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BILL ANALYSIS

Senate Fiscal Agency

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Senate Bill 123 (Substitute S-2 as passed by the Senate)

Sponsor: Senator Nick Smith

Committee: Education and Mental Health

Date Completed: 3-13-89

**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 often inadequate to meet the demands that graduating students face. Some people contend that graduating a high school student who is unprepared devalues the meaning of a high school education, 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 graduated from high school 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 academic and employability skills, and to help restore accountability in public education, some have proposed that graduating students be required to take a competency test in basic academic and employability skills and that test results be indicated on a student's transcript.

**CONTENT**

The bill would amend the School Code to require a school board to indicate on a pupil's transcript the pupil's competency

and employability skills test results, unless the board voted to exempt itself and its school district from the bill's provisions. "Competency and employability skills test" would mean one or more tests administered by a local school district in order to determine a pupil's competency in English, mathematics, science, and other subject areas as defined by the State Board of Education; and, to assess competency in selected employability skills as defined by the State Board. A local school district could use a test developed or selected by the State Board or by the local district, based on guidelines developed by the proposed Competency and Employability Skills Test Advisory Committee. The bill's requirements would take effect according to a timetable that would extend from January 1, 1991, to January 1, 1996.

**Schedule**

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

**Activity**  
The Competency and Employability Skills Test Advisory Committee would be required to recommend to the State Board guidelines for the development and administration of the

**Deadline**  
January 1, 1991

S.B. 123 (3-13-89)

competency and employability test, and could recommend consolidation of this test and the Michigan Education Assessment Program 10th grade test.

The State Board, March 1, 1991  
based upon guidelines recommended by the Competency and Employability Skills Test Advisory Committee, would be required to provide guidelines for school districts to consider in the development or selection and use of a competency and employability skills test, including guidelines for interpreting test results.

The State Board would be January 1, 1992  
required to develop or select and make available to local school districts a competency and employability skills test. At least every five years, the State Board would be required to evaluate and make recommendations for upgrading the competency and employability skills test.

Each local school district June 1, 1992  
would be required to indicate by board resolution to the Department whether the school district would use the competency and employability skills test developed or selected by the State Board, whether the school district would submit to the Department for State Board approval the district's locally-developed or selected competency and employability skills test, or whether the school district would not be giving a competency and employability skills test to its pupils.

## Beginning

A pupil who attended September 1, 1992  
school in a district that gave a competency and employability skills test would have to be given an opportunity to take his or her local school district's competency and employability skills test in the 10th grade and would be required to take the test before graduation.

The board of a school September 1, 1993  
district would be required to indicate each pupil's competency and employability skills test results on the pupil's transcript. The transcript could include a profile of competency and employability skills in the tested skills. If a transcript contained a profile of competency and employability skills, the school board would be required to provide a written explanation of the profile to the pupil when he or she received the transcript.

The State Board would be January 1, 1996  
required to submit in and each year  
writing a summary analysis thereafter  
of the competency and employability skills test program to the Senate and House committees that have the responsibility for education legislation.

## Exempt from Bill

A school board, by a majority vote of its members, annually could exempt itself and the school district from the bill.

## Report to the Public

The board of each school district that gave a competency and employability skills test to its pupils would have to make available to the public in an annual report the results of the test on a district and building-by-building basis.

### Advisory Committee

The State Board would be required to appoint a Competency and Employability Skills Test Advisory Committee that would have to include, but would not be limited to, representatives of parents, the community, labor, management, 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 and employability skills test.

### Technical Assistance

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

### Failing/Repeating the Test

A pupil who was assessed as not competent in a subject or skill area tested by a competency and employability skills test would have to be provided opportunities for reinstruction in each deficient skill area and could repeat the test during each school year until the pupil was assessed as competent in that subject or skill area. Upon completion of all other requirements for a high school diploma, a person could repeat the competency and employability skills test at any time the school district regularly offered the test and upon demonstration of competence would be given a revised transcript indicating competency in the subject or skill area in which he or she was previously assessed as not competent.

### Special Education

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

Proposed MCL 380.1282a

### FISCAL IMPACT

The program that would be established pursuant to statute by Senate Bill 123 (S-2) is basically the same as that being required by Section 403 of Public Act 302 of 1988 (the Department of Education's 1988-89 appropriations Act) for which \$300,000 and 2.0 FTEs were appropriated and authorized. The Governor's recommendation for the employability skills test program for FY 1989-90 is \$601,900. There would be added costs to local school districts for reinstruction of pupils found deficient. These costs would be indeterminate as the number of students who would require reinstruction is not known. Although the cost of reinstruction would be the cost of local districts, the costs could require State reimbursement as the reinstruction would be required by the State.

## ARGUMENTS

### Supporting Argument

The bill would place a long overdue emphasis on students' acquisition of basic skills. Too many students are leaving high school without the ability to read or compute with more than a grade-school proficiency. Indicating on a student's high school transcript the results of taking a competency and employability skills test is a necessary inducement 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 of test results on a transcript would inform employers of whether or not a job applicant had attained the level of competence required to pass a competency test, the odds would be better than they are now that employers and applicants were well matched.

