

SENATE AMENDMENTS

2nd Printing

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H.B. No. 2238

A BILL TO BE ENTITLED

AN ACT

relating to the establishment of the Texas Education Data System (TEDS) and certain public school reporting requirements.

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

SECTION 1. Title 1, Education Code, is amended by adding Chapter 2 to read as follows:

CHAPTER 2. TEXAS EDUCATION DATA SYSTEM (TEDS)

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 2.001. DEFINITIONS. In this chapter:

(1) "Board" means the system board established under Section 2.051.

(2) "Charter school" means any school or program that is operating under a charter authorized by Chapter 12 or other law, including:

(A) a home-rule school district under Subchapter B, Chapter 12;

(B) a campus or campus program under Subchapter C, Chapter 12;

(C) an open-enrollment charter school under Subchapter D, Chapter 12; and

(D) a college or university charter school under Subchapter E, Chapter 12.

(3) "Education agency" means:

(A) the Texas Education Agency, the State Board

1 for Educator Certification, or the Texas Higher Education
2 Coordinating Board; or

3 (B) a regional education service center, as
4 defined by Section 5.001, or any other public local, regional, or
5 state education organization identified by the board for
6 participation in the system.

7 (4) "Educational institution" means:

8 (A) a school district or campus;

9 (B) a charter school;

10 (C) an institution of higher education;

11 (D) a university system; or

12 (E) a virtual educational system accredited by an
13 education agency.

14 (5) "Educator" means a person who:

15 (A) is required to hold a certificate issued
16 under Subchapter B, Chapter 21; or

17 (B) is an instructor or administrator at an
18 institution of higher education or university system.

19 (6) "Institution of higher education" has the meaning
20 assigned by Section 61.003.

21 (7) "System" means the Texas Education Data System
22 (TEDS) established under this chapter.

23 (8) "University system" has the meaning assigned by
24 Section 61.003.

25 Sec. 2.002. PURPOSE. The purpose of the system is to:

26 (1) enable educational institutions and education
27 agencies to provide detailed information for the evaluation and

1 improvement of educational programs;

2 (2) facilitate academic, fiscal, and managerial
3 accountability at educational institutions and education agencies;

4 (3) enable educational institutions and education
5 agencies to provide information to the public in a manner
6 consistent with state and federal law, including the Family
7 Educational Rights and Privacy Act (20 U.S.C. Section 1232g); and

8 (4) facilitate the collection of information used in
9 the administration of educational institutions.

10 Sec. 2.003. PARTICIPATION REQUIRED. Each educational
11 institution and education agency shall:

12 (1) participate in the system; and

13 (2) use information systems, including connection
14 capabilities, data elements, and accounting, personnel, and
15 student information systems, that are certified by the Department
16 of Information Resources as meeting the system's requirements.

17 Sec. 2.0031. IMPLEMENTATION. (a) Not later than September
18 1, 2011:

19 (1) the commissioner of education and commissioner of
20 higher education shall fully implement the system for participation
21 by educational institutions and education agencies; and

22 (2) each educational institution and education agency
23 shall begin participating in the system as required by Section
24 2.003.

25 (b) The commissioner of education and commissioner of
26 higher education may implement the system on a pilot basis in one or
27 more educational institutions before fully implementing the system

1 as required by this section.

2 (c) This section expires December 1, 2011.

3 Sec. 2.004. REFERENCE TO PUBLIC EDUCATION INFORMATION
4 MANAGEMENT SYSTEM (PEIMS). On or after September 1, 2011, a
5 reference in law to the Public Education Information Management
6 System (PEIMS) means the Texas Education Data System (TEDS).

7 [Sections 2.005-2.050 reserved for expansion]

8 SUBCHAPTER B. SYSTEM BOARD

9 Sec. 2.051. ESTABLISHMENT OF BOARD. The commissioner of
10 education and the commissioner of higher education shall establish
11 a board to design, develop, oversee, and monitor the implementation
12 of the system and perform other functions authorized under this
13 chapter.

14 Sec. 2.052. MEMBERSHIP OF BOARD. (a) The board is composed
15 of 15 members, including the commissioner of education and the
16 commissioner of higher education. The commissioner of education
17 and the commissioner of higher education shall co-chair the board.

18 (b) The commissioner of education shall appoint seven
19 members of the board. Three of the members appointed by the
20 commissioner of education must have extensive experience in the
21 field of public education data systems or as researchers. Two of
22 the members appointed by the commissioner of education must have
23 extensive experience in the field of public education curriculum
24 and assessment. Two of the members appointed by the commissioner of
25 education must be selected from a list of candidates prepared by the
26 lieutenant governor for appointment to the board.

27 (c) The commissioner of higher education shall appoint six

1 members of the board. Four of the members appointed by the
2 commissioner of higher education must have extensive experience in
3 the field of higher education data systems or as researchers. Two
4 of the members appointed by the commissioner of higher education
5 must be selected from a list of candidates prepared by the speaker
6 of the house of representatives for appointment to the board.

7 Sec. 2.053. TERMS. Members of the board, other than the
8 commissioner of education and commissioner of higher education,
9 serve four-year terms expiring February 1, 2011, and February 1 of
10 every fourth year thereafter, and are eligible for reappointment.

11 Sec. 2.054. REIMBURSEMENT FOR EXPENSES. A member of the
12 board is not entitled to compensation for the member's service on
13 the board, but is entitled to reimbursement for actual and
14 reasonable expenses incurred while on board business as provided by
15 the General Appropriations Act.

16 [Sections 2.055-2.100 reserved for expansion]

17 SUBCHAPTER C. SYSTEM COMPONENTS

18 Sec. 2.101. ESTABLISHMENT OF SYSTEM. (a) The commissioner
19 of education and commissioner of higher education, with the
20 assistance of the board, shall establish, implement, and administer
21 the system in the manner provided by this chapter.

22 (b) The system must be an efficient, cost-effective
23 electronic system for storage of public and higher education data
24 that consolidates systems and data previously managed separately by
25 the Texas Education Agency, the Texas Higher Education Coordinating
26 Board, and the State Board for Educator Certification.

27 (c) In implementing the system, the commissioner of

1 education and commissioner of higher education shall:

2 (1) develop policy objectives concerning the system;

3 (2) design strategies for the implementation of the
4 system; and

5 (3) create evaluation criteria for the system so that
6 the system is capable of providing detailed student achievement,
7 curricular, instructional, managerial, and educational policy data
8 functions.

9 (d) The board shall ensure that the system is designed in a
10 manner that:

11 (1) limits the extent to which education agencies and
12 educational institutions are required to collect data separately
13 from the collection of data for the system; and

14 (2) allows for longitudinal analysis and program
15 evaluations through the system.

16 Sec. 2.102. SYSTEM TECHNOLOGIES. In developing the system,
17 the board shall ensure that the system includes:

18 (1) technologies that connect data elements among
19 educational institutions and education agencies;

20 (2) direct connection technologies that allow
21 educational institutions and education agencies to use a variety of
22 local information systems to maintain data, connect with the
23 system, and facilitate timely exchange of information;

24 (3) technologies that enable the system to be
25 connected with other relevant state or federal data systems; and

26 (4) analytical tools designed to assist educators,
27 policy makers, and researchers in the evaluation of student

1 achievement, educational programs, and operational efficiencies.

2 Sec. 2.103. SYSTEM DATA ELEMENTS. (a) The board shall
3 identify the data elements required for inclusion in the system.
4 The data elements must include:

5 (1) data for each educational institution concerning
6 organization, personnel, budgetary and actual fiscal measures, and
7 student and community demographics;

8 (2) to the extent applicable, a record of the academic
9 training, certifications, experience, and completion of continuing
10 education and professional development for each educator employed
11 by an educational institution;

12 (3) a unique personal identification number for each
13 student enrolled in and educator employed by an educational
14 institution for the purpose of facilitating the connection of
15 relevant data elements;

16 (4) data concerning student academic performance,
17 including performance on state assessment instruments;

18 (5) a transcript for each student enrolled in an
19 educational institution that includes the following information:

20 (A) for a student enrolled in an institution of
21 higher education:

22 (i) courses taken by the student and course
23 completion and academic performance information concerning the
24 student;

25 (ii) instructors of record for the student;

26 (iii) each degree awarded to the student;

27 and

1 (iv) the student's performance on college
2 preparation assessments and, to the extent applicable,
3 end-of-degree or end-of-certificate assessments; and

4 (B) for a student enrolled in a school district
5 or charter school:

6 (i) courses taken by the student and grade
7 or course completion information, as applicable, concerning the
8 student;

9 (ii) teachers of record for the student;

10 (iii) the student's performance on
11 assessment instruments administered under Section 39.023 and
12 college preparation assessments;

13 (iv) information concerning whether the
14 student received special education services under Subchapter A,
15 Chapter 29, including information concerning any individualized
16 education program developed for the student under Section 29.005;

17 (v) information concerning any personal
18 graduation plan developed for the student under Section 28.0212;

19 (vi) the student's attendance records;

20 (vii) the specific reason for leaving a
21 school district or charter school, such as transferring,
22 graduating, or dropping out of school; and

23 (viii) demographic data for the student;

24 and

25 (6) data concerning any incidents of alleged
26 discrimination or harassment of school district employees or
27 students enrolled in the district on the basis of the actual or

1 perceived ethnicity, color, gender, gender identity or expression,
2 sexual orientation, disability, religion, or national origin that
3 occurred in the district during the preceding year.

4 (b) In specifying the data elements that must be included in
5 the system, the board shall consider the cost to educational
6 institutions of collecting and reporting the required information.

7 (c) The board shall coordinate with the Texas State Data
8 Center to include relevant data elements concerning community
9 demographic characteristics in the system.

10 (d) The board shall ensure that the system includes flexible
11 data fields so that the system can be used in the evaluation of
12 programs at educational institutions.

13 (e) Any personally identifiable information collected under
14 this section shall not be public information subject to disclosure
15 under Chapter 552, Government Code.

16 Sec. 2.104. ANALYTICAL TOOLS. (a) The board shall
17 incorporate into the system analytical tools for improving the
18 quality of data collection, management, analyses, and
19 dissemination.

20 (b) The analytical tools, where applicable, must be
21 designed to provide information that can be used directly and
22 efficiently by educators so as to limit the need for locally
23 designed data management systems.

24 (c) The analytical tools incorporated into the system under
25 this section must include:

26 (1) measures of improvement in student achievement as
27 provided by Section 2.105;

1 (2) comparative academic and fiscal measures of
2 success as provided by Section 2.106; and

3 (3) dropout prevention and intervention tools as
4 provided by Section 2.107.

