that a bond issued under Subsection (a) meet certain criteria, including being issued in a form approved by TDLR, rather than the commissioner;

SECTION 144. Amends Section 1001.209(b), Education Code, to require that a bond issued under Subsection (a) meet certain criteria, including being payable to the state to be used for payment of a refund due a student of the course provider's approved course, to cover the payment of unpaid fees or penalties assessed by the executive director, rather than TEA, or to recover any cost associated with providing course completion certificate numbers, including the cancellation of certificate numbers.

SECTION 145. Amends Section 1001.210, Education Code, to authorize a driver education school or course provider, instead of the bond required by Section 1001.207 or 1001.209, to provide another form of security that is approved by TDLR, rather than the commissioner, and in the amount required for a comparable bond under Section 1001.207 or 1001.209.

SECTION 146. Amends Sections 1001.211(a) and (b), Education Code, as follows:

(a) Requires the executive director, rather than the commissioner, to issue a license to an applicant for a license under this subchapter if the application is submitted in accordance with this subchapter and the applicant meets the requirements of this chapter.

(b) Requires that a license be in a form determined by TDLR, rather than the commissioner, and show in a clear and conspicuous manner certain information, including the executive director's, rather than the commissioner's, signature, and any other fair and reasonable representation that is consistent with this chapter and that TDLR, rather than the commissioner, considers necessary.

SECTION 147. Amends Section 1001.212, Education Code, to require TDLR, rather than the commissioner, to provide a person whose application for a license under this subchapter is denied a written statement of the reasons for the denial.

SECTION 148. Amends Sections 1001.213(c) and (d), Education Code, as follows:

(c) Authorizes TDLR to establish fees in amounts that are different from the amounts established under Section 1001.151 for a new driver education school or course provider license under Subsection (b) (relating to requiring a new owner of a driving education school or course provider to apply for a new license within a certain time frame) and for each branch location if the new owner is substantially similar to the previous owner, and there is no significant change in the management or control of the driver education school or course provider. Deletes existing text providing that the fee for a new driver education school or course provider license under Subsection (b), instead of the fees required by Section 1001.151, is \$500, plus \$200 for each branch location under certain circumstances.

(d) Provides that TDLR, rather than the commissioner, is not required to reinspect a school or a branch location after a change of ownership.

SECTION 149. Amends Section 1001.214, Education Code, to authorize a duplicate license to be issued to a driver training school or course provider if the original license is lost or destroyed, and an affidavit of that fact is filed with TDLR, rather than TEA.

SECTION 150. Amends Section 1001.251, Education Code, as follows:

Sec. 1001.251. LICENSE REQUIRED FOR INSTRUCTOR. (a) Prohibits a person from teaching or providing driver education, either as an individual or in a driver education school, or conduct any phase of driver education, unless the person holds a driver education instructor license issued by the executive director, rather than TEA.

(b) Prohibits a person from teaching or providing driving safety training, either as an individual or in a driving safety school, or conduct any phase of driving safety education, unless the person holds a driving safety instructor license issued by the executive director, rather than TEA.

SECTION 151. Amends Sections 1001.2511(b), (c), (d), (e), and (f), Education Code, as follows:

(b) Requires TDLR, rather than TEA, to review the national criminal history record information of a person who holds a license described by Subsection (a) (relating to providing that this section applies to a person who is an applicant for or holder of a driver education instructor license or a license issued under Section 1001.255).

(c) Requires the executive director, rather than TEA, to place a license described by Subsection (a) on inactive status for the license holder's failure to comply with a deadline for submitting information required under this section.

(d) Authorizes TDLR, rather than TEA, to allow a person who is applying for a license described by Subsection (a) and who currently resides in another state to submit the person's fingerprints and other required information in a manner that does not impose an undue hardship on the person.

(e) Authorizes TCLR, rather than the commissioner, to adopt rules to administer this section, including rules establishing:

(1) deadlines for a person to submit fingerprints and photographs in compliance with this section;

(2) sanctions for a person's failure to comply with the requirements of this section, including suspension or revocation of or refusal to issue a license described by Subsection (a); and

(3) notification to a driver education school of relevant information obtained by TDLR, rather than TEA, under this section.

(f) Provides that TDLR, rather than TEA, is not civilly or criminally liable for an action taken in compliance with this section.

SECTION 152. Amends Section 1001.2512, Education Code, to require TCLR, rather than the commissioner, by rule to require a person submitting to a national criminal history record information review under Section 1001.2511 (National Criminal History Record Information Review for Driver Education Instructors) or the driver education school employing the person, as determined by TDLR, rather than TEA, to pay a fee for the review in an amount not to exceed the amount of any fee imposed on an application for certification under Subchapter B, Chapter 21, for a national criminal history record information review under Section 22.0837 (Fee for National Criminal History Record Information).

SECTION 153. Amends Sections 1001.2514(a), (b), and (d), Education Code, as follows:

(a) Requires a driver education school to discharge or refuse to hire as an instructor an employee or applicant for employment if TDLR, rather than TEA, obtains information through a criminal history record information review that the employee or applicant has been convicted of certain offenses, and at the time the offense occurred, the victim of the offense described by Subdivision (1) (relating to a certain felony offense and a sex offender registration offense) was under 18 years of age or was enrolled in a public school.

(b) Requires the executive director, rather than TEA, to suspend or revoke a license described by Section 1001.2511(a) held by a person under this subchapter and to refuse to issue or renew a license described by Section 1001.2511(a) to a person under this subchapter if the person has been convicted of an offense described by Subsection (a) of this section.

(d) Authorizes a driver education school to discharge an employee who serves as an instructor if the school obtains information of the employee's conviction of a felony or of a misdemeanor involving moral turpitude that the employee did not disclose to the school or TDLR, rather than TEA.

SECTION 154. Amends Section 1001.252, Education Code, to require that a license under this subchapter be signed by the executive director, rather than the commissioner.

SECTION 155. Amends Sections 1001.253(a), (b), (c), (d), (e), and (f), Education Code, as follows:

(a) Requires TDLR, rather than the commissioner, to establish standards for certification of professional and paraprofessional personnel who conduct driver education programs in driver education schools.

(b) Prohibits a driver education instructor license authorizing a person to teach or provide behind-the-wheel training from being issued unless the person has successfully completed six semester hours of driver and traffic safety education or a program of study in driver education approved by TDLR, rather than the commissioner, from an approved driver education school.

(c) Prohibits a person who holds a driver education instructor license authorizing behind-the-wheel training from being approved to assist a classroom instructor in the classroom phase of driver education unless the person has successfully completed the three additional semester hours of training required for a classroom instructor or a program of study in driver education approved by TDLR, rather than the commissioner.

