## **BILL ANALYSIS**

C.S.H.B. 2238
By: Eissler
Public Education
Committee Report (Substituted)

#### **BACKGROUND AND PURPOSE**

The Public Education Information Management System (PEIMS) is over twenty years old. In order to efficiently collect and disseminate data the state must strategically replace PEIMS with a data system that will meet the needs of the 21st Century education system. There have been several major changes in public education since the inception of PEIMS such as the accountability system, TAKS, as well as the federal level No Child Left Behind Act.

The bill establishes a process to replace PEIMS with the Texas Education Data System (TEDS) by September 1, 2011. TEDS will include public education, higher education, and educator certification data. By condensing data from all levels of education into one system, it becomes easier to observe the P-16 educational pipeline in Texas. In moving from the mainframe system of PEIMS to the TEDS system, data will be collected and exchanged in a more efficient matter.

A 15-member board co-chaired by the Commissioner of Education and the Commissioner of Higher Education will oversee the development and implementation of the TEDS system. By restructuring the state's data collection process, the state will be able to better assess financial and academic accountability, and collect data with specific outcomes in mind. TEDS will also provide data that will allow districts and campuses to make more informed academic and fiscal decisions at the local level.

# **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Commissioner of Education and the Texas Higher Education Coordinating Board in SECTION 1 of this bill. With respect to such rulemaking authority, the bill provides that, where applicable, the Commissioner of Education and the Texas Higher Education Coordinating Board shall coordinate with the State Board for Educator Certification in adopting the rules.

## **ANALYSIS**

The bill amends Title 1 of the Education Code by adding Chapter 2 relating to the Texas Education Data System (TEDS).

The bill defines the terms board, charter school, education agency, educational institution, educator, institution of higher education, system, and university system.

This bill sets out the purpose of TEDS as enabling educational institutions and education agencies to provide detailed information for the evaluation and improvement of educational programs; to facilitate academic, fiscal and managerial accountability at educational institutions and education agencies; and to enable educational institutions and education agencies to provide information to the public, in compliance with applicable laws.

The bill provides that each educational institution and education agency must participate in the system and use information systems, including connection capabilities, data elements, and accounting, personnel, and student information systems, that are certified by the board established to implement and administer the system (board) as meeting the system's requirements.

The bill provides that, not later than September 1, 2011, the board must fully implement the system for participation by educational institutions and education agencies; and each educational

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institution and education agency must begin participating in the system as provided by the bill. This provision has an expiration date.

The bill provides that, on or after September 1, 2011, a reference in law to the Public Education Information Management System (PEIMS) means the Texas Education Data System (TEDS).

The bill provides that the commissioner of education and commissioner of higher education must establish a board to implement and administer the system. The board is composed of 15 members, including the commissioner of education and the commissioner of higher education. The commissioner of education and commissioner of higher education must co-chair the board. The commissioner of education must appoint seven members of the board. Five of the members appointed by the commissioner of education must have extensive experience in the field of public education data systems. Two of the members appointed by the commissioner of education must be selected from a list of candidates prepared by the lieutenant governor for appointment to the board. The commissioner of higher education must appoint six members of the board. Four of the members appointed by the commissioner of higher education must have extensive experience in the field of higher education data systems. Two of the members appointed by the commissioner of higher education must be selected from a list of candidates prepared by the Speaker of the House of Representatives for appointment to the board. Members of the board, other than the commissioner of education and commissioner of higher education, serve two-year terms expiring on February 1 of each odd-numbered year, and are eligible for reappointment. A member of the board is not entitled to compensation for the member's service on the board, but is entitled to reimbursement for actual and reasonable expenses incurred while on board business as provided by the General Appropriations Act.

The bill provides that the board must establish, implement, and administer the system in a manner provided by specified provisions of the bill, that the system must be an efficient, cost-effective electronic system for storage of public and higher education data that consolidates systems and data previously managed separately by the Texas Education Agency, the Texas Higher Education Coordinating Board and the State Board for Educator Certification. In implementing the system, the board must develop policy objectives concerning the system; design strategies for the implementation of the system; and create evaluation criteria for the system so that the system is capable of providing detailed student achievement, curricular, instructional, managerial, and educational policy data functions.

