



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



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

Senate Bill 945 (as introduced 5-20-14)
Sponsor: Senator Bruce Caswell
Committee: Education

Date Completed: 5-21-14

CONTENT

The bill would repeal Public Act 38 of 1970, which provides for a statewide program of students' basic skills assessment within the Department of Education, and would amend the Revised School Code to do the following:

- **Provide for a continuation of the program, known as the Michigan Educational Assessment Program (MEAP), in the Department of Treasury.**
- **Transfer a number of responsibilities regarding the MEAP and the Michigan Merit Examination from the Superintendent of Public Instruction and the State Board of Education to the Department of Treasury.**
- **Eliminate a requirement that a student who qualifies for a \$4,000 Michigan Promise grant bear the cost of retaking the college entrance examination component of the Michigan Merit Examination.**

Michigan Educational Assessment Program

Public Act (PA) 38 of 1970 establishes in the Department of Education a statewide program of assessment of educational progress and remedial assistance in the basic skills of students in reading, mathematics, language arts, and/or other general subject areas. The bill would repeal PA 38, and would amend the Revised School Code to provide for continuation of the assessment program by requiring the Department of Treasury to maintain a statewide program of assessment of educational progress in basic skills. The bill provides that the program could be known as the Michigan Educational Assessment Program (MEAP), and would require it to assess basic skills in reading, mathematics, language arts, science, and other general subject areas identified by the Department of Treasury.

The bill would reenact certain provisions of PA 38 in the Revised School Code, including a requirement that the assessment program do all of the following:

- Establish meaningful achievement goals in the basic skills for students and identify those students with the greatest educational need in these skills.
- Provide the State with information needed to allocate State funds and professional services in a manner best calculated to equalize educational opportunities for students to achieve competence in the basic skills.
- Give school systems strong incentives to introduce educational programs to improve the education of students in the basic skills and model programs to raise students' level of achievement.
- Develop a system for educational self-renewal that would continuously evaluate the programs, and by this means help each school to discover and introduce program changes that are most likely to improve the quality of education.

- Periodically give the public information concerning the progress of the State system of education, extending current State efforts to conduct a periodic and comprehensive assessment of educational progress.

Under PA 38, the statewide assessment program must cover all students annually in at least two elementary and middle school grade levels in public schools. The Act provides that if the Federal government requires assessments at additional grade levels under the No Child Left Behind (NCLB) Act, the Superintendent of Public Instruction must ensure that Michigan complies with those requirements. Under the bill, the Revised School Code would require the MEAP to cover all public school pupils annually in all of grades 3 to 10, as required under the NCLB. The Department of Treasury, rather than the Superintendent, would have to ensure that the State complied with any additional Federal assessment requirements.

Public Act 38 also requires the Superintendent of Public Instruction to develop and conduct the assessment program. Under the bill, the Department of Treasury would have to supervise the program.

The bill would reenact in the Revised School Code the provisions of PA 38 regarding all of the following:

- Administration and grading of the assessments and reporting of the results.
- Contracting for scoring, developing, or processing an assessment instrument.
- Conditions that an assessment instrument must meet.
- Requirements that public schools identify students who have extraordinary need for assistance and those who have demonstrated extraordinary competence in multiple subject areas.
- The provision of assessment program information to each school to assist in its efforts to improve the achievement of students in the basic skills.

In these provisions, PA 38 contains references to the Superintendent of Public Instruction and the State Board of Education. The bill would refer instead to the Department of Treasury.

Michigan Merit Examination

Section 1279g of the Code requires the board of a school district or board of directors of a public school academy (PSA) to administer the Michigan Merit Examination (MME) to pupils in grade 11 and to pupils in grade 12 who did not take the complete MME in grade 11. The purpose of the MME is to assess pupil performance in mathematics, science, social studies, and English language arts in order to improve academic achievement and establish a statewide standard of competency.

The Code assigns a number of responsibilities regarding the Michigan Merit Examination to the Superintendent of Public Instruction and the State Board of Education. Under the bill, these responsibilities would lie with the Department of Treasury.

A school district or PSA may administer the complete Michigan Merit Examination to a pupil only once. If a pupil chooses to retake the college entrance examination component of the MME, he or she may do so through the provider of that component. The cost of the retake is the responsibility of the pupil unless all of the following conditions are met:

- The pupil has taken the complete MME.
- The pupil did not qualify for a Michigan Promise grant under Section 6 of the Michigan Promise Grant Act based on his or her performance on the complete MME.
- The pupil meets the Federal income eligibility criteria for free breakfast, lunch, or milk.

- The pupil has applied to the provider of the college entrance examination component for a scholarship or fee waiver to cover the cost of the retake and the application has been denied.
- After taking the complete MME, the pupil has not already received a free retake of the college entrance examination component paid for either by the State or through a scholarship or fee waiver by the provider.

The bill would eliminate the condition that the pupil did not qualify for a Michigan Promise grant under Section 6 of the Promise Grant Act. (To be eligible for a grant, a student must take the State assessment test and enroll in an approved postsecondary educational institution within two years after he or she became a high school graduate. He or she may not have received a previous grant under the Act or scholarship money under the Michigan Merit Award Scholarship Act. For a grant of \$4,000 under Section 6 of the Michigan Promise Grant Act, the student must receive a qualifying score in each of the reading, writing, mathematics, science, and social studies components of the State assessment test and successfully complete at least three credits each in mathematics, social science, and science, as described in the Revised School Code.)

The bill would repeal Section 1279, which contains several provisions similar to those in Section 1279g regarding the Michigan Merit Examination.

General Assessment Requirements

The Code requires the State Board of Education to ensure that the MEAP and the Michigan Merit Examination are based on the State recommended model core curriculum content standards, are testing only for proficiency in basic and advanced academic skills and academic subject matter, and are not used to measure pupils' values or attitudes. Under the bill, this requirement would apply to the Department of Treasury rather than the State Board.

Sections 1279a and 1279d of the Code contain identical language pertaining to suspected irregularities in a school district's or PSA's administration of, or preparation of pupils for, a MEAP test or the Michigan Merit Examination. The bill would repeal Section 1279d, and replace references to the Superintendent of Public Instruction in Section 1279a with references to the Department of Treasury.

MCL 380.1278 et al.

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would increase the costs of the Department of Treasury and decrease the costs of the Michigan Department of Education (MDE). Implementing test development and administration at the Department of Treasury would require additional staff and appropriations for that Department; however, the bill does not make an appropriation. Moving the testing responsibilities to the Department of Treasury would require changes to the State budget to shift the resources that currently pay for these functions from the MDE to Treasury. The FY 2013-14 budget for the MDE includes approximately \$12.5 million and 65.6 full-time equated employees for the Bureau of Assessment and Accountability Services. That bureau currently administers the Michigan Education Assessment Program and the Michigan Merit Exam, both of which would be moved to Treasury by the bill. Additional funding could be required if it were necessary to develop tests or change testing requirements on an accelerated schedule. This assumes that the cost of the administering the tests would remain in the School Aid budget, where those expenses are appropriated currently. The administration of the testing program previously was transferred from the MDE to Treasury by Executive Order 1999-7. Subsequently, Executive Order 2003-20 moved the responsibility back to the MDE.

The fiscal impact on local school districts and public school academies would depend on whether the change in the State department administering the testing programs resulted in policy changes that necessitated adjustments in local plans for test preparation and administration. Local costs could increase by an unknown amount if adjustments in testing procedures were required.

Fiscal Analyst: Elizabeth Pratt
Cory Savino

S1314\sb945sa

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.