

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Huberty, Isaac, et al.

H.B. No. 743

A BILL TO BE ENTITLED

AN ACT

relating to the essential knowledge and skills of the required public school curriculum and to certain state-adopted or state-developed assessment instruments for public school students.

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

SECTION 1. Section 39.023, Education Code, is amended by adding Subsections (a-11), (a-12), (a-13), and (a-14) to read as follows:

(a-11) Before an assessment instrument adopted or developed under Subsection (a) may be administered under that subsection, the assessment instrument must, on the basis of empirical evidence, be determined to be valid and reliable by an entity that is independent of the agency and of any other entity that developed the assessment instrument.

(a-12) The agency shall ensure that an assessment instrument adopted or developed under Subsection (a) is designed to primarily assess the essential knowledge and skills identified by the State Board of Education under Section 28.002 of the subject and for the grade level for which the assessment instrument is administered. Only to the extent necessary or helpful for diagnostic or reporting purposes, the assessment instrument may also assess supporting knowledge or skills that are introduced or referenced in the subject and for the grade level for which the assessment instrument is administered but that are identified as

1 essential knowledge or skills primarily of a different subject or  
2 for a different grade level.

3 (a-13) An assessment instrument adopted or developed under  
4 Subsection (a) must be designed so that:

5 (1) if administered to students in grades three  
6 through five, 85 percent of students will be able to complete the  
7 assessment instrument within 120 minutes; and

8 (2) if administered to students in grades six through  
9 eight, 85 percent of students will be able to complete the  
10 assessment instrument within 180 minutes.

11 (a-14) The amount of time allowed for administration of an  
12 assessment instrument adopted or developed under Subsection (a) may  
13 not exceed eight hours, and the administration may occur on only one  
14 day.

15 SECTION 2. Subchapter B, Chapter 39, Education Code, is  
16 amended by adding Section 39.0236 to read as follows:

17 Sec. 39.0236. STUDY OF ESSENTIAL KNOWLEDGE AND SKILLS AND  
18 ASSESSMENT INSTRUMENTS. (a) The agency shall conduct a study  
19 regarding the essential knowledge and skills of the required  
20 curriculum identified by the State Board of Education under Section  
21 28.002 and assessment instruments administered under Section  
22 39.023.

23 (b) The study must evaluate:

24 (1) the number and scope of the essential knowledge  
25 and skills of each subject of the required curriculum under Section  
26 28.002, with each essential knowledge or skill identified as a  
27 readiness or supporting standard, and whether the number or scope

1 should be limited;

2 (2) the number and subjects of assessment instruments  
3 under Section 39.023 that are required to be administered to  
4 students in grades three through eight; and

5 (3) how assessment instruments described by  
6 Subdivision (2) assess standards essential for student success and  
7 whether the assessment instruments should also assess supporting  
8 standards, including analysis of:

9 (A) the portion of the essential knowledge and  
10 skills capable of being accurately assessed;

11 (B) the appropriate skills that can be assessed  
12 within the testing parameters under current law; and

13 (C) how current standards compare to those  
14 parameters.

15 (c) Not later than March 1, 2016, the agency shall prepare  
16 and submit to the State Board of Education a report concerning the  
17 results of the study under Subsection (b). Not later than May 1,  
18 2016, the State Board of Education shall review the study and shall  
19 submit to the governor and each member of the legislature the  
20 agency's report and board recommendations regarding each issue  
21 evaluated under Subsection (b).

22 (d) This section expires June 1, 2017.

23 SECTION 3. Subchapter B, Chapter 39, Education Code, is  
24 amended by adding Section 39.0381 to read as follows:

25 Sec. 39.0381. AUDITING AND MONITORING PERFORMANCE UNDER  
26 CONTRACTS FOR ASSESSMENT INSTRUMENTS. (a) The agency by rule shall  
27 develop a comprehensive methodology for auditing and monitoring

1 performance under contracts for services to develop or administer  
2 assessment instruments required by Section 39.023 to verify  
3 compliance with contractual obligations.

4 (b) The agency shall ensure that all new and renewed  
5 contracts described by Subsection (a) include a provision that the  
6 agency or a designee of the agency may conduct periodic contract  
7 compliance reviews, without advance notice, to monitor vendor  
8 performance.

9 (c) The agency shall adopt rules to administer this section.