5 Sec. 2.105. MEASURES OF IMPROVEMENT IN STUDENT ACHIEVEMENT.

6 (a) The board shall contract with one or more organizations with
7 well-established peer-review processes to:

8 (1) develop recommendations, drawing from
9 independently peer-reviewed research which is based upon empirical
10 evidence and adheres to the basic principles of sound statistical
11 analysis, for using the system to measure improvement in individual
12 student achievement on assessment instruments administered under
13 Section 39.023; and

14 (2) study the feasibility, reliability, and validity
15 of using the measure of improvement in individual student
16 achievement on assessment instruments in conducting evaluations
17 and appraisals of educators employed by school districts and
18 institutions of higher education or university systems. Results
19 from the study must be based upon empirical evidence and published
20 in scientific journals using independent peer review, and validity
21 for this purpose must be established before a student growth
22 measure may be a required component of educator evaluation or
23 appraisal. Any assessment instruments used as a basis for educator
24 evaluations must be certified by the entity that develops the
25 instrument as being validated and reliable for that purpose and
26 independently verified by an impartial psychometrician as being
27 valid for that purpose.

1 (b) The board shall select a methodology and incorporate
2 into the system a capability for generating reports for school
3 districts and charter schools concerning annual improvement in
4 student achievement at the student, classroom, campus, and district
5 level. The methodology selected by the board must include advanced
6 statistical methods that can fairly and accurately adjust for
7 factors beyond the control of an educational institution or
8 educator, including student demographics and community
9 characteristics.

10 Sec. 2.106. COMPARATIVE ACADEMIC AND FISCAL MEASURES OF
11 SUCCESS. (a) The board shall select a methodology and incorporate
12 into the system a capability for generating reports that compare
13 the spending and performance of educational institutions over time
14 and as compared with other educational institutions.

15 (b) The methodology selected by the board must include
16 advanced statistical methods that can adjust for factors beyond the
17 control of an educational institution, including student
18 demographics and community characteristics.

19 Sec. 2.107. DROPOUT PREVENTION AND INTERVENTION. (a) The
20 board shall contract with one or more centers for education
21 research, as established under Section 1.005, to develop
22 recommendations for establishing indicators for identifying
23 students who are likely to drop out of school.

24 (b) The board shall select a methodology and incorporate
25 into the system a reporting method that aids in the early detection
26 and intervention of students who are likely to drop out of school.

27 Sec. 2.108. INFORMATION CONCERNING INSTRUCTIONAL METHODS

1 PROHIBITED. The system may not contain any information concerning
2 instructional methods, except as required by federal law.

3 [Sections 2.109-2.150 reserved for expansion]

4 SUBCHAPTER D. ADMINISTRATION AND MANAGEMENT OF SYSTEM

5 Sec. 2.151. RULES. (a) The commissioner of education and
6 the Texas Higher Education Coordinating Board may jointly adopt
7 rules necessary to support the implementation of criteria,
8 strategies, and policies adopted by the system board.

9 (b) The commissioner of education and the Texas Higher
10 Education Coordinating Board shall, where applicable, coordinate
11 with the State Board for Educator Certification in adopting the
12 rules.

13 (c) The board shall carry out its duties in accordance with
14 Chapter 551, Government Code.

15 Sec. 2.152. COST-EFFECTIVE MANAGEMENT OF SYSTEM. (a) The
16 board shall identify the most cost-effective approach to
17 establishing and maintaining the system, including in establishing
18 and selecting:

19 (1) interfaces to the data system for educators,
20 educational institutions, education agencies, other state
21 agencies, centers for education research established under Section
22 1.005, and the public; and

23 (2) analytical tools that improve the quality of data
24 submissions, educational programs, and operational efficiencies at
25 educational institutions and education agencies.

26 (b) To achieve the objectives described by this section, the
27 board:

1 (1) shall consider using the TexasOnline project as
2 provided by Section 2054.252, Government Code;

3 (2) may issue requests for proposals and award
4 contracts on a competitive basis; and

5 (3) may include incentives in board contracts to
6 facilitate the receipt of timely delivery of services.

7 (c) The board may enter into a contract with one or more
8 persons with relevant expertise to:

9 (1) advise the board in issuing requests for proposals
10 under Subsection (b)(2);

11 (2) score responses to proposals received by the
12 board; and

13 (3) make recommendations to the board concerning the
14 proposals.

15 Sec. 2.153. ADVISORY GROUPS. The board shall establish
16 stakeholder advisory groups for the purpose of providing the board
17 with additional information and expertise concerning the
18 structures and functions of the system, including the system's data
19 elements and interface design.

20 Sec. 2.154. ASSISTANCE OF DEPARTMENT OF INFORMATION
21 RESOURCES. The Department of Information Resources shall assist
22 the commissioner of education, the commissioner of higher
23 education, and the board in the design, coordination,
24 implementation, and management of projects related to the system.

25 Sec. 2.155. PROCESS FOR RELEASING INFORMATION. The
26 commissioner of education and commissioner of higher education
27 shall develop and implement a process for releasing information for

1 research purposes in a manner consistent with state and federal
2 law, including the Family Educational Rights and Privacy Act (20
3 U.S.C. Section 1232g).

4 Sec. 2.156. GRANTS; FEDERAL FUNDS. For the purpose of
5 developing, maintaining, and enhancing the system, the
6 commissioner of education and the commissioner of higher education:

7 (1) may solicit and receive grants; and

8 (2) where applicable, shall apply for and use relevant
9 federal funds.

10 [Sections 2.157-2.200 reserved for expansion]

11 SUBCHAPTER E. REVIEWS AND REPORTS CONCERNING SYSTEM

12 Sec. 2.201. PUBLICATION OF ANNUAL REPORT. Annually the
13 board shall publish a report concerning the system. The report must
14 include:

15 (1) information concerning the system's data
16 standards;

17 (2) descriptions of data elements and codes;

18 (3) detailed information concerning responsibilities
19 of educational institutions and education agencies relating to data
20 submission; and

21 (4) descriptions of data submission requirements,
22 including specifications for layout and editing.

23 Sec. 2.202. REVIEW; RECOMMENDATIONS TO LEGISLATURE. (a)
24 The board shall review rules, criteria, strategies, and policies
25 relating to the system and make recommendations to the commissioner
26 of education and the commissioner of higher education concerning
27 the repeal or amendment of rules or reporting requirements that are

1 unnecessary.

2 (b) Not later than December 1 of each even-numbered year,
3 the board shall provide each member of the legislature with a report
4 concerning recommendations for improving the efficiency and
5 effectiveness of the system.

6 (c) Not later than September 1, 2012, the board shall
7 complete the first review required by Subsection (a). Not later
8 than December 1, 2012, the board shall provide the first report to
9 each member of the legislature as required by Subsection (b). This
10 subsection expires January 1, 2013.

11 SECTION 2. Subchapter B, Chapter 29, Education Code, is
12 amended by adding Section 29.066 to read as follows:

13 Sec. 29.066. PEIMS REPORTING REQUIREMENTS. (a) A school
14 district that is required to offer bilingual education or special
15 language programs shall include the following information in the
16 district's Public Education Information Management System (PEIMS)
17 report:

18 (1) demographic information, as determined by the
19 commissioner, on students enrolled in district bilingual education
20 or special language programs;

21 (2) the number and percentage of students enrolled in
22 each instructional model of a bilingual education or special
23 language program offered by the district; and

24 (3) the number and percentage of students identified
25 as students of limited English proficiency who do not receive
26 specialized instruction.

27 (b) For purposes of this section, the commissioner shall

1 adopt rules to classify programs under this section as follows:

2 (1) if the program is a bilingual education program,
3 the program must be classified under the Public Education
4 Information Management System (PEIMS) report as:

5 (A) transitional bilingual/early exit: a
6 bilingual program that serves students identified as students of
7 limited English proficiency in both English and Spanish and
8 transfers a student to English-only instruction not earlier than
9 two or later than five years after the student enrolls in school;

10 (B) transitional bilingual/late exit: a
11 bilingual program that serves students identified as students of
12 limited English proficiency in both English and Spanish and
13 transfers a student to English-only instruction not earlier than
14 six or later than seven years after the student enrolls in school;

15 (C) dual language immersion/two-way: a
16 biliteracy program that integrates students proficient in English
17 and students identified as students of limited English proficiency
18 in both English and Spanish and transfers a student identified as a
19 student of limited English proficiency to English-only instruction
20 not earlier than six or later than seven years after the student
21 enrolls in school; or

22 (D) dual language immersion/one-way: a
23 biliteracy program that serves only students identified as students
24 of limited English proficiency in both English and Spanish and
25 transfers a student to English-only instruction not earlier than
26 six or later than seven years after the student enrolls in school;
27 and

1 (2) if the program is a special language program, the
2 program must be classified under the Public Education Information
3 Management System (PEIMS) report as:

4 (A) English as a second language/content-based:
5 an English program that serves students identified as students of
6 limited English proficiency in English only by providing a
7 full-time teacher certified under Section 29.061(c) to provide
8 supplementary instruction for all content area instruction; or

9 (B) English as a second language/pull-out: an
10 English program that serves students identified as students of
11 limited English proficiency in English only by providing a
12 part-time teacher certified under Section 29.061(c) to provide
13 English language arts instruction exclusively, while the student
14 remains in a mainstream instructional arrangement in the remaining
15 content areas.

16 (c) If the school district has received a waiver and is not
17 required to offer a bilingual education or special language program
18 in a student's native language or if the student's parents have
19 refused to approve the student's entry into a program as provided by
20 Section 29.056, the program must be classified under the Public
21 Education Information Management System (PEIMS) report as: no
22 bilingual education or special language services provided.

23 SECTION 3. Subchapter A, Chapter 37, Education Code, is
24 amended by adding Section 37.023 to read as follows:

25 Sec. 37.023. REPORT RELATING TO CERTAIN OFFENSES COMMITTED
26 BY CERTAIN STUDENTS. (a) In the manner required by the
27 commissioner, each school district shall annually report to the

1 commissioner information relating to an offense that does not
2 involve the use of a weapon:

3 (1) committed by a student in kindergarten through
4 grade five, during school hours, and on school property; and

5 (2) for which the student receives a citation.

6 (b) Conduct that must be reported under Subsection (a)
7 includes only conduct that:

8 (1) is not harassment as defined by Section 37.001;

9 (2) occurs between two students;

10 (3) is not violent;

11 (4) involves open-handed physical contact; and

12 (5) is not intended to cause harm and is playful.

13 (c) The report required under Subsection (a) must include:

14 (1) the offense committed by the student;

15 (2) the age and sex of the student;

16 (3) the grade level of the student; and

17 (4) the campus to which the student is assigned.

18 (d) The commissioner may adopt rules necessary to implement
19 this section.

