

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

5/26/17

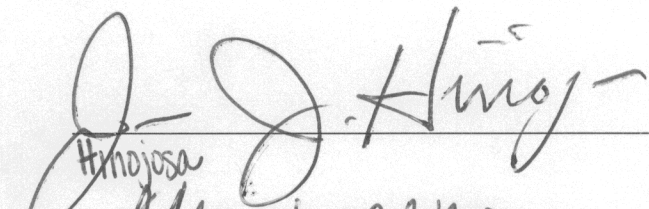
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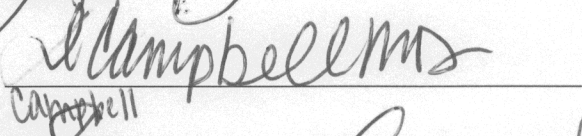
Honorable Dan Patrick  
President of the Senate

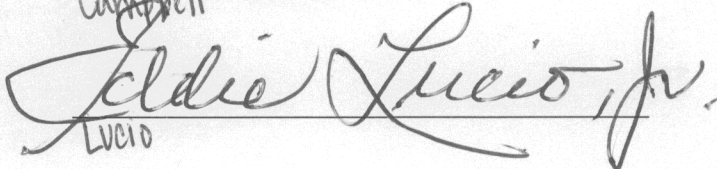
Honorable Joe Straus  
Speaker of the House of Representatives

Sirs:

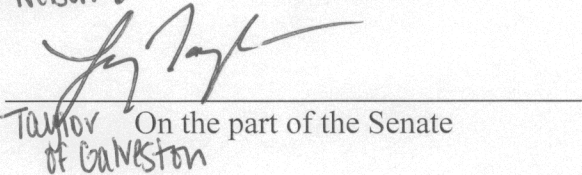
We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on HOUSE BILL 1553 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

  
Hinojosa

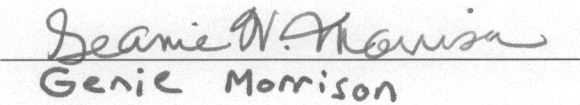
  
Campbell

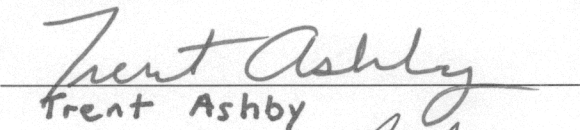
  
Lucio

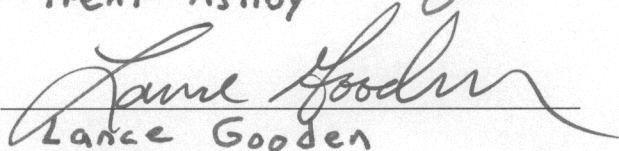
  
Nelson

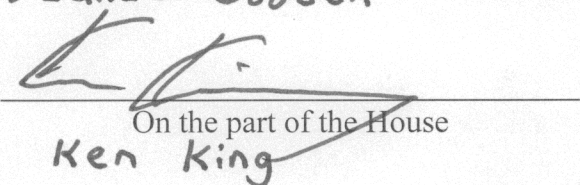
  
Taylor of Galveston  
On the part of the Senate

  
J.M. Lozano

  
Genie Morrison

  
Trent Ashby

  
Lance Gooden

  
Ken King  
On the part of the House

Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.



# CONFERENCE COMMITTEE REPORT

3<sup>rd</sup> Printing

H.B. No. 1553

A BILL TO BE ENTITLED

AN ACT

relating to permitting a school district that has failed to satisfy performance standards to partner with an institution of higher education to improve district performance.

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

SECTION 1. Section 39.102(a), Education Code, is amended to read as follows:

(a) If a school district does not satisfy the accreditation criteria under Section 39.052, the academic performance standards under Section 39.053 or 39.054, or any financial accountability standard as determined by commissioner rule, or if considered appropriate by the commissioner on the basis of a special accreditation investigation under Section 39.057, the commissioner shall take any of the following actions to the extent the commissioner determines necessary:

(1) issue public notice of the deficiency to the board of trustees;

(2) order a hearing conducted by the board of trustees of the district for the purpose of notifying the public of the insufficient performance, the improvements in performance expected by the agency, and the interventions and sanctions that may be imposed under this section if the performance does not improve;

(3) order the preparation of a student achievement improvement plan that addresses each academic achievement

1 indicator under Section 39.053(c) for which the district's  
2 performance is insufficient, the submission of the plan to the  
3 commissioner for approval, and implementation of the plan;

4 (4) order a hearing to be held before the commissioner  
5 or the commissioner's designee at which the president of the board  
6 of trustees of the district and the superintendent shall appear and  
7 explain the district's low performance, lack of improvement, and  
8 plans for improvement;