The bill provides that, in developing the system, the board must ensure that the system includes: technologies that connect data elements among education institutions and education agencies; direct connection technologies that allow educational institutions and education agencies to use a variety of local information systems to maintain data, connect with the system, and facilitate timely exchange of information; technologies that enable the system to be connected with other relevant state or federal data systems; and analytical tools designed to assist educators, policy makers, and researchers in the evaluation of student achievement, educational programs, and operational efficiencies.

The bill provides that the board must identify the data elements required for inclusion in the system. The data elements must include: data for each educational institution concerning personnel, revenue and expenditures, and student and community demographics; to the extent applicable, a record of the academic training, certifications, experience, and completion of continuing education and professional development for each educator employed by an educational institution; data concerning student academic performance; and a transcript for each student enrolled in an educational institution. For a student enrolled in higher education, the bill specifies the transcript information that must be included. In addition, for a student enrolled in a school district or charter school, the bill specifies the transcript information that must be included.

The bill provides that, in specifying data elements that must be included in the system, the board must consider the cost to educational institutions of collecting and reporting the required information.

The bill provides that the board must incorporate into the system analytical tools for improving the quality of data collection, management, analyses, and dissemination. The bill specifies the attributes of such analytical tools.

The bill provides that the board must contract with one or more centers for education research, as established under a provision of the Education Code specified in the bill, to develop recommendations for using the system to measure improvement in individual student achievement on certain assessment instruments as specified in the bill. The board must select a methodology and incorporate into the system a capability for generating reports for school districts and charter schools concerning annual improvement in student achievement at the student, classroom, campus, and district level. The methodology selected must be capable of providing a reliable and valid measure for use in conducting appraisals of educators employed by school districts or charter schools.

The bill provides that the board must select a methodology and incorporate into the system a capability for generating reports that compare the spending and performance of educational institutions over time and as compared with other educational institutions, and that such methodology must include advanced statistical methods that can adjust for factors beyond the control of an educational institution, including student demographics and community characteristics.

The bill provides that the board must contract with one or more centers for education research, as established under a specified provision of the Education Code, to develop recommendations for establishing indicators for identifying students who are likely to drop out of school. The board must select a methodology and incorporate into the system a reporting method that aids in the early detection and intervention of students who are likely to drop out of school.

The bill provides that the system may not contain any information concerning instructional methods, except as required by federal law.

The bill provides that the Commissioner of Education and the Texas Higher Education Coordinating Board may jointly adopt rules necessary to support the implementation of criteria, strategies, and policies adopted by the system board. The commissioner of education and the Texas Higher Education Coordinating Board, where applicable, shall coordinate with the State Board for Educator Certification in adopting the rules.

The bill provides that board must identify the most cost-effective approach to establishing and maintaining the system, including establishing and selecting: interfaces to the data system for educators, educational institutions, education agencies, other state agencies, centers for education research under a certain specified provision of the Education Code, and the public; and analytical tools that improve the quality of date submissions, educational programs, and operational efficiencies at the educational institutions and education agencies. To achieve such objectives, the board must consider the TexasOnline project; and may issue requests for proposals and award contracts on a competitive basis. The board may enter into a contract with one or more persons with relevant expertise to advise the board on issuing requests for proposals; score responses to proposals; and make recommendations to the board concerning the proposals.

The bill provides that the board may establish stakeholder advisory groups for the purpose of providing the board with additional information and expertise concerning the structures and functions of the system, including the system's data elements and interface design.

The bill provides that the Department of Information Resources must assist the board in the design, coordination, implementation, and management of projects related to the system.

The bill provides that the board must develop and implement a process for releasing information for research purposes in a manner consistent with state and federal law.