20 SECTION 4. Section 39.027(e), Education Code, is amended to
21 read as follows:

22 (e) The commissioner shall develop an assessment system
23 that shall be used for evaluating the academic progress, including
24 reading proficiency in English, of all students of limited English
25 proficiency, as defined by Section 29.052. A student who is exempt
26 from the administration of an assessment instrument under
27 Subsection (a)(3) or (4) who achieves reading proficiency in

1 English as determined by the assessment system developed under this
2 subsection shall be administered the assessment instruments
3 described by Sections 39.023(a) and (c). The performance under the
4 assessment system developed under this subsection of students to
5 whom Subsection (a)(3) or (4) applies shall be included in the
6 academic excellence indicator system under Section 39.051, the
7 performance report under Section 39.053, and the comprehensive
8 annual report under Section 39.182. This information shall be
9 provided in a manner that is disaggregated by the bilingual
10 education or special language program, if any, in which the student
11 is enrolled.

12 SECTION 5. Section 39.051, Education Code, is amended by
13 adding Subsection (b-1) to read as follows:

14 (b-1) Performance on the indicators described by
15 Subsections (b)(1), (2), (3), (8), (9), and (14) must be based on
16 longitudinal student data that is disaggregated by the bilingual
17 education or special language program, if any, in which students of
18 limited English proficiency, as defined by Section 29.052, are or
19 former students of limited English proficiency were enrolled. If a
20 student described by this subsection is not or was not enrolled in
21 specialized language instruction, the number and percentage of
22 those students shall be provided.

23 SECTION 6. Section 39.182, Education Code, is amended by
24 amending Subsections (a) and (b) and adding Subsection (b-1) to
25 read as follows:

26 (a) Not later than December 1 of each year, the agency shall
27 prepare and deliver to the governor, the lieutenant governor, the

1 speaker of the house of representatives, each member of the
2 legislature, the Legislative Budget Board, and the clerks of the
3 standing committees of the senate and house of representatives with
4 primary jurisdiction over the public school system a comprehensive
5 report covering the preceding school year and containing:

6 (1) an evaluation of the achievements of the state
7 educational program in relation to the statutory goals for the
8 public education system under Section 4.002;

9 (2) an evaluation of the status of education in the
10 state as reflected by the academic excellence indicators adopted
11 under Section 39.051;

12 (3) a summary compilation of overall student
13 performance on academic skills assessment instruments required by
14 Section 39.023 with the number and percentage of students exempted
15 from the administration of those instruments and the basis of the
16 exemptions, aggregated by grade level, subject area, campus, and
17 district, with appropriate interpretations and analysis, and
18 disaggregated by race, ethnicity, gender, and socioeconomic
19 status;

20 (4) a summary compilation of overall performance of
21 students placed in a disciplinary alternative education program
22 established under Section 37.008 on academic skills assessment
23 instruments required by Section 39.023 with the number of those
24 students exempted from the administration of those instruments and
25 the basis of the exemptions, aggregated by district, grade level,
26 and subject area, with appropriate interpretations and analysis,
27 and disaggregated by race, ethnicity, gender, and socioeconomic

1 status;

2 (5) a summary compilation of overall performance of
3 students at risk of dropping out of school, as defined by Section
4 29.081(d), on academic skills assessment instruments required by
5 Section 39.023 with the number of those students exempted from the
6 administration of those instruments and the basis of the
7 exemptions, aggregated by district, grade level, and subject area,
8 with appropriate interpretations and analysis, and disaggregated
9 by race, ethnicity, gender, and socioeconomic status;

10 (6) an evaluation of the correlation between student
11 grades and student performance on academic skills assessment
12 instruments required by Section 39.023;

13 (7) a statement of the dropout rate of students in
14 grade levels 7 through 12, expressed in the aggregate and by grade
15 level, and a statement of the completion rates of students for grade
16 levels 9 through 12;

17 (8) a statement of:

18 (A) the completion rate of students who enter
19 grade level 9 and graduate not more than four years later;

20 (B) the completion rate of students who enter
21 grade level 9 and graduate, including students who require more
22 than four years to graduate;

23 (C) the completion rate of students who enter
24 grade level 9 and not more than four years later receive a high
25 school equivalency certificate;

26 (D) the completion rate of students who enter
27 grade level 9 and receive a high school equivalency certificate,

1 including students who require more than four years to receive a
2 certificate; and

3 (E) the number and percentage of all students who
4 have not been accounted for under Paragraph (A), (B), (C), or (D);

5 (9) a statement of the projected cross-sectional and
6 longitudinal dropout rates for grade levels 9 through 12 for the
7 next five years, assuming no state action is taken to reduce the
8 dropout rate;

9 (10) a description of a systematic, measurable plan
10 for reducing the projected cross-sectional and longitudinal
11 dropout rates to five percent or less for the 1997-1998 school year;

12 (11) a summary of the information required by Section
13 29.083 regarding grade level retention of students and information
14 concerning:

15 (A) the number and percentage of students
16 retained; and

17 (B) the performance of retained students on
18 assessment instruments required under Section 39.023(a);

19 (12) information, aggregated by district type and
20 disaggregated by race, ethnicity, gender, and socioeconomic
21 status, on:

22 (A) the number of students placed in a
23 disciplinary alternative education program established under
24 Section 37.008;

25 (B) the average length of a student's placement
26 in a disciplinary alternative education program established under
27 Section 37.008;

1 (C) the academic performance of students on
2 assessment instruments required under Section 39.023(a) during the
3 year preceding and during the year following placement in a
4 disciplinary alternative education program; and

5 (D) the dropout rates of students who have been
6 placed in a disciplinary alternative education program established
7 under Section 37.008;

8 (13) a list of each school district or campus that does
9 not satisfy performance standards, with an explanation of the
10 actions taken by the commissioner to improve student performance in
11 the district or campus and an evaluation of the results of those
12 actions;

13 (14) an evaluation of the status of the curriculum
14 taught in public schools, with recommendations for legislative
15 changes necessary to improve or modify the curriculum required by
16 Section 28.002;

17 (15) a description of all funds received by and each
18 activity and expenditure of the agency;

19 (16) a summary and analysis of the instructional
20 expenditures ratios and instructional employees ratios of school
21 districts computed under Section 44.0071;

22 (17) a summary of the effect of deregulation,
23 including exemptions and waivers granted under Section 7.056 or
24 39.112;

25 (18) a statement of the total number and length of
26 reports that school districts and school district employees must
27 submit to the agency, identifying which reports are required by

1 federal statute or rule, state statute, or agency rule, and a
2 summary of the agency's efforts to reduce overall reporting
3 requirements;

4 (19) a list of each school district that is not in
5 compliance with state special education requirements, including:

6 (A) the period for which the district has not
7 been in compliance;

8 (B) the manner in which the agency considered the
9 district's failure to comply in determining the district's
10 accreditation status; and

11 (C) an explanation of the actions taken by the
12 commissioner to ensure compliance and an evaluation of the results
13 of those actions;

14 (20) a comparison of the performance of
15 open-enrollment charter schools and school districts on the
16 academic excellence indicators specified in Section 39.051(b) and
17 accountability measures adopted under Section 39.051(g), with a
18 separately aggregated comparison of the performance of
19 open-enrollment charter schools predominantly serving students at
20 risk of dropping out of school, as defined by Section 29.081(d),
21 with the performance of school districts;

22 (21) a summary of the information required by Section
23 38.0141 regarding student health and physical activity from each
24 school district;

25 (22) a summary compilation of overall student
26 performance under the assessment system developed to evaluate the
27 longitudinal academic progress as required by Section 39.027(e),

1 disaggregated by bilingual education or special language program
2 instructional model, if any; and

3 (23) [~~(22)~~] any additional information considered
4 important by the commissioner or the State Board of Education.

5 (b) In reporting the information required by Subsection
6 (a)(3) or (4), the agency may separately aggregate the performance
7 data of students enrolled in a special education program under
8 Subchapter A, Chapter 29[~~, or a bilingual education or special~~
9 ~~language program under Subchapter B, Chapter 29~~].

10 (b-1) In reporting the information required by Subsections
11 (a)(3), (5), and (7), the agency shall separately aggregate the
12 longitudinal performance data of all students identified as
13 students of limited English proficiency, as defined by Section
14 29.052, or former students of limited English proficiency,
15 disaggregated by bilingual education or special language program
16 instructional model, if any, in which the students are or were
17 enrolled.

18 SECTION 7. Section 42.006(c), Education Code, is amended to
19 read as follows:

20 (c) Annually, the commissioner shall review the Public
21 Education Information Management System and shall repeal or amend
22 rules that require school districts to provide information through
23 the Public Education Information Management System that is not
24 necessary. In reviewing and revising the Public Education
25 Information Management System, the commissioner shall develop
26 rules to ensure that the system:

27 (1) provides useful, accurate, and timely information

1 on student demographics and academic performance, personnel, and
2 school district finances;

3 (2) contains only the data necessary for the
4 legislature and the agency to perform their legally authorized
5 functions in overseeing the public education system; and

6 (3) does not contain any information related to
7 instructional methods, except as provided by Section 29.066 or
8 required by federal law.

9 SECTION 8. Section 29.066, Education Code, as added by this
10 Act, and Sections 39.027, 39.051, 39.182, and 42.006, Education
11 Code, as amended by this Act, apply beginning with the 2008-2009
12 school year.

13 SECTION 9. Section 37.023, Education Code, as added by this
14 Act, applies beginning with the 2007-2008 school year.

15 SECTION 10. Effective September 1, 2011, Section 42.006,
16 Education Code, is repealed.

17 SECTION 11. As soon as practicable after the effective date
18 of this Act:

19 (1) the lieutenant governor shall provide the
20 commissioner of education with a list of candidates for appointment
21 to the Texas Education Data System (TEDS) board, as required by
22 Section 2.052, Education Code, as added by this Act;

23 (2) the speaker of the house of representatives shall
24 provide the commissioner of higher education with a list of
25 candidates for appointment to the Texas Education Data System
26 (TEDS) board, as required by Section 2.052, Education Code, as
27 added by this Act; and

H.B. No. 2238

1 (3) the commissioner of education and the commissioner
2 of higher education shall appoint members to the Texas Education
3 Data System (TEDS) board.

4 SECTION 12. This Act takes effect September 1, 2007.

ADOPTED

MAY 22 2007

Atty Gen
Secretary of the Senate

By: Eissler

H.B. No. 2238

Substitute the following for H.B. No. 2238:

By: *Araceli Rojas*

C.S.H.B. No. 2238

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the establishment of the Texas Education Data System
3 (TEDS).

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

5 SECTION 1. Title 1, Education Code, is amended by adding
6 Chapter 2 to read as follows:

7 CHAPTER 2. TEXAS EDUCATION DATA SYSTEM (TEDS)

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 2.001. DEFINITIONS. In this chapter:

10 (1) "Board" means the system board established under
11 Section 2.051.

12 (2) "Charter school" means any school or program that
13 is operating under a charter authorized by Chapter 12 or other law,
14 including:

15 (A) a home-rule school district under Subchapter
16 B, Chapter 12;

17 (B) a campus or campus program under Subchapter
18 C, Chapter 12;

19 (C) an open-enrollment charter school under
20 Subchapter D, Chapter 12; and

21 (D) a college or university charter school under
22 Subchapter E, Chapter 12.