9 (5) arrange a monitoring review of the district;

10 (6) appoint an agency monitor to participate in and  
11 report to the agency on the activities of the board of trustees or  
12 the superintendent;

13 (7) appoint a conservator to oversee the operations of  
14 the district;

15 (8) appoint a management team to direct the operations  
16 of the district in areas of insufficient performance or require the  
17 district to obtain certain services under a contract with another  
18 person;

19 (9) authorize the district to enter into a memorandum  
20 of understanding with an institution of higher education that  
21 provides for the assistance of the institution of higher education  
22 in improving the district's performance;

23 (10) if a district has a current accreditation status  
24 of accredited-warned or accredited-probation, fails to satisfy any  
25 standard under Section 39.054(e), or fails to satisfy financial  
26 accountability standards as determined by commissioner rule,  
27 appoint a board of managers to exercise the powers and duties of the

1 board of trustees;

2           (11) [~~(10)~~] if for two consecutive school years,  
3 including the current school year, a district has received an  
4 accreditation status of accredited-warned or accredited-probation,  
5 has failed to satisfy any standard under Section 39.054(e), or has  
6 failed to satisfy financial accountability standards as determined  
7 by commissioner rule, revoke the district's accreditation and:

8           (A) order closure of the district and annex the  
9 district to one or more adjoining districts under Section 13.054;  
10 or

11           (B) in the case of a home-rule school district or  
12 open-enrollment charter school, order closure of all programs  
13 operated under the district's or school's charter; or

14           (12) [~~(11)~~] if a district has failed to satisfy any  
15 standard under Section 39.054(e) due to the district's dropout  
16 rates, impose sanctions designed to improve high school completion  
17 rates, including:

18           (A) ordering the development of a dropout  
19 prevention plan for approval by the commissioner;

20           (B) restructuring the district or appropriate  
21 school campuses to improve identification of and service to  
22 students who are at risk of dropping out of school, as defined by  
23 Section 29.081;

24           (C) ordering lower student-to-counselor ratios  
25 on school campuses with high dropout rates; and

26           (D) ordering the use of any other intervention  
27 strategy effective in reducing dropout rates, including mentor

1 programs and flexible class scheduling.

2 SECTION 2. Section 39.111(c), Education Code, is amended to  
3 read as follows:

4 (c) A conservator or management team, if directed by the  
5 commissioner, shall prepare a plan for the implementation of action  
6 under Section 39.102(a)(10) or (11) [~~39.102(a)(9) or (10)~~]. The  
7 conservator or management team:

8 (1) may direct an action to be taken by the principal  
9 of a campus, the superintendent of the district, or the board of  
10 trustees of the district;

11 (2) may approve or disapprove any action of the  
12 principal of a campus, the superintendent of the district, or the  
13 board of trustees of the district;

14 (3) may not take any action concerning a district  
15 election, including ordering or canceling an election or altering  
16 the date of or the polling places for an election;

17 (4) may not change the number of or method of selecting  
18 the board of trustees;

19 (5) may not set a tax rate for the district; and

20 (6) may not adopt a budget for the district that  
21 provides for spending a different amount, exclusive of required  
22 debt service, from that previously adopted by the board of  
23 trustees.

24 SECTION 3. This Act applies beginning with the 2017-2018  
25 school year.

26 SECTION 4. This Act takes effect immediately if it receives  
27 a vote of two-thirds of all the members elected to each house, as

H.B. No. 1553

1 provided by Section 39, Article III, Texas Constitution. If this  
2 Act does not receive the vote necessary for immediate effect, this  
3 Act takes effect September 1, 2017.

**House Bill 1553**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION	SENATE VERSION (IE)	CONFERENCE
SECTION 1. Section 39.102(a), Education Code, is amended.	SECTION 1. Same as House version.	SECTION 1. Same as House version.
SECTION 2. Section 39.111(c), Education Code, is amended.	SECTION 2. Same as House version.	SECTION 2. Same as House version.
SECTION 3. Applicability provision.	SECTION 3. Same as House version.	SECTION 3. Same as House version.
SECTION 4. Effective date.	SECTION 4. Same as House version.	SECTION 4. Same as House version.
<i>No equivalent provision.</i>	SECTION __. Section 7.055(b), Education Code, is amended. [FA1]	Same as House version.
<i>No equivalent provision.</i>	SECTION __. Subchapter C, Chapter 7, Education Code, is amended. [FA1]	Same as House version.
<i>No equivalent provision.</i>	SECTION __. Section 12.1012, Education Code, is amended. [FA1]	Same as House version.
<i>No equivalent provision.</i>	SECTION __. Subchapter D, Chapter 12, Education Code, is amended. [FA1]	Same as House version.
<i>No equivalent provision.</i>	SECTION __. Section 12.106, Education Code, is amended. [FA1]	Same as House version.
<i>No equivalent provision.</i>	SECTION __. Section 12.107(a), Education Code, is amended. [FA1]	Same as House version.
<i>No equivalent provision.</i>	SECTION __. Section 12.1163, Education Code, is amended. [FA1]	Same as House version.
<i>No equivalent provision.</i>	SECTION __. Subchapter D, Chapter 12, Education Code, is amended. [FA1]	Same as House version.



