BILL ANALYSIS

BACKGROUND AND PURPOSE

While Texas has long been a leader in education information management, the state's current education information systems and processes do not efficiently or effectively support the increasing demands for timely, transparent, accessible, and actionable data. Developed in the late 1980s to support student-level reporting, the Public Education Information Management System (PEIMS) continues to be the primary mechanism used by the Texas Education Agency (TEA) for the collection of compliance data to meet state and federal assessment and accountability requirements. A recent third-party evaluation and analysis of TEA's current data system found that under PEIMS it is difficult to integrate student data sources, that the reporting and analysis capabilities are cumbersome and inefficient, and that the data collection process is particularly burdensome for local districts. This bill seeks to address these issues in order to broaden the capacity of the current system and create a framework to support more efficient, effective data use on all levels of the educational system.

C.S.H.B. 3740 requires the Texas Education Agency (TEA) to establish a student information management system for use by school districts and public schools that is capable of supporting local information systems and state reporting requirements and requires the commissioner of education and commissioner of higher education jointly to select regional P-16 councils to participate in regional education data collaboratives to help educational institutions set goals, monitor progress, and improve decision-making, to improve public reporting of information, to reduce the costs of compliance and facilitate reporting of data to state and federal agencies, and to assist TEA and the Texas Higher Education Coordinating Board in implementing certain data-related objectives. The bill also requires the establishment and maintenance of an operational data store and an aggregated data warehouse.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the commissioner of education in SECTIONS 1 and 2 of this bill.

It is the committee's opinion that rulemaking authority is expressly granted to the commissioner of higher education in SECTION 1 of this bill.

ANALYSIS

C.S.H.B. 3740 amends the Education Code to require the Texas Education Agency (TEA) to establish a student information management system for use by school districts, open-enrollment charter schools, and other public schools. The bill requires such a system to be capable of supporting local information systems and state reporting requirements and authorizes TEA to provide information relating to best practices regarding student information management systems to school districts, open-enrollment charter schools, and other public schools.

C.S.H.B 3740 requires the commissioner of education and the commissioner of higher education to jointly select regional P-16 councils to participate in regional education data collaboratives to

assist educational institutions in setting goals, monitoring progress, and improving decision-making regarding instruction and operations; to improve public reporting of information in a manner consistent with state and federal law, including the federal Family Educational Rights and Privacy Act; reduce the costs of compliance for educational institutions and facilitate reporting of required data to state and federal agencies; and to assist TEA and the Texas Higher Education Coordinating Board in implementing the operational data store and the aggregated data warehouse. The bill defines "regional P-16 council."

C.S.H.B. 3740 adds a temporary provision, set to expire October 1, 2009, to require the commissioner of education and the commissioner of higher education, not later than September 15, 2009, to select at least two but not more than three regional P-16 councils to participate in a regional education data collaborative. The bill requires a selected regional P-16 council to demonstrate excellence in using data to promote the efficient use of resources and improve decision-making across educational institutions, and requires a regional education data collaborative to:

- work with at least eight educational institutions or entities located within the region served by the regional P-16 council, including school districts of various sizes, open-enrollment charter schools, regional education service centers, community colleges, and general academic institutions of higher education;
- establish a regional data governance board composed of representatives of each of the participating educational institutions or entities and educational researchers, including researchers affiliated with an education research center established under state law;
- review data collected by educational institutions, including data not currently reported to a state agency, that may be used to improve instruction and operations at educational institutions and increase educational attainment in the region;
- use an inclusive, consensus-building process to identify key issues relating to the instruction and operations of educational institutions that may be addressed through improved data collection and use of data;
- assist TEA and the coordinating board in developing consistent definitions and standards for data collected or maintained by educational institutions, defining the requirements for the student information management system, supporting adoption of the student information management system by school districts, open-enrollment charter schools, and other public schools, and developing the aggregated data warehouse;
- with the assistance of TEA and the coordinating board, partner with other regional collaboratives established under these provisions to establish the operational data store; and
- make recommendations regarding the improvement of education data collection and management to the commissioner of education, the commissioner of higher education, and the legislature.

C.S.H.B. 3740 requires an educational institution participating in a regional education data collaborative to participate in collaborative decision-making regarding the specification, collection, and maintenance of educational data by educational institutions, including developing applications that improve data quality and reduce costs of compliance and business intelligence tools that support end user analysis and reporting; to facilitate the timely collection of academic, fiscal, and managerial data for inclusion in the operational data store; and, with the assistance of TEA and the coordinating board, to use unique personal identification numbers for each student enrolled in and educator employed by the educational institution for the purpose of facilitating the connection of relevant data elements.

