

**Definitions**

“District-level committee” means the committee established under Education Code 11.251, or a comparable committee if the district is exempted (or has exempted itself) from this provision.

“Innovation plan committee” means a committee appointed by the board of trustees to develop the innovation plan in accordance with statutory requirements. The district-level committee may also serve in this role.

“Public hearing” means an open meeting held by the board of trustees that allows members of the public to hear facts about the proposed plan and designation and provides the opportunity for the public to give opinions and comments on the proposed actions.

“Public meeting” means an open meeting held by the board of trustees that allows members of the public to hear facts about the proposed plan and designation.

“Unacceptable academic performance rating” means a rating of Improvement Required or Unacceptable Performance or as otherwise indicated in the applicable year’s academic accountability manual.

“Unacceptable financial accountability rating” means a Financial Integrity Rating System of Texas (FIRST) rating of Substandard Achievement as indicated in the applicable year’s financial accountability system manual.

*19 TAC 102.1301*

**District of Innovation**

A district is eligible for designation as a district of innovation if the district’s most recent performance rating under Education Code 39.054 reflects at least acceptable performance.

A board may not vote on the final approval of the innovation plan if the district is assigned either a final or preliminary rating below acceptable performance. In the event the preliminary rating is changed, the board may then vote to become an innovation district.

Consideration of designation as a district of innovation may be initiated by a resolution adopted by the board or a petition signed by a majority of the members of the district-level committee [see BQA].

*Education Code 12A.001; 19 TAC 102.1303*

**Public Hearing**

After adopting a resolution or receiving a petition for consideration as a district of innovation, a board shall hold a public hearing as soon as possible, but not later than 30 days, to consider whether the district should develop a local innovation plan for the designation of the district as a district of innovation.

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At the conclusion of the public hearing or within 30 days after conclusion of the public hearing, the board may decline to pursue designation of the district as a district of innovation or appoint a committee to develop a local innovation plan.

The board may outline the parameters around which the innovation plan committee may develop the plan.

*Education Code 12A.002; 19 TAC 102.1305*

**Local Innovation Plan**

A local innovation plan meeting all legal requirements must be developed for a district before the district may be designated as a district of innovation.

The local innovation plan must provide for a comprehensive educational program for the district, which program may include:

1. Innovative curriculum, instructional methods, and provisions regarding community participation, campus governance, and parental involvement;
2. Modifications to the school day or year [see EB, EC];
3. Provisions regarding the district budget and sustainable program funding;
4. Accountability and assessment measures that exceed the requirements of state and federal law; and
5. Any other innovations prescribed by the board of trustees.

The plan must also identify requirements imposed by the Education Code that inhibit the goals of the plan and from which the district should be exempted on adoption of the plan, subject to Education Code 12A.004. [See Exceptions, below]

The commissioner of education shall maintain a list of provisions from which designated districts of innovation are exempt. The commissioner shall notify the legislature of each provision from which districts enrolling a majority of students in this state are exempt.

*Education Code 12A.003, .004(b); 19 TAC 102.1305(d)*

**Prohibited Exemptions**

A local innovation plan may not provide for the exemption of a district designated as a district of innovation from the provisions listed in Education Code 12A.004 and 19 Administrative Code 102.1309.  
*Education Code 12A.004; 19 TAC 102.1309*

An innovation district may not be exempted from the following sections of the Education Code and the rules adopted thereunder:

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1. A state or federal requirement, imposed by statute or rule, applicable to an open-enrollment charter school operating under Education Code Chapter 12, Subchapter D, including, but not limited to, the requirements listed in Education Code 12.104(b), and:
  - a. Education Code Chapter 22, Subchapter B;
  - b. Education Code Chapter 25, Subchapter A, sections 25.001, .002, .0021, .0031, and .004;
  - c. Education Code Chapter 28, sections 28.002, .0021, .0023, .005, .0051, .006, .016, .0211, .0213, .0217, .025, .0254, .02541, .0255, .0258, .0259, and .026;
  - d. Education Code Chapter 29, Subchapter G;
  - e. Education Code Chapter 30, Subchapter A;
  - f. Education Code 30.104;
  - g. Education Code Chapter 34;
  - h. Education Code Chapter 37, sections 37.006(l), .007(e), .011, .012, .013, and .020; and
  - i. Education Code Chapter 39;
2. Education Code Chapter 11, Subchapters A, C, D, and E, except that a district may be exempt from Education Code 11.1511(b)(5) and (14) and 11.162;
3. Education Code Chapter 13;
4. Education Code Chapter 41;
5. Education Code Chapter 42;
6. Education Code Chapter 44, sections 44.0011, .002, .003, .004, .0041, .005, .0051, .006, .007, .0071, .008, .009, .011, .0312, .032, .051, .052, .053, and .054;
7. Education Code Chapter 45, sections 45.003, .0031, .005, .105, .106, .202, and .203; and
8. Education Code Chapter 46.

In addition to the prohibited exemptions specified above, an innovation district may not be exempted from:

1. A requirement of a grant or other state program in which the district voluntarily participates;

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2. Duties that the statute applies to the execution of that power if a district chooses to implement an authorized power that is optional under the terms of the statute; and
3. Requirements imposed by provisions outside the Education Code, including requirements under Government Code Chapter 822.