**House Bill 1553**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION	SENATE VERSION (IE)	CONFERENCE
<i>No equivalent provision.</i>	SECTION __. Section 12.128, Education Code, is amended. [FA1]	Same as House version.
<i>No equivalent provision.</i>	SECTION __. Subchapter D, Chapter 12, Education Code, is amended. [FA1]	Same as House version.
<i>No equivalent provision.</i>	SECTION __. Subchapter D, Chapter 12, Education Code, is amended. [FA1]	Same as House version.
<i>No equivalent provision.</i>	SECTION __. Subchapter Z, Chapter 29, Education Code, is amended. [FA1]	Same as House version.
<i>No equivalent provision.</i>	SECTION __. Section 39.1121, Education Code, is amended. [FA1]	Same as House version.
<i>No equivalent provision.</i>	SECTION __. Section 39.1122(c), Education Code, is amended. [FA1]	Same as House version.
<i>No equivalent provision.</i>	SECTION __. Section 43.001(a), Education Code, is amended. [FA1]	Same as House version.
<i>No equivalent provision.</i>	SECTION __. Section 44.008, Education Code, is amended. [FA1]	Same as House version.
<i>No equivalent provision.</i>	SECTION __. A transfer of property from an open-enrollment charter school that ceases to operate to another open-enrollment charter school that occurred before the effective date of this Act is ratified if both open-enrollment charter schools classified the property as purchased with state funds on each school's annual financial report under Section 44.008, Education Code. [FA1]	Same as House version.

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 27, 2017

**TO:** Honorable Dan Patrick, Lieutenant Governor, Senate  
Honorable Joe Straus, Speaker of the House, House of Representatives

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB1553** by Lozano (Relating to permitting a school district that has failed to satisfy performance standards to partner with an institution of higher education to improve district performance.), **Conference Committee Report**

No significant fiscal implication to the State is anticipated.

The bill would amend the Education Code to allow the Commissioner to authorize a district that has not satisfied the accreditation criteria under Section 39.052, the academic performance standards under Section 39.053 or 39.054, or any financial accountability standard as determined by commissioner rule, or if considered appropriate by the Commissioner on the basis of a special accreditation investigation under Section 39.057, to enter into a memorandum of understanding (MOU) with an institution of higher education (IHE) so that the IHE can assist in improving the district's performance.

The Texas Education Agency and IHEs anticipate any costs associated with the provisions of the bill could be absorbed with existing resources.

Local Government Impact

Districts may incur costs associated with entering into a MOU with an IHE. However, the fiscal impact to the district would depend on any commitment of funds expressed in the memorandum of understanding between the district and the IHE.

**Source Agencies:** 701 Texas Education Agency, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 758 Texas State University System, 768 Texas Tech University System Administration, 781 Higher Education Coordinating Board, 783 University of Houston System Administration

**LBB Staff:** UP, THo, AM, AW

## Certification of Compliance with

### Rule 13, Section 6(b), House Rules of Procedure

Rule 13, Section 6(b), House Rules of Procedure, requires a copy of a conference committee report signed by a majority of each committee of the conference to be furnished to each member of the committee in person or, if unable to deliver in person, by placing a copy in the member's newspaper mailbox at least one hour before the report is furnished to each member of the house under Rule 13, Section 10(a). The paper copies of the report submitted to the chief clerk under Rule 13, Section 10(b), must contain a certificate that the requirement of Rule 13, Section 6(b), has been satisfied, and that certificate must be attached to the copy of the report furnished to each member under Rule 13, Section 10(d). Failure to comply with this requirement is not a sustainable point of order under Rule 13.

I certify that a copy of the conference committee report on HB 1553 was furnished to each member of the conference committee in compliance with Rule 13, Section 6(b), House Rules of Procedure, before submission of the paper copies of the report to the chief clerk under Rule 13, Section 10(b), House Rules of Procedure.

J. M. L.  
(name)

5/26/17  
(date)

17R337(3)