(d) Prohibits a driver education instructor license authorizing a person to teach or provide classroom training, except as provided by Subsection (g) (relating to providing certain exemptions and conditions to issue a license to persons who do not satisfy certain requirements) or Section 1001.254, from being issued unless the person:

(1) has completed nine semester hours of driver and traffic safety education or a program of study in driver education approved by TDLR, rather than the commissioner, from an approved driver education school; and

(2) holds a teaching certificate and any additional certification required to teach driver education.

(e) Prohibits a driver education instructor who has completed the educational requirements prescribed by Subsection (d)(1) from teaching instructor training classes unless the instructor has successfully completed a supervising instructor development program consisting of at least six additional semester hours or a program of study in driver education approved by TDLR, rather than the commissioner, that includes administering driver education programs and supervising and administering traffic safety education.

(f) Authorizes a driver education school to submit for TDLR, rather than TEA, approval a curriculum for an instructor development program for driver education instructors.

SECTION 156. Amends Section 1001.254(a), Education Code, to authorize a temporary driver education instructor license to be issued authorizing a person to teach or provide classroom driver education training if the person meets certain criteria, including meeting all license requirements, other than successful completion of the examination required under rules adopted by the commissioner, rather than SBEC, to revalidate the teaching certificate, and demonstrates, in a manner prescribed by TDLR, rather than the commissioner, the intention to comply with the examination requirement at the first available opportunity.

SECTION 157. Amends Sections 1001.255(a), (b), and (c), Education Code, as follows:

(a) Requires TDLR, rather than TEA, to regulate as a driver education school a driver education instructor who teaches driver education courses in a county having a population of 50,000 or less and does not teach more than 200 students annually.

(b) Requires an instructor described by Subsection (a) to submit to TDLR, rather than TEA, an application for an initial or renewal driver education school license, together with all required documentation and information.

(c) Authorizes TDLR, rather than the commissioner, to waive initial or renewal driver education school license fees or the fee for a director or administrative staff member.

SECTION 158. Amends Section 1001.256, Education Code, to authorize a duplicate license to be issued to a driver education instructor or driving safety instructor if the original license is lost or destroyed, and an affidavit of that fact is filed with TDLR, rather than TEA.

SECTION 159. Amends Section 1001.257, Education Code, to prohibit the executive director, rather than the commissioner, from issuing or renewing a driver education instructor license, including a temporary license, to a person who has six or more points assigned to the person's driver's license under Subchapter B (Driver's License Points Surcharge), Chapter 708, Transportation Code.

SECTION 160. Amends Section 1001.303, Education Code, as follows:

Sec. 1001.303. RENEWAL OF SCHOOL OR COURSE PROVIDER LICENSE. (a) Requires a school or course provider, to renew the license of a driver education school, driving safety school, or course provider, to submit to TDLR, rather than the commissioner, a complete application for renewal at least 30 days before the expiration date of the license.

(b) Requires a school or course provider that does not comply with Subsection (a) to, as a condition of renewal of the person's license, pay a late renewal fee. Provides that the late renewal fee is in addition to the annual renewal fee. Requires TDLR by rule to establish a late renewal fee. Deletes existing text requiring that the late renewal fee be in the amount established SBEC rule of at least \$100, subject to Subchapter D.

(c) Authorizes TDLR, rather than the commissioner, to reexamine a driver education school's premises.

(d) Requires the executive director, rather than the commissioner, to renew or cancel the driver education school, driving safety school, or course provider license.

SECTION 161. Amends Sections 1001.304(b) and (c), Education Code, as follows:

(b) Requires that the continuing education be:

- (1) in courses approved by TDLR, rather than the commissioner; and
- (2) for the number of hours established by TDLR, rather than the commissioner.

(c) Requires an applicant who does not comply with Subsection (a) to pay a late renewal fee in the amount established by commission rule, rather than a late renewal fee of \$25.

SECTION 162. Amends Sections 1001.351(a) and (b), Education Code, as follows:

(a) Requires a course provider or a person at the course provider's facilities, not later than the 15th working day after the course completion date, to issue and deliver by United States mail or commercial delivery a uniform certificate of course completion to a person who successfully completes an approved driving safety course. Makes a nonsubstantive change.

(b) Requires a course provider to electronically submit to TDLR, rather than TEA, in the manner established by TDLR, rather than TEA, data identified by TDLR, rather than TEA, relating to uniform certificates of course completion issued by the course provider.

SECTION 163. Amends Sections 1001.354(a) and (b), Education Code, as follows:

(a) Authorizes a driving safety course to be taught at a driving safety school if the school is approved by TDLR, rather than TEA.

(b) Authorizes a driving safety school to teach an approved driving safety course by an alternative method that does not require students to be present in a classroom if TDLR, rather than the commissioner, approves the alternative method. Authorizes TDLR, rather than the commissioner, to approve the alternative method if:

- (1) TDLR, rather than the commissioner, determines that the approved driving safety course can be taught by the alternative method; and
- (2) the alternative method includes testing and security measures that are at least as secure as the measures available in the usual classroom setting.

SECTION 164. Amends Section 1001.3541, Education Code, as follows:

Sec. 1001.3541. ALTERNATIVE METHOD OF INSTRUCTION FOR DRIVER EDUCATION COURSE. (a) Authorizes a driver education school to teach all or part of the classroom portion of an approved driver education course by an alternative method of instruction that does not require students to be present in a classroom if TDLR, rather than the commissioner, approves the alternative method.

(b) Authorizes TDLR, rather than the commissioner, to approve the alternative method only if:

- (1) the alternative method includes testing and security measures that TDLR, rather than the commissioner, determines are at least as secure as the measures available in the usual classroom setting; and
- (2) the course, with the use of the alternative method, satisfies any other requirement applicable to a course in which the classroom portion is taught to students in the usual classroom setting.

SECTION 165. Amends Sections 1001.404(b) and (c), Education Code, as follows:

(b) Requires TDLR, rather than the commissioner, to establish annually the rate of interest for a refund at a rate sufficient to provide a deterrent to the retention of student money.

(c) Authorizes TDLR, rather than TEA, to except a driver education school or course provider from the payment of interest if the school or course provider makes a good-faith effort to refund tuition, fees, and other charges but is unable to locate the student to whom the refund is owed. Requires the school or course provider, on request of TDLR, rather than TEA, to document the effort to locate a student.

SECTION 166. Amends Sections 1001.451 and 1001.452, Education Code, as follows:

Sec. 1001.451. PROHIBITED PRACTICES. Prohibits a person from:

- (1) Makes no change to this subdivision;
- (2) failing to notify TDLR, rather than the commissioner, of the discontinuance of the operation of a driver training school before the fourth working day after the date of cessation of classes and making available accurate records as required by this chapter;
- (3) issuing, selling, trading, or transferring certain documentation, including a driver education certificate to a person who has not successfully completed a TDLR-approved, rather than commissioner-approved, driver education course; or
- (4)-(5) Makes no change to these subdivisions.

