BILL ANALYSIS

Senate Research Center 84R25293 JSL-D

C.S.S.B. 1897 By: Taylor, Larry Education 5/1/2015 Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 2, 83rd Legislature, Regular Session, 2013, was a comprehensive bill that updated the Education Code regarding open-enrollment charter schools. One provision included in the bill prohibits the commissioner of education (commissioner) from granting more than one charter to any single charter holder, and permits the commissioner to consolidate charter holders with multiple charters. This provision sought to streamline and consolidate regulations and paperwork at the agency, as well as free up spaces under the limit on the number of charters allowed in law.

As a result, a number of charter holders with multiple charters have had their charters consolidated into one charter. This has created an unintended consequence for a few charters that had previously held separate charters due to the different school missions. One charter holder may run one campus with a college-prep mission, and another with a dropout recovery mission. Interested parties contend that this creates confusion within the accountability system. C.S.S.B. 1897 seeks to authorize the commissioner to grant more than one charter for a holder if one of their charters serves students through the virtual school network and another serves a different student population.

C.S.S.B. 1897 amends current law relating to public school accountability, including the powers and duties of the commissioner of education regarding open-enrollment charter schools.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 12.101, Education Code, by amending Subsection (b-4) and adding Subsection (b-9), as follows:

- (b-4) Provides that, notwithstanding Section 12.112, approval of the commissioner of education (commissioner) under that section is not required for establishment of a new open-enrollment charter school campus if the requirements of this subsection, rather than if the requirements of this subsection including the absence of commissioner disapproval under Subdivision (3), are satisfied. Authorizes a charter holder having an accreditation status of accredited and at least 50 percent of its student population in grades assessed under Subchapter B (Assessment of Academic Skills), Chapter 39, or at least 50 percent of the students in the grades assessed having been enrolled in the school for at least three school years to establish one or more new campuses under an existing charter held by the charter holder if:
 - (1) the charter holder is currently evaluated under the standard accountability procedures for evaluation under Chapter 39 (Public School System Accountability) and received a district rating in the highest or second highest performance rating category under Subchapter C (Accreditation), Chapter 39, for three of the last five years with at least 75 percent of the campuses rated under the charter also receiving a rating in the highest or second highest performance rating category and, in the most recent ratings, no more than 10 percent of the campuses

- under the charter have received a rating in the lowest performance rating category, rather than no campus with a rating in the lowest performance rating category;
- (2) the charter holder provides written notice to the commissioner of the establishment of any campus under this subsection in the time, manner, and form provided by rule of the commissioner; and
- (3) not later than the 60th day after the date the charter holder provides written notice under Subdivision (2), the commissioner does not provide written notice to the charter holder that the commissioner has determined that the charter holder does not satisfy the requirements of this section, rather than written notice of disapproval of a new campus under this section.
- (b-9) Authorizes the commissioner, notwithstanding Subsection (b-3) to grant an additional charter for an open-enrollment charter school to a charter holder if one of the charters is for a virtual open-enrollment charter school that provides only electronic courses through the state virtual school network, and the other charter is for any other type of open-enrollment charter school allowable under this chapter or commissioner rule.
- SECTION 2. Amends Section 12.1141, Education Code, by adding Subsection (1), to prohibit the charter holder's first assigned performance rating under Subchapter C, Chapter 39, or first assigned performance rating under Subchapter D (Financial Accountability), Chapter 39, for purposes of determination of renewal under Subsection (d) (relating to the renewal and expiration of a charter), from being considered.
- SECTION 3. Amends Section 12.115, Education Code, by adding Subsection (c-2), to prohibit a charter holder's first assigned performance rating under Subchapter C, Chapter 39, or first assigned performance rating under Subchapter D, Chapter 39, for purposes of revocation under Subsection (c) (relating to revocation of an open-enrollment charter school), from being considered.
- SECTION 4. Amends Section 12.116, Education Code, by amending Subsection (a) and adding Subsection (a-1), as follows:
 - (a) Requires the commissioner to adopt an informal procedure to be used for:
 - (1) Makes a nonsubstantive change; and
 - (2) denying the renewal of a charter of an open-enrollment charter school as authorized by Section 12.1141(c) (relating to the discretionary consideration process by the commissioner).
 - (a-1) Requires that the procedure adopted under Subsection (a) allow representatives of the charter holder to meet with the commissioner to discuss the commissioner's decision and to allow the charter holder to submit additional information to the commissioner relating to the commissioner's decision. Requires the commissioner, in a final decision issued by the commissioner, to provide a written response to any information the charter holder submits under this subsection.
- SECTION 5. Amends Section 39.151, Education Code, by amending Subsection (b) and adding Subsection (c-1), as follows:
 - (b) Requires the rules under Subsection (a) (relating to the process for a school district or open-enrollment charter school to challenge an agency decision relating to an academic or financial accountability rating) to provide for the commissioner to appoint a committee to make recommendations to the commissioner on a challenge made to an agency decision relating to an academic performance rating or determination or financial accountability rating. Requires the committee to review the challenge regardless of the

issue identified in the challenge by the school district or open-enrollment charter school. Makes no further change to this subsection.

(c) Prohibits the commissioner from limiting a challenge relating to a data or calculation error or inaccuracy attributable to the school district or open-enrollment charter school, even if the challenge demonstrates the data or calculation error or inaccuracy caused the district or school to have a lower academic or financial accountability rating. Requires the commissioner to assign the district or school the corrected rating or to indicate that the district or school will not be rated for that school year if a challenge demonstrates that the data or calculation error or inaccuracy caused the district or school to have a lower academic or financial accountability rating. Prohibits the commissioner from revoking the charter of an open-enrollment charter school as provided by Section 12.115(c) or allowing the charter to expire as provided by Section 12.1141(d) if for one of the school years considered for the commissioner's decision the school is not rated as provided by this subsection.

SECTION 6. Provides that this Act applies beginning with the 2015-2016 school year.

SECTION 7. Effective date: upon passage or September 1, 2015.