## **BILL ANALYSIS**

C.S.H.B. 3468 By: Patrick, Diane Higher Education Committee Report (Substituted)

# BACKGROUND AND PURPOSE

In order to continue competing in a global economy and to better prepare students for the future job market, high school students need to complete postsecondary education in greater numbers. Interested parties contend that Texas is losing too many students between high school graduation and developmental education completion that would allow them to enter credit-bearing courses and pursue a postsecondary degree. According to certain reports, a significant portion of firstyear community college and university students have enrolled in at least one developmental education course, but of those students, only a relative minority go on to earn a bachelor's degree. Interested parties contend that those who do not graduate are faced with debt and no real return on investment and that, in addition, these numbers reflect a waste of taxpayer dollars. These interested parties believe a close examination of existing state assessment and developmental education programs, successful early assessment pilots around the state, and best practices across the country will allow for Texas to design a more responsive, cost-effective program for students and institutions of higher education. C.S.H.B. 3468 seeks to implement such an examination and to approach developmental education in a timely, cost-efficient, effective, and meaningful manner so that students are in a system that best facilitates their future success.

## **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 3 of this bill.

## ANALYSIS

C.S.H.B. 3468 amends the Education Code to add temporary provisions, set to expire January 1, 2013, to require the Texas Education Agency (TEA), in consultation with the Texas Higher Education Coordinating Board, to conduct a study of best practices for and existing programs offering early assessments of high school students in order to determine college readiness, identify any deficiencies in college readiness, and provide intervention to address any deficiencies before high school graduation. The bill requires the TEA, in conducting the study and in consultation with the coordinating board, to review the following:

- various assessments, including certain end-of-course assessment instruments, and any assessment being proposed as a statewide model by the coordinating board for identifying students who need additional assistance in preparing for college;
- various early intervention models, including summer bridge programs, college preparatory courses for credit toward high school graduation, developmental education programs, including college readiness programs funded by the high school allotment, and college study skills courses, and dual credit courses;
- the costs associated with different assessments and early intervention models; and
- the effectiveness of different assessments and early intervention models in preparing students for college coursework for which course credit may be earned.

The bill requires the TEA, not later than December 1, 2012, in consultation with the coordinating board, public institutions of higher education, and school districts, to submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each legislative standing committee with primary jurisdiction over primary and secondary education, higher education, or state appropriations a written report that contains recommendations for promoting and implementing early assessments of college readiness that are of a diagnostic nature and early intervention models for preparing high school students for college coursework for which course credit may be earned.

C.S.H.B. 3468 requires the TEA, in consultation with the coordinating board, to review the required adult education standardized assessment mechanism and recommend any changes necessary to align the assessment with the assessments designated under the Texas Success Initiative to allow for the proper placement of a student in an adult basic education course or to provide the student with the proper developmental or English as a second language coursework, as appropriate.

C.S.H.B. 3468 requires the coordinating board, in order to allow a student to complete any necessary developmental coursework in the most efficient and cost-effective manner, to encourage institutions of higher education to offer various types of developmental coursework that address various levels of deficiency in readiness to perform college coursework for which course credit may be earned, as determined on the basis of diagnostic assessment instruments administered as part of the Success Initiative. The bill authorizes the types of developmental coursework to include course-based programs; non-course-based programs, such as advising programs; module format programs; competency-based education programs; and programs under which the student is pairing or taking concurrently a developmental education course and another course in the same subject area for which course credit may be earned. The bill authorizes the coordinating board to adopt rules as necessary to implement these provisions.

C.S.H.B. 3468 adds temporary provisions, set to expire January 1, 2013, to require the coordinating board, in consultation with institutions of higher education, to use evidence-based studies and existing data to study and analyze the following:

- assessment instruments that are currently used or could be used by institutions to comply with the Success Initiative, including the diagnostic reliability and cost-effectiveness of those instruments;
- differentiated placements, for developmental coursework based on a student's demonstrated proficiencies or deficiencies in readiness to perform college coursework for which course credit may be earned, as determined on the basis of the diagnostic assessment instruments designated by the coordinating board under the Success Initiative, including the extent to which various types of placements result in or serve efficient, cost-effective, and successful developmental education;
- whether the funding formulas developed by the coordinating board, as applied to developmental coursework, result in or serve efficient and cost-effective implementation of successful developmental education; and
- whether certain nonapplicability categories under the Success Initiative should be retained.