C.S.H.B. 3740 requires the regional education data collaboratives, with the support of TEA and the coordinating board, to establish an operational data store for the maintenance of educational data created by educational institutions and requires the operational data store to be designed and maintained in a manner that will permit the participation of any educational institution in Texas. The bill requires the data store, to the extent practicable, to obtain academic, fiscal, and managerial data from participating educational institutions not later than the seventh day after

the date the data was originally collected. The bill requires the operational data store to support, in a manner consistent with state and federal law, including the federal Family Educational Rights and Privacy Act, the secure transfer of individual student data of a student who transfers from a participating educational institution to another participating educational institution or concurrently enrolls in two or more participating educational institutions. The bill limits the data in the operational data store to use by the educational institution supplying the data to support the institution's local functions and the functions of the relevant regional education data collaborative, including reporting and analysis. The bill prohibits a person or agency, except as otherwise provided, from using data included in the operational store for analysis. The bill authorizes the inclusion in the operational data store of data from regional education service centers, state test vendors, and other state and federal agencies.

C.S.H.B. 3740 prohibits the operational data store from releasing student, human resource, or financial data of an educational institution without the consent of the institution, except as required for a function of an education data collaborative or the aggregated data warehouse. The bill requires the regional education data collaboratives, with the assistance and support of TEA and the coordinating board, to develop and make available through the operational data store automated applications to streamline and improve the quality of data submissions from educational institutions to state and federal agencies; business intelligence tools designed to provide information that can be used directly and efficiently by educators to improve the instruction and operations of educational institutions, including information that allows educators to assess the effectiveness of instructional programs, practices, and polices; and reporting tools that support end user analysis and reporting. The bill authorizes the commissioner of education and the commissioner of higher education, following a review of reporting requirements and certification that the operational data store is capable of operating effectively, to require educational institutions to participate in the operational data store.

C.S.H.B. 3740 requires TEA and the coordinating board to obtain from the operational data store student, human resource, and financial data required by law to be used for mandatory compliance or reporting purposes and to maintain the data in an aggregated data warehouse. The bill requires the aggregated data warehouse to be available on an Internet website in a summarized format easily understood by the public for reporting financial and academic performance information and to contain state, district, and campus-level information available for download in a format that facilitates analysis of local data. The bill requires TEA and the coordinating board to establish rules and procedures for the collection of data through efficient and automated processes and to make the data maintained in the aggregated data warehouse available to education research centers. The bill requires the commissioner of education and the commissioner of higher education, to the extent practicable and with the assistance of regional education data collaboratives, education research centers, and other appropriate stakeholders, to conform mandatory reporting requirements applicable to educational institutions to data available through the operational data store that is useful for improving the local instruction and operations of a school district, open-enrollment charter school, other public school, institution of higher education, or university system. The bill prohibits the commissioner of education and the commissioner of higher education from requiring an educational institution participating in the operational data store to submit additional data that is not specifically required by state or federal law.

C.S.H.B. 3740 authorizes the commissioner of education, the commissioner of higher education, and a regional education data collaborative to each solicit and receive gifts, grants, and federal funds to implement provisions relating to education data management and authorizes the commissioners to adopt rules as necessary to implement these provisions. The bill establishes that these provisions do not authorize the disclosure of information protected under the federal Family Educational Rights and Privacy Act and that, on or after September 1, 2015, a reference to the Public Education Information Management System (PEIMS) in law means the statewide data management system. The bill authorizes the commissioner of education to establish by rule an earlier date for the reference change. The bill establishes that these provisions do not apply to

the information system used to evaluate school principal performance.

C.S.H.B. 3740 appends an expiration date of September 1, 2015, to provisions governing the operation of and school district participation in PEIMS and authorizes the commissioner of education, before that date, by rule to waive compliance with provisions governing the operation of and school district participation in PEIMS if the commissioner determines that compliance is unnecessary as a result of implementation of provisions relating to education data management. The bill repeals Section 7.008, Education Code, relating to public access to PEIMS data and requires the commissioners, TEA, and the coordinating board to implement the bill's provisions relating to education data management not later than September 1, 2012; TEA to establish the student information management system not later than September 1, 2011; and TEA and the coordinating board to establish the aggregated data warehouse not later than September 1, 2013.

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 3740 removes provisions in the original creating a joint education data governance board, authorizing the commissioner of education and the commissioner of higher education to consider the governance board's recommendations, and requiring the commissioners to adopt data standards and policies required to enforce data standards.

C.S.H.B. 3740 differs from the original by requiring a student information management system established by the Texas Education Agency (TEA) to be capable of supporting local information systems and state reporting requirements, whereas the original requires TEA to design the system to support local operations and state reporting.

C.S.H.B. 3740 adds a provision not in the original requiring the commissioner of education and the commissioner of higher education to jointly select regional P-16 councils to participate in regional education data collaboratives and setting forth the objectives for such collaboratives, qualifications for a regional P-16 council's participation in a collaborative, the duties of such a collaborative, and requirements for an educational institution's participation in a collaborative.