10 SECTION 4. Section 39.053, Education Code, is amended by  
11 adding Subsection (c-3) to read as follows:

12 (c-3) The indicator of student achievement under Subsection  
13 (c)(1) may not include student performance as to supporting  
14 knowledge or skills as described by Section 39.023(a-12).

15 SECTION 5. This Act applies beginning with the 2015-2016  
16 school year.

17 SECTION 6. This Act takes effect immediately if it receives  
18 a vote of two-thirds of all the members elected to each house, as  
19 provided by Section 39, Article III, Texas Constitution. If this  
20 Act does not receive the vote necessary for immediate effect, this  
21 Act takes effect September 1, 2015.

# ADOPTED

MAY 25 2015

  
Secretary of the Senate

By: Hubert H.B. No. 743

Substitute the following for H.B. No. 743:

By: Seliger C.S. H.B. No. 743

## A BILL TO BE ENTITLED

1 AN ACT

2 relating to the essential knowledge and skills of the required  
3 public school curriculum and to certain assessment instruments for  
4 public school students.

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

6 SECTION 1. Section 39.023, Education Code, is amended by  
7 adding Subsections (a-11), (a-12), and (a-13) to read as follows:

8 (a-11) Before an assessment instrument adopted or developed  
9 under Subsection (a) may be administered under that subsection, the  
10 assessment instrument must, on the basis of empirical evidence, be  
11 determined to be valid and reliable by an entity that is independent  
12 of the agency and of any other entity that developed the assessment  
13 instrument.

14 (a-12) An assessment instrument adopted or developed under  
15 Subsection (a) must be designed so that:

16 (1) if administered to students in grades three  
17 through five, 85 percent of students will be able to complete the  
18 assessment instrument within 120 minutes; and

19 (2) if administered to students in grades six through  
20 eight, 85 percent of students will be able to complete the  
21 assessment instrument within 180 minutes.

22 (a-13) The amount of time allowed for administration of an  
23 assessment instrument adopted or developed under Subsection (a) may  
24 not exceed eight hours, and the administration may occur on only one

1 day.

2 SECTION 2. Subchapter B, Chapter 39, Education Code, is  
3 amended by adding Section 39.0236 to read as follows:

4 Sec. 39.0236. STUDY OF ESSENTIAL KNOWLEDGE AND SKILLS AND  
5 ASSESSMENT INSTRUMENTS. (a) The agency shall conduct a study  
6 regarding the essential knowledge and skills of the required  
7 curriculum identified by the State Board of Education under Section  
8 28.002 and assessment instruments administered under Section  
9 39.023.

10 (b) The study must evaluate:

11 (1) the number and scope of the essential knowledge  
12 and skills of each subject of the required curriculum under Section  
13 28.002, with each essential knowledge or skill identified as a  
14 readiness or supporting standard, and whether the number or scope  
15 should be limited;

16 (2) the number and subjects of assessment instruments  
17 under Section 39.023 that are required to be administered to  
18 students in grades three through eight; and

19 (3) how assessment instruments described by  
20 Subdivision (2) assess standards essential for student success and  
21 whether the assessment instruments should also assess supporting  
22 standards, including analysis of:

23 (A) the portion of the essential knowledge and  
24 skills capable of being accurately assessed;

25 (B) the appropriate skills that can be assessed  
26 within the testing parameters under current law; and

27 (C) how current standards compare to those

1 parameters.

2 (c) Not later than March 1, 2016, the agency shall prepare  
3 and submit to the State Board of Education a report concerning the  
4 results of the study under Subsection (b). Not later than May 1,  
5 2016, the State Board of Education shall review the study and shall  
6 submit to the governor and each member of the legislature the  
7 agency's report and board recommendations regarding each issue  
8 evaluated under Subsection (b).

9 (d) This section expires June 1, 2017.

10 SECTION 3. Sections 39.0261(b) and (c), Education Code, are  
11 amended to read as follows:

12 (b) The agency shall:

13 (1) select and approve vendors of the specific  
14 assessment instruments administered under this section; and

15 (2) provide reimbursement to a school district  
16 for [pay] all fees associated with the administration of the  
17 assessment instrument from funds appropriated for that purpose  
18 ~~[allotted under the Foundation School Program, and the commissioner~~  
19 ~~shall reduce the total amount of state funds allocated to each~~  
20 ~~district from any source in the same manner described for a~~  
21 ~~reduction in allotments under Section 42.253].~~

22 (c) The agency shall ensure that a school district is not  
23 reimbursed [vendors are not paid] under Subsection (b) for the  
24 administration of an assessment instrument to a student to whom the  
25 assessment instrument is not actually administered. The agency may  
26 comply with this subsection by any reasonable means, including by  
27 creating a refund system under which a school district ~~[vendor]~~

1 returns any payment made for a student who registered for the  
2 administration of an assessment instrument but did not appear for  
3 the administration.