The bill adds a temporary provision, set to expire January 1, 2013, that requires the coordinating board, not later than December 1, 2012, to submit a written report based on the study to the governor, lieutenant governor, speaker of the house of representatives, and presiding officer of each legislative standing committee with primary jurisdiction over higher education or state appropriations recommending, to the extent practicable, a statewide diagnostic standard assessment instrument that allows for accurate diagnosis and targeted intervention for students who are identified as requiring developmental coursework; appropriate placement to provide the type and level of developmental coursework that allow a student to receive developmental education in the most effective, and successful manner; and the most effective use

of formula funding with regard to developmental coursework targeted to students' needs.

C.S.H.B. 3468 adds a temporary provision, set to expire January 1, 2015, to require the coordinating board to include in its periodic review of formulas used in making appropriations recommendations to the legislature for all institutions of higher education recommendations for changes in funding formulas for developmental education programs based on the results of the study and the report relating to assessment instruments, differentiated placements, and formula funding under the Success Initiative. The bill makes this temporary provision applicable beginning with periodic reviews submitted on or after December 1, 2012.

#### EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2011.

#### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 3468 contains a provision not included the original adding certain assessments to those required to be reviewed by the Texas Education Agency (TEA) in consultation with the Texas Higher Education Coordinating Board in conducting the study of best practices for and existing programs offering early assessments of high school students. The substitute omits a provision included in the original specifying that the college preparatory courses for credit toward high school graduation the TEA is required to review in conducting the study be English and mathematics courses. The substitute differs from the original by requiring the TEA to review the effectiveness of different assessments and early intervention models in preparing students for college coursework for which course credit may be earned, whereas the original requires the TEA to review the effectiveness of different assessments and early intervention models in preparing students for freshman-level college coursework.

C.S.H.B. 3468 contains a provision not included in the original requiring the TEA to consult with public institutions of higher education and school districts, in addition to consulting with the coordinating board as in the original, in submitting a written report regarding the preparation of high school students for college coursework. The substitute differs from the original by specifying that the report contain recommendations for promoting and implementing early assessments of college readiness that are of a diagnostic nature and early intervention models for preparing high school students for college coursework for which course credit may be earned, whereas in the original the report contains recommendations for implementing an assessment and early intervention model for preparing high school students before graduation for freshman-level college coursework, as indicated by performance on an assessment required under the bill's provisions.

C.S.H.B. 3468 contains a provision not included in the original requiring the TEA, in consultation with the coordinating board, to review the required adult education standardized assessment mechanism and recommend any changes necessary to align the assessment with the assessments designated under the Texas Success Initiative to provide a student with English as a second language coursework, if appropriate.

C.S.H.B. 3468 differs from the original by requiring the coordinating board to encourage institutions of higher education to offer various types of developmental coursework that address various levels of deficiency in readiness to perform college coursework for which course credit may be earned, whereas the original requires the coordinating board to encourage public junior colleges to offer the coursework addressing deficiencies in readiness to perform freshman-level college coursework. The substitute omits a provision included in the original requiring each such course, to the greatest extent practicable, to be offered to provide for credit, noncredit, and demonstration of proficiency options. The substitute contains provisions not included in the original authorizing the inclusion of certain types of developmental coursework and authorizing the coordinating board to adopt rules as necessary to implement related provisions.

C.S.H.B. 3468 contains a provision not included in the original requiring the coordinating board to consult with institutions of higher education in using evidence-based studies and existing data to study and analyze certain college readiness assessments, differentiated placements, and formula funding under the Success Initiative. The substitute differs from the original by specifying that such differentiated placements are for development coursework based on a student's proficiencies or deficiencies in readiness to perform college coursework for which course credit may be earned, whereas the original specifies readiness to perform freshman-level college coursework. The substitute contains a provision not included in the original specifying that the recommendation of a particular statewide diagnostic assessment instrument in the written report on the study of certain college readiness assessments, differentiated placements, and formula funding under the Success Initiative required to be submitted by the coordinating board be to the extent practicable. The substitute differs from the original in a nonsubstantive way by making a technical correction.