C.S.H.B. 3740 differs from the original by requiring the regional education data collaboratives, with the support of TEA and the Texas Higher Education Coordinating Board, to establish an operational data store for the maintenance of educational data created by educational institutions, whereas the original requires TEA and the coordinating board jointly to establish an operational data store for the maintenance of student, human resource, and financial data created by school districts, open-enrollment charter schools, other public schools, institutions of higher education, and university systems. The substitute adds a provision not in the original requiring the operational data store to be designed and maintained in a manner that will permit the participation of any educational institution in Texas, including a school district, open-enrollment charter school, other public school, institution of higher education, and university system. The substitute removes a provision in the original requiring TEA to extract or otherwise obtain data periodically from public school student information management systems and human resource and financial data from public school data systems and to maintain the data in the operational data store.

C.S.H.B. 3740 differs from the original by requiring the data store, to the extent practicable, to obtain academic, fiscal, and managerial data from participating educational institutions using the student information management system not later than the seventh day after the date the data was originally collected, whereas the original requires the coordinating board to extract or otherwise obtain academic, fiscal, and managerial data from institutions of higher education and university

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systems and to maintain the data in the operational data store.

C.S.H.B. 3740 adds a provision not in the original requiring the operational data store to support, in a manner consistent with state and federal law, the secure transfer of individual student data of a student who transfers from a participating educational institution to another participating educational institution or concurrently enrolls in two or more participating educational institutions.

C.S.H.B. 3740 adds a provision not in the original expanding the permissible uses of the data in the operational data store to include its use in supporting the functions of the relevant regional education data collaborative. The substitute prohibits a person or agency, except as provided by the bill's provisions or by agreement of the institution, from using data included in the operational store for analysis, whereas the original prohibits the agencies from using the operational data store to perform their own analyses except as provided by the bill's provisions or by agreement of the educational institution from which the data is derived.

C.S.H.B. 3740 differs from the original by prohibiting the operational data store from releasing student, human resource, or financial data of an educational institution without the consent of the institution, except as required for a function of an education data collaborative or the aggregated data warehouse, whereas the original prohibits the agencies from releasing such data of a school district, open-enrollment charter school, other public school, an institution of higher education, or a university system that is maintained in the operational data store without the consent of the institution from which the data is derived. The substitute adds provisions not in the original requiring the regional education data collaboratives, with the assistance and support of TEA and the coordinating board, to develop and make available through the operational data store certain automated applications, business intelligence tools, and reporting tools, and authorizing the commissioner of education and the commissioner of higher education, following their review of reporting requirements and certification that the operational data store is capable of operating effectively, to require educational institutions to participate in the operational data store.

C.S.H.B. 3740 differs from the original by requiring TEA and the coordinating board to obtain from the operational data store student, human resource, and financial data required by law to be used for mandatory compliance or reporting purposes, whereas the original requires the agencies to extract such data that is necessary for the performance of agency functions, including reporting and analysis requirements. The substitute removes a provision in the original requiring the agencies to publish the rules and processes used for the extraction of data from the operational data store for purposes of the aggregated data warehouse and to make the data maintained in the aggregated data warehouse available to the educational research centers established under state law.

C.S.H.B. 3740 differs from the original by requiring the aggregated data warehouse to be available on an Internet website in a summarized format easily understood by the public for reporting financial and academic performance information and to contain state, district, and campus-level information available for download in a format that facilitates analysis of local data, whereas the original requires the agencies to provide a summarized format easily understood by the public for reporting financial and academic performance information from the aggregated data warehouse on an Internet website and to provide the ability for those who access the website to view and download state, district, and campus level information from the data warehouse.

C.S.H.B. 3740 adds provisions not in the original requiring TEA and the coordinating board to establish rules and procedures for the collection of data through efficient and automated processes and to make the data maintained in the aggregated data warehouse available to education research centers; requiring the commissioners, to the extent practicable and with the assistance of regional education data collaboratives, education research centers, and other appropriate stakeholders, to conform mandatory reporting requirements applicable to educational

institutions to data available through the operational data store that is useful for improving the local instruction and operations of certain educational institutions; and prohibiting the commissioners from requiring an educational institution participating in the operational data store to submit additional data that is not specifically required by state or federal law.

C.S.H.B. 3740 differs from the original by authorizing the commissioners and a regional education data collaborative to each solicit and receive gifts, grants, and federal funds to implement provisions relating to education data management, whereas the original authorizes only the commissioners to do so.

C.S.H.B. 3740 differs from the original by requiring the commissioners, TEA, and the coordinating board to implement the bill's provisions relating to education data management not later than September 1, 2012, rather than September 1, 2015, as in the original. The substitute adds provisions not in the original requiring TEA to establish the student information management system not later than September 1, 2011, and requiring TEA and the coordinating board to establish the aggregated data warehouse not later than September 1, 2013. The substitute differs from the original by providing for the bill's immediate effect, or, if it does not receive the necessary vote, September 1, 2009, whereas the original's provision for an effective date included an exception as otherwise provided.