Legislative Analysis



HIGH SCHOOL EQUIVALENCY TEST REPLACING GED TEST

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Senate Bill 216 (S-4, as passed by the Senate)

Analysis available at http://www.legislature.mi.gov

Sponsor: Sen. Dave Robertson House Committee: Education Senate Committee: Education

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SUMMARY:

<u>Senate Bill 216</u> would amend the State School Aid Act by replacing references to the General Educational Development (GED) test and certificate with references to the *high school equivalency test and certification*. The bill would also require the Department of Talent and Economic Development to approve at least one high school equivalency test and to determine whether a high school equivalency certificate meets State standards. It would take effect 90 days after enactment.

Definitions

- *High school equivalency certificate* means a certificate granted for the successful completion of a high school equivalency test.
- *High school equivalency test* means a high school equivalency test approved by the department under Section 107. That section states, in relevant part, "The department shall approve at least one high school equivalency test and determine whether a high school equivalency certificate meets the requisite standards for high school equivalency." Section 107 also allocates an amount not to exceed \$25.0 million from public schools and education appropriations for 2015-2016 for authorized adult education programs, including a GED test preparation program.
- *High school equivalency preparation program* means a program that has high school level courses in English language arts, social studies, science, mathematics and that prepares an individual to successfully complete a high school equivalency test.

The bill adds the former two definitions and amends the latter, by replacing general educational development testing preparation program with high school equivalency preparation program.

MCL 388.1604, et al.

BACKGROUND INFORMATION:

There has been a recent move away from the use of the GED as the dominant high school equivalency test. As of January 2016, eighteen states use the High School Equivalency Test (HiSET), which was introduced in 2015 by the Educational Testing Service and Iowa

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Testing Programs, ¹ and 12 states are using the Testing Assessing Secondary Completion (TASC), created by CTB/McGraw-Hill.²

FISCAL IMPACT:

Senate Bill 216 would have an indeterminate fiscal impact on the State, local districts providing high school equivalency preparation programs, and General Education Development (GED) test centers, which include school districts, Michigan Works!, and community and faith based organizations. The fiscal impact is directly related to the program fee and cost structure of the new high school equivalency test if a new vendor was chosen.

Currently, the GED test is prescribed as the sole high school equivalency test in the state. SB 216 would allow the Department of Education to approve an alternative high school equivalency test. The GED test consists of four parts (English language arts, social studies, science, and mathematics) administered by locals at a total cost of \$150 (\$37.50 per part), with \$30 (\$7.50 per part) going to the state and \$40 (\$10 per part) going to the local testing center. Retakes of the GED cost \$10. The fees collected by the state, which totaled approximately \$150,000 in FY 2014-2015, cover state-level oversight and administration, which includes approving testing centers, enforcement of regulations and polices, and working with GED recordkeeping. The fees collected by local testing centers, estimated at \$200,000, cover local test administration and equipment costs.

The Workforce Development Agency (WDA) provided cost and testing information on two alternative high school equivalency tests. The High School Equivalency Test (HiSET) costs \$50 for the entire test series and includes a fifth test for writing and two retakes per test. If tests are not bundled, the HiSET may cost up to \$75, with a retake cost of \$15. The Test Assessing Secondary Completion (TASC), costs \$52 for the test series, with no information on test retake costs or policies.

It is unknown whether alternative tests incorporate a set-aside amount for oversight and administrative revenue as part of their testing fee. However, it is feasible that a fee provision for state and local testing centers could be included in any new vendor contract. On the cost side, state and local oversight and administrative costs could change under a new vendor. Therefore, the fiscal impact would depend on the change in oversight and administrative costs and amount of fee revenue dedicated for state and local oversight and administration if an alternative vendor were chosen.

It should be noted that some school districts and local providers of adult education services use funds from Section 107 of the School Aid Act dealing with adult education to pay for, or off-set a portion of, the cost of the GED test for some individuals. For those school

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¹ California, Colorado, Hawaii, Illinois, Iowa, Louisiana, Maine, Massachusetts, Missouri, Montana, Nevada, New Hampshire, New Jersey, New Mexico, North Carolina, Oklahoma, Tennessee, Wyoming. http://hiset.ets.org/requirements/ (partial list)

² California, Colorado, Illinois, Indiana, Nevada, New Jersey, New York, North Carolina, Oklahoma, South Carolina, West Virginia, Wyoming. http://www.tasctest.com/test-center-locations-for-test-takers.html

districts and local providers of adult education that provide financial assistance to GED test takers, any fiscal impact would depend on the program cost structure under an alternative vendor and whether or not they chose to change their financial assistance structure.

If there are multiple high school equivalency tests taken across the state, it could require extra administration time and funding to determine whether the testing providers (i.e. GED, HiSET, and TASC) and centers (Schools, Michigan Works, and community and faith based organizations) are in compliance of requisite record keeping, training, and state monitoring practices that are currently set in place for the sole test provider (GED).

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