23 (3) "Education agency" means:

24 (A) the Texas Education Agency, the State Board

1 for Educator Certification, or the Texas Higher Education
2 Coordinating Board; or

3 (B) a regional education service center, as
4 defined by Section 5.001, or any other public local, regional, or
5 state education organization identified by the board for
6 participation in the system.

7 (4) "Educational institution" means:

8 (A) a school district or campus;

9 (B) a charter school;

10 (C) an institution of higher education;

11 (D) a university system; or

12 (E) a virtual educational system accredited by an
13 education agency.

14 (5) "Educator" means a person who:

15 (A) is required to hold a certificate issued
16 under Subchapter B, Chapter 21; or

17 (B) is an instructor at an institution of higher
18 education.

19 (6) "Institution of higher education" has the meaning
20 assigned by Section 61.003.

21 (7) "System" means the Texas Education Data System
22 (TEDS) established under this chapter.

23 (8) "University system" has the meaning assigned by
24 Section 61.003.

25 Sec. 2.002. PURPOSE. The purpose of the system is to:

26 (1) enable educational institutions and education
27 agencies to provide detailed information for the evaluation and

1 improvement of educational programs;

2 (2) facilitate academic, fiscal, and managerial
3 accountability at educational institutions and education agencies;

4 (3) enable educational institutions and education
5 agencies to provide information to the public in a manner
6 consistent with state and federal law, including the Family
7 Educational Rights and Privacy Act (20 U.S.C. Section 1232g); and

8 (4) facilitate the collection of information used in
9 the administration of educational institutions.

10 Sec. 2.003. PARTICIPATION REQUIRED. Each educational
11 institution and education agency shall:

12 (1) participate in the system; and

13 (2) use information systems, including connection
14 capabilities, data elements, and accounting, personnel, and
15 student information systems, that meet the system's requirements.

16 Sec. 2.0031. IMPLEMENTATION. (a) Not later than September
17 1, 2011:

18 (1) the commissioner of education and commissioner of
19 higher education shall fully implement the system for participation
20 by educational institutions and education agencies; and

21 (2) each educational institution and education agency
22 shall begin participating in the system as required by Section
23 2.003.

24 (b) The commissioner of education and commissioner of
25 higher education may implement the system on a pilot basis in one or
26 more educational institutions before fully implementing the system
27 as required by this section.

1 (c) The board shall adopt an implementation and transition
2 timeline for the system.

3 (d) This section expires December 1, 2011.

4 Sec. 2.0032. ENHANCEMENT OF PUBLIC EDUCATION INFORMATION
5 MANAGEMENT SYSTEM (PEIMS). (a) The commissioner of education
6 shall upgrade and enhance the Public Education Information
7 Management System (PEIMS) to the extent necessary to enable an
8 efficient transition to the system established under this chapter.
9 Any project implemented under this section to upgrade and enhance
10 the Public Education Information Management System (PEIMS) must:

11 (1) conform to the requirements of the Texas project
12 delivery framework established under Subchapter J, Chapter 2054,
13 Government Code;

14 (2) enable web-based applications and interfaces
15 within a client-server environment for future data collections; and

16 (3) be scalable to accommodate the future data needs
17 of the system.

18 (b) The commissioner of education may use funds
19 appropriated for the fiscal biennium ending August 31, 2009, and
20 federal funds, to the extent authorized under federal law, to
21 implement projects under this section. The commissioner of
22 education may accept gifts, grants, and donations for the purpose
23 of implementing projects under this section.

24 (c) Not later than December 1, 2008, the commissioner of
25 education shall prepare and deliver to each member of the
26 legislature a report concerning the progress of any project
27 implemented under this section.

1 (d) This section expires August 31, 2009.

2 Sec. 2.004. REFERENCE TO PUBLIC EDUCATION INFORMATION
3 MANAGEMENT SYSTEM (PEIMS). On or after September 1, 2011, a
4 reference in law to the Public Education Information Management
5 System (PEIMS) means the Texas Education Data System (TEDS).

6 [Sections 2.005-2.050 reserved for expansion]

7 SUBCHAPTER B. SYSTEM BOARD

8 Sec. 2.051. ESTABLISHMENT OF BOARD. The commissioner of
9 education and the commissioner of higher education shall establish
10 a board to design and monitor the implementation of the system and
11 perform other functions authorized under this chapter.

12 Sec. 2.052. MEMBERSHIP OF BOARD. (a) The board is composed
13 of 13 members, including the commissioner of education and the
14 commissioner of higher education. The commissioner of education
15 shall chair the board.

16 (b) The commissioner of education shall appoint six members
17 of the board. Two of the members appointed by the commissioner of
18 education must have extensive experience in the field of public
19 education data systems or as researchers. Two of the members
20 appointed by the commissioner of education must have extensive
21 experience in the field of public education. At least two of the
22 members appointed by the commissioner of education must be employed
23 by a school district at the time of appointment. Two of the members
24 appointed by the commissioner of education must be selected from a
25 list of candidates prepared by the lieutenant governor for
26 appointment to the board.

27 (c) The commissioner of higher education shall appoint five

1 members of the board. Two of the members appointed by the
2 commissioner of higher education must have extensive experience in
3 the field of higher education data systems or as researchers. One
4 of the members appointed by the commissioner of higher education
5 must have expertise in complex business transaction software, but
6 may not be affiliated with an entity that contracts with any
7 education agency or educational institution to provide services.
8 At least two of the members appointed by the commissioner of higher
9 education must be employed by an institution of higher education at
10 the time of appointment. Two of the members appointed by the
11 commissioner of higher education must be selected from a list of
12 candidates prepared by the speaker of the house of representatives
13 for appointment to the board.

14 Sec. 2.053. TERMS. Members of the board, other than the
15 commissioner of education and commissioner of higher education,
16 serve four-year terms expiring February 1, 2011, and February 1 of
17 every fourth year thereafter, and are eligible for reappointment.

18 Sec. 2.054. REIMBURSEMENT FOR EXPENSES. A member of the
19 board is not entitled to compensation for the member's service on
20 the board, but is entitled to reimbursement for actual and
21 reasonable expenses incurred while on board business as provided by
22 the General Appropriations Act.

23 [Sections 2.055-2.100 reserved for expansion]

24 SUBCHAPTER C. SYSTEM COMPONENTS

25 Sec. 2.101. ESTABLISHMENT OF SYSTEM. (a) The commissioner
26 of education and commissioner of higher education shall establish,
27 implement, and administer the system in the manner provided by this

1 chapter.

2 (b) The system must be an efficient, cost-effective
3 electronic system for storage of public and higher education data
4 that consolidates data previously managed separately by the Texas
5 Education Agency, the Texas Higher Education Coordinating Board,
6 and the State Board for Educator Certification.

7 (c) In designing the system, the board shall:

8 (1) develop policy objectives concerning the system;

9 (2) design evaluation criteria for the system so that
10 the system is capable of providing detailed student achievement,
11 curricular, instructional, managerial, and educational policy data
12 functions;

13 (3) ensure that student educational data is not
14 disclosed, removed, or copied, except as authorized under the
15 Family Educational Rights and Privacy Act (20 U.S.C. Section
16 1232g);

17 (4) limit the extent to which education agencies and
18 educational institutions are required to collect data separately
19 from the collection of data for the system; and

20 (5) allow for longitudinal analysis and program
21 evaluations through the system.

22 (d) The commissioner of education and commissioner of
23 higher education shall implement the system in a manner consistent
24 with the design adopted by the board under Subsection (c).

25 (e) The commissioner of education and commissioner of
26 higher education shall acquire access to a database that includes
27 college enrollment and graduation information concerning students

1 who attended public high schools and charter schools in this state
2 and make the information from that database available through the
3 system. To the extent authorized under state and federal law, the
4 commissioner of education and commissioner of higher education
5 shall adopt rules to ensure that educational institutions,
6 education agencies, community leaders, and members of the
7 legislature have access to the information from the database. The
8 rules shall ensure that access to student educational records is
9 limited to aggregate data that does not disclose personally
10 identifiable information about an individual student or the
11 student's family, except as specifically authorized by federal law.

12 Sec. 2.102. SYSTEM TECHNOLOGIES. In developing the system,
13 the commissioner of education and commissioner of higher education
14 shall ensure that the system includes:

15 (1) technologies that connect data elements among
16 educational institutions and education agencies;

17 (2) direct connection technologies that allow
18 educational institutions and education agencies to use a variety of
19 local information systems to maintain data, connect with the
20 system, and facilitate timely exchange of information; and

21 (3) analytical tools designed to assist educators,
22 policy makers, and researchers in the evaluation of student
23 achievement, educational programs, and operational efficiencies.

24 Sec. 2.103. SYSTEM DATA ELEMENTS. (a) The commissioner of
25 education and commissioner of higher education, acting on
26 recommendation of the board, shall identify the data elements
27 required for inclusion in the system. The data elements may

1 include:

2 (1) data for each educational institution concerning
3 organization, personnel, budgetary and actual fiscal measures, and
4 student and community demographics;

5 (2) to the extent applicable, a record of the academic
6 training, certifications, experience, and completion of continuing
7 education and professional development for each educator employed
8 by an educational institution;

9 (3) a unique, permanent personal identification
10 number for each student enrolled in and educator employed by an
11 educational institution for the purpose of facilitating the
12 connection of relevant data elements and for use at each level of
13 the system;

14 (4) data concerning student academic performance,
15 including performance on state assessment instruments;

16 (5) demographic data for each student; and

17 (6) a secure and transferable electronic record with a
18 common data structure for each student enrolled in an educational
19 institution that includes the following information:

20 (A) for a student enrolled in an institution of
21 higher education:

22 (i) courses taken by the student and course
23 completion and academic performance information concerning the
24 student;

25 (ii) instructors of record for the student;

26 and

27 (iii) each degree awarded to the student;

1 and

2 (B) for a student enrolled in a school district
3 or charter school:

4 (i) courses taken by the student and grade
5 or course completion information, as applicable, concerning the
6 student;

7 (ii) teachers of record for the student;

8 (iii) the student's performance on
9 assessment instruments administered under Section 39.023 and
10 college preparation assessments;

11 (iv) information concerning whether the
12 student received special education services under Subchapter A,
13 Chapter 29, including information concerning any individualized
14 education program developed for the student under Section 29.005;

15 (v) information concerning any personal
16 graduation plan developed for the student under Section 28.0212;

17 (vi) the student's attendance records; and

18 (vii) the specific reason for leaving a
19 school district or charter school, such as transferring,
20 graduating, or dropping out of school.

21 (b) In specifying the data elements to be included in the
22 system, the commissioner of education and commissioner of higher
23 education shall consider the cost to educational institutions of
24 collecting and reporting the required information.