4 SECTION 4. Subchapter B, Chapter 39, Education Code, is  
5 amended by adding Section 39.0381 to read as follows:

6 Sec. 39.0381. AUDITING AND MONITORING PERFORMANCE UNDER  
7 CONTRACTS FOR ASSESSMENT INSTRUMENTS. (a) The agency by rule shall  
8 develop a comprehensive methodology for auditing and monitoring  
9 performance under contracts for services to develop or administer  
10 assessment instruments required by Section 39.023 to verify  
11 compliance with contractual obligations.

12 (b) The agency shall ensure that all new and renewed  
13 contracts described by Subsection (a) include a provision that the  
14 agency or a designee of the agency may conduct periodic contract  
15 compliance reviews, without advance notice, to monitor vendor  
16 performance.

17 (c) The agency shall adopt rules to administer this section.

18 SECTION 5. This Act applies beginning with the 2015-2016  
19 school year.

20 SECTION 6. This Act takes effect immediately if it receives  
21 a vote of two-thirds of all the members elected to each house, as  
22 provided by Section 39, Article III, Texas Constitution. If this  
23 Act does not receive the vote necessary for immediate effect, this  
24 Act takes effect September 1, 2015.

FLOOR AMENDMENT NO. 1

BY:

*Larry Taylor*

1 Amend C.S.H.B. No. 743 (senate committee report) in SECTION  
2 1 of the bill as follows:

3 (1) In added Section 39.023(a-12)(1), Education Code (page  
4 1, line 39), strike "120" and substitute "90".

5 (2) In added Section 39.023(a-12)(2), Education Code (page  
6 1, line 42), strike "180" and substitute "150".

**ADOPTED**

MAY 25 2015

*Katay Spaw*  
Secretary of the Senate

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 26, 2015**

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB743** by Huberty (Relating to the essential knowledge and skills of the required public school curriculum and to certain assessment instruments for public school students.), **As Passed 2nd House**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB743, As Passed 2nd House: a negative impact of (\$1,069,136) through the biennium ending August 31, 2017.

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:**

| <b>Fiscal Year</b> | <b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b> |
|--------------------|---|
| 2016               | (\$1,029,136)   |
| 2017               | (\$40,000)  |
| 2018               | (\$40,000)  |
| 2019               | (\$40,000)  |
| 2020               | (\$40,000)  |

**All Funds, Five-Year Impact:**

| <b>Fiscal Year</b> | <b>Probable Savings/(Cost) from<br/><i>General Revenue Fund</i><br/>1</b> |
|--------------------|---|
| 2016               | (\$1,029,136)   |
| 2017               | (\$40,000)  |
| 2018               | (\$40,000)  |
| 2019               | (\$40,000)  |
| 2020               | (\$40,000)  |

**Fiscal Analysis**

The bill would require that an assessment instrument be determined to be valid and reliable based on empirical evidence by an entity independent of the Texas Education Agency (TEA) and test developer before being administered.

The bill would require assessment instruments to be designed so that 85 percent of the students in grades 3 through 5 complete the assessment in 90 minutes and 85 percent of the students in grades 6 through 8 complete the assessment in 150 minutes.

The bill would require TEA to conduct a comprehensive study of the TEKS and assessment instruments and submit a report of its findings to certain entities.

The bill would require TEA to reimburse school district for all fees associated with administration of college preparation assessment instruments. The bill would require TEA to ensure that school district are not reimbursed if an assessment instrument is not actually administered.

The bill would require TEA to develop a comprehensive methodology for auditing and monitoring assessment contracts to develop or administer assessment instruments and conduct contract compliance review if necessary.

The bill would take effect on September 1, 2015, or immediately is passed with the necessary voting margins, and would apply beginning school year 2015-16.

## **Methodology**

Based on information provided by the agency, the cost to annually review the reliability and validity of the state assessment instruments, independent of TEA and the testing vendor, would be \$40,000 per fiscal year. This estimate assumes the current federal peer review process would not be sufficient to meet the requirement of the bill.