Sec. 1001.452. COURSE OF INSTRUCTION. Prohibits a driver training school from maintaining, advertising, soliciting for, or conducting a course of instruction in this state before the later of the 30th day after the date the school applies for a driver training school license, or the date the school receives a driver training school license from TDLR, rather than the commissioner.

SECTION 167. Amends Sections 1001.453(d) and (e), Education Code, as follows:

(d) Provides that Subchapter F, Chapter 51, Occupations Code, Section 51.353, Occupations Code, and Sections 1001.456(a) and 1001.553 of this code do not apply to a violation of this section or a rule adopted under this section. Deletes existing text providing that Section 1001.454 does not apply to a violation of this section or a rule adopted under this section.

(e) Provides that Section 51.352, Occupations Code, and Sections 1001.455(a)(6), 1001.501, and 1001.554 of this code do not apply to a violation of this section. Deletes existing text providing that Sections 1001.551 and 1001.552 do not apply to a violation of this section or a rule adopted under this section.

SECTION 168. Amends Section 1001.455, Education Code, as follows:

Sec. 1001.455. DENIAL, SUSPENSION, OR REVOCATION OF INSTRUCTOR LICENSE. (a) Authorizes the executive director, rather than TEA, to deny an application for an instructor license or suspend or revoke the license of an instructor under certain circumstances, including if the instructor fails to comply with TDLR, rather than TEA, rules relating to driver instruction.

(b) Requires TDLR, rather than TEA, not later than the 10th day after the date of a denial, suspension, or revocation under this section, to notify the applicant or license holder of that action by certified mail.

SECTION 169. Amends Section 1001.456, Education Code, as follows:

Sec. 1001.456. OTHER DISCIPLINARY ACTIONS. (a) Authorizes the executive director, rather than TEA, if the executive director, rather than TEA, believes that a driver

education school or instructor has violated this chapter or a rule adopted under this chapter, to, without notice:

- (1) order a peer review;
- (2) suspend the enrollment of students in the school or the offering of instruction by the instructor; or
- (3) suspend the right to purchase driver education certificates.

(b) Authorizes the executive director, rather than TEA, if the executive director, rather than TEA, believes that a course provider, driving safety school, or driving safety instructor has violated this chapter or a rule adopted under this chapter, to, without notice:

- (1) order a peer review of the course provider, driving safety school, or driving safety instructor;
- (2) suspend the enrollment of students in the school or the offering of instruction by the instructor; or
- (3) suspend the right to purchase course completion certificate numbers.

(c) Requires that a peer review ordered under this section be conducted by a team of knowledgeable persons selected by TDLR, rather than TEA. Requires the team to provide TDLR, rather than TEA, with an objective assessment of the content of the school's or course provider's curriculum and its application. Requires the school or course provider to pay the costs of the peer review.

(d) Provides that a suspension of enrollment under Subsection (a)(2) or (b)(2) means a ruling by the executive director, rather than the commissioner, that restricts a school from accepting enrollments or reenrollments, advertising, soliciting, or directly or indirectly advising prospective students of its program or course offerings.

SECTION 170. Amends Section 1001.458, Education Code, as follows:

Sec. 1001.458. SURRENDER OF LICENSE. (a) Requires a license holder whose license is suspended or revoked to surrender the license to TDLR, rather than TEA, not later than the fifth day after the date of suspension or revocation.

(b) Authorizes TDLR, rather than TEA, to reinstate a suspended license on full compliance by the license holder with this chapter.

SECTION 171. Amends Section 1001.459, Education Code, as follows:

Sec. 1001.459. APPEAL AND REQUEST FOR HEARING. (a) Authorizes a person aggrieved by a denial, suspension, or revocation of a license to appeal the action and request a hearing before SOAH, rather than the commissioner, which is required to promptly set a hearing date and give written notice of the time and place of the hearing to the person. Requires an administrative law judge of SOAH to conduct the hearing.

(b) Requires the administrative law judge to make findings of fact and conclusions of law and promptly issue to TDLR a proposal for a decision about the appealed action. Deletes existing text requiring that the request be submitted not later than the 15th day after the date the person receives notice under Section 1001.455, and requiring the commissioner, on receipt of a request for a hearing, to set a time and place for the hearing and send notice of the time and place to the aggrieved person.

SECTION 172. Amends Sections 1001.553(a), (b), and (c), Education Code, as follows:

(a) Authorizes the executive director or TCLR, rather than the commissioner, to impose an administrative penalty on a person who violates this chapter or a rule adopted under this chapter.

(b) Prohibits the amount of the penalty from exceeding \$5,000, rather than \$1,000, a day for each violation.

(c) Requires that an administrative penalty under this section be imposed and collected as provided by Subchapter F, Chapter 51, Occupations Code. Deletes existing text authorizing the attorney general, at the request of TEA, to bring an action to collect the penalty.

SECTION 173. Amends Section 1001.555(b), Education Code, to require TDLR, rather than TEA, to contract with DPS to provide undercover and investigative assistance in the enforcement of Subsection (a) (relating to the illegal transfer of certain certificates to unauthorized persons).

SECTION 174. Amends Articles 15.27(a) and (l), Code of Criminal Procedure, as follows:

(a) Authorizes the commissioner, rather than SBEC, to revoke or suspend the certification of personnel who intentionally violate this subsection.

(l) Requires the board of trustees of a school district, if the board of trustees learns of a failure by the superintendent of the district or a district principal to provide a notice required under Subsection (a), (a-1) (relating to requiring the superintendent to send information contained in the confidential notice to a school district employee with direct supervisory responsibility over the student), or (b) (relating to notice given to a superintendent regarding the conviction, deferred prosecution, or deferred adjudication or an adjudication of delinquent conduct of an individual enrolled as a student in a public primary or secondary school), to report the failure to the commissioner, rather than SBEC. Requires the governing body, if the governing body of a private primary or secondary school learns of a failure by the principal of the school to provide a notice required under Subsection (e) (relating to notice from a law enforcement agency or the office of prosecuting attorney under certain circumstances to the principal of the school in which a student is enrolled), and the principal holds a certificate issued under Subchapter B, Chapter 21, Education Code, to report the failure to the commissioner, rather than SBEC.

SECTION 175. Amends Article 42.018(b), Code of Criminal Procedure, to require the clerk of the court in which the conviction or deferred adjudication is entered, not later than the fifth day after the date a person who holds a certificate issued under Subchapter B, Chapter 21, Education Code, is convicted or granted deferred adjudication on the basis of an offense, to provide to the commissioner, rather than SBEC, written notice of the person's conviction or deferred adjudication, including the offense on which the conviction or deferred adjudication was based.