25 (c) The commissioner of education and commissioner of
26 higher education shall ensure that the system includes flexible
27 data fields so that the system can be used in the evaluation of

1 programs at educational institutions.

2 (d) Any personally identifiable information collected under
3 this section shall not be public information subject to disclosure
4 under Chapter 552, Government Code. The commissioner of education
5 and commissioner of higher education shall adopt procedures for
6 complying with requests for information under Chapter 552,
7 Government Code, that allow for recovery of all costs associated
8 with providing information from the system.

9 Sec. 2.104. ANALYTICAL TOOLS. (a) The commissioner of
10 education and commissioner of higher education shall incorporate
11 into the system analytical tools for improving the quality of data
12 collection, management, analyses, and dissemination.

13 (b) The analytical tools, where applicable, must be
14 designed to provide information that can be used directly and
15 efficiently by educators so as to limit the need for locally
16 designed data management systems.

17 (c) The analytical tools incorporated into the system under
18 this section must include:

19 (1) comparative academic and fiscal measures of
20 success as provided by Section 2.105; and

21 (2) dropout prevention and intervention tools as
22 provided by Section 2.106.

23 Sec. 2.105. COMPARATIVE ACADEMIC AND FISCAL MEASURES OF
24 SUCCESS. (a) The commissioner of education and commissioner of
25 higher education shall select a methodology and incorporate into
26 the system a capability for generating reports that compare the
27 spending and performance of educational institutions over time and

1 as compared with other educational institutions.

2 (b) The methodology selected by the commissioner of
3 education and commissioner of higher education must include
4 advanced statistical methods that can adjust for factors beyond the
5 control of an educational institution, including student
6 demographics and community characteristics.

7 Sec. 2.106. DROPOUT PREVENTION AND INTERVENTION. (a) The
8 commissioner of education and commissioner of higher education
9 shall contract with one or more centers for education research, as
10 established under Section 1.005, to develop recommendations for
11 establishing indicators for identifying students who are likely to
12 drop out of school.

13 (b) The commissioner of education shall select a
14 methodology and recommend that school districts implement a
15 reporting method that aids in the early detection and intervention
16 of students who are likely to drop out of school.

17 Sec. 2.107. MEASURES OF IMPROVEMENT IN STUDENT ACHIEVEMENT.
18 (a) The commissioner of education and commissioner of higher
19 education shall contract with one or more organizations with
20 well-established peer-review processes to:

21 (1) develop recommendations, drawing from
22 independently peer-reviewed research that is based on empirical
23 evidence and adheres to the basic principles of sound statistical
24 analysis, for using the system to measure improvement in individual
25 student achievement on assessment instruments; and

26 (2) study the feasibility, reliability, and validity
27 of using the measure of improvement in individual student

1 achievement on assessment instruments in conducting evaluations
2 and appraisals of educators.

3 (b) The results of the study conducted under Subsection
4 (a)(2) must be based on empirical evidence and published in
5 scientific journals using independent peer review. The validity of
6 a measure of improvement in individual student achievement on
7 assessment instruments must be established before the measure may
8 be a required component of an educator's evaluation or appraisal.
9 An entity that develops an assessment instrument that is used as a
10 basis for an educator's evaluation or appraisal as provided by this
11 section, as well as an impartial psychometrician, must certify that
12 the assessment instrument is validated and reliable for that
13 purpose.

14 (c) The commissioner of education and commissioner of
15 higher education shall select a methodology and incorporate into
16 the system a capability for generating reports for school districts
17 and charter schools concerning annual improvement in student
18 achievement at the student, classroom, campus, and district or
19 charter school levels. The methodology selected by the
20 commissioner of education and commissioner of higher education must
21 include advanced statistical methods that are capable of fairly and
22 accurately adjusting for factors beyond the control of an
23 educational institution or educator, including student
24 demographics and community characteristics.

25 Sec. 2.108. INFORMATION CONCERNING INSTRUCTIONAL METHODS
26 PROHIBITED. The system may not contain any information concerning
27 instructional methods, except as required by federal law.

1 [Sections 2.109-2.150 reserved for expansion]

2 SUBCHAPTER D. ADMINISTRATION AND MANAGEMENT OF SYSTEM

3 Sec. 2.151. RULES. The commissioner of education and the
4 Texas Higher Education Coordinating Board may, where applicable:

5 (1) separately adopt rules necessary to support the
6 implementation of criteria, strategies, and policies concerning
7 the system; and

8 (2) coordinate and adopt joint rules.

9 Sec. 2.152. COST-EFFECTIVE MANAGEMENT OF SYSTEM. (a) The
10 commissioner of education and commissioner of higher education
11 shall identify the most cost-effective approach to establishing and
12 maintaining the system, including in establishing and selecting:

13 (1) interfaces to the data system for educators,
14 educational institutions, education agencies, other state
15 agencies, centers for education research established under Section
16 1.005, and the public; and

17 (2) analytical tools that improve the quality of data
18 submissions, educational programs, and operational efficiencies at
19 educational institutions and education agencies.

20 (b) To achieve the objectives described by this section, the
21 commissioner of education and commissioner of higher education:

22 (1) shall consider using the TexasOnline project as
23 provided by Section 2054.252, Government Code;

24 (2) may issue requests for proposals and award
25 contracts on a competitive basis; and

26 (3) may include incentives in contracts to facilitate
27 the receipt of timely delivery of services.

1 (c) The commissioner of education and commissioner of
2 higher education may enter into a contract with one or more persons
3 with relevant expertise to:

4 (1) advise the commissioners in issuing requests for
5 proposals under Subsection (b)(2);

6 (2) score responses to proposals received by the
7 commissioners; and

8 (3) make recommendations to the commissioners
9 concerning the proposals.

10 Sec. 2.153. ASSISTANCE OF DEPARTMENT OF INFORMATION
11 RESOURCES. The commissioner of education and commissioner of
12 higher education shall separately or jointly, as applicable, seek
13 the assistance of the Department of Information Resources in the
14 design, coordination, implementation, and management of projects
15 related to the system.

16 Sec. 2.154. PROCESS FOR RELEASING INFORMATION. The
17 commissioner of education and commissioner of higher education
18 shall develop and implement a process for releasing information for
19 research purposes in a manner consistent with state and federal
20 law, including the Family Educational Rights and Privacy Act (20
21 U.S.C. Section 1232g).

22 Sec. 2.155. GRANTS; FEDERAL FUNDS. For the purpose of
23 developing, maintaining, and enhancing the system, the
24 commissioner of education and the commissioner of higher education:

25 (1) may solicit and receive grants; and

26 (2) where applicable, shall apply for and use relevant
27 federal funds.

1 [Sections 2.156-2.200 reserved for expansion]

2 SUBCHAPTER E. REVIEWS AND REPORTS CONCERNING SYSTEM

3 Sec. 2.201. REVIEW; RECOMMENDATIONS TO LEGISLATURE. (a)

4 The board shall review rules, criteria, strategies, and policies
5 relating to the system and make recommendations to the commissioner
6 of education and the commissioner of higher education concerning
7 the repeal or amendment of rules or reporting requirements that are
8 unnecessary.

9 (b) Not later than December 1 of each even-numbered year,
10 the commissioner of education and commissioner of higher education,
11 with the assistance of the board, shall provide each member of the
12 legislature with a report concerning recommendations for improving
13 the efficiency and effectiveness of the system.

14 (c) Not later than September 1, 2008, the commissioner of
15 education and commissioner of higher education shall complete the
16 first review required by Subsection (a). Not later than December 1,
17 2008, the commissioner of education and commissioner of higher
18 education shall provide the first report to each member of the
19 legislature as required by Subsection (b). The reports to be
20 provided to the legislature by December 1, 2008, and December 1,
21 2010, must include information concerning the status of the
22 transition toward the implementation of the system in accordance
23 with the timeline adopted by the board under Section 2.0031(c).
24 This subsection expires January 1, 2011.

25 SECTION 2. Effective September 1, 2011, Section 42.006,
26 Education Code, is repealed.

27 SECTION 3. As soon as practicable after the effective date

1 of this Act:

2 (1) the lieutenant governor shall provide the
3 commissioner of education with a list of candidates for appointment
4 to the Texas Education Data System (TEDS) board, as required by
5 Section 2.052, Education Code, as added by this Act;

6 (2) the speaker of the house of representatives shall
7 provide the commissioner of higher education with a list of
8 candidates for appointment to the Texas Education Data System
9 (TEDS) board, as required by Section 2.052, Education Code, as
10 added by this Act; and

11 (3) the commissioner of education and the commissioner
12 of higher education shall appoint members to the Texas Education
13 Data System (TEDS) board.

14 SECTION 4. Except as otherwise provided by this Act, this
15 Act takes effect September 1, 2007.

ADOPTED

MAY 22 2007

FLOOR AMENDMENT NO. 1

BY: *Atay Daw*
Secretary of the Senate

Thomas Rajim

1 Amend C.S.H.B. No. 2238 (Senate committee printing) by
2 adding the following appropriately numbered SECTIONS and
3 renumbering the subsequent SECTIONS accordingly:

4 SECTION ____ . Section 411.042, Government Code, is amended
5 by amending Subsections (b) and (g) and adding Subsection (h) to
6 read as follows:

7 (b) The bureau of identification and records shall:

8 (1) procure and file for record photographs,
9 pictures, descriptions, fingerprints, measurements, and other
10 pertinent information of all persons arrested for or charged
11 with a criminal offense or convicted of a criminal offense,
12 regardless of whether the conviction is probated;

13 (2) collect information concerning the number and
14 nature of offenses reported or known to have been committed in
15 the state and the legal steps taken in connection with the
16 offenses, and other information useful in the study of crime and
17 the administration of justice, including a statistical breakdown
18 of those offenses in which family violence was involved;

19 (3) make ballistic tests of bullets and firearms and
20 chemical analyses of bloodstains, cloth, materials, and other
21 substances for law enforcement officers of the state;

22 (4) cooperate with identification and crime records
23 bureaus in other states and the United States Department of
24 Justice;

25 (5) maintain a list of all previous background checks
26 for applicants for any position regulated under Chapter 1702,
27 Occupations Code, who have undergone a criminal history
28 background check under Section 411.119, if the check indicates a

1 Class B misdemeanor or equivalent offense or a greater offense;
2 [~~and~~]

3 (6) collect information concerning the number and
4 nature of protective orders and all other pertinent information
5 about all persons on active protective orders. Information in
6 the law enforcement information system relating to an active
7 protective order shall include:

8 (A) the name, sex, race, date of birth, personal
9 descriptors, address, and county of residence of the person to
10 whom the order is directed;

11 (B) any known identifying number of the person
12 to whom the order is directed, including the person's social
13 security number or driver's license number;

14 (C) the name and county of residence of the
15 person protected by the order;

16 (D) the residence address and place of
17 employment or business of the person protected by the order,
18 unless that information is excluded from the order under Section
19 85.007, Family Code;

20 (E) the child-care facility or school where a
21 child protected by the order normally resides or which the child
22 normally attends, unless that information is excluded from the
23 order under Section 85.007, Family Code;

24 (F) the relationship or former relationship
25 between the person who is protected by the order and the person
26 to whom the order is directed; and

27 (G) the date the order expires; and

28 (7) grant access to criminal history record
29 information in the manner authorized under Subchapter F.

