



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 701 (as reported by the Committee of the Whole)
Sponsor: Senator Gerald Van Woerkom
Committee: Education

Date Completed: 9-22-03

RATIONALE

Elementary and middle school students who took Michigan Educational Assessment Program (MEAP) tests in the winter of 2003 are not expected to receive their scores until the end of September 2003, about four months later than expected. Senate hearings into the delay have revealed glitches in test development, scoring, and processing as a result of new requirements for data collection and tracking under the Federal No Child Left Behind Act. Some people are concerned that the delay in winter scores could affect high school students eligible to receive a \$2,500 Michigan Merit Award, as the awards are based on MEAP scores. Students who qualify for the award must request the award by applying to the Merit Award Office by September 15 of the academic year in which they wish to use the money. Because of the unusual delay with the winter 2003 scores, it has been suggested that the September 15 deadline for requesting a Merit Award be postponed for the 2003-2004 school year.

CONTENT

The bill would amend the Michigan Merit Award Scholarship Act to delay the deadline for students to apply for a merit award scholarship in the 2003-2004 academic year. Under the Act, the deadline was January 15 for the 2002-2003 academic year and is September 15 for a subsequent academic year, for disbursement in that year. The bill would move the deadline to November 15 for the 2003-2004 academic year. The deadline would remain September 15 for subsequent academic years.

Under the Act, the Michigan Merit Award Board may not begin disbursing funds for a merit award scholarship to a student or an approved postsecondary educational institution on behalf of a student, unless the Board receives a request or application for payment from the student by the deadline.

MCL 390.1458

BACKGROUND

Merit Award

The Michigan Merit Award is a \$2,500 scholarship given to high school students who take the math, science, English language arts, and social studies MEAP tests, and receive a 1 (Exceeded Standards) or 2 (Met Standards) on all four tests. Alternatively, students can earn a Merit Award if they take all four tests, pass two of them, and receive a score in the 75th percentile or above on the ACT or SAT test, or achieve qualifying scores on the ACT WorkKeys job skills assessment test. Students must use the scholarship at a State university or college for eligible costs of their education. Recipients who attend an out-of-State institution receive a \$1,000 scholarship. All students claiming an award must have graduated from high school or passed the General Educational Development (GED) test, be enrolled in an approved postsecondary educational institution, and not have been convicted of a felony involving an assault, physical injury, or death. Beginning with the class of 2003, the Department of Treasury will disburse the scholarship to a student or a student's college or university over a two-year period, rather than paying the \$2,500 in one lump sum.

MEAP Testing Schedule

Table 1 illustrates the MEAP testing schedule for the 2002-2003 academic year, as reported on the Merit Award web page. English language arts replaced the reading and writing tests beginning with the winter 2003 test. According to the MEAP office, the testing window for winter 2003 was extended one week beyond the original closing date of February 14.

Table 1

Window	Dates	Grade of Students Tested	Subjects	Results Due to Schools
Fall 2002	10/28/02-11/08/02	10 (dual enrollees only) ^{a)} 11 (dual enrollees only) 12 (all as needed)	Mathematics, Reading, Social Studies, Science, Writing	2/14/03
Winter 2003	1/27/03-2/21/03	Grade 4	English Language Arts, Mathematics	5/30/03
		Grade 5	Social Studies, Science	5/30/03
		Grade 7	English Language Arts	5/30/03
		Grade 8	Mathematics, Social Studies, Science	5/30/03
Spring 2003	<u>Cycle 1:</u> ^{b)} 4/21/03-5/02/03 <u>Cycle 2:</u> 4/28/03-5/09/03	10 (dual enrollees only) 11 (all as needed) 12 (all as needed)	English Language Arts, Mathematics, Social Studies, Science	9/01/03
^{a)} "Dual enrollees" refers to students who are currently taking a class at a university or college while in high school.				
^{b)} Schools could choose either Cycle 1 or Cycle 2 to take the tests during the spring session.				

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

The bill would give students who could not certify their Merit Award by the September 15 deadline an additional two months to apply their scholarship to the 2003-2004 academic year's expenses. Additional time is needed in order to accommodate students affected by the delays in the return of MEAP scores for the winter 2003 testing cycle. The delay appears to be due to a number of factors. First, Measurement Inc., the main contractor charged with developing test questions, scoring the answer documents, and shipping the scores to the MEAP Office, testified that it was given a tight timeline to complete its work, from late September until the end of December 2002. This timeline was made even tighter because the contractor needed additional time to establish the cut scores (also known as "range finding" or "standard setting") on the new English language arts

test. Also, all contractors testified to further delays when ECS, the company in charge of building a computer application to allow students' scores to be tracked from year to year, mistakenly printed duplicate barcodes (which should be unique for each student) for 10 days before realizing its error. According to ECS, the barcode system was brand new and perhaps rushed into completion in order to meet a new requirement under the No Child Left Behind Act. (That Act requires, in part, that student data be tracked "longitudinally", from grade to grade, in order to help establish a school's Adequate Yearly Progress status. The Act also requires that student scores be analyzed by race and gender; ECS agreed to build for the State a software application that enables schools to view and analyze test data electronically.)

Regardless of the reason for the late scores, students counting on a Merit Award to offset the cost of their higher education should not be financially burdened because of errors on the part of the State and its contractors.

Response: High school students who took the MEAP in spring 2003 had their scores

returned to them on time, in August 2003, because the problems from the elementary and middle school winter scoring have been fixed. Most of these students are juniors, so they have over a year to request their Merit Award. Some of these students are seniors who retook or made up one or more MEAP tests in the spring. According to the Merit Award Office, 4,627 seniors in the class of 2003 passed their final MEAP test during the spring testing session, and all were notified by August 21 that they were eligible for a Merit Award. About the usual amount--86%--of this group requested the award by the September 15 deadline. Extending the application deadline to November 15 would be burdensome to the Merit Award Office, as it would have to reprogram the web page, notify colleges and universities of the extended deadline, and send out extra mailings to the students who have not applied for their awards-- students who had time to do so the first time around. The Merit Award Office has suggested that, instead of moving the deadline to November 15 for one year, it be allowed to extend the deadline for particular students facing unusual circumstances.

Legislative Analyst: Claire Layman

FISCAL IMPACT

The bill would change the deadline for students to apply for a Michigan Merit Award from September 15, 2003, to November 15, 2003. This change would allow the Department of Treasury to pay these awards out of the fiscal year (FY) 2003-04 appropriation instead of the FY 2002-03 appropriation, because the deadline for application would have been moved into the 2003-04 fiscal year and the State auditors most likely would not require an accrual back to FY 2002-03. This means that FY 2002-03 expenditures for Merit Awards would be about \$60 million less than the appropriation but the FY 2003-04 appropriation would need to increase by \$60 million, resulting in no net change in Michigan Merit Award Trust Fund expenditures over the two fiscal years.

Fiscal Analyst: Ellen Jeffries

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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.