### Supporting Argument

Technological advances and increased domestic and international economic competition challenge Michigan workers to be more skilled than they ever have been. Michigan's economic future hinges on the skills of the State's workers and their ability to work together in using new technologies that will determine Michigan's success in keeping the jobs it already has and in securing new jobs. Employers currently based in Michigan and those considering locating their businesses in

the State will need and demand workers who bring a broad set of skills to the workplace. These skills include not only competence in reading, writing, computation, and science, but also the abilities to set and achieve goals, learn new information and skills, apply that information, solve problems, and function as members of work teams. Michigan's educational system has served the State well in the past by producing well-educated, effective, and responsible workers. Current economic challenges demand that the State's educational system be revitalized to ensure that graduates of that system are well equipped to step into the world of work. Requiring that students take a competency and employability skills test would induce Michigan's school leaders to respond to the needs of the business community in order to ensure that high school graduates had at least the basic skills needed to function as productive members of society.

#### Supporting Amendment

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

The bill would complement the work already being done by the Employability Skills Task Force, which is composed of representatives of business, industry, and education who were appointed by the Governor and the State Board of Education. The purpose of the task force is to give advice on the development and uses of an employability skills test, which the task force believes should measure the academic, teamwork, and personal management skills of individuals and provide a skills profile for each person who takes the test.

#### 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 graduated after merely having gone through the educational system. Yet, many of these students were not equipped for the world

of work or higher education. In fact, the Federal Education Department estimated 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. 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 classroom, enduring the process until graduation. Requiring a student to take a competency and employability skills test would help increase the credibility of public schools, shore up the falling value of a high school education, and help schools identify and pay attention to students with educational deficits.

#### Opposing Argument

Can the State measure fairly what is taught at all levels, in all school districts in the State, to students from a wide range of socio-economic backgrounds? The bill presents a challenge to develop a test or a set of guidelines that could withstand inevitable challenges to the test's validity, reliability, and fairness. Even if this could be done, it appears that it could be an expensive program to implement over the five-year period outlined in the bill. This would be a good investment, if it resulted in a better educational system for Michigan's students. Yet, the bill would not directly add to the learning experience of Michigan's high school graduates. Rather, it would digress from the State's real responsibility, which is to reform the educational experience for all students in Michigan's public schools.

#### Opposing Argument

The bill does not go far enough. Failure to pass a competency test should mean failure to receive a diploma, rather than just having competency test results indicated on a student's transcript. Merely recording the test results on a transcript takes the teeth out of the program. Small- and medium-sized businesses rarely request a prospective employee to supply the employer with a copy of a diploma, much less request a copy of transcript according to representatives of the business community. While it is laudable that the bill would require an explanation of the test results to accompany the transcript, it is not certain what benefit there would be in placing this information on a document that employers do not use in

assessing job seekers.

Michigan should consider that other states and, for that matter, some school districts in the State are mandating that high school graduation be based on objective criteria, such as conditioning a diploma on the successful completion of a basic skills examination. According to the Department of Education, approximately 30 states have tied their high school graduation requirement to student performance on achievement tests. In Michigan, some school districts are using basic skills testing as part of high school graduation requirements. Furthermore, the bill would permit a local school board to exempt itself and its district from the bill's provisions. This could have the effect of encouraging districts with low student achievement to opt out of the testing program.

#### Opposing Argument

The bill's focus has become unclear. If the purpose of the bill is to increase student achievement, it would fail to do so since the bill as it passed the Senate stops short of setting a level of achievement that would have to be met. Senate Bill 123 (S-2) as reported by the Education and Mental Health Committee would have required the State Board of Education to provide local school districts with guidelines for setting a passing test score.

#### Opposing Argument

If a competency test were implemented, some people--citing a lawsuit that resulted when Florida attempted to institute a competency test--fear that there would be adverse legal implications for Michigan. In 1975-76, Florida initiated a competency testing program that required all students to pass the test prior to receiving a diploma. Reportedly, a group of students sued the state after initially failing the test, and argued in the suit that Florida's schools were segregated and, thus, some students were receiving an inferior education due to inequalities in that state's educational system. Although the courts upheld the right of the state of Florida to deny high school graduation certificates to students who failed the test, the courts also placed additional requirements on that state to establish the validity of the skills tested. In addition, the state was required to demonstrate that all students received instruction in an

unsegregated school on all skills tested. As a result, the implementation of Florida's testing program was delayed for 12 years. While not all the issues involved in the Florida case may be present in Michigan, there is concern that issues could be raised, such as the equality of educational system across the State, that could portend trouble for a testing program in Michigan.

#### Opposing Argument

The implementation of a student competency and employability skills test program would be meaningless unless Michigan's educational system is improved. Many of the potential users of the information resulting from the test--employers in the State--have little confidence in the educational system. According to the Michigan Chamber of Commerce, employers throughout the country spend \$25 billion a year teaching new employees the basic skills of reading, writing, and computing that these employees should have gained through the educational system. It is no wonder that employers in this State and throughout the country question the value of a prospective employee's being a high school graduate. The question of implementing a competency and employability skills test in this State cannot be isolated from overall concerns about Michigan's system and efforts to improve the quality of that educational system. The improvement of the quality of education in Michigan is vital when considering testing students--the products of the system.

#### Opposing Argument

In Michigan, all public fourth, seventh, and tenth grade students are assessed annually through the Michigan Education Assessment Program (MEAP). It is not clear why students should be required to take another test to assess achievement when such a testing program already is in place.

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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.