This estimate assumes grade 3 through 8 assessment instruments would be redesigned to meet the time limits required by the bill, generating an anticipated one-time state cost of \$800,000 in fiscal year 2016. To decrease testing times in the grades required, TEA indicates a cost of \$32,000 per assessment to modify the assessment and set new performance standards. This estimate assumes 25 separate tests would be modified for a cost of \$800,000 ( $\$32,000 \times 25$  assessments) in fiscal year 2016.

Changes to state curriculum review and assessment processes are subject to review by the U.S. Department of Education as a part of the No Child Left Behind Title I, Part A program. To the extent that changes resulting from the bill are not federally approved, the bill may result in the loss of significant federal funds.

The bill requires the TEA to study the TEKS and assessment instruments. Based on information provided by TEA, the one-time estimated cost of the study is \$100,000 in fiscal year 2016. TEA estimates one FTE would be required until completion of the study. The estimated cost of this FTE, including salary, benefits, and other operating expenses, would be \$89,136 in fiscal year 2016.

The bill's provision changing the existing statutory requirement that the agency pay all fees to a requirement that the agency reimburse all fees is not considered to be a substantive change. The bill's provision changing the allowable method of finance for state payment from Foundation School Program funds to funds appropriated for that purpose is not anticipated to have a significant fiscal impact.

## **Local Government Impact**

School districts may experience some savings for administering shorter assessments; however, these savings are not anticipated to be significant.

**Source Agencies:** 701 Central Education Agency

**LBB Staff:** UP, AW, JBi, AM

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 22, 2015**

**TO:** Honorable Larry Taylor, Chair, Senate Committee on Education

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB743** by Huberty (relating to the essential knowledge and skills of the required public school curriculum and to certain assessment instruments for public school students.),  
**Committee Report 2nd House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB743, Committee Report 2nd House, Substituted: a negative impact of (\$1,069,136) through the biennium ending August 31, 2017.

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:**

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| 2016               | (\$1,029,136)   |
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| 2017               | (\$40,000)  |
| 2018               | (\$40,000)  |
| 2019               | (\$40,000)  |
| 2020               | (\$40,000)  |

**Fiscal Analysis**

The bill would require that an assessment instrument be determined to be valid and reliable based on empirical evidence by an entity independent of the Texas Education Agency (TEA) and test

developer before being administered.

The bill would require assessment instruments to be designed so that 85 percent of the students in grades 3 through 5 complete the assessment in 120 minutes and 85 percent of the students in grades 6 through 8 complete the assessment in 180 minutes.

The bill would require TEA to conduct a comprehensive study of the TEKS and assessment instruments and submit a report of its findings to certain entities.

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The bill would require TEA to develop a comprehensive methodology for auditing and monitoring assessment contracts to develop or administer assessment instruments and conduct contract compliance review if necessary.

The bill would take effect on September 1, 2015, or immediately is passed with the necessary voting margins, and would apply beginning school year 2015-16.

## **Methodology**

Based on information provided by the agency, the cost to annually review the reliability and validity of the state assessment instruments, independent of TEA and the testing vendor, would be \$40,000 per fiscal year. This estimate assumes the current federal peer review process would not be sufficient to meet the requirement of the bill.

This estimate assumes grade 3 through 8 assessment instruments would be redesigned to meet the time limits required by the bill, generating an anticipated one-time state cost of \$800,000 in fiscal year 2016. According to information provided by TEA, approximately 70 percent of students in grades 3 through 8 completed the State of Texas Assessment of Academic Readiness (STAAR) within 120 minutes based on a study of 2012 STAAR testing times. To decrease testing times in the grades required, TEA indicates a cost of \$32,000 per assessment to modify the assessment and set new performance standards. This estimate assumes 25 separate tests would be modified for a cost of \$800,000 ( $\$32,000 \times 25$  assessments) in fiscal year 2016.

Changes to state curriculum review and assessment processes are subject to review by the U.S. Department of Education as a part of the No Child Left Behind Title I, Part A program. To the extent that changes resulting from the bill are not federally approved, the bill may result in the loss of significant federal funds.

The bill requires the TEA to study the TEKS and assessment instruments. Based on information provided by TEA, the one-time estimated cost of the study is \$100,000 in fiscal year 2016. TEA estimates one FTE would be required until completion of the study. The estimated cost of this FTE, including salary, benefits, and other operating expenses, would be \$89,136 in fiscal year 2016.

