

## **BILL ANALYSIS**

Senate Research Center  
77R4406 KKA-F

S.B. 702  
By: West, Royce  
Education  
4/5/2001  
As Filed

### **DIGEST AND PURPOSE**

Currently, Texas law defines a “student at risk of dropping out of school” by age rather than grade level for students in grade levels higher than seventh grade. This definition is used in determining portions of a school district’s funding. As proposed, S.B. 702 expands the definition of “student at risk of dropping out of school,” and sets forth guidelines for administering and funding of a compensatory and accelerated instruction program in public schools.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Education Agency in SECTION 5 (Section 29.087, Education Code) and to the commissioner of education in SECTION 8 (Section 39.051, Education Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 7.111(a), Education Code, as amended by Chapters 76 and 1282, Acts of the 76th Legislature, Regular Session, 1999, to authorize a person who does not have a high school diploma to take the examination in accordance with rules adopted by the State Board of Education (board) to take the examination in accordance with rules adopted by the board if the person is over 17 years of age; is 16 years of age or older and the person is enrolled in a Job Corps training program under 29 U.S.C. Section 2881, rather than 1501, et seq. and its subsequent amendments; or the person has completed a high school equivalency examination preparation program under Section 29.087; or is required to take the examination under a justice or municipal court order issued under Section 54.021(d)(1)(B) (High School Equivalency Examination), Family Code. Deletes text regarding the Job Training Partnership Act. Makes conforming changes.

SECTION 2. Amends Section 25.086(a), Education Code, to provide that a child is exempt from the requirements of compulsory school attendance if the child is homeless as defined by 42 U.S.C. Section 11302 and its subsequent amendments. Makes conforming changes.

SECTION 3. Amends the heading to section 29.081, Education Code, as follows:

Sec. 29.081. New heading: COMPENSATORY, INTENSIVE, AND ACCELERATED INSTRUCTION.

SECTION 4. Amends Section 29.081, Education Code, by amending Subsections (a), (c), and (d) and adding Subsections (g) and (h) as follows,

(a)to require each school district to use the student performance data resulting from the basic skills assessment instruments and achievement tests administered under Subchapter B, Chapter 39, to design and implement appropriate compensatory, intensive, or accelerated instructional services for students in the district’s schools that enable the students to be performing at grade level at the conclusion of the next regular school term or, if appropriate, to be prepared to obtain a high school equivalency certificate.

(c) Requires each school district to evaluate and document the effectiveness of the accelerated instruction in reducing any disparity in performance on assessment instruments administered under Subchapter B, Chapter 39, or disparity in the rates of high school completion or receipt of a high school equivalency certificate between students at risk of dropping out of school and all other district students, rather than the dropout rate and in increasing achievement in the categories of students listed under Subsection (d).

(d) Provides that for purposes of this section, “student at risk of dropping out of school” includes each student, other than a student eligible to participate in a district’s special education program under Section 29.003, rather than in grade levels 7 through 12, who is under 21 years of age and who was not advanced from one grade level to the next for one, rather than two, or more school years; if the student is in grade’s 7-12, did not maintain an average equivalent to 70 on a scale of 100 in two or more subjects in the foundation curriculum, rather than courses, during a semester in the preceding or current school year, or is not maintaining such an average on two or more subjects in the foundation curriculum in the current semester; did not perform satisfactorily on an assessment instrument administered to the student under Subchapter B, Chapter 39, and who has not in the previous or current school year subsequently performed on that instrument or another appropriate instrument at a level equal to at least 105 percent of the level of satisfactorily performance on that instrument; did not perform satisfactorily on a readiness test or assessment instrument administered during the current school year, if the student is in prekindergarten, kindergarten, or grade 1-3; has been placed in an alternative education program with Section 37.006 during the preceding or current school year; has been expelled in accordance with Section 37.007 during the preceding or current school year; is currently on parole, probation, deferred prosecution, or other conditional release; was previously reported through the Public Education Information Management System (PEIMS) to have dropped out of school; failed during the preceding or current school year to meet the minimum attendance required under Section 25.092 for one or more classes, unless the failure is excused under Section 25.086 or 25.087; is in custody or care of the Department of Protective and Regulatory Services or has, during the current school year, been referred to the department by a school official, officer of the juvenile court, or law enforcement official; is homeless, as defined by 42 U.S.C. Section 11302 and its subsequent amendments; or resided in the preceding school year or resides in the current school year in a residential placement facility in the district, including certain facilities. Deletes text regarding each student in prekindergarten through grade six. Deletes text regarding mathematics or reading skills. Deletes text regarding graduate within four years. Deletes text regarding conduct, disabled, and student’s parent or legal guardian.

