

**SUBSTITUTE FOR
SENATE BILL NO. 350**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending section 104b (MCL 388.1704b), as amended by 2018 PA
265.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 104b. (1) In order to receive state aid under this
2 article, a district shall comply with this section and shall
3 administer the Michigan merit examination to pupils in grade 11,
4 and to pupils in grade 12 who did not take the complete Michigan
5 merit examination in grade 11, as provided in this section. The
6 Michigan merit examination consists of a college entrance test, a
7 work skills test, and the summative assessment known as the
8 Michigan student test of educational progress (M-STEP).

(2) For the purposes of this section, the department of technology, management, and budget shall contract with 1 or more providers to develop, supply, and score the Michigan merit examination. The Michigan merit examination shall consist of all of the following:

(a) Assessment instruments that measure English language arts, mathematics, reading, and science, and are used by the majority of colleges and universities in this state for entrance purposes. This may include 1 or more writing components. In selecting assessment instruments to fulfill the requirements of this subdivision, the department may consider the degree to which those assessment instruments are aligned to this state's content standards.

(b) One or more tests from 1 or more test developers that assess a pupil's ability to apply at least reading and mathematics skills in a manner that is intended to allow employers to use the results in making employment decisions. The department of technology, management, and budget and the superintendent shall ensure that any test or tests selected under this subdivision have all the components necessary to allow a pupil to be eligible to receive the results of a nationally recognized evaluation of workforce readiness if the pupil's test performance is adequate. **Beginning with the 2025-2026 school year, a pupil may elect not to take a test described in this subdivision through a waiver that is developed by the department, made available on the department's website, and both signed by the pupil's parent or legal guardian and submitted to the pupil's school district, intermediate school district, or public school academy by not later than February 28 of the school year in which the test will be administered. The department shall consult with an individual who represents business**

1 in this state, an individual who represents manufacturing in this
2 state, and an individual who represents skilled trades
3 organizations in this state to develop an informational letter
4 about the purpose and benefits of the workforce readiness
5 assessment. A school district, intermediate school district, or
6 public school academy shall ensure that the informational letter is
7 provided to all pupils described in subsection (1) and the parents
8 or legal guardians of those pupils by not later than December 31 of
9 the school year in which the test will be administered.

10 (c) A social studies component.

11 (d) Any other component that is necessary to obtain the
12 approval of the United States Department of Education to use the
13 Michigan merit examination for the purposes of the no child left
14 behind act of 2001, Public Law 107-110, or the every student
15 succeeds act, Public Law 114-95.

16 (3) In addition to all other requirements of this section, all
17 of the following apply to the Michigan merit examination:

18 (a) The department of technology, management, and budget and
19 the superintendent shall ensure that any contractor used for
20 scoring the Michigan merit examination supplies an individual
21 report for each pupil that will identify for the pupil's parents **or**
22 **legal guardians** and teachers whether the pupil met expectations or
23 failed to meet expectations for each standard, to allow the pupil's
24 parents **or legal guardians** and teachers to assess and remedy
25 problems before the pupil moves to the next grade.

26 (b) The department of technology, management, and budget and
27 the superintendent shall ensure that any contractor used for
28 scoring, developing, or processing the Michigan merit examination
29 meets quality management standards commonly used in the assessment

1 industry, including at least meeting level 2 of the capability
2 maturity model developed by the Software Engineering Institute of
3 Carnegie Mellon University for the first year the Michigan merit
4 examination is offered to all grade 11 pupils and at least meeting
5 level 3 of the capability maturity model for subsequent years.

6 (c) The department of technology, management, and budget and
7 the superintendent shall ensure that any contract for scoring,
8 administering, or developing the Michigan merit examination
9 includes specific deadlines for all steps of the assessment
10 process, including, but not limited to, deadlines for the correct
11 testing materials to be supplied to schools and for the correct
12 results to be returned to schools, and includes penalties for
13 noncompliance with these deadlines.

14 (d) The superintendent shall ensure that the Michigan merit
15 examination meets all of the following:

16 (i) Is designed to test pupils on this state's content
17 standards in all subjects tested.

18 (ii) Complies with requirements of the no child left behind act
19 of 2001, Public Law 107-110 or the every student succeeds act,
20 Public Law 114-95.