SECTION 176. Amends Article 45.0511(b), Code of Criminal Procedure, to require the judge to require the defendant to successfully complete a driving safety course approved by TDLR, rather than TEA, or a course under the motorcycle operator training and safety program approved by the designated state agency under Chapter 662 (Motorcycle Operator Training and Safety), Transportation Code, under certain conditions.

SECTION 177. Amends Sections 261.308(d) and (e), Family Code, as follows:

(d) Removes SBEC from the list of persons and governmental entities to which the Department of Family and Protective Services (DFPS) is required to release information under certain circumstances regarding a person alleged to have committed abuse or neglect.

(e) Requires DFPS, on request, to release information about a person alleged to have committed abuse or neglect to the commissioner, rather than SBEC, if the commissioner, rather than the Board of Protective and Regulatory Services (board), has a reasonable basis for believing that the information is necessary to assist the commissioner, rather than the board, in protecting children from the person alleged to have committed abuse or neglect.

SECTION 178. Amends Section 261.406(b), Family Code, to remove SBEC from the list of persons and governmental entities to which DFPS is required to send a copy of the completed report of the DFPS's investigation.

SECTION 179. Amends Section 411.081(i), Government Code, as follows:

(i) Removes SBEC, the Texas Youth Commission (TYC), and the Texas Juvenile Probation Commission (TJPC), and includes the Texas Juvenile Justice Department in the list of governmental entities to which a criminal justice agency is authorized to disclose criminal history record information that is the subject of an order of nondisclosure under Subsection (d) (relating to certain individuals petitioning a court for an order of nondisclosure and payments for certain related court fees). Makes nonsubstantive changes.

SECTION 180. Amends Section 411.0901, Government Code, as follows:

Sec. 411.0901. ACCESS TO CRIMINAL HISTORY RECORD INFORMATION: TEXAS EDUCATION AGENCY. (a) Entities TEA to obtain criminal history record information maintained by DPS about certain persons, including a person who has applied to the commissioner for a certificate under Subchapter B, Chapter 21, Education Code.

(b) Deletes existing text authorizing criminal history record information obtained by TEA in the original form or any subsequent form to be released to SBEC. Makes nonsubstantive changes.

(c) Requires DPS to notify TEA of the arrest of any educator, as defined by Section 5.001, Education Code, who has fingerprints on file with DPS. Provides that any record of the notification and any information contained in the notification are not subject to disclosure as provided by Chapter 552.

SECTION 181. Amends Section 411.097(d), Government Code, to delete existing text authorizing criminal history record information obtained by a school district, charter school, private school, service center, commercial transportation company, or shared services arrangement in the original form or any subsequent form to be released to SBEC, and to make nonsubstantive changes.

SECTION 182. Amends Section 654.011(a), Government Code, to remove SBEC from a list of public education agencies whose employees are subject to the position classification plan and the salary rates and provisions in the General Appropriations Act.

SECTION 183. Amends Section 821.001(7), Government Code, to redefine "employer."

SECTION 184. Amends Section 821.103, Government Code, as follows:

Sec. 821.103. CANCELLATION OF TEACHER CERTIFICATE. (a) Authorizes the commissioner, rather than SBEC, after receiving notice from the board of trustees appointed under this subtitle to administer the retirement system of an offense under Section 821.101 (Conversion of Funds; Fraud) and after complying with Chapter 2001 and rules adopted by the commissioner, rather than SBEC, to cancel the teacher certificate of a person if the commissioner, rather than SBEC, determines that the person committed the offense.

(b) Authorizes the commissioner, rather than the executive director of SBEC, to enter into an agreed sanction.

(c) Provides that a criminal prosecution of an offender under Section 821.101 is not a prerequisite to action by TEA or the commissioner, rather than SBEC and its executive director.

SECTION 185. Amends Section 2054.352(a), Government Code, to require certain licensing entities to participate in the system established under Section 2054.353 (Electronic System for Occupational Licensing Transactions), including the commissioner, for certificates issued under Subchapter B, Chapter 21, Education Code, rather than including SBEC.

SECTION 186. Amends Section 48.102(a), Human Resources Code, to remove the agency responsible for teacher certification from the list of governmental entities to which DPRS is required to send a written report of DPRS's investigation of alleged abuse, neglect, or exploitation of a disabled adult at a school, as appropriate.

SECTION 187. Amends Subtitle B, Title 4, Labor Code, by adding Chapter 315, as follows:

CHAPTER 315. ADULT EDUCATION PROGRAMS

Sec. 315.001. DEFINITIONS. Defines "adult," "adult education," and "community-based organization" in this chapter.

Sec. 315.002. COMMISSION DUTIES. (a) Requires TWC to:

- (1) provide adequate staffing to develop, administer, and support a comprehensive statewide adult education program and coordinate related federal and state programs for the education and training of adults;
- (2) develop the mechanism and guidelines for the coordination of comprehensive adult education and related skill training services for adults with other entities, including public agencies and private organizations, in planning, developing, and implementing related programs;
- (3) administer all state and federal funds for adult education and related skill training services in this state, other than funds that another entity is specifically authorized to administer under other law;
- (4) prescribe and administer standards and accrediting policies for adult education;
- (5) prescribe and administer rules for teacher certification for adult education;
- (6) accept and administer grants, gifts, services, and funds from available sources for use in adult education;
- (7) adopt or develop and administer a standardized assessment mechanism for assessing all adult education program participants who need literacy instruction, adult basic education, or secondary education leading to an adult high school diploma or the equivalent;
- (8) monitor and evaluate educational and employment outcomes of students who participate in TWC's adult education and literacy programs; and
- (9) collaborate with TEA to improve the coordination and implementation of adult education and literacy services in this state.

(b) Requires that the assessment mechanism prescribed by Subsection (a)(7) include an initial basic skills screening instrument and provide comprehensive information concerning baseline student skills before and student progress after participation in an adult education program.

(c) Authorizes TWC to adopt rules for the administration of this chapter.

Sec. 315.003. PROVISION OF ADULT EDUCATION PROGRAMS. Requires that adult education programs be provided by public school districts, public junior colleges, public universities, public nonprofit agencies, and community-based organizations approved in accordance with state statutes and rules adopted by TWC. Requires that the programs be designed to meet the education and training needs of adults to the extent possible using available public and private resources. Authorizes bilingual education to be used to instruct students who do not function satisfactorily in English whenever it is appropriate for those students' optimum development.

Sec. 315.004. ADULT EDUCATION ASSESSMENT. Requires TWC, in consultation with THECB, to review the standardized assessment mechanism required under Section 315.002(a)(7) and recommend any changes necessary to align the assessment with the assessments designated under Section 51.3062, Education Code, to allow for the proper placement of a student in an adult basic education course or to provide the student with the proper developmental or English as a second language course work, as appropriate.

Sec. 315.005. ADULT EDUCATION ADVISORY COMMITTEE. (a) Defines "advisory committee" in this section.