(g) Authorizes a student eligible to participate in a district’s special education program under Section 29.003 to receive instructional services under this section if receipt of those services is determined to be appropriate by the student’s admission, review, and dismissal committee.

(h) Authorizes a student who satisfies local eligibility criteria adopted by the board of trustees of a school district, in addition to students described by Subsection (d), to receive instructional services under this section. Prohibits the number of students receiving services under this subsection during a school year from exceeding 10 percent of the number of students described by Subsection (d) who received services from the district during the preceding school year. Prohibits students receiving services under this subsection from being included in the group of students who are identified as being at risk of dropping out of school for purposes of Chapter 39.

SECTION 5. Amends Chapter 29C, Education Code, by adding Section 29.087, as follows:

Sec. 29.087. SCHOOL DISTRICT HIGH SCHOOL EQUIVALENCY EXAMINATION PROGRAMS. Requires the Texas Education agency (agency) to develop a program for school districts to prepare eligible students who are at risk of dropping out of school to take a high

school equivalency examination. Requires a district that participates in the program to offer preparatory classes for the high school equivalency examination to each eligible district student. Provides that a student is eligible to participate in the program if he or she meets certain criteria. Requires a district to inform each student who has completed the program of the time and place at which the student is authorized to take the high school equivalency examination. Requires the agency to adopt rules to ensure that students are not encouraged to participate in the program solely as a means to divert students with discipline problems or poor academic performance into the program as an alternative to regular high school graduation. Requires the agency to request permission from the General Educational Development Testing Service to administer the service's high school equivalency examination to students enrolled in high school who participate in the program. Requires the agency to include in the comprehensive annual report required under Section 39.182 the number of students enrolled in the program and the number of students in the program who performed satisfactorily on the High school equivalency examination.

SECTION 6. Amends Section 39.027(e), Education Code, to require the performance under the assessment system developed under this subsection of students to whom Subsection (a)(3) applies to be included in the academic excellence indicator system under Section 39.051, the performance report under Section 39.053, and the comprehensive annual, rather than biennial, report under Section 39.182.

SECTION 7. Amends Section 39.051(b), Education Code, as amended by Chapters 396, 397, and 1422, Acts of the 76th Legislature, Regular Session, 1999, to require the indicators to be based on information that is disaggregated by race, ethnicity, gender, rather than sex, socioeconomic status, and at-risk status and must include certain information. Makes conforming changes.

SECTION 8. Amends section 39.051, Education Code, by adding Subsection (g), to require the commissioner by rule to adopt accountability measures to be used in assessing the performance of students at risk of dropping out of school, as defined by Section 29.081; specify the level of student performance on the accountability measures that is necessary for a campus or district to obtain a performance rating of exemplary, recognized, or academically acceptable; and determine appropriate methods of integrating student performance on the accountability measures into the statewide public school accountability program established under this chapter.

SECTION 9. Amends Section 39.053, Education Code, as amended by Chapter 510 and 1417, Acts of the 76th Legislature, Regular Session, 1999, to authorize the report to include socioeconomic status, and at-risk, rather than economic, status under Section 29.081, and grade groupings and retention rates. Deletes text regarding annual report. Makes a conforming change.

SECTION 10. Amends the heading to Section 39.182, Education Code, as follows:

Sec. 39.182. New heading: COMPREHENSIVE ANNUAL REPORT.

SECTION 11. Amends Sections 39.182(a) and (b), Education Code, to require the agency, not later than December 1 of each year, to prepare and deliver to certain persons a comprehensive report covering the preceding school year and containing a summary compilation of overall student performance on academic skills assessment instruments required by Section 39.023 with the number of students exempted from the administration of those instruments and the basis of the exemptions, aggregated by grade level, subject area, campus, and district, and with appropriate interpretations and analysis, and disaggregated by race, ethnicity, gender, rather than sex, and socioeconomic status; a summary compilation of overall performance of students in an alternative education program established under Section 37.008 on academic skills assessment instruments required by Section 39.023 with the number of those students exempted from the administration of those instruments and the basis of the exemptions, aggregated by grade level and subject area, with appropriate interpretations and analysis, and disaggregated by race, ethnicity, gender, and socioeconomic status; a statement of certain

information; a summary of the information required by Section 29.083 regarding grade level retention of students and information concerning certain criteria. Makes a conforming change.