The bill's provision changing the existing statutory requirement that the agency pay all fees to a requirement that the agency reimburse all fees is not considered to be a substantive change. The bill's provision changing the allowable method of finance for state payment from Foundation School Program funds to funds appropriated for that purpose is not anticipated to have a significant fiscal impact.

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**Source Agencies:** 701 Central Education Agency

**LBB Staff:** UP, AW, JBi, AM

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 19, 2015**

**TO:** Honorable Larry Taylor, Chair, Senate Committee on Education

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB743** by Huberty (Relating to the essential knowledge and skills of the required public school curriculum and to certain state-adopted or state-developed assessment instruments for public school students.), **As Engrossed**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB743, As Engrossed: a negative impact of (\$1,069,136) through the biennium ending August 31, 2017.

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:**

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| 2016               | (\$1,029,136)   |
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**All Funds, Five-Year Impact:**

| <b>Fiscal Year</b> | <b>Probable Savings/(Cost) from General Revenue Fund</b> |
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The bill would require that an assessment instrument be determined to be valid and reliable based on empirical evidence by an entity independent of the Texas Education Agency (TEA) and test developer before being administered.

The bill would require TEA to ensure that assessment instruments primarily assess the Texas Essential Knowledge and Skills (TEKS) by subject and grade level.

The bill would require assessment instruments to be designed so that 85 percent of the students in grades 3 through 5 complete the assessment in 120 minutes and 85 percent of the students in grades 6 through 8 complete the assessment in 180 minutes.

The bill would require TEA to conduct a comprehensive study of the TEKS and assessment instruments and submit a report of its findings to certain entities.

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The bill would take effect on September 1, 2015, or immediately is passed with the necessary voting margins, and would apply beginning school year 2015-16.

### **Methodology**

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Changes to state curriculum review and assessment processes are subject to review by the U.S. Department of Education as a part of the No Child Left Behind Title I, Part A program. To the extent that changes resulting from the bill are not federally approved, the bill may result in the loss of significant federal funds.

The bill requires the TEA to study the TEKS and assessment instruments. Based on information provided by TEA, the one-time estimated cost of the study is \$100,000 in fiscal year 2016. TEA estimates one FTE would be required until completion of the study. The estimated cost of this FTE, including salary, benefits, and other operating expenses, would be \$89,136 in fiscal year 2016.

## **Local Government Impact**

School districts may experience some savings for administering shorter assessments; however, these savings are not anticipated to be significant.

**Source Agencies:** 701 Central Education Agency

**LBB Staff:** UP, AW, JBi, AM

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**April 8, 2015**

**TO:** Honorable Jimmie Don Aycok, Chair, House Committee on Public Education

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB743** by Huberty (relating to the essential knowledge and skills of the required public school curriculum and to certain state-adopted or state-developed assessment instruments for public school students.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB743, Committee Report 1st House, Substituted: a negative impact of (\$1,069,136) through the biennium ending August 31, 2017.

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| 2019               | (\$40,000)  |
| 2020               | (\$40,000)  |

**All Funds, Five-Year Impact:**

| <b>Fiscal Year</b> | <b>Probable Savings/(Cost) from General Revenue Fund</b> |
|--------------------|--|
|                    | <b>1</b>   |
| 2016               | (\$1,029,136)  |
| 2017               | (\$40,000)   |
| 2018               | (\$40,000)   |
| 2019               | (\$40,000)   |
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The bill would take effect on September 1, 2015, or immediately is passed with the necessary voting margins, and would apply beginning school year 2015-16.

### **Methodology**

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This estimate assumes grade 3 through 8 assessment instruments would be redesigned to meet the time limits required by the bill, generating an anticipated one-time state cost of \$800,000 in fiscal year 2016. According to information provided by TEA, approximately 70 percent of students in grades 3 through 8 completed the State of Texas Assessment of Academic Readiness (STAAR) within 120 minutes based on a study of 2012 STAAR testing times. To decrease testing times in the grades required, TEA indicates a cost of \$32,000 per assessment to modify the assessment and set new performance standards. This estimate assumes 25 separate tests would be modified for a cost of \$800,000 ( $\$32,000 \times 25$  assessments) in fiscal year 2016.

Changes to state curriculum review and assessment processes are subject to review by the U.S. Department of Education as a part of the No Child Left Behind Title I, Part A program. To the extent that changes resulting from the bill are not federally approved, the bill may result in the loss of significant federal funds.