The bill provides that, for the purpose of developing, maintaining, and enhancing the system, the Commissioner of Education and the Commissioner of Higher Education may solicit and receive grants, and where applicable, must apply for and use relevant federal funds.

The bill provides that board must publish a report concerning the system annually. The information required to be included in the report is specified in the bill.

The bill provides that the board must review rules, criteria, strategies, and policies relating to the system and make recommendations to the Commissioner of Education and the Commissioner of Higher Education concerning the repeal or amendment of rules or reporting requirements that are unnecessary. Not later than December 1 of each even-numbered year, the board must provide each member of the legislature with a report concerning recommendations for improving the efficiency and effectiveness of the system.

The bill provides that, not later than September 1, 2012, the board must complete the first review. Not later than December 1, 2012, the board must provide the first report to each member of the legislature. This provision has an expiration date.

The bill provides that, effective September 1, 2011, Section 42.006, Education Code (PUBLIC EDUCATION INFORMATION MANAGEMENT SYSTEM (PEIMS)), is repealed.

The bill provides that, as soon as practicable after the effective date of this Act: the lieutenant governor must provide the commissioner of education with a list of candidates for appointment to the TEDS board; the Speaker of the House of Representatives must provide the commissioner of higher education with a list of candidates for appointment to the TEDS board; and the commissioner of education and the commissioner of higher education must appoint members of the TEDS board.

## **EFFECTIVE DATE**

September 1, 2007.

## COMPARISON OF ORIGINAL TO SUBSTITUTE

Note: unless otherwise specified, statutory references in the Bill Analysis are to the Education Code.

The original bill was a "shell bill" that was filed in order to give legislative staff and affected agencies and interest groups an opportunity to work on the development of a more comprehensive bill relating to the establishment of the Texas Education Data System (TEDS). The original bill included the following substantive provisions that, while relating to the same general subject matter, differ in significant detail from the comprehensive bill that was adopted as the committee substitute.

The original bill was captioned "relating to the Public Education Information Management System (PEIMS). The substitute bill is captioned "relating to the establishment of the Texas Education Data System (TEDS)."

The original bill provided that the Commissioner of Education's (commissioner) rules must ensure that the Public Education Information Management System links student performance data to other related information, including teacher information, for purposes of efficient and effective allocation of scarce school resources, to the extent practicable using existing agency resources and appropriations, and that the Texas Education Agency (agency) shall annually publish in an official agency publication the data standards developed by the commissioner under a specified provision of the Education Code. The official agency publication must be widely disseminated and include descriptions of data collections and submission requirements; descriptions of data elements and the codes used to report them; detailed responsibilities of school districts, open-enrollment charter schools, regional education service centers, and the agency in connection with the data submission processes, including each deadline for submission and resubmission; and descriptions of the data submission requirements, including submission record layout specifications and data edit specifications.

The original bill further provided that the commissioner shall establish a policy advisory group to provide oversight of data collections and reporting standards policies. The policy advisory group must be composed of representatives of school districts, open-enrollment charter schools,

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regional education service centers, state agencies, and educational associations. The commissioner may establish subcommittees consisting of technical experts and representatives from user groups to provide timely and impartial reviews of requested changes or additions to agency data collections and reporting standards.

The original bill further provided that the commissioner shall establish a committee within the agency to provide oversight of agency data collections and reporting policies. The commissioner shall also establish a subcommittee within the agency to review data collections and reporting standards. The subcommittee is responsible for maintaining data collections at the agency.

The original bill further provided that the commissioner may approve changes to data and reporting standards without consulting a group, committee, or subcommittee established under the provisions described above if necessary to expedite implementation of Section 42.006.

The original bill further provided that the agency may contract with a public or private entity for services relating to management of the Public Education Information Management System.

The substitute bill significantly amended and expanded upon the provisions of the original bill, as more fully described in the ANALYSIS section above . In the interest of brevity, such provisions of the substitute bill, which are set forth above in the ANALYSIS section, are hereby incorporated by reference into the COMPARISON OF ORIGINAL TO SUBSTITUTE section.