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FISCAL IMPACT STATEMENT

LS 7073

BILL NUMBER: HB 1005

NOTE PREPARED: Jan 13, 2013

BILL AMENDED:

SUBJECT: Remediation.

FIRST AUTHOR: Rep. Clere

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill has the following provisions:

Graduation Plan: The bill provides that a student's graduation plan may include an indication that the student plans to take a college and career readiness exam approved by the State Board of Education (State Board) in consultation with the Commission for Higher Education, the Education Roundtable, and the Department of Workforce Development.

Continuous School Improvement Plan: The bill provides that a secondary school's strategic and continuous school improvement and achievement plan (plan) must address academic skills of a student to minimize: (1) the likelihood that a student will fail the graduation exam; and (2) the necessity of remedial work of the student while attending a post-secondary educational institution or workforce training program. It provides that the components of a secondary school's plan must include a provision to provide supplemental instruction to address remedial needs of a student who is in need of post-secondary remediation or who is likely to fail the graduation examination.

Education Roundtable: The bill provides that the Education Roundtable, when making recommendations to the State Board regarding the methods of measuring school improvement, may consider the remedial needs of students who are likely to fail a graduation exam or require remedial work while attending a post-secondary educational institution or workforce training program.

Remediation Grant Program: The bill provides that the remediation grant program may provide grants to school corporations to prevent the need for post-secondary or workforce training remediation or to decrease the likelihood that a student may fail a graduation examination.

Guidelines: The bill provides that, not later than July 1, 2013, the State Board, in consultation with the Education Roundtable, the Commission for Higher Education, and the Department of Workforce Development, shall develop guidelines to assist secondary schools in identifying a student who is likely to: (1) fail a graduation examination; or (2) require remedial work at a post-secondary educational institution or workforce training program if the student subsequently attends a post-secondary educational institution or workforce training program upon graduation.

It provides that the guidelines must include: (1) indicators to assist school personnel determine whether a student may be in need of supplemental instruction or remediation; and (2) standards and guidelines for secondary school personnel to determine when a student is required to be assessed using college and career readiness exams approved by the State Board in consultation with the Commission for Higher Education and the Department of Workforce Development.

It also provides that the guidelines may provide best practices and strategies for improving services and support provided by a school to assist a student in achieving the level of academic performance that is appropriate for the student's grade level to minimize: (1) the likelihood that a student may fail a graduation exam; or (2) the necessity for post-secondary remedial course work by the student.

School Officials: The bill provides that if the appropriate school official determines, using the indicators established in the guidelines, that a student in grade 11 will likely require remedial work at a post-secondary educational institution or workforce training program or fail a graduation examination, the school official shall require the student to take a college and career readiness exam. It provides that a school official shall, based on the results of the exam, determine if the student is in need of additional remediation or instruction.

It provides that a student must pass a college and career readiness exam before the student may enroll in a dual credit course.

It provides that a school official shall inform the student's parent of the likelihood that the student will require remedial work while the student attends a post-secondary educational institution or workforce development program. It provides that a school official may establish a remediation or supplemental instruction plan with the student's parent.

Graduation Waiver: The bill provides that, after June 30, 2014, a student who receives a graduation waiver, other than the work readiness waiver, and obtains a general curriculum diploma is disqualified from receiving any state scholarships, grants, or assistance administered by the commission for higher education.

Post-Secondary Credit: The bill provides that, beginning after June 30, 2014, a student must achieve an equivalent of a 2.0 on a 4.0 unweighted grading scale in order for the student to receive post-secondary credit on a dual credit course or double up program course.

Effective Date: Upon passage; July 1, 2013.

Explanation of State Expenditures: *Summary:*

1. *Education Roundtable:* The bill's requirements are within the agency's routine administrative functions and should be able to be implemented with no additional appropriations.
2. *Guidelines:* The Department of Education (DOE) would have to assume the cost of college and

career readiness exams. This may represent an additional expenditure on the agency outside of its routine administrative functions. Ultimately, the source of funds and resources required to satisfy the requirements of this bill would depend on legislative and administrative actions.

3. *Remediation Grant Program*: If the student population that is currently funded from this grant under current law is different from the population that would be funded under this bill, then the requirements of this bill may require additional appropriations for the grant program. DOE may have to develop a new formula to distribute grant money, and may have to change the focus of the program to minimizing the need for post-secondary or workforce training remediation and to reducing the likelihood that a student may fail a graduation examination.

Additional Information:

Education Roundtable: Under current law, the Education Roundtable uses the ISTEP test as the primary means of assessing school improvement. This bill encourages the Roundtable to recommend other means of gauging improvement such as the number of students granted graduation waivers, and the number of students who are likely to require remedial work in college or in a workforce training program.

Guidelines: In addition to developing guidelines to assist secondary schools in identifying a student who is likely to require remedial work in a post-secondary educational environment, the State Board, the Education Roundtable, the Commission for Higher Education, and the Department for Workforce Development agencies would also have to approve the college and career readiness exam to be administered to students. Under the bill, the DOE would assume the cost of the exams.

Remediation Grant Program: Under current law, the remediation grant program provides grants to school corporations (including freeway school corporations) for the remediation of students who score below academic standards, and for preventive remediation for students who are at risk of falling below academic standards. Under this bill, funding would also be specifically tailored to minimize the need for post-secondary or workforce training remediation or to decrease the likelihood that a student may fail a graduation examination.

Under the current statute, funds are distributed to school corporations according to a formula developed by the DOE and approved by the State Board. The remediation programs must give priority in the allocation of resources to students who are deficient in reading skills in grades 1 through grade 3.

In the 2011-2013 state budget, the following four programs are consolidated into a single line item: Testing and Remediation, Graduation Exam