*19 TAC 102.1309; Education Code 12A.004*

**Adoption of Local Innovation Plan**

The board may not vote on adoption of a proposed local innovation plan unless:

1. The final version of the proposed plan has been available on the district's website for at least 30 days;
2. The board has notified the commissioner of the board's intention to vote on adoption of the proposed plan; and
3. The district-level committee [see BQA] has held a public meeting to consider the final version of the proposed plan and has approved the plan by a majority vote of the committee members. The public meeting may occur at any time, including up to or on the same date at which the board intends to vote on final adoption of the proposed plan.

The board may adopt a proposed local innovation plan by an affirmative vote of two-thirds of the membership of the board.

On adoption of a local innovation plan, the district is designated as a district of innovation for the term specified in the plan, but no longer than five calendar years, and shall begin operation in accordance with the plan. In addition, the district is exempt from state requirements identified under Education Code 12A.003(b)(2). [See Local Innovation Plan, above]

The district shall notify the commissioner of approval of the plan along with a list of approved exemptions by completing the agency's form provided at 19 Administrative Code 102.1307(d).

A district's exemption under the plan includes any subsequent amendment or redesignation of an identified state requirement, unless the subsequent amendment or redesignation specifically applies to an innovation district.

The district shall ensure that a copy of the plan is posted on the district's website in accordance with Education Code 12A.0071, for the term of the designation as an innovation district.

*Education Code 12A.005; 19 TAC 102.1307*

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Notice to TEA	Not later than the 15th day after the date on which the board finalizes a local innovation plan either through adoption, amendment, or renewal, the district shall provide a copy of the current local innovation plan to TEA, which shall promptly post the current local innovation plan on the agency's website. <i>Education Code 12A.0071(b); 19 TAC 102.1307(g)</i>
Term	The term of a district's designation as a district of innovation may not exceed five years and is effective upon district approval and notification of the plan to the Texas Education Agency (TEA). A district may only have one innovation plan at any given time. <i>Education Code 12A.006; 19 TAC 102.1311</i>
Amendment, Rescission, or Renewal of Local Innovation Plan	<p>A local innovation plan may be amended, rescinded, or renewed if the action is approved by a vote of the district-level committee [see BQA] and a two-thirds majority vote of the board of trustees.</p> <p>An amendment to an approved plan does not change the date of the term of designation as an innovation district. Exemptions that were already formally approved are not required to be reviewed.</p> <p>A district must notify TEA within five business days of rescission and provide a date at which time it will be in compliance with all sections of the Education Code, but no later than the start of the following school year.</p> <p>During renewal, all sections of the plan and exemptions shall be reviewed, and the district must follow all components outlined in 19 Administrative Code 102.1307 relating to Adoption of Local Innovation Plans.</p> <p>The district shall notify the commissioner of any actions taken along with the associated exemptions and local approval dates.</p> <p><i>Education Code 12A.007; 19 TAC 102.1313</i></p>
Website Posting	<p>A district designated as a district of innovation shall ensure that a copy of the district's current local innovation plan is available to the public by posting and maintaining the plan in a prominent location on the district's internet website. <i>Education Code 12A.0071(a); 19 TAC 102.1307(f)</i></p> <p>The district's innovation plan must be clearly posted on the district's website for the term of the designation as an innovation district. <i>19 TAC 102.1307(f)</i></p>
<b>Criminal History Background Checks</b>	A prohibition, restriction, or requirement imposed by Education Code Chapter 22, Subchapter C (district employee and volunteer criminal history records), applies to the same extent to a district of innovation or other charter entity.

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The failure of a district of innovation to provide information required under Education Code 22.0832 (National Criminal History Record Information Review of Certain Open-Enrollment Charter School Employees) may result in termination of the district's designation as a district of innovation.

*Education Code 22.0815*

**Termination by  
Commissioner**

Discretionary  
Termination

The commissioner may terminate a district's designation as a district of innovation if the district receives for two consecutive school years:

1. A final unacceptable academic performance rating under Education Code 39.054;
2. A final unacceptable financial accountability rating under Education Code 39.082; or
3. A final unacceptable academic performance rating under Education Code 39.054 for one of the school years and an unacceptable financial accountability rating under Education Code 39.082 for the other school year.

Instead of terminating a district's designation, the commissioner may permit the district to amend the local innovation plan to address concerns specified by the commissioner.

*Education Code 12A.008(a)–(b); 19 TAC 102.1315(a)*

The commissioner may terminate a district's designation as a district of innovation if the district fails to comply with the duty to discharge or refuse to hire certain employees or applicants for employment under Education Code 12.1059. *Education Code 12A.008(b-1)* [See DBAA]

Mandatory  
Termination

The commissioner shall terminate a district's designation as a district of innovation if the district receives for three consecutive school years:

1. A final unacceptable academic performance rating under Education Code 39.054;
2. A final unacceptable financial accountability rating under Education Code 39.082; or
3. Any combination of one or more unacceptable ratings Education Code 39.054 and one or more unacceptable ratings under Education Code 39.082.

*Education Code 12A.008(c); 19 TAC 102.1315(b)*

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No Appeal

The commissioner's decision to terminate a district's designation as a district of innovation is final and may not be appealed. *Education Code 12A.008(d); 19 TAC 102.1315(d)*