30 (g) The department may adopt reasonable rules under this
31 section relating to:

1 (1) law enforcement information systems maintained by
2 the department;

3 (2) the collection, maintenance, and correction of
4 records;

5 (3) reports of criminal history information submitted
6 to the department; ~~and~~

7 (4) active protective orders issued under Chapter 71,
8 Family Code, and reporting procedures that ensure that
9 information relating to the issuance of an active protective
10 order and to the dismissal of an active protective order is
11 reported to the local law enforcement agency at the time of the
12 order's issuance or dismissal and entered by the local law
13 enforcement agency in the state's law enforcement information
14 system; and

15 (5) a system for providing criminal history record
16 information through the criminal history clearinghouse under
17 Section 411.0845.

18 (h) The department may contract with private vendors as
19 necessary in implementing this section.

20 SECTION ____ . Subsection (i), Section 411.081, Government
21 Code, is amended to read as follows:

22 (i) A criminal justice agency may disclose criminal
23 history record information that is the subject of an order of
24 nondisclosure to the following noncriminal justice agencies or
25 entities only:

26 (1) the State Board for Educator Certification;

27 (2) a school district, charter school, private
28 school, regional education service center, commercial
29 transportation company, or education shared service arrangement;

30 (3) the Texas Medical ~~[State]~~ Board ~~[of Medical~~
31 ~~Examiners]~~;

- 1 (4) the Texas School for the Blind and Visually
2 Impaired;
- 3 (5) the Board of Law Examiners;
- 4 (6) the State Bar of Texas;
- 5 (7) a district court regarding a petition for name
6 change under Subchapter B, Chapter 45, Family Code;
- 7 (8) the Texas School for the Deaf;
- 8 (9) the Department of Family and Protective Services;
- 9 (10) the Texas Youth Commission;
- 10 (11) the Department of Assistive and Rehabilitative
11 Services;
- 12 (12) the Department of State Health Services, a local
13 mental health service, a local mental retardation authority, or
14 a community center providing services to persons with mental
15 illness or retardation;
- 16 (13) the Texas Private Security Board;
- 17 (14) a municipal or volunteer fire department;
- 18 (15) the Board of Nurse Examiners;
- 19 (16) a safe house providing shelter to children in
20 harmful situations;
- 21 (17) a public or nonprofit hospital or hospital
22 district;
- 23 (18) the Texas Juvenile Probation Commission;
- 24 (19) the securities commissioner, the banking
25 commissioner, the savings and loan commissioner, or the credit
26 union commissioner;
- 27 (20) the Texas State Board of Public Accountancy;
- 28 (21) the Texas Department of Licensing and
29 Regulation;
- 30 (22) the Health and Human Services Commission; ~~and~~

1 (23) the Department of Aging and Disability Services;
2 and
3 (24) the Texas Education Agency.

4 SECTION ____ . Subsections (b) and (c), Section 411.083,
5 Government Code, are amended to read as follows:

6 (b) The department shall grant access to criminal history
7 record information to:

8 (1) criminal justice agencies;

9 (2) noncriminal justice agencies authorized by
10 federal statute or executive order or by state statute to
11 receive criminal history record information;

12 (3) the person who is the subject of the criminal
13 history record information;

14 (4) a person working on a research or statistical
15 project that:

16 (A) is funded in whole or in part by state
17 funds; or

18 (B) meets the requirements of Part 22, Title 28,
19 Code of Federal Regulations, and is approved by the department;

20 (5) an individual or an agency that has a specific
21 agreement with a criminal justice agency to provide services
22 required for the administration of criminal justice under that
23 agreement, if the agreement:

24 (A) specifically authorizes access to
25 information;

26 (B) limits the use of information to the
27 purposes for which it is given;

28 (C) ensures the security and confidentiality of
29 the information; and

30 (D) provides for sanctions if a requirement
31 imposed under Paragraph (A), (B), or (C) is violated;

1 (6) an individual or an agency that has a specific
2 agreement with a noncriminal justice agency to provide services
3 related to the use of criminal history record information
4 disseminated under this subchapter, if the agreement:

5 (A) specifically authorizes access to
6 information;

7 (B) limits the use of information to the
8 purposes for which it is given;

9 (C) ensures the security and confidentiality of
10 the information; and

11 (D) provides for sanctions if a requirement
12 imposed under Paragraph (A), (B), or (C) is violated;

13 (7) a county or district clerk's office; and

14 (8) [+7+] the Office of Court Administration of the
15 Texas Judicial System.

16 (c) The department may disseminate criminal history record
17 information under Subsection (b)(1) only for a criminal justice
18 purpose. The department may disseminate criminal history record
19 information under Subsection (b)(2) only for a purpose specified
20 in the statute or order. The department may disseminate
21 criminal history record information under Subsection (b)(4),
22 (5), or (6) [or ~~(b)(5)~~] only for a purpose approved by the
23 department and only under rules adopted by the department. The
24 department may disseminate criminal history record information
25 under Subsection (b)(7) [~~(b)(6)~~] only to the extent necessary
26 for a county or district clerk to perform a duty imposed by law
27 to collect and report criminal court disposition information.
28 Criminal history record information disseminated to a clerk
29 under Subsection (b)(7) [~~(b)(6)~~] may be used by the clerk only
30 to ensure that information reported by the clerk to the
31 department is accurate and complete. The dissemination of

1 information to a clerk under Subsection (b)(7) [~~(b)(6)~~] does not
2 affect the authority of the clerk to disclose or use information
3 submitted by the clerk to the department. The department may
4 disseminate criminal history record information under Subsection
5 (b)(8) [~~(b)(7)~~] only to the extent necessary for the office of
6 court administration to perform a duty imposed by law to compile
7 court statistics or prepare reports. The office of court
8 administration may disclose criminal history record information
9 obtained from the department under Subsection (b)(8) [~~(b)(7)~~] in
10 a statistic compiled by the office or a report prepared by the
11 office, but only in a manner that does not identify the person
12 who is the subject of the information.

13 SECTION ____ . Subchapter F, Chapter 411, Government Code,
14 is amended by adding Section 411.0845 to read as follows:

15 Sec. 411.0845. CRIMINAL HISTORY CLEARINGHOUSE. (a) The
16 department shall establish an electronic clearinghouse and
17 subscription service to provide criminal history record
18 information to a particular person entitled to receive criminal
19 history record information and updates to a particular record to
20 which the person has subscribed under this subchapter.

21 (b) On receiving a request for criminal history record
22 information from a person entitled to such information under
23 this subchapter, the department shall provide through the
24 electronic clearinghouse:

25 (1) the criminal history record information reported
26 to the department or the Federal Bureau of Investigation
27 relating to the individual who is the subject of the request; or

28 (2) a statement that the individual who is the
29 subject of the request does not have any criminal history record
30 information reported to the department or the Federal Bureau of
31 Investigation.

1 (c) If the department provides information received from
2 the Federal Bureau of Investigation, the department must include
3 with the information the date the department received
4 information from the Federal Bureau of Investigation.

5 (d) The department shall ensure that the information
6 described by Subsection (b) is provided only to a person
7 otherwise entitled to obtain criminal history record information
8 under this subchapter. Information collected under this section
9 is confidential and is not subject to disclosure under Chapter
10 552.

11 (e) A person entitled to receive criminal history record
12 information under this section must provide the department with
13 the following information regarding the person who is the
14 subject of the criminal history record information requested:

15 (1) the person's full name, date of birth, sex, Texas
16 driver's license number or personal identification certificate
17 number, and social security number;

18 (2) a recent electronic digital image photograph of
19 the person and a complete set of the person's fingerprints as
20 required by the department; and

21 (3) any other information required by the department.

22 (f) The department shall maintain an Internet website for
23 the administration of the clearinghouse and an electronic
24 subscription service to provide notice of updates to a
25 particular criminal history record to each person entitled under
26 this subchapter to receive criminal history record information
27 updates to that particular record. The department shall update
28 clearinghouse records as a result of any change in information
29 discovered by the department. Within 48 hours after the
30 department becomes aware that a person's criminal history record
31 information in a clearinghouse record has changed, the

1 department shall provide notice of the updated information only
2 to each subscriber to that specific record.

3 (g) As soon as practicable, a subscriber who is no longer
4 entitled to receive criminal history record information relating
5 to a particular person shall notify the department. The
6 department shall cancel the person's subscription to that record
7 and may not notify the former subscriber of any updated
8 information to that record.

9 (h) A person who is the subject of the criminal history
10 record information requested under this section must consent to
11 the release of the information.

12 (i) The release under this section of any criminal history
13 record information maintained by the Federal Bureau of
14 Investigation is subject to federal law and regulations, federal
15 executive orders, and federal policy.

16 (j) The department may charge a fee for subscription
17 services to cover the costs of administering this section.

18 (k) A governmental agency may coordinate with the
19 department regarding the collection of a fee for the criminal
20 history record information through the fingerprinting fee
21 collection process.

22 SECTION ____ . Section 411.087, Government Code, is amended
23 by adding Subsection (e) to read as follows:

24 (e) The department may provide access to state and
25 national criminal history record information to nongovernmental
26 entities entitled to that information under 42 U.S.C. Section
27 5119a. The department must follow federal law and regulation,
28 federal executive orders, and federal policy in releasing
29 information under this subsection.

30 SECTION ____ . Section 411.090, Government Code, is amended
31 by adding Subsection (c) to read as follows:

1 (c) The department shall notify the State Board for
2 Educator Certification of the arrest of any educator, as defined
3 by Section 5.001, Education Code, who has fingerprints on file
4 with the department.

5 SECTION ____ . Subchapter F, Chapter 411, Government Code,
6 is amended by adding Section 411.0901 to read as follows:

7 Sec. 411.0901. ACCESS TO CRIMINAL HISTORY RECORD
8 INFORMATION: TEXAS EDUCATION AGENCY. The Texas Education
9 Agency is entitled to obtain criminal history record information
10 maintained by the department about a person who:

11 (1) is employed or is an applicant for employment by
12 a school district or open-enrollment charter school;

13 (2) is employed or is an applicant for employment by
14 a shared services arrangement, if the employee's or applicant's
15 duties are or will be performed on school property or at another
16 location where students are regularly present; or

17 (3) is employed or is an applicant for employment by
18 an entity that contracts with a school district, open-enrollment
19 charter school, or shared services arrangement if:

20 (A) the employee or applicant has or will have
21 continuing duties relating to the contracted services; and

22 (B) the employee or applicant has or will have
23 direct contact with students.