21 (iii) Is consistent with the code of fair testing practices in
22 education prepared by the Joint Committee on Testing Practices of
23 the American Psychological Association.

24 (iv) Is factually accurate. If the superintendent determines
25 that a question is not factually accurate and should be excluded
26 from scoring, the state board and the superintendent shall ensure
27 that the question is excluded from scoring.

28 (4) A district shall include on each pupil's high school
29 transcript all of the following:

1 (a) For each high school graduate who has completed the
2 Michigan merit examination under this section, the pupil's scaled
3 score on each subject area component of the Michigan merit
4 examination.

5 (b) The number of school days the pupil was in attendance at
6 school each school year during high school and the total number of
7 school days in session for each of those school years.

8 (5) The superintendent shall work with the provider or
9 providers of the Michigan merit examination to produce Michigan
10 merit examination subject area scores for each pupil participating
11 in the Michigan merit examination. To the extent that the
12 department determines that additional test items beyond those
13 included in the college entrance component of the Michigan merit
14 examination are required in a particular subject area, the
15 department shall ensure that all test items in that subject area
16 are scaled and merged for the purposes of producing a Michigan
17 merit examination subject area score. The superintendent shall
18 design and distribute to districts, intermediate districts, and
19 nonpublic schools a simple and concise document that describes the
20 scoring for each subject area and indicates the scaled score ranges
21 for each subject area.

22 (6) The Michigan merit examination ~~shall~~**must** be administered
23 in each district during the last 12 weeks of the district's school
24 year. The superintendent shall ensure that the Michigan merit
25 examination is scored and the scores are returned to pupils, their
26 parents or legal guardians, and districts not later than the
27 beginning of the pupil's first semester of grade 12. The returned
28 scores ~~shall~~**must** indicate at least the pupil's scaled score for
29 each subject area component and the range of scaled scores for each

1 subject area. In reporting the scores to pupils, parents, and
2 schools, the superintendent shall provide standards-specific,
3 meaningful, and timely feedback on the pupil's performance on the
4 Michigan merit examination.

5 (7) A district shall administer the complete Michigan merit
6 examination to a pupil only once and shall not administer the
7 complete Michigan merit examination to the same pupil more than
8 once. If a pupil does not take the complete Michigan merit
9 examination in grade 11, the district shall administer the complete
10 Michigan merit examination to the pupil in grade 12. If a pupil
11 chooses to retake the college entrance examination component of the
12 Michigan merit examination, as described in subsection (2)(a), the
13 pupil may do so through the provider of the college entrance
14 examination component and the cost of the retake is the
15 responsibility of the pupil unless all of the following are met:

16 (a) The pupil has taken the complete Michigan merit
17 examination.

18 (b) The pupil meets the income eligibility criteria for free
19 breakfast, lunch, or milk, as determined under the Richard B.
20 Russell national school lunch act, 42 USC 1751 to 1769i.

21 (c) The pupil has applied to the provider of the college
22 entrance examination component for a scholarship or fee waiver to
23 cover the cost of the retake and that application has been denied.

24 (d) After taking the complete Michigan merit examination, the
25 pupil has not already received a free retake of the college
26 entrance examination component paid for either by this state or
27 through a scholarship or fee waiver by the provider.

28 (8) The superintendent shall ensure that the length of the
29 Michigan merit examination and the combined total time necessary to

1 administer all of the components of the Michigan merit examination
2 are the shortest possible that will still maintain the degree of
3 reliability and validity of the Michigan merit examination results
4 determined necessary by the superintendent. The superintendent
5 shall ensure that the maximum total combined length of time that
6 schools are required to set aside for pupils to answer all test
7 questions on the Michigan merit examination does not exceed 8 hours
8 if the superintendent determines that sufficient alignment to
9 applicable Michigan merit curriculum content standards can be
10 achieved within that time limit.

11 (9) A district shall provide accommodations to a pupil with
12 disabilities for the Michigan merit examination, as provided under
13 section 504 of title V of the rehabilitation act of 1973, 29 USC
14 794; subtitle A of title II of the Americans with disabilities act
15 of 1990, 42 USC 12131 to 12134; the individuals with disabilities
16 education act amendments of 1997, Public Law 105-17; and the
17 implementing regulations for those statutes. The provider or
18 providers of the Michigan merit examination and the superintendent
19 shall mutually agree ~~upon~~**on** the accommodations to be provided
20 under this subsection.

