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BILL ANALYSIS

Senate Fiscal Agency

Lansing, Michigan 48909

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Senate Bill 350 (Substitute S-1 as reported)

Sponsor: Senator Nick Smith

Committee: Education and Mental Health

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RATIONALE

Concern over an apparent decline in student achievement has led many to question what graduation from high school is supposed to signify. Reports and studies on the status of education have generally agreed that the knowledge and skills acquired by students in the course of their elementary and secondary education are inadequate to the demands that graduating students face. Some people contend that awarding a high school diploma to unprepared students devalues the diploma, provides students with, at best, a false sense of accomplishment, and feeds the perception of high school as a place where students merely mark time until they are permitted to graduate or drop out. Moreover, employers who might otherwise be inclined to hire Michigan's high school graduates have had to face the possibility that a job applicant's having received a diploma may prove to have little or nothing to do with the applicant's level of literacy or ability to perform skills required for the job. To counteract these tendencies, to ensure that graduating students have at least minimal competency in basic skills, and to help restore accountability to public education, some have proposed that graduating students be required to take a competency test in basic skills and that they receive an endorsed diploma only if they pass the test.

CONTENT

The bill would amend the School Code to require a student to pass an English and math competency test developed or selected by the State Board of Education or the local school district before the board of a school district could issue an endorsed high school diploma. "Student competency test" would mean a test administered by a local school district for the purpose of determining whether a pupil was eligible for an endorsed high school diploma. A local school district could use a test developed or selected by the State Board or by the local district, based upon guidelines developed by a proposed Student Competency Test Advisory Committee. The bill's requirements would take effect according to a timetable that would extend from January 1, 1989 to January 1, 1994.

Schedule

The bill's schedule for implementation of student competency testing is outlined as follows.

<u>Activity</u>	<u>Deadline</u>
The Student Competency Test Advisory Committee would be required to recommend to the State Board guidelines for the development and administration of student competency tests.	January 1, 1989
The State Board, based upon the recommendations of the Student Competency Test Advisory Committee, would be required to establish guidelines for school districts to consider in the development and use of student competency tests.	February 1, 1989
The Department of Education, based upon guidelines established pursuant to the bill, would be required to provide guidelines to local school districts for consideration in the development or selection and use of a student competency test, including guidelines for setting a passing test score.	March 1, 1989
The State Board would be required to develop or select and make available to local school districts a student competency test in the basic skills of English and math.	September 1, 1989
Each local school district would be required to indicate in writing to the Department that it would use the student competency test developed or selected by the State Board, or would submit to the Department the district's locally-developed or selected student competency test.	March 1, 1990
A pupil would have to be given an opportunity to take his or her local school district's student competency test in the 10th grade and would be required to take the test before graduation.	<u>Beginning</u> January 1, 1991
The State Board would be required to submit in writing a summary analysis of the student competency test program to the Senate and House committees that have the responsibility for education legislation.	January 1, 1992 and each year thereafter
The board of a school district would be required to issue an endorsed high school diploma to a pupil who had passed a student competency test developed or selected by the State Board or the local school district. The endorsement would have to indicate that the recipient had passed a student competency test as required by law.	January 1, 1993

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Advisory Committee

The State Board would be required to appoint a Student Competency Test Advisory Committee that would have to include, but would not be limited to, representatives of parents, businesses, and appropriate educational organizations and associations. The State Board would be required to make available to the Advisory Committee technical consultants to advise on the validity, reliability, and other technical standards of the student competency test.

Technical Assistance

The Department, upon request, would be required to provide technical assistance to a local school district in the development of its student competency test and, upon request, provide technical assistance to a local school district in the administration of its student competency test. The Department also would be required to provide technical assistance, upon request, to local school districts in the development and administration of assessment tests for pupils in grades 1 to 10.

Graduation Requirements

The requirement for an endorsed high school diploma, as set forth in the bill, would be in addition to any other requirements for a high school diploma established by law or by the board of a local school district.

Failing the Test

A pupil who had failed an approved student competency test would have to be provided opportunities for reinstruction in each deficient skill area and could repeat the test at least once during the school year.

Upon completion of all other requirements for a high school diploma, an individual who had been awarded a nonendorsed diploma could repeat the student competency test at any time the school district regularly offered the test, and upon passage of the test would have to be awarded a high school diploma indicating passage of the test.

Special Education

The State Board could exempt special education pupils from requirements of the bill.