24 SECTION ____ . The heading to Section 411.097, Government
25 Code, is amended to read as follows:

26 Sec. 411.097. ACCESS TO CRIMINAL HISTORY RECORD
27 INFORMATION: LOCAL AND REGIONAL EDUCATIONAL ENTITIES [~~SCHOOL~~
28 ~~DISTRICT, CHARTER SCHOOL, PRIVATE SCHOOL, REGIONAL EDUCATION~~
29 ~~SERVICE CENTER, COMMERCIAL TRANSPORTATION COMPANY, OR EDUCATION~~
30 ~~SHARED SERVICES ARRANGEMENT]~~.

1 SECTION ____ . Subsection (b), Section 411.097, Government
2 Code, is amended to read as follows:

3 (b) A school district, charter school, private school,
4 regional education service center, or education shared services
5 arrangement is entitled to obtain from the department [~~, no more~~
6 ~~than twice each year,~~] criminal history record information
7 maintained by the department that the district, school, service
8 center, or shared services arrangement is required or authorized
9 to obtain under Subchapter C, Chapter 22, Education Code, that
10 relates to a person who is a volunteer or employee of the
11 district, school, service center, or shared services
12 arrangement.

13 SECTION ____ . Section 730.007, Transportation Code, is
14 amended by adding Subsection (f) to read as follows:

15 (f) Personal information obtained by an agency under
16 Section 411.0845, Government Code, in connection with a motor
17 vehicle record may be disclosed as provided by that section.

18 SECTION ____ . As soon as practicable after the effective
19 date of this Act, the Department of Public Safety of the State
20 of Texas shall establish a criminal history clearinghouse as
21 required by Section 411.0845, Government Code, as added by this
22 Act.

ADOPTED

MAY 22 2007

Atty. Gen.
Secretary of the Senate

FLOOR AMENDMENT NO. 2

BY:

William
(Williams)

1 Amend C.S.H.B. No. 2238 (senate committee printing) as
2 follows:

3 (1) In SECTION 1 of the bill, in added Section 2.107,
4 Education Code (page 5, lines 50 through 61), strike added
5 Subsection (a) and substitute the following:

6 The commissioner of education and commissioner of higher education
7 shall contract with one or more organizations with well-established
8 peer-review processes to develop recommendations, drawing from
9 independently peer-reviewed research that is based on empirical
10 evidence and adheres to the basic principles of sound statistical
11 analysis, for using the system to measure improvement in individual
12 student achievement on assessment instruments.

13 (2) In SECTION 1 of the bill, in added Section 2.107,
14 Education Code (page 5, line 62, through page 6, line 14), strike
15 added Subsections (b) and (c).

ADOPTED

MAY 22 2007

Aditya Saw
Secretary of the Senate

FLOOR AMENDMENT NO. 3

BY: *Zaffirini*

1 Amend C.S.H.B. No. 2238 (senate committee printing) by adding
2 the following appropriately numbered SECTIONS to the bill and
3 renumbering subsequent SECTIONS accordingly:

4 SECTION _____. Section 28.006, Education Code, is amended by
5 amending Subsection (d) and adding Subsection (d-1) to read as
6 follows:

7 (d) The superintendent of each school district shall:

8 (1) report to the commissioner and the board of
9 trustees of the district the results of the reading instruments;
10 [~~and~~]

11 (2) report, in writing, to a student's parent or
12 guardian the student's results on the reading instrument; and

13 (3) using the school readiness certification system
14 provided to the school district in accordance with Section
15 29.161(e), report electronically each student's raw score on the
16 reading instrument to the agency for use in the school readiness
17 certification system.

18 (d-1) The agency shall contract with the State Center for
19 Early Childhood Development to receive and use scores under
20 Subsection (d)(3) on behalf of the agency.

21 SECTION _____. Section 29.161, Education Code, is amended by
22 amending Subsection (c) and adding Subsections (d) through (f) to
23 read as follows:

24 (c) The system must:

25 (1) be reflective of research in the field of early
26 childhood care and education;

27 (2) be well-grounded in the cognitive, social, and
28 emotional development of young children; [~~and~~]

29 (3) apply a common set of criteria to each program

1 provider seeking certification, regardless of the type of program
2 or source of program funding; and

3 (4) be capable of fulfilling the reporting and notice
4 requirements of Sections 28.006(d) and (g).

5 (d) The agency shall collect each student's raw score
6 results on the reading instrument administered under Section 28.006
7 from each school district using the system created under Subsection
8 (a) and shall contract with the State Center for Early Childhood
9 Development for purposes of this section.

10 (e) The State Center for Early Childhood Development shall,
11 using funds appropriated for the school readiness certification
12 system, provide the system created under Subsection (a) to each
13 school district to report each student's raw score results on the
14 reading instrument administered under Section 28.006.

15 (f) The agency shall:

16 (1) provide assistance to the State Center for Early
17 Childhood Development in developing and adopting the school
18 readiness certification system under this section, including
19 providing access to data for the purpose of locating the teacher and
20 campus of record for students; and

21 (2) require confidentiality and other security
22 measures for student data provided to the State Center for Early
23 Childhood Development as the agency's agent, consistent with the
24 Family Educational Rights and Privacy Act (20 U.S.C. Section
25 1232g).

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 19, 2007

TO: Honorable Florence Shapiro, Chair, Senate Committee on Education

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2238 by Eissler (relating to the establishment of the Texas Education Data System (TEDS).), **Committee Report 2nd House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2238, Committee Report 2nd House, Substituted: a negative impact of (\$22,311,713) through the biennium ending August 31, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	(\$7,696,708)
2009	(\$14,615,005)
2010	(\$35,842,393)
2011	(\$32,722,393)
2012	(\$11,859,033)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from GENERAL REVENUE FUND 1
2008	(\$7,696,708)
2009	(\$14,615,005)
2010	(\$35,842,393)
2011	(\$32,722,393)
2012	(\$11,859,033)

Fiscal Year	Change in Number of State Employees from FY 2007
2008	4.0
2009	18.0
2010	22.0
2011	22.0
2012	22.0

Fiscal Analysis

The bill would make substantive revisions to the information management systems for public and

higher education.

The bill would direct the commissioners of education and higher education to establish a board to design and monitor the implementation of an electronic public and higher education data storage system (TEDS). The board would be comprised of 13 members, co-chaired by the commissioners of education and higher education.

The new system would encompass the systems and data currently managed by the Texas Education Agency, the Higher Education Coordinating Board, and the State Board for Educator Certification. All higher education institutions and agencies of education would be required to participate in the system. The bill would require that the system be capable of generating student achievement, curricular, instructional, managerial, and educational policy data. The bill would also require capability for the connection of data elements among all involved education agencies and institutions. The system would be required to include analytical tools to allow educators, policy makers, and researchers to evaluate student achievement, programs, and operational efficiencies.

The commissioner of education would be directed to upgrade and enhance the Public Education Information Management System to the extent necessary to enable an efficient transition to TEDS.

The commissioners of education and higher education would be directed to consider using the TexasOnline project to administer the system and would have the authority to issue requests for proposals and award contracts.

The commissioners would be directed to seek the assistance of the Department of Information Resources concerning the design, coordination, implementation and management of projects for the system.

The bill would require the system to be complete by September 1, 2011.

The bill would also require the board to contract with one or more established centers for education research to develop recommendations for establishing indicators for comparative measures of academic and fiscal success and also indicators to identify students likely to drop out of school. The commissioners would further be directed to contract with one or more organizations with well-established peer-review processes to develop recommendations for using the system to measure student improvement in assessment instruments.

The bill would require the board to conduct reviews of the data elements and other parameters of the system and would require the commissioners to provide biennial reports to the legislature on potential system improvements, with the initial report due December 1, 2008.

Methodology

State costs associated with the bill would be incurred by the Higher Education Coordinating Board (HECB), the Texas Education Agency (TEA) and various institutions of higher education. Costs described below are for the full scope of the project; administrative costs limited to the affected agencies are described separately.

It is assumed that development of the TED system would be contracted. Contract costs associated with the system described by the bill are estimated by the Texas Education Agency to be \$2 million in FY 2008, \$3 million in FY 2009 increasing to \$27 million in FY 2010 and FY 2011. This contract would include costs for requirements gathering, system design and integration, technology frameworks, data definitions, data quality, selection of an analytical tool and data element mapping, and testing and verification. This estimate assumes that all of the data elements identified in the legislation are included; to the extent that the agency chooses to implement fewer, contract costs could be reduced by up to \$10 million in each of FYs 2010 and 2011.

Costs associated with contract services for the RFP for a vendor are estimated to be \$324,000 in FY 2008 and in FY 2009. The agency estimates that the cost to perform the required upgrades to the current PEIMS system would cost between \$3.8 and \$4.8 million; this would be partially funded with

\$1.9 million in Federal funds.

The bill's requirement for education research centers to develop particular indicators and measurement tools is estimated to cost \$750,000 per study; it is assumed that the study for the measure of student improvement would be paid from funds currently budgeted by the agency for such a purpose.

Hardware costs associated with the system are estimated by TEA to be \$1.5 million in FY 2008 and \$8 million in FY 2009. Network and contract services are estimated to be an additional \$200,000 in FY 2008 and \$500,000 in FY 2009.

TEA estimates that the costs associated with integrating the student performance measurement models and drop-out identification models with the required analytical tool and generating reports would be \$1 million in FY 2009 increasing to \$4 million in FY 2010.

For the Texas Education Agency, administrative, board travel and reimbursement, and service contract costs are estimated to be \$422,708 in FY 2008, increasing to \$960,642 in FY 2009.

HECB estimates that they would incur no additional administrative costs in FY 2008, but starting in FY 2009 would require an estimated \$830,364 in order to address internal data requirements associated with the bill. The collective estimate for various institutions of higher education is \$2,000,000 in FY 2010 and in 2011.

Technology

The Texas Education Agency and the Higher Education Coordinating Board would incur costs associated with the programs and activities described above.

Local Government Impact

Local school district data systems would need to be modified to meet the data element and connectivity requirements and to interface with the new system. The Texas Education Agency estimates that these changes would cost an estimated \$45,000 per school district, or \$55.5 million statewide. Certain additional reporting requirements would also drive increased local cost.

Regional Education Service Centers would likely increase staffing in order to assist local school districts with system requirements.