(b) Requires TWC to establish an adult education advisory committee composed of not more than seven members appointed by TWC. Requires that members of the advisory committee have expertise in the field of adult education and authorizes members of the advisory committee to include adult educators, providers, advocates, and current or former adult education program students.

(c) Requires the advisory committee to advise TWC on:

(1) the development of policies and program priorities that support the development of an educated and skilled workforce in this state; and

(2) any other issue TWC considers appropriate.

Sec. 315.006. STATE FUNDING. (a) Requires that funds be appropriated to implement statewide adult basic education, adult bilingual education, high school equivalency, and high school credit programs to eliminate illiteracy in this state and to implement and support a statewide program to meet the total range of adult needs for adult education and related skill training. Requires TWC to ensure that public local education agencies, public nonprofit agencies, and community-based organizations have direct and equitable access to those funds.

(b) Authorizes the legislature, in addition to any amount appropriated under Subsection (a), to appropriate an additional amount to TWC for the purpose of skill training in direct support of industrial expansion and new business development in locations, industries, and occupations designated by TWC, if the training supports the basic purposes of this chapter. Authorizes the legislature, to support the basic purposes of this chapter, to also appropriate an additional amount to TWC for skill training that is conducted to support the expansion of civilian employment opportunities on United States military reservations.

Sec. 315.007. SERVICE PROVIDER CONTRACTS: COMPETITIVE PROCUREMENT REQUIREMENT. (a) Requires TWC to use a competitive procurement process to award a contract to a service provider of an adult education program.

(b) Requires TWC to adopt rules to administer this section.

SECTION 188. Amends Section 302.062(g), Labor Code, to provide that block grant funding under this section does not apply to certain programs including the adult education program under Chapter 315.

SECTION 189. Amends Section 504.002(b), Occupations Code, to provide that this chapter does not apply to an activity or service of certain persons, including a school counselor certified by the commissioner, rather than SBEC.

SECTION 190. Amends Section 501.004(b), Transportation Code, to provide that this chapter (Certificate of Title Act) does not apply to certain vehicles or a certain lien, including to a new motor vehicle on loan to a political subdivision of the state for use only in a driver education course approved by TDLR, rather than the Central Education Agency.

SECTION 191. Amends Section 521.1601, Transportation Code, as added by Chapter 1253 (H.B. 339), Acts of the 81st Legislature, Regular Session, 2009, as follows:

Sec. 521.1601. DRIVER EDUCATION REQUIRED. Prohibits DPS from issuing a driver's license to a person who is younger than 21 years of age unless the person submits to DPS a driver education certificate issued under Chapter 1001, Education Code, that states that the person has completed and passed:

- (1) a driver education and traffic safety course approved by TDLR, rather than TEA, under Section 29.902, Education Code, or a driver education course approved by TDLR, rather than TEA, under Section 1001.101 of that code or approved by DPS under Section 521.205; or
- (2) if the person is 18 years of age or older, a driver education course approved by TDLR, rather than TEA, under Section 1001.101 or 1001.1015, Education Code.

SECTION 192. Amends Section 521.1601, Transportation Code, as added by Chapter 1413 (S.B. 1317), Acts of the 81st Legislature, Regular Session, 2009, as follows:

Sec. 521.1601. DRIVER EDUCATION REQUIRED. Prohibits DPS from issuing a driver's license to a person who is younger than 25 years of age unless the person submits to DPS a driver education certificate issued under Chapter 1001, Education Code, that states that the person has completed and passed:

- (1) a driver education and traffic safety course approved by TDLR, rather than TEA, under Section 29.902, Education Code, or a driver education course approved by TDLR, rather than TEA, under Section 1001.101 of that code or approved by DPS under Section 521.205; or
- (2) if the person is 18 years of age or older, a driver education course approved by TDLR, rather than TEA, under Section 1001.101 or 1001.1015, Education Code.

SECTION 193. Amends Section 521.1655(a), Transportation Code, to authorize a driver education school licensed under Chapter 1001, Education Code, rather than under 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 (Examination of License Applicants).

SECTION 194. Amends Section 521.167, Transportation Code, as added by Chapter 1253 (H.B. 339), Acts of the 81st Legislature, Regular Session, 2009, to provide that a person who has completed and passed a driver education course approved by TDLR, rather than TEA, under Section 1001.1015, Education Code, is not required to take the highway sign and traffic law parts

of the examination required under Section 521.161 if those parts have been successfully completed as determined by a licensed driver education instructor.

SECTION 195. Amends Section 521.203, Transportation Code, to prohibit DPS from issuing a Class A or Class B driver's license to a person under circumstances, including if the person is under 18 years of age unless the person has completed a driver training course approved by TDLR, rather than the Central Education Agency.

SECTION 196. Amends Section 521.204(a), Transportation Code, to authorize DPS to issue a Class C driver's license to an applicant under 18 years of age only if the applicant meets certain criteria, including if the applicant has submitted to DPS a driver education certificate issued under Section 1001.055, Education Code, that states that the person has completed and passed a driver education course approved by DPS under Section 521.205 or TDLR, rather than TEA.

SECTION 197. Amends Sections 521.205(b) and (d), Transportation Code, as follows:

(b) Prohibits DPS from approving a course unless it determines that the course materials are at least equal to those required in a course approved by TDLR, rather than TEA, except that DPS is prohibited from requiring certain conditions.

(d) Provides that completion of a driver education course approved under this section has the same effect under this chapter as completion of a driver education course approved by TDLR, rather than TEA.

SECTION 198. Amends Sections 521.222(a) and (c), Transportation Code, as follows:

(a) Authorizes DPS or a driver education school licensed under Chapter 1001, Education Code, rather than under the Texas Driver and Traffic Safety Education Act (Article 4413(29c), Vernon's Texas Civil Statutes), to issue an instruction permit, including a Class A or Class B driver's license instruction permit, to a person who meets certain criteria, including a person who meets the requirements imposed under Section 521.204(a)(3), rather than Section 521.204(3).

(c) Authorizes a driver education school to issue an instruction permit to a person 18 years of age or older who has successfully passed a six-hour adult classroom driver education course approved by TDLR, rather than TEA, and each part of the driver's examination required by Section 521.161 other than the driving test.

SECTION 199. Amends Sections 543.111 and 543.112, Transportation Code, as follows:

Sec. 543.111. REGULATION BY CERTAIN STATE AGENCIES. (a) Requires TCLR, rather than SBOE, to enter into a memorandum of understanding with TDI for the interagency development of a curriculum for driving safety courses.

(b) Requires TCLR and TDLR, rather than TEA, as appropriate, to adopt and administer comprehensive rules governing driving safety courses, and investigate options to develop and implement procedures to electronically transmit information pertaining to driving safety courses to municipal and justice courts.

