

**SUBSTITUTE FOR  
HOUSE BILL NO. 4037**

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~~**must** comply with this section and ~~shall~~  
3 **must** administer the Michigan merit examination to pupils in grade  
4 11, and to pupils in grade 12 who did not take the complete  
5 Michigan merit examination in grade 11, as provided in this  
6 section. The Michigan merit examination consists of a college  
7 entrance test ~~, work skills test,~~ and the summative assessment  
8 known as the Michigan student test of educational progress (M-



1 STEP).

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

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

14 ~~(b) One or more tests from 1 or more test developers that~~  
15 ~~assess a pupil's ability to apply at least reading and mathematics~~  
16 ~~skills in a manner that is intended to allow employers to use the~~  
17 ~~results in making employment decisions. The department of~~  
18 ~~technology, management, and budget and the superintendent shall~~  
19 ~~ensure that any test or tests selected under this subdivision have~~  
20 ~~all the components necessary to allow a pupil to be eligible to~~  
21 ~~receive the results of a nationally recognized evaluation of~~  
22 ~~workforce readiness if the pupil's test performance is adequate.~~

23 (b) ~~(e)~~—A social studies component.

24 (c) ~~(d)~~—Any other component that is necessary to obtain the  
25 approval of the United States Department of Education to use the  
26 Michigan merit examination for the purposes of the no child left  
27 behind act of 2001, Public Law 107-110, or the every student  
28 succeeds act, Public Law 114-95.

29 (3) In addition to all other requirements of this section, all



1 of the following apply to the Michigan merit examination:

2 (a) The department of technology, management, and budget and  
3 the superintendent shall ensure that any contractor used for  
4 scoring the Michigan merit examination supplies an individual  
5 report for each pupil that will identify for the pupil's parents  
6 and teachers whether the pupil met expectations or failed to meet  
7 expectations for each standard, to allow the pupil's parents and  
8 teachers to assess and remedy problems before the pupil moves to  
9 the next grade.

10 (b) The department of technology, management, and budget and  
11 the superintendent shall ensure that any contractor used for  
12 scoring, developing, or processing the Michigan merit examination  
13 meets quality management standards commonly used in the assessment  
14 industry, including at least meeting level 2 of the capability  
15 maturity model developed by the Software Engineering Institute of  
16 Carnegie Mellon University for the first year the Michigan merit  
17 examination is offered to all grade 11 pupils and at least meeting  
18 level 3 of the capability maturity model for subsequent years.

19 (c) The department of technology, management, and budget and  
20 the superintendent shall ensure that any contract for scoring,  
21 administering, or developing the Michigan merit examination  
22 includes specific deadlines for all steps of the assessment  
23 process, including, but not limited to, deadlines for the correct  
24 testing materials to be supplied to schools and for the correct  
25 results to be returned to schools, and includes penalties for  
26 noncompliance with these deadlines.

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

29 (i) Is designed to test pupils on this state's content



1 standards in all subjects tested.

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

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

8 (iv) Is factually accurate. If the superintendent determines  
9 that a question is not factually accurate and should be excluded  
10 from scoring, the state board and the superintendent shall ensure  
11 that the question is excluded from scoring.

12 (4) A district shall include on each pupil's high school  
13 transcript ~~all~~**both** of the following:

14 (a) For each high school graduate who has completed the  
15 Michigan merit examination under this section, the pupil's scaled  
16 score on each subject area component of the Michigan merit  
17 examination.

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

21 (5) The superintendent shall work with the provider or  
22 providers of the Michigan merit examination to produce Michigan  
23 merit examination subject area scores for each pupil participating  
24 in the Michigan merit examination. To the extent that the  
25 department determines that additional test items beyond those  
26 included in the college entrance component of the Michigan merit  
27 examination are required in a particular subject area, the  
28 department shall ensure that all test items in that subject area  
29 are scaled and merged for the purposes of producing a Michigan



1 merit examination subject area score. The superintendent shall  
2 design and distribute to districts, intermediate districts, and  
3 nonpublic schools a simple and concise document that describes the  
4 scoring for each subject area and indicates the scaled score ranges  
5 for each subject area.

6 (6) The Michigan merit examination ~~shall~~**must** be administered  
7 in each district during the last 12 weeks of the district's school  
8 year. The superintendent shall ensure that the Michigan merit  
9 examination is scored and the scores are returned to pupils, their  
10 parents or legal guardians, and districts not later than the  
11 beginning of the pupil's first semester of grade 12. The returned  
12 scores ~~shall~~**must** indicate at least the pupil's scaled score for  
13 each subject area component and the range of scaled scores for each  
14 subject area. In reporting the scores to pupils, parents, and  
15 schools, the superintendent shall provide standards-specific,  
16 meaningful, and timely feedback on the pupil's performance on the  
17 Michigan merit examination.

18 (7) A district shall administer the complete Michigan merit  
19 examination to a pupil only once and shall not administer the  
20 complete Michigan merit examination to the same pupil more than  
21 once. If a pupil does not take the complete Michigan merit  
22 examination in grade 11, the district shall administer the complete  
23 Michigan merit examination to the pupil in grade 12. If a pupil  
24 chooses to retake the college entrance examination component of the  
25 Michigan merit examination, as described in subsection (2)(a), the  
26 pupil may do so through the provider of the college entrance  
27 examination component and the cost of the retake is the  
28 responsibility of the pupil unless all of the following are met:

29 (a) The pupil has taken the complete Michigan merit



1 examination.

2 (b) The pupil meets the income eligibility criteria for free  
3 breakfast, lunch, or milk, as determined under the Richard B.  
4 Russell national school lunch act, 42 USC 1751 to ~~1769i~~.**1769j**.

