

Legislative Analysis



HIGH SCHOOL EQUIVALENCY TEST REPLACING GED TEST

Phone: (517) 373-8080
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Senate Bill 216 (H-1) as reported from House committee
Sponsor: Sen. Dave Robertson
House Committee: Education
Senate Committee: Education

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

(Enacted as Public Act 56 of 2016)

Complete to 3-9-16

BRIEF SUMMARY:

Senate Bill 216 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.

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. See further fiscal analysis in ***Fiscal Information***, below.

THE APPARENT PROBLEM:

The GED was retooled in 2014, incorporating Common Core into the math portion, moving to a computer-only test, and resulting in a more rigorous test. While 418,015 people passed the GED in 2012 and 559,773 in 2013, only about 86,000 passed in 2014. The number of people taking the test was also sharply down, from over 800,000 in 2013 to about 248,000 in 2014. An increase in test-takers the year before a new test is introduced and a corresponding drop the year it is introduced is typical, both because the "old" test is considered easier and because preparation for a known quantity is simpler. However, this drop is larger than typical.

Test makers point to a rapidly changing world economy, which requires more from those entering college and the workforce, to explain the higher standards. However, others argue that there should be two tests instead of one: one which certifies that a person is sufficiently prepared to enter college, and one which confirms that a person has fulfilled the minimum requirements to retain a high school equivalency degree.

This bill would allow the state the flexibility to approve and allow multiple tests, thereby giving test takers more options.

THE CONTENT OF THE BILL:

The bill would replace references to the GED and certificate throughout the State School Aid Act with the broader references to the high school equivalency test and certification. The new definitions for these terms provided in the bill follow.

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.

HOUSE COMMITTEE ACTION:

The House Education committee referred Senate Bill 216 with an H-1 substitute, which would update the proposed bill to account for Public Act 223 of 2015. Without this conflict substitute, PA 223 would be effectively overturned.

Public Act 223 extended state aid allowances for home-school and privately-schooled students receiving curricula from a public school, from students in grades 1 to 12 to students in grades K to 12.

The term "pupil" is defined to mean a person in membership in a public school. The law specifies that a school district must have the approval of a pupil's district of residence to count the pupil in its membership. However, the law also specifies 15 exceptions to that requirement, one of which is that approval by the pupil's district of residence is not required for "a nonpublic part-time pupil enrolled in grades 1 to 12 in accordance with Section 166b." Public Act 223 extended this exception to cover part-time pupils enrolled in kindergarten.

BACKGROUND INFORMATION:

There has been a recent move away from the use of the GED as the dominant high school equivalency test. As of March 2016, eighteen states use the High School Equivalency Test (HiSET), which was introduced in 2015 by the Educational Testing Service and Iowa Testing Programs,¹ and 12 states are using the Testing Assessing Secondary Completion (TASC), created by CTB/McGraw-Hill.²

FISCAL INFORMATION:

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 policies, 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 districts and local providers of adult education that provide financial assistance to GED test

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>

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).

POSITIONS:

The Michigan Association of School Administrators supports this bill. (2-18-16)

The Michigan Association of School Boards supports this bill. (2-18-16)

Wayne RESA supports this bill. (2-18-16)

Legislative Analyst: Jennifer McInerney
Fiscal Analyst: Bethany Wicksall
Samuel Christensen

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.