SECTION 12. Amends Section 42.152, Education Code, by amending Subsections (b), (c), (s), and (t) and adding Subsections (r) and (u), to provide that for purpose of this section, the number of educationally disadvantaged students is determined in the manner determined by commissioner rule, if the district did not participate in the national school lunch program of free or reduced-price lunches during the preceding school year. Requires funds allocated under this section to be used to fund supplemental programs and services designed to eliminate any disparity in performance on assessment instruments administered under Subchapter B, Chapter 39, or disparity on the rates of high school completion or receipt of a high school equivalency certificate between students at risk of dropping out of school, as defined by Section 29.081, and all other students. Authorizes specifically, the funds, other than an indirect cost allotment established under State Board of Education rule, which is prohibited from exceeding 15 percent, to be used only to meet the costs of providing a compensatory, intensive, or accelerated instruction program under Section 29.081 or an alternative education program established under Section 37.008 or to support a program eligible under Title I of the Elementary and Secondary Education Act of 1965, as provided by Pub. L. No. 103-382 and its subsequent amendments, and be federal regulations implementing that Act. Authorizes a district compensatory education allotment, in meeting the costs of providing a compensatory, intensive, or accelerated instruction program under Section 29.081, to be used only for costs supplementary to the regular education program, such as costs for program and student evaluation, instructional materials and equipment and other supplies required for quality instruction, supplemental staff expenses, and individualized instruction. Requires a home-rule school district or an open-enrollment charter school to use funds allocated under Subsection (a) for a purpose authorized in this subsection, but is not otherwise subject to Chapter 29C. Deletes text regarding education and programs and services funded. Deletes text regarding compensatory education services. Requires the commissioner to grant a one-year exemption from the requirements of Subsection (g) to a school district in which the group of students identified under Section 29.081 as being at risk of dropping out of school performs on the assessment instruments specified by Section 39.051(b)(1) at a level that meets or exceeds the level required for a performance rating of academically recognized. Requires, not later than March 1 of each year, the commissioner, based on the most recent information available, to determine if a school district is entitled to an exemption for the following school year and notify the district of that determination. Provides that Subsection (r) applies beginning with the 2003-2004 school year. Provides that this subsection expires September 1, 2004.

SECTION 13. Requires the commissioner of education, using funds specifically appropriated for that purpose, to form a committee to conduct a study and detailed analysis of certain topics. Requires the committee formed by the commissioner of education under Subsection (a) of this section to organize and administer the study required by this section. Requires the committee to be composed of certain persons. Requires the committee, in conducting the study required by this section, to use data collected through the Public Education Information Management System (PEIMS), data collected by the Texas Higher Education Coordinating Board, and program evaluations conducted by the Texas Education Agency and the Texas Higher Education Coordinating Board of a variety of effective compensatory and developmental programs operated in a wide range of schools and institutions of higher education across the state. Requires the study, using information collected locally, to examine compensatory and developmental programs, including cost elements of those programs, in a manner that allows comparison between similar schools and types of students. Requires the committee, not later than December 1, 2002, to submit to the legislature a report of the results of the study. Provides that the committee is abolished and this section expires January 1, 2003.

SECTION 14. Repealer: Section 39.183, (Regional and District Level Report); Education Code.

Repealer: Section 39.185, (Interim Report); Education Code.

SECTION 15. Makes application of this Act prospective beginning with the 2001-2002 school year, except as provided by this section.

- Sections 7.111 and 25.086, Education code, as amended by this Act, and Section 29.087, education Code, as added by this Act, apply immediately.
- Section 39.051(g), Education Code, as added by this Act, and Section 39.053(e), Education Code, as amended by this Act, apply beginning with the 2002-2003 school year.
- Section 39.182, Education Code, as amended by this Act, applies beginning with the report required to be prepared not later than December 1, 2001, except that the Texas Education Agency in computing information relating to students at risk of dropping out of school for inclusion in the report due December 1, 2001, and the report due December 1, 2002, is authorized to determine appropriate information based on Section 29.081, Education code, as it existed before amendment by this Act; and requires the Texas Education Agency to include information specified under Section 39.182(a)(7)(E), Education Code, as added by this Act, beginning with the report due December 1, 2004, and is required to include, to the extent available, alternative information relating to students who leave school in the reports due in 2001, 2002, and 2003.

SECTION 16: Effective date: upon passage or September 1, 2001.