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

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

12 (8) The superintendent shall ensure that the length of the  
13 Michigan merit examination and the combined total time necessary to  
14 administer all of the components of the Michigan merit examination  
15 are the shortest possible that will still maintain the degree of  
16 reliability and validity of the Michigan merit examination results  
17 determined necessary by the superintendent. The superintendent  
18 shall ensure that the maximum total combined length of time that  
19 schools are required to set aside for pupils to answer all test  
20 questions on the Michigan merit examination does not exceed 8 hours  
21 if the superintendent determines that sufficient alignment to  
22 applicable Michigan merit curriculum content standards can be  
23 achieved within that time limit.

24 (9) A district shall provide accommodations to a pupil with  
25 disabilities for the Michigan merit examination, as provided under  
26 section 504 of title V of the rehabilitation act of 1973, 29 USC  
27 794; ~~subtitle~~**part** A of ~~title~~**subchapter** II of the Americans with  
28 disabilities act of 1990, 42 USC 12131 to 12134; the individuals  
29 with disabilities education act amendments of 1997, Public Law 105-



1 17; and the implementing regulations for those statutes. The  
2 provider or providers of the Michigan merit examination and the  
3 superintendent shall mutually agree upon the accommodations to be  
4 provided under this subsection.

5 (10) To the greatest extent possible, the Michigan merit  
6 examination ~~shall~~**must** be based on this state's content standards,  
7 as appropriate. Annually, after each administration of the Michigan  
8 merit examination, the department shall provide a report of the  
9 points per standard so that teachers will know what content will be  
10 covered within the Michigan merit examination. The department may  
11 augment the college entrance ~~and work skills components~~**component**  
12 of the Michigan merit examination to develop the assessment,  
13 depending on the alignment of those components to this state's  
14 content standards. If these components do not align to these  
15 standards, the department shall produce additional components as  
16 required by law, while minimizing the amount of time needed for  
17 assessments.

18 (11) A child who is a student in a nonpublic school or home  
19 school may take the Michigan merit examination under this section.  
20 To take the Michigan merit examination, a child who is a student in  
21 a home school shall contact the district in which the child  
22 resides, and that district shall administer the Michigan merit  
23 examination, or the child may take the Michigan merit examination  
24 at a nonpublic school if allowed by the nonpublic school. Upon  
25 request from a nonpublic school, the superintendent shall direct  
26 the provider or providers to supply the Michigan merit examination  
27 to the nonpublic school and the nonpublic school may administer the  
28 Michigan merit examination. If a district administers the Michigan  
29 merit examination under this subsection to a child who is not



1 enrolled in the district, the scores for that child are not  
2 considered for any purpose to be scores of a pupil of the district.

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

8 (13) The purpose of the Michigan merit examination is to  
9 assess pupil performance in mathematics, science, social studies,  
10 and English language arts for the purpose of improving academic  
11 achievement and establishing a statewide standard of competency.  
12 The assessment under this section provides a common measure of data  
13 that will contribute to the improvement of ~~Michigan schools'~~  
14 curriculum **in the schools of this state** and instruction by  
15 encouraging alignment with ~~Michigan's~~ **this state's** curriculum  
16 framework standards and promotes pupil participation in higher  
17 level mathematics, science, social studies, and English language  
18 arts courses. These standards are based upon the expectations of  
19 what pupils should learn through high school and are aligned with  
20 national standards.

21 (14) For a pupil enrolled in a middle college program, other  
22 than a middle college operated as a shared educational entity or a  
23 specialized shared educational entity, if the pupil receives at  
24 least 50% of his or her instruction at the high school while in  
25 grade 11, the Michigan merit examination ~~shall~~ **must** be administered  
26 to the pupil at the high school at which the pupil receives high  
27 school instruction, and the department shall include the pupil's  
28 scores on the Michigan merit examination in the scores for that  
29 high school for all purposes for which a school's or district's





1 results are reported. The department shall allow the middle college  
2 program to use a 5-year graduation rate for determining adequate  
3 yearly progress. As used in this subsection, "middle college" means  
4 a program consisting of a series of courses and other requirements  
5 and conditions, including an early college or other program created  
6 under a memorandum of understanding, that allows a pupil to  
7 graduate from high school with both a high school diploma and a  
8 certificate or degree from a community college or state public  
9 university.

10 (15) As used in this section:

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

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

14 (16) For each report made by the department that includes the  
15 statewide assessment results for a school building, the department  
16 shall include the scores for the statewide assessment and the  
17 graduation rate for consortium pupils with the scores for the  
18 school building in the participating district in which the  
19 consortium pupil is enrolled or would otherwise attend. The  
20 statewide assessment for a consortium pupil may be administered  
21 either at the consortium location or at the school building in the  
22 participating district in which the consortium pupil is enrolled or  
23 would otherwise attend. For the purposes of this subsection, a  
24 consortium pupil is a pupil who is enrolled or participating in a  
25 participating district in a school or program operated as a  
26 consortium or under a cooperative arrangement formed by 2 or more  
27 districts or intermediate districts, including, but not limited to,  
28 a consortium or cooperative arrangement operated as a program, a  
29 shared educational entity, a specialized educational entity, or a



1 special education center program.

2 (17) The department shall not require as a condition of the  
3 receipt of state aid under this article by a district the  
4 administration by a district of an assessment described in section  
5 1279i(1) of the revised school code, MCL 380.1279i.

6 Enacting section 1. This amendatory act takes effect 90 days  
7 after the date it is enacted into law.

8 Enacting section 2. This amendatory act does not take effect  
9 unless House Bill No. 4038 of the 101st Legislature is enacted into  
10 law.