Sec. 543.112. STANDARDS FOR UNIFORM CERTIFICATE OF COURSE COMPLETION. (a) Requires TCLR, rather than TEA, by rule to provide for the design and distribution of uniform certificates of course completion so as to prevent to the greatest extent possible the unauthorized production or misuse of the certificates.

(b) Requires that the uniform certificate of course completion include an identifying number by which TDLR, the court, or DPS may verify its authenticity with the course provider and requires that it be in a form adopted by TDLR, rather than by which TEA, the court, or DPS may verify its authenticity with the course provider and requires that it be in a form adopted by TEA.

(c) Requires TDLR, rather than TEA, to issue duplicate uniform certificates of course completion. Requires TCLR, rather than SBOE, by rule to determine the amount of the fee to be charged for issuance of a duplicate certificate.

(d) Requires a driving safety course provider to electronically submit data identified by TDLR pertaining to issued uniform certificates of course completion to TDLR as directed by TDLR, rather than data identified by TEA pertaining to issued uniform certificates of course completion to TEA as directed by TEA.

SECTION 200. Amends Sections 543.113(a) and (c), Transportation Code, as follows:

(a) Requires TDLR, rather than TEA, to print the uniform certificates and supply them to persons who are licensed providers of courses approved under Chapter 1001, Education Code, rather than under the Texas Driver and Traffic Safety Education Act (Article 4413(29c), V.T.C.S.). Requires TCLR by rule to establish a fee for each certificate, rather than authorizing TEA to charge a fee for each certificate. Deletes existing text prohibiting the fee from exceeding \$4.

(c) Requires that money collected by TDLR, rather than TEA, under this section be used to pay monetary awards for information relating to abuse of uniform certificates that leads to the conviction or removal of an approval, license, or authorization.

SECTION 201. Amends Section 543.114(a), Transportation Code, to provide that a violation of this section by a provider or a provider's agent, employee, or representative results in loss of the provider's status as a provider of a course approved under Chapter 1001, Education Code, rather than under the Texas Driver and Safety Education Act (Article 4413(29c), V.T.C.S.).

SECTION 202. Amends Section 545.412(g), Transportation Code, to require a judge, acting under Article 45.0511, Code of Criminal Procedure, who elects to defer further proceedings and to place a defendant accused of a violation of this section on probation under that article, in lieu of requiring the defendant to complete a driving safety course approved by TDLR, rather than TEA, to require the defendant to attend and present proof that the defendant has successfully completed a specialized driving safety course approved by TDLR, rather than TEA, under Chapter 1001, Education Code, rather than under the Texas Driver and Traffic Safety Education Act (Article 4413(29c), V.T.C.S.), that includes four hours of instruction that encourages the use of child passenger safety seat systems and the wearing of seat belts and emphasizes the effectiveness of child passenger safety seat systems and seat belts in reducing the harm to children being transported in motor vehicles, and the requirements of this section and the penalty for noncompliance.

SECTION 203. Amends Section 545.413(i), Transportation Code, to require a judge, acting under Article 45.0511, Code of Criminal Procedure, who elects to defer further proceedings and to place a defendant accused of a violation of Subsection (b) (relating to providing that it is an offense to allow a child to ride in a vehicle without a safety belt) on probation under that article, in lieu of requiring the defendant to complete a driving safety course approved by TDLR, rather than TEA, to require the defendant to attend and present proof that the defendant has successfully completed a specialized driving safety course approved by TDLR, rather than TEA, under Chapter 1001, Education Code, rather than under the Texas Driver and Traffic Safety Education Act (Article 4413(29c), V.T.C.S.), that includes four hours of instruction that encourages the use of child passenger safety seat systems and the wearing of seat belts and emphasizes the effectiveness of child passenger safety seat systems and seat belts in reducing the harm to children being transported in motor vehicles, and the requirements of this section and the penalty for noncompliance.

SECTION 204. (a) Repealers: (1) Section 7.009 (Best Practices; Clearinghouse), Education Code;

(2) Sections 7.021(b) (relating to settling forth certain powers and duties required of TEA) and (c) (authorizing TEA to enter in an agreement with a federal agency

and providing notice of such agreements to the governor, LBB, and certain legislative entities), Education Code;

(3) Sections 7.055(b)(1) (relating to requiring the commissioner to serve as the educational leader of the state), (2) (relating to requiring the commissioner to serve as the executive officer of TEA and as executive secretary of SBOE), (3) (relating to requiring the commissioner to carry out the duties imposed on the commissioner by SBOE or the legislature), (4) (relating to requiring the commissioner to prescribe a uniform system of forms, reports, and records necessary to fulfill the reporting and recordkeeping requirements of this title), (5) (relating to authorizing the commissioner to delegate certain functions to TEA staff and to employ certain individuals to perform TEA duties), (6) (relating to requiring the commissioner to adopt an annual budget for operating the Foundation School Program), (7) (relating to authorizing the commissioner to issue vouchers for the expenditures of TEA and requiring the commissioner to approve any account to be paid out of the school funds before the comptroller may issue a warrant), (10) (relating to authorizing the commissioner to travel for certain purposes and be reimbursed for necessary travel expenses to the extent authorized by the General Appropriations Act), (11) (relating to authorizing the commissioner to appoint advisory committees as necessary under certain circumstances), (12) (relating to requiring the commissioner to appoint a TEA auditor), (13) (relating to authorizing the commissioner to provide for reductions in the number of TEA employees), (14) (relating to requiring the commissioner to carry out duties relating to the investment capital fund), (15) (relating to requiring the commissioner to review and act on certain applications for waivers), (16) (relating to requiring the commissioner to carry out duties relating to ESCs), (17) (relating to requiring the commissioner to distribute funds in a certain manner to open-enrollment charter schools), (18) (relating to requiring the commissioner to adopt a recommended appraisal process and certain criteria on which to appraise the performance of teachers, administrators, and counselors), (19) (relating to requiring the commissioner to coordinate and implement certain teacher recruitment programs), (20) (relating to requiring the commissioner to perform certain duties in connection with the certification and assignment of hearing examiners), (21) (relating to requiring the commissioner to carry out duties under the Texas Advanced Placement Incentive Program), (22) (relating to authorizing the commissioner to adopt rules for optional extended year programs), (23) (relating to requiring the commissioner to monitor and evaluate prekindergarten programs and certain other child-care programs), (24) (relating to requiring the commissioner to develop and implement a plan for the coordination of services to children with disabilities), (25) (relating to requiring the commissioner to develop a system to distribute a special supplemental allowance to districts or ESCs for students with visual impairments), (26) (relating to requiring the commissioner to determine amounts to be distributed to the Texas School for the Blind and Visually Impaired, Texas School for the Deaf, and the Texas Youth Commission), (27) (relating to requiring the commissioner to establish a procedure for resolution of disputes between a district and the Texas School for the Blind and Visually Impaired), (28) (relating to requiring the commissioner to perform duties relating to the funding, adoption, and purchase of instructional materials), (29) (relating to authorizing the commissioner to enter into contracts concerning technology in the public school system), (30) (relating to requiring the commissioner to adopt a recommended contract form for the use, acquisition, or lease with option to purchase of school buses), (31) (relating to requiring the commissioner to ensure that the cost of using school buses for a purpose other than the transportation of students to or from school is properly identified in PEIMS), (32) (relating to requiring the commissioner to perform duties in connection with the public school accountability system), (34) (relating to requiring the commissioner to perform duties in connection with the equalized wealth level), (35) (relating to requiring the commissioner to perform duties in connection with the Foundation School Program), (36) (relating to requiring the commissioner to establish advisory guidelines relating to the fiscal management of a district and report annually to