Proposed MCL 380.1282a

FISCAL IMPACT

Yearly estimates for the high school student competency testing program proposed in Senate Bill 350 would depend on the degree to which local school districts opted for State-developed and administered student competency tests. The following cost estimates cover State costs under the assumption that approximately 80% of the State's high school students would be tested with State-developed and administered competency tests.

Estimates for Department of Education technical assistance to local school districts in the development and administration of student assessment tests for pupils in grades 1 to 10 would depend on the number and nature of the requests for assistance from local school districts. The following cost estimates indicate State costs under the assumption that schools would proceed less rapidly on the implementation of the nonmandated grades 1-10 tests than they would on the required high school student competency tests.

<u>Fiscal Year</u>	<u>Factors</u>	<u>Estimate</u>
1987-88	<u>Student competency test for endorsed diploma</u>	
	Student competency test advisory committee	\$ 12,000
	Department of Education staff	200,260
	<u>FY 1987-88 TOTAL</u>	<u>\$212,260</u>
1988-89	<u>Student competency test for endorsed diploma</u>	
	Advisory committee	\$ 15,000
	Department of Education staff	200,260
	Training and assistance to local schools districts, contractual services, supplies, and materials (CSS&M)	50,000
	<u>FY 1988-89 Subtotal</u>	<u>\$265,260</u>
	<u>Technical assistance, student assessment tests for grades 1-10</u>	
	Department of Education staff	\$ 81,840
	<u>FY 1988-89 Subtotal</u>	<u>\$ 81,840</u>
	<u>FY 1988-89 TOTAL</u>	<u>\$347,100</u>
1989-90	<u>Student competency test for endorsed diploma</u>	
	Advisory committee	\$ 15,000
	Department of Education staff	200,260
	Training and assistance to local schools districts, CSS&M	100,000
	<u>FY 1989-90 Subtotal</u>	<u>\$315,260</u>
	<u>Technical assistance, student assessment tests for grades 1-10</u>	
	Department of Education staff	\$163,680
	Technical assistance to local school districts, CSS&M	20,000
	<u>FY 1989-90 Subtotal</u>	<u>\$183,680</u>
	<u>FY 1989-90 TOTAL</u>	<u>\$498,940</u>

1990-91	<u>Student competency test for endorsed diploma</u>	
	Advisory committee	\$ 15,000
	Department of Education staff	200,260
	Training and assistance to local schools districts, CSS&M.....	100,000
	FY 1990-91 Subtotal	\$315,260
	<u>Technical assistance, student assessment tests for grades 1-10</u>	
	Department of Education staff	\$163,680
	Technical assistance to local school districts, CSS&M	40,000
	FY 1990-91 Subtotal	\$203,680
	FY 1990-91 TOTAL	\$518,940
1991-92	<u>Student competency test for endorsed diploma</u>	
	Advisory committee	\$ 12,000
	Department of Education staff	200,260
	Training and assistance to local schools districts, CSS&M.....	100,000
	Test administration	500,000
	FY 1991-92 Subtotal	\$812,260
	<u>Technical assistance, student assessment tests for grades 1-10</u>	
	Department of Education staff	\$ 163,680
	Technical assistance to local school districts, CSS&M	40,000
	FY 1991-92 Subtotal	\$ 203,680
	FY 1991-92 TOTAL	\$1,015,940

Student Competency Test for Endorsed Diploma

Advisory committee meeting costs include travel and CSS&M costs. Department of Education costs include salary and fringe benefits for two professional staff, one technical specialist, and one secretary. The training and assistance estimate is based on the cost of contracting with 10 regional centers (probably intermediate school districts or universities) to provide training to local school district staff. The test administration estimate assumes fixed personnel costs of \$100,000 and \$400,000 in variable costs (100,000 pupils × \$4 per pupil).

If it were determined that the high school competency testing program proposed in this bill were similar in intent to the employability skills test mandated by Section 41 of Public Act 133 of 1987 (administration of which, beginning in 1989-90, to pupils graduating in and after the 1991-92 school year, will be required for in-formula school districts to qualify for the high school curriculum incentive defined in Section 21(1)(b) of Public Act 128 of 1987), some portion or all of the 2.0 FTEs and \$182,600 appropriated for the latter testing program could be earmarked for the FY 1987-88 costs of implementing the student competency test.

The costs associated with development of additional student competency tests in science and other subject areas determined by the State Board are indeterminate. The number of other subject areas are not specified, and the language of the bill provides the State Board of Education with the option of developing student competency tests only in English and math (for which the above cost estimates have been calculated).

