

# CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

5-29-15

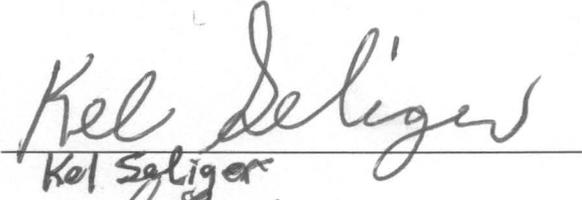
Date

Honorable Dan Patrick  
President of the Senate

Honorable Joe Straus  
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on HB 743 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

  
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Kel Saliger

  
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TAYLOR, LARRY

  
\_\_\_\_\_  
NICHOLS

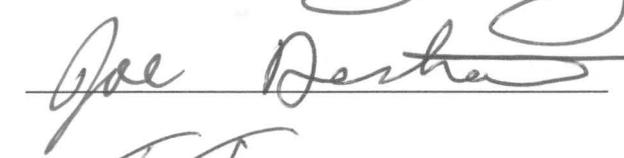
  
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ESTES On the part of the Senate

  
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\_\_\_\_\_ On the part of the House

### Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

# CONFERENCE COMMITTEE REPORT

3<sup>rd</sup> Printing

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

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

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

(a-13) The amount of time allowed for administration of an assessment instrument adopted or developed under Subsection (a) may 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.

**House Bill 743**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

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

(a-13) An assessment instrument adopted or developed under Subsection (a) must be designed so that:  
(1) if administered to students in grades three through five, 85 percent of students will be able to complete the assessment instrument within 120 minutes; and  
(2) if administered to students in grades six through eight, 85 percent of students will be able to complete the assessment

SENATE VERSION (IE)

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

(a-11) Same as House version.

*No equivalent provision.*

(a-12) An assessment instrument adopted or developed under Subsection (a) must be designed so that:  
(1) if administered to students in grades three through five, 85 percent of students will be able to complete the assessment instrument within 90 minutes; and [FA1(1)]  
(2) if administered to students in grades six through eight, 85 percent of students will be able to complete the assessment

CONFERENCE

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

(a-11) Same as House version.

Same as Senate version.

(a-12) Same as House version.

**House Bill 743**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

instrument within 180 minutes.

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

SECTION 2. Subchapter B, Chapter 39, Education Code, is amended by adding Section 39.0236.

*No equivalent provision.*

SENATE VERSION (IE)

instrument within 150 minutes. [FA1(2)]

(a-13) Same as House version.

SECTION 2. Same as House version.

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

(b) The agency shall:

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

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

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

CONFERENCE

(a-13) Same as House version.

SECTION 2. Same as House version.

SECTION 3. Same as Senate version.

**House Bill 743**  
Conference Committee Report  
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IE)

CONFERENCE

assessment instrument but did not appear for the administration.

SECTION 3. Subchapter B, Chapter 39, Education Code, is amended by adding Section 39.0381.

SECTION 4. Same as House version.

SECTION 4. Same as House version.

SECTION 4. Section 39.053, Education Code, is amended by adding Subsection (c-3) to read as follows:  
(c-3) The indicator of student achievement under Subsection (c)(1) may not include student performance as to supporting knowledge or skills as described by Section 39.023(a-12).

*No equivalent provision.*

Same as Senate version.

SECTION 5. Transition provision.

SECTION 5. Same as House version.

SECTION 5. Same as House version.

SECTION 6. Effective date.

SECTION 6. Same as House version.

SECTION 6. Same as House version.

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

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

**May 30, 2015**

**TO:** Honorable Dan Patrick, Lieutenant Governor, Senate  
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.),  
**Conference Committee Report**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB743, Conference Committee Report: 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 General Revenue Fund</b>
	<b>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 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.

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. 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 x 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.

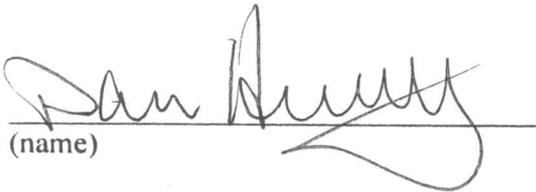
**Source Agencies:** 701 Central Education Agency

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

**Certification of Compliance with  
Rule 13, Section 6(b), House Rules of Procedure**

Rule 13, Section 6(b), House Rules of Procedure, requires a copy of a conference committee report signed by a majority of each committee of the conference to be furnished to each member of the committee in person or, if unable to deliver in person, by placing a copy in the member's newspaper mailbox at least one hour before the report is furnished to each member of the house under Rule 13, Section 10(a). The paper copies of the report submitted to the chief clerk under Rule 13, Section 10(b), must contain a certificate that the requirement of Rule 13, Section 6(b), has been satisfied, and that certificate must be attached to the copy of the report furnished to each member under Rule 13, Section 10(d). Failure to comply with this requirement is not a sustainable point of order under Rule 13.

I certify that a copy of the conference committee report on HB 743 was furnished to each member of the conference committee in compliance with Rule 13, Section 6(b), House Rules of Procedure, before submission of the paper copies of the report to the chief clerk under Rule 13, Section 10(b), House Rules of Procedure.

  
\_\_\_\_\_  
(name)

MAY 30 2015  
\_\_\_\_\_  
(date)