SBOE on the status of school district fiscal management), (37) (relating to requiring the commissioner to review district audit reports), (38) (relating to requiring the commissioner to perform duties in connection with the guaranteed bond program), (39) (relating to requiring the commissioner to cooperate with THECB in connection with the Texas partnership and scholarship program), and (41) (relating to requiring the commissioner to adopt rules relating to certain extracurricular activities and approve or disapprove certain University Interscholastic League rules and procedures), Education Code;

(4) Section 7.055(c) (relating to requiring that the budget adopted by the commissioner for operating the Foundation School Program be in accordance with legislative appropriations and provide funds for the administration and operation of TEA and any other necessary expense; and requiring the commissioner to submit the budget to SBOE for review before adoption and submission to LBB, the governor, and the comptroller), Education Code;

(5) Section 7.102(c)(16) (relating to requiring SBOE to adopt rules for approving adult education programs and authorizing SBOE to establish an adult education advisory committee), Education Code;

(6) Section 11.201(c) (defining "severance payment" as it relates to a superintendent, requiring the commissioner to reduce the district's FSP funds by a certain amount relating to a severance payment, and authorizing the commissioner to adopt rules as necessary to administer this subsection), Education Code;

(7) Section 11.254 (State Responsibilities for the Planning and Decision-Making Process), Education Code;

(8) Section 12.1055(b) (relating to exempting an open-enrollment charter school that is rated acceptable or higher for at least two of the preceding three school years from certain laws mandates related to nepotism), Education Code;

(9) Section 12.107(b) (relating to requiring a charter holder to deliver to TEA a copy of the depository contract between the charter holder and any bank into which state funds are deposited), Education Code;

(10) Section 12.115(b) (relating to requiring an action by the commissioner to modify, place on probation, revoke, or deny renewal of a charter to be based on the best interest of the school's students, the severity of the violation, and any previous violation the school has committed), Education Code;

(11) Section 13.052 (Dormant School Districts), Education Code;

(12) Section 21.007(a) (defining "board" in this section to mean SBEC), Education Code;

(13) Sections 21.032 (Definition), 21.033 (State Board for Educator Certification), 21.034 (Terms; Vacancy), 21.035 (Administration by Agency), 21.036 (Officers), 21.037 (Compensation), and 21.038 (Meetings), Education Code;

(14) Section 21.041(a) (relating to authorizing SBEC to adopt rules as necessary for its own procedures), Education Code;

(15) Sections 21.042 (Approval of Rules) and 21.043 (Access to PEIMS Data), Education Code;

(16) Sections 21.254(c) (relating to requiring the commissioner to assign a hearing examiner to a case on a date certain and to notify certain parties of the

assignment) and (d) (relating to procedures in place allowing parties to reject a hearing examiner assignment), Education Code;

(17) Section 21.4541 (Mathematics Instructional Coaches Pilot Program), Education Code;

(18) Section 22.0831(a) (defining "board" in this section to mean SBEC), Education Code;

(19) Section 25.001(e) (relating to the commissioner waiving a requirement that a district admit a foreign exchange student under certain circumstances), Education Code;

(20) Sections 29.095 (Grants for Student Clubs), 29.096 (Collaborative Dropout Reduction Pilot Program), 29.097 (Intensive Technology-Based Academic Intervention Pilot Program), 29.098 (Intensive Summer Programs), and 29.099 (Intensive Mathematics and Algebra Intervention Pilot Program), Education Code;

(21) Sections 29.251(1) (defining "adult education"), (2) (defining "adult"), and (3) (defining "community-based organization"), Education Code;

(22) Sections 29.253 (Provision of Adult Education Programs), 29.2531 (Adult Education Assessment), 29.2535 (Service Provider Contracts: Competitive Procurement), and 29.254 (Adult Education Advisory Committee), Education Code;

(23) Section 29.917 (Higher Education and Workforce Readiness Programs), Education Code;

(24) Section 34.015 (Reporting of Bus Accidents), Education Code;

(25) Section 38.104 (Analysis of Results), Education Code;

(26) Section 39.037(g) (relating to a report describing the results of student performance on international assessments submitted to the governor, lieutenant governor, speaker of the house of representatives, each member of the legislature, and each school district), Education Code;

(27) Section 39.0822 (Financial Solvency Review Required), Education Code;

(28) Sections 39.0823(b) (relating to requiring a district to submit a financial plan to TEA for approval under certain circumstances) and (c) (relating to requiring the commissioner to assign a district an accredited-warned status if certain conditions are not met), Education Code;

(29) Section 39.203(c) (relating to a district being awarded a distinction designation in specific categories of performance), Education Code;

(30) Section 39.204 (Campus Distinction Designation Criteria; Committees), Education Code;

(31) the heading to Subchapter M (High School Completion and Success Initiative), Chapter 39, Education Code;

(32) Sections 39.401 (Definition), 39.402 (High School Completion and Success Initiative Council), 39.403 (Terms), 39.404 (Presiding Officer), 39.405 (Compensation and Reimbursement), 39.406 (Council Staff and Funding), 39.407 (Strategic Plan), 39.408 (Eligibility Criteria for Certain Grant Programs), 39.410 (Grant Program Evaluation), 39.411 (Council Recommendations), 39.412

(Funding Provided to School Districts), 39.414 (Private Funding), 39.415 (Reports), and 39.416 (Rules), Education Code;