The costs of locally-developed or selected student competency tests are indeterminate at this time, as are the potential costs of remedial programs for students who do not pass the competency test.

Student Assessment Tests for Grades 1-10

Department of Education costs include salary and fringe benefits for one professional position and a half-time secretary in FY 1988-89, and two professionals and a full-time secretary in subsequent years. The technical assistance estimate is based on a half-year contract in FY 1989-90 for providing technical assistance to requesting school districts, and a full-year contract in subsequent years.

ARGUMENTS

Supporting Argument

The bill would place a long overdue emphasis on students' acquisition of basic skills. Too many students are leaving high school with a diploma but without the ability to read or compute with more than a grade-school proficiency. Making a high school diploma endorsement contingent upon achievement of basic math and English objectives is necessary to motivate students to master those skills. No doubt parents, too, would take a greater interest in their children's academic progress once they were aware of the extent to which their children's post-graduate prospects could be affected. Since the presence or absence of a diploma endorsement would inform employers of whether or not a job applicant had attained the level of competence required to pass an approved test, the odds would be better than they are now that employers and applicants were well matched.

Supporting Argument

The bill would provide an implicit State standard for high school achievement without unduly infringing on local school boards' authority to establish graduation requirements. A board still would have the authority to decide what course work was required for graduation, and a school district would have the choice of using the State Board's test or one that the district developed independently.

Supporting Argument

During the late 1960s and early 1970s, education standards waned and schools lost their credibility. Many students were passed on from grade to grade through their school years, and received a diploma after having gone through the educational system. Yet, many of these students were not equipped for the world of work or higher education. The high school diploma was meaningless. In fact, the Federal Education Department estimates that the United States has 17 million to 21 million functional illiterates — people whose meager skills aren't up to the demands that life and work place on them. Requiring a student to pass a competency test before receiving an endorsed diploma would help increase the credibility of public schools, shore up the falling value of a high school diploma, help schools

identify and pay attention to students with education deficits, and strengthen a school district's curriculum by involving the staff in identifying the basic skills to be tested.

Opposing Argument

The bill does not go far enough. Failure to pass a competency test should mean failure to receive a diploma, rather than not receiving an endorsement on a diploma. The endorsed diploma concept takes the teeth out of the program. With no consequences to failing a competency test, beyond lacking an endorsement on a diploma, there would be little incentive for a student to submit to remedial instruction.

Opposing Argument

The bill would require that only English and mathematics be included on the competency test. While the State Board also could develop, select, or make available to local districts additional competency tests in science and other subject areas, the bill would not require that tests in these areas be administered as part of the State's competency test requirement. Other subject areas such as reading and social studies are an important part of a high school education, and should be included in the competency test.

Opposing Argument

The bill seems to lose its focus. If the purpose of the bill is to increase the expectations of student achievement, it would fail to do so since the bill stops short of setting a level of achievement that would have to be met. If the bill is designed only to show that a student has attended a secondary school for four years and has passed a test in two subjects, then a State endorsement to that effect would serve no useful purpose.

Response: The bill represents a step toward making sure that when a student leaves high school, the student has gotten more out of the elementary and secondary education experience than having sat for 12 years in a school, and enduring the process until receiving a diploma at graduation. Receiving an endorsed diploma, under the bill, would be indicative of a student's having achieved a certain level of literacy.

Opposing Argument

Public Act 133 of 1987, the appropriations bill for the Department of Education, requires the development of a noncompulsory, basic employability skills test for use by schools during the 1989-90 school year. Passage of the test, according to Public Act 133, will be recognized by a State Board of Education endorsement appearing on the high school diploma, but passage of the test cannot be a requirement for graduation and use of the test cannot be compulsory. Despite this, however, Senate Bill 350 may be duplicative and unnecessary.

Opposing Argument

The bill is a piecemeal approach to the overall problem of a lack of excellence in education. Rather than proposing competency testing alone, the Legislature should develop an omnibus education package of bills that would institute a core curriculum, set standards that had to be met by students, provide for the training of teachers, administrators, and other school personnel to upgrade their skills, establish drop-out programs to keep students in school, and provide for a pre-school program. In order to improve education in Michigan, a total education plan should be developed, and funding provided to institute it.

Opposing Argument

While Senate Bill 350 would require competency testing, there is no funding provided in the bill or in a companion bill to fund its implementation. Furthermore, the remediation component would necessitate curriculum development plus additional classes and instructors. A program should not be mandated without providing the funds necessary to carry it out.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.