21 (10) To the greatest extent possible, the Michigan merit
22 examination ~~shall~~**must** be based on this state's content standards,
23 as appropriate. Annually, after each administration of the Michigan
24 merit examination, the department shall provide a report of the
25 points per standard so that teachers will know what content will be
26 covered within the Michigan merit examination. The department may
27 augment the college entrance and work skills components of the
28 Michigan merit examination to develop the assessment, depending on
29 the alignment of those components to this state's content

standards. If these components do not align to these standards, the department shall produce additional components as required by law, while minimizing the amount of time needed for assessments.

(11) A child who is a student in a nonpublic school or home school may take the Michigan merit examination under this section. To take the Michigan merit examination, a child who is a student in a home school shall contact the district in which the child resides, and that district shall administer the Michigan merit examination, or the child may take the Michigan merit examination at a nonpublic school if allowed by the nonpublic school. Upon request from a nonpublic school, the superintendent shall direct the provider or providers to supply the Michigan merit examination to the nonpublic school and the nonpublic school may administer the Michigan merit examination. If a district administers the Michigan merit examination under this subsection to a child who is not enrolled in the district, the scores for that child are not considered for any purpose to be scores of a pupil of the district.

(12) In contracting under subsection (2), the department of technology, management, and budget shall consider a contractor that provides electronically-scored essays with the ability to score constructed response feedback in multiple languages and provide ongoing instruction and feedback.

(13) The purpose of the Michigan merit examination is to assess pupil performance in mathematics, science, social studies, and English language arts for the purpose of improving academic achievement and establishing a statewide standard of competency. The assessment under this section provides a common measure of data that will contribute to the improvement of Michigan schools' curriculum and instruction by encouraging alignment with Michigan's

1 curriculum framework standards and promotes pupil participation in
2 higher level mathematics, science, social studies, and English
3 language arts courses. These standards are based ~~upon~~**on** the
4 expectations of what pupils should learn through high school and
5 are aligned with national standards.

6 (14) For a pupil enrolled in a middle college program, other
7 than a middle college operated as a shared educational entity or a
8 specialized shared educational entity, if the pupil receives at
9 least 50% of ~~his or her~~**the pupil's** instruction at the high school
10 while in grade 11, the Michigan merit examination shall be
11 administered to the pupil at the high school at which the pupil
12 receives high school instruction, and the department shall include
13 the pupil's scores on the Michigan merit examination in the scores
14 for that high school for all purposes for which a school's or
15 district's results are reported. The department shall allow the
16 middle college program to use a 5-year graduation rate for
17 determining adequate yearly progress. As used in this subsection,
18 "middle college" means a program consisting of a series of courses
19 and other requirements and conditions, including an early college
20 or other program created under a memorandum of understanding, that
21 allows a pupil to graduate from high school with both a high school
22 diploma and a certificate or degree from a community college or
23 state public university.

24 (15) As used in this section:

25 (a) "English language arts" means reading and writing.

26 (b) "Social studies" means United States history, world
27 history, world geography, economics, and American government.

28 (16) For each report made by the department that includes the
29 statewide assessment results for a school building, the department

1 shall include the scores for the statewide assessment and the
2 graduation rate for consortium pupils with the scores for the
3 school building in the participating district in which the
4 consortium pupil is enrolled or would otherwise attend. The
5 statewide assessment for a consortium pupil may be administered
6 either at the consortium location or at the school building in the
7 participating district in which the consortium pupil is enrolled or
8 would otherwise attend. For the purposes of this subsection, a
9 consortium pupil is a pupil who is enrolled or participating in a
10 participating district in a school or program operated as a
11 consortium or under a cooperative arrangement formed by 2 or more
12 districts or intermediate districts, including, but not limited to,
13 a consortium or cooperative arrangement operated as a program, a
14 shared educational entity, a specialized educational entity, or a
15 special education center program.

16 Enacting section 1. This amendatory act does not take effect
17 unless Senate Bill No. 349 of the 103rd Legislature is enacted into
18 law.