(33) Sections 42.152(q) (relating to requiring SBOE by rule to develop and implement reporting and auditing systems for district and campus expenditures of compensatory education funds, requiring reporting requirements to be managed electronically, and requiring a district to submit the report on a date certain), (q-1) (relating to requiring the commissioner to develop a system to identify districts that are at high risk of having used compensatory education funds inappropriately or of having inadequately reported compensatory education expenditures, and prohibiting a district from certain audits if not at high risk), (q-2) (relating to notification to the district of its high risk status of having misused compensatory education funds, requiring a response from the district on a date certain, and requiring the commissioner to take certain actions based on the district's response), (q-3) (relating to assistance by TEA staff if a district has a high risk status of having inadequately reported compensatory education expenditures, and authorizing the commissioner to take certain actions if the district does not take appropriate corrective action by a date certain), (q-4) (relating to requiring the commissioner in the year following a local audit to withhold certain amounts from a district's foundation school fund payment under certain circumstances and releasing said funds when the district provides a detailed plan to spend those funds in a certain manner), and (r) (relating to a one-year exemption from Subsections (q)-(q-4) to a district in which certain groups of student who previously failed an assessment instrument the preceding year meet or exceed certain performance thresholds in the current year), Education Code;

(34) Section 45.208(e) (requiring that a copy of the depository contract and bond be filed with TEA), Education Code;

(35) Section 1001.001(1) (defining "agency" in this chapter to mean TEA), Education Code;

(36) Section 1001.006 (Review of Agency Jurisdiction and Control Over Driver Education and Driving Safety Schools), Education Code;

(37) Section 1001.454 (Revocation of or Placement of Conditions on School or Course Provider License), Education Code;

(38) Sections 1001.460 (Hearing) and 1001.461 (Judicial Review), Education Code; and

(39) Sections 1001.551 (Injunction in General) and 1001.552 (Injunction Against School), Education Code.

(b) Repealer: Section 411.090 (Access to Criminal History Record Information: State Board for Educator Certification), Government Code.

(c) Repealer: Section 521.167 (Waiver of Certain Education and Examination Requirements), Transportation Code, as added by Chapter 1413 (S.B. 1317), Acts of the 81st Legislature, Regular Session, 2009.

SECTION 205. Provides that the changes in law made by this Act to Subchapter D, Chapter 12, Education Code, relating to enforcement actions against an open-enrollment charter school apply beginning June 1, 2014, based on school performance during preceding school years.

SECTION 206. Provides that the change in law made by this Act to Section 1001.553(b), Education Code, applies only to the imposition of an administrative penalty for a violation that occurs on or after the effective date of this Act. Provides that the imposition of an administrative penalty for a violation that occurs before the effective date of this Act is governed by the law in effect on the date the violation occurred, and that law is continued in effect for that purpose.

SECTION 207. (a) Abolishes SBEC on September 1, 2013. Provides that all powers, duties, obligations, rights, contracts, leases, records, personnel, property, and unspent and unobligated appropriations and other funds of SBEC, on that date, are transferred to TEA. Authorizes TEA, with the agreement of SBEC, before that date, to transfer any records, personnel, or property of SBEC to TEA in preparation for the transfer provided for in this Act.

(b) Provides that the abolishment of SBEC does not affect the validity of a right, privilege, or obligation accrued, a contract or acquisition made, any liability incurred, a certificate issued, a penalty, forfeiture, or punishment assessed, a rule adopted, a proceeding, investigation, or remedy begun, a decision made, or other action taken by or in connection with SBEC. Provides that a certificate issued by SBEC under Subchapter B, Chapter 21, Education Code, before September 1, 2013, is considered a certificate issued by TEA.

(c) Provides that all rules, policies, procedures, and decisions of SBEC are continued in effect as rules, policies, procedures, and decisions of the commissioner and TEA until superseded by a rule or other appropriate action of TEA.

(d) Authorizes the commissioner, after the effective date of this Act, to adopt a rule proposed by SBEC before the effective date of this Act.

(e) Provides that any action or proceeding before SBEC is transferred without change in status to the commissioner and TEA, and the commissioner and TEA assume, without a change in status, the position of SBEC in any action or proceeding to which SBEC is a party.

SECTION 208. (a) Provides that, on September 1, 2013:

(1) all functions and activities relating to adult education programs are transferred from TEA to TWC;

(2) all rules, policies, procedures, decisions, and forms of TEA, the commissioner, or SBOE relating to the administration of adult education programs are continued in effect as rules, policies, procedures, decisions, and forms of TWC until superseded by a rule or other appropriate action by TWC;

(3) a reference in law or administrative rule to TEA, the commissioner, or SBOE relating to the administration of adult education programs means TWC;

(4) a complaint, investigation, or other proceeding before TEA that is related to adult education programs is transferred without change in status to TWC, and TWC assumes, as appropriate and without a change in status, the position of TEA in an action or proceeding to which TEA is a party;

(5) all money, contracts, leases, property, and obligations of TEA related to the administration of adult education programs are transferred to TWC;

(6) all property in the custody of TEA related to the administration of adult education programs is transferred to TWC; and

(7) the unexpended and unobligated balance of any money appropriated by the legislature for TEA related to the administration of adult education programs is transferred to TWC.

(b) Authorizes TEA, before September 1, 2013, to agree with TWC to transfer any property of TEA to TWC to implement the transfer required by this Act.

(c) Requires TWC to hold public hearings to develop rules to establish a new allocation formula for adult education provider grants under Chapter 315, Labor Code, as added by this Act.

(d) Requires TWC to adopt and implement the new allocation formula for adult education provider grants beginning with the 2014-2015 school year.

SECTION 209. (a) Provides that, on September 1, 2013:

(1) all functions and activities relating to Chapter 1001, Education Code, performed by TEA immediately before that date are transferred to TDLR;

(2) all rules, policies, procedures, decisions, and forms adopted by the commissioner that relate to Chapter 1001, Education Code, are continued in effect as rules, policies, procedures, decisions, and forms of TCLR or TDLR, as applicable, and remain in effect until amended or replaced by TCLR or TDLR;

(3) a reference to TEA in a law or administrative rule that relates to Chapter 1001, Education Code, means TCLR or TDLR, as applicable;

(4) a complaint, investigation, or other proceeding before TEA that is related to Chapter 1001, Education Code, is transferred without change in status to TDLR, and TDLR assumes, as appropriate and without a change in status, the position of TEA in an action or proceeding to which TEA is a party;

(5) all money, contracts, leases, property, and obligations of TEA related to Chapter 1001, Education Code, are transferred to TDLR;

(6) all property in the custody of TEA related to Chapter 1001, Education Code, is transferred to TDLR; and

(7) the unexpended and unobligated balance of any money appropriated by the legislature for TEA related to Chapter 1001, Education Code, is transferred to TDLR.

(b) Authorizes TEA, before September 1, 2013, to agree with TDLR to transfer any property of TEA to TDLR to implement the transfer required by this Act.

SECTION 210. Provides that the changes in law made by this Act to Chapter 1001, Education Code, apply only to a fee charged on or after September 1, 2013. Provides that a fee charged before September 1, 2013, is governed by the law in effect immediately before that date, and the former law is continued in effect for that purpose.

SECTION 211. Provides that this Act, to the extent of any conflict, prevails over another Act of the 83rd Legislature, Regular Session, 2013, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 212. Effective date: September 1, 2013.