Source Agencies: 701 Central Education Agency, 720 The University of Texas System Administration, 768 Texas Tech University System Administration, 781 Higher Education Coordinating Board, 783 University of Houston System Administration, 313 Department of Information Resources

LBB Staff: JOB, JSp, UP

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 14, 2007

TO: Honorable Florence Shapiro, Chair, Senate Committee on Education

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2238 by Eissler (Relating to the establishment of the Texas Education Data System (TEDS) and certain public school reporting requirements.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2238, As Engrossed: a negative impact of (\$20,194,647) through the biennium ending August 31, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	(\$5,178,495)
2009	(\$15,016,152)
2010	(\$34,012,921)
2011	(\$31,532,921)
2012	(\$14,376,521)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from GENERAL REVENUE FUND 1
2008	(\$5,178,495)
2009	(\$15,016,152)
2010	(\$34,012,921)
2011	(\$31,532,921)
2012	(\$14,376,521)

Fiscal Year	Change in Number of State Employees from FY 2007
2008	4.0
2009	18.0
2010	22.0
2011	22.0
2012	22.0

Fiscal Analysis

The bill would make substantive revisions to the information management systems for public and

higher education.

The bill would direct the commissioners of education and higher education to establish a board to design, develop, oversee and monitor the implementation of an electronic public and higher education data storage system (TEDS). The board would be comprised of 15 members, co-chaired by the commissioners of education and higher education.

The new system would encompass the systems and data currently managed by the Texas Education Agency, the Higher Education Coordinating Board, and the State Board for Educator Certification. All higher education institutions and agencies of education would be required to participate in the system. The bill would require that the system be capable of generating student achievement, curricular, instructional, managerial, and educational policy data. The bill would also require capability for the connection of data elements among all involved state agencies and institutions as well as other state and federal data systems. The system would be required to include analytical tools to allow educators, policy makers, and researchers to evaluate student achievement, programs, and operational efficiencies.

The board would be directed to consider using the TexasOnline project to administer the system, and would have the authority to issue requests for proposals and award contracts.

The Department of Information resources would be directed to assist the board with the design, coordination, implementation and management of projects for the system.

The bill would require the system to be complete by September 1, 2011.

The bill would also require the board to contract with one or more established centers for education research to develop recommendations for establishing indicators for identifying students likely to drop out of school, and to contract with one or more organizations with well-established peer-review processes to develop recommendations for using the system to measure student improvement in assessment instruments.

The bill would require the board to release annual reports on the data elements and parameters used in the system, and biennial reports to the legislature on potential system improvements.

Methodology

State costs associated with the bill would be incurred by both the Higher Education Coordinating Board (HECB) and the Texas Education Agency (TEA). Costs described below are for the full scope of the project; administrative costs limited to the two affected agencies are described separately.

It is assumed that development of the TED system would be contracted. Contract costs associated with the system described by the bill are estimated by the Texas Education Agency to be \$2 million in FY 2008, \$3 million in FY 2009 increasing to \$27 million in FY 2010 and FY 2011. This contract would include costs for requirements gathering, system design and integration, technology frameworks, data definitions, data quality, selection of an analytical tool and data element mapping, and testing and verification. Costs associated with contract services for the RFP for a vendor are estimated to be \$324,000 in FY 2008 and in FY 2009.

The bill's requirement for education research centers to develop particular indicators and measurement tools is estimated to cost \$750,000 per study; it is assumed that the study for the measure of student improvement would be paid from funds currently budgeted by the agency for such a purpose.

Hardware costs associated with the system are estimated by TEA to be \$1 million in FY 2008 and \$8 million in FY 2009. Network and contract services are estimated to be an additional \$700,000 in FY 2008 and \$1 million in FY 2009.

TEA estimates that the costs associated with integrating the student performance measurement models and drop-out identification models with the required analytical tool and generating reports would be \$1 million in FY 2009 increasing to \$4 million in FY 2010.

For the Texas Education Agency, administrative, board travel and reimbursement, and service contract costs are estimated to be \$400,000 in FY 2008, increasing to \$900,000 in FY 2009.

HECB estimates that they would incur no additional administrative costs in FY 2008, but starting in FY 2009 would require an estimated \$830,364 in order to address internal data requirements associated with the bill.

Technology

The Texas Education Agency and the Higher Education Coordinating Board would incur costs associated with the programs and activities described above.

Local Government Impact

Local school district data systems would need to be modified to meet the data element and connectivity requirements and to interface with the new system. The Texas Education Agency estimates that these changes would cost an estimated \$45,000 per school district, or \$55.5 million statewide. Certain additional reporting requirements would also drive increased local cost.

Regional Education Service Centers would likely increase staffing in order to assist local school districts with system requirements.

Source Agencies: 781 Higher Education Coordinating Board, 313 Department of Information Resources,
701 Central Education Agency

LBB Staff: JOB, JSp, UP

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 1, 2007

TO: Honorable Rob Eissler, Chair, House Committee on Public Education

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: **HB2238** by Eissler (relating to the establishment of the Texas Education Data System (TEDS).), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2238, Committee Report 1st House, Substituted: a negative impact of (\$20,194,647) through the biennium ending August 31, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	(\$5,178,495)
2009	(\$15,016,152)
2010	(\$34,012,921)
2011	(\$31,532,921)
2012	(\$14,376,521)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from GENERAL REVENUE FUND
2008	(\$5,178,495)
2009	(\$15,016,152)
2010	(\$34,012,921)
2011	(\$31,532,921)
2012	(\$14,376,521)

Fiscal Year	Change in Number of State Employees from FY 2007
2008	4.0
2009	18.0
2010	22.0
2011	22.0
2012	22.0

Fiscal Analysis

The bill substantively revises the information management systems for public and higher education.

The bill establishes the System Board to oversee the establishment, implementation and administration of an electronic public and higher education data storage system (TEDS). The Board is comprised of 15 members, chaired by the commissioner of education and the commissioner of higher education.

The new system would encompass the systems and data currently managed by the Texas Education Agency, the Higher Education Coordinating Board, and the State Board for Educator Certification. All higher education institutions and agencies of education are required to participate in the system. The board is directed to create the system capable of generating student achievement, curricular, instructional, managerial, and educational policy data. The system shall also be capable of connecting data elements among all involved state agencies and institutions as well as connecting to other state and federal data systems. The system shall include analytical tools allowing educators, policy makers, and researchers to evaluate student achievement, programs, and operational efficiencies.

The board is directed to consider using the TexasOnline project to administer the system, and also has the authority to issue requests for proposals and award contracts.

The Department of Information resources is directed to assist the board with the design, coordination, implementation and management of projects for the system.

The system is to be complete by September 1, 2011.

The bill also requires that the board contract with one or more established centers for education research to develop recommendations for establishing indicators for identifying students likely to drop out of school, and also to develop recommendations for using the system to measure student improvement in assessment instruments.

The bill requires the board to release annual reports on the data elements and parameters used in the system, and biennial reports to the legislature on potential system improvements.

Methodology

State costs associated with the bill would be incurred by both the Higher Education Coordinating Board (HECB) and the Texas Education Agency (TEA). Costs described below are for the full scope of the project; administrative costs limited to the two affected agencies are described separately.

It is assumed that development of the TED system would be contracted. Contract costs associated with the system described by the bill are estimated by the Texas Education Agency to be \$2 million in FY 2008, \$3 million in FY 2009 increasing to \$27 million in FY 2010 and FY 2011. This contract would include costs for requirements gathering, system design and integration, technology frameworks, data definitions, data quality, selection of an analytical tool and data element mapping, and testing and verification. Costs associated with contract services for the RFP for a vendor are estimated to be \$324,000 in FY 2008 and in FY 2009.

The bill's requirement for education research centers to develop particular indicators and measurement tools is estimated to cost \$750,000 per study; it is assumed that the study for the measure of student improvement would be paid from funds currently budgeted by the agency for such a purpose.

Hardware costs associated with the system are estimated by TEA to be \$1 million in FY 2008 and \$8 million in FY 2009. Network and contract services are estimated to be an additional \$700,000 in FY 2008 and \$1 million in FY 2009.

TEA estimates that the costs associated with integrating the student performance measurement models and drop-out identification models with the required analytical tool and generating reports would be \$1 million in FY 2009 increasing to \$4 million in FY 2010.

For the Texas Education Agency, estimated administrative, board travel and reimbursement, and service contract costs are estimated to be \$400,000 in FY 2008, increasing to \$900,000 in FY 2009.

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HECB estimates that they would incur no additional administrative costs in FY 2008, but starting in FY 2009 would require an estimated \$830,364 in order to address internal data requirements associated with the bill.

Technology

The Texas Education Agency and the Higher Education Coordinating Board would incur costs associated with the programs and activities described above.

Local Government Impact

Local school district data systems would need to be modified to meet the data element and connectivity requirements and to interface with the new system. The Texas Education Agency estimates that these changes would cost an estimated \$45,000 per school district, or \$55.5 million statewide.

Regional Education Service Centers would likely increase staffing in order to assist local school districts with system requirements.

Source Agencies: 313 Department of Information Resources, 701 Central Education Agency, 781 Higher Education Coordinating Board

LBB Staff: JOB, JSp, UP

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 3, 2007

TO: Honorable Rob Eissler, Chair, House Committee on Public Education

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: **HB2238** by Eissler (Relating to the Public Education Information Management System (PEIMS).), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2238, As Introduced: a negative impact of (\$374,484) through the biennium ending August 31, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	(\$269,742)
2009	(\$104,742)
2010	(\$104,742)
2011	(\$104,742)
2012	(\$104,742)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from GENERAL REVENUE FUND ¹	Change in Number of State Employees from FY 2007
2008	(\$269,742)	1.0
2009	(\$104,742)	1.0
2010	(\$104,742)	1.0
2011	(\$104,742)	1.0
2012	(\$104,742)	1.0

Fiscal Analysis

This bill would require student and teacher data be linked in the Public Education Information Management System (PEIMS). This bill would take effect September 1, 2007.

Methodology

The Texas Education Agency estimates the costs to link student and teacher data would be \$200,000 in FY2008, with \$40,000 in maintenance costs each year thereafter to amend the vendor contract to update PEIMS. The agency also estimates the need for one new full-time equivalent (FTE) staff member to assist with the data collection, perform data quality analysis and address questions from school districts, at a cost of \$69,742 in FY2008 and \$64,742 each year thereafter.

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Technology

The PEIMS revision to link student and teacher data is estimated to cost \$200,000 with \$40,000 in annual maintenance costs.

Local Government Impact

School districts would incur additional cost associated with establishing data system linkages between student and teacher data and developing processes to extract and submit linked data. The bill would provide the authority to collect teacher information for the purpose of linking to student performance and other related information. Local costs would vary depending upon the extent to which teacher information is linked to student performance information and the types of related student data to be linked under the authority provided by the bill. The Texas Education Agency indicates that a PEIMS feasibility study was conducted in 2004 related to costs for school districts to establish, extract, and submit data with extensive linkage between students and teachers. The results of that study suggested that costs associated with extensive linkage could approach \$18.0 million on a statewide basis. Costs incurred by each district would be expected to vary considerably depending upon the degree of existing automation of the additional student and teacher data that would be collected under the bill.

Source Agencies: 701 Central Education Agency

LBB Staff: JOB, UP, JGM, JSp

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