The bill requires the TEA to study the TEKS and assessment instruments. Based on information provided by TEA, the one-time estimated cost of the study is \$100,000 in fiscal year 2016. TEA estimates one FTE would be required until completion of the study. The estimated cost of this FTE, including salary, benefits, and other operating expenses, would be \$89,136 in fiscal year 2016.

## **Local Government Impact**

School districts may experience some savings for administering shorter assessments; however, these savings are not anticipated to be significant.

**Source Agencies:** 701 Central Education Agency

**LBB Staff:** UP, AW, JBi, AM

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**March 24, 2015**

**TO:** Honorable Jimmie Don Aycock, Chair, House Committee on Public Education

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB743** by Huberty (Relating to the essential knowledge and skills of the required public school curriculum and to certain state-adopted or state-developed assessment instruments for public school students.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB743, As Introduced: a negative impact of (\$980,000) through the biennium ending August 31, 2017.

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<br>to General Revenue Related Funds |
|-------------|---|
| 2016        | (\$940,000)   |
| 2017        | (\$40,000)  |
| 2018        | (\$40,000)  |
| 2019        | (\$40,000)  |
| 2020        | (\$40,000)  |

**All Funds, Five-Year Impact:**

| Fiscal Year | Probable Savings/(Cost) from<br><i>General Revenue Fund</i><br>1 |
|-------------|--|
| 2016        | (\$940,000)  |
| 2017        | (\$40,000)   |
| 2018        | (\$40,000)   |
| 2019        | (\$40,000)   |
| 2020        | (\$40,000)   |

**Fiscal Analysis**

The bill would require that an assessment instrument be determined to be valid and reliable based on empirical evidence by an entity independent of the Texas Education Agency (TEA) and test developer before being administered.

The bill would require TEA to ensure that assessment instruments primarily assess the Texas Essential Knowledge and Skills (TEKS) by subject and grade level.

The bill would require assessment instruments to be designed so that 85 percent of the students in grades 3 through 5 complete the assessment in 120 minutes and 85 percent of the students in grades 6 through 8 complete the assessment in 180 minutes.

The bill would require TEA to conduct a comprehensive study of the TEKS and submit a report of its findings to certain entities.

The bill would require the creation of an advisory committee to review the TEKS study and the State Board of Education (SBOE) recommendations and submit a report to certain entities.

The bill would require the SBOE to use the TEKS study to adopt policies and procedures to limit the number and scope of the TEKS in each subject and grade level to correspond with the readiness standards that could be accurately assessed.

The bill would require TEA to develop a comprehensive methodology for auditing and monitoring assessment contracts to develop or administer assessment instruments and conduct contract compliance review if necessary.

The bill would take effect on September 1, 2015, or immediately is passed with the necessary voting margins, and would apply beginning school year 2015-16.

## **Methodology**

Based on information provided by the agency, the cost to annually review the reliability and validity of the state assessment instruments, independent of TEA and the testing vendor, would be \$40,000 per fiscal year. This estimate assumes the current federal peer review process would not be sufficient to meet the requirement of the bill.

This estimate assumes grade 3 through 8 assessment instruments would be redesigned to meet the time limits required by the bill, generating an anticipated one-time state cost of \$800,000 in fiscal year 2016. According to information provided by TEA, approximately 70 percent of students in grades 3 through 8 completed the State of Texas Assessment of Academic Readiness (STAAR) within 120 minutes based on a study of 2012 STAAR testing times. To decrease testing times in the grades required, TEA indicates a cost of \$32,000 per assessment to modify the assessment and set new performance standards. This estimate assumes twenty-five separate tests would be modified for a cost of \$800,000 ( $\$32,000 \times 25$  assessments) in fiscal year 2016.

Changes to state curriculum review and assessment processes are subject to review by the U.S. Department of Education as a part of the No Child Left Behind Title I, Part A program. To the extent that changes resulting from the bill are not federally approved, the bill may result in the loss of significant federal funds.

The bill requires a study of the TEKS, curriculum, and assessment instructions. Based on information provided by TEA, the one-time estimated cost of the study is \$100,000 in fiscal year 2016.

## **Local Government Impact**

School districts may experience some savings for administering shorter assessments; however, these savings are not anticipated to be significant.

**Source Agencies:** 701 Central Education Agency

**LBB Staff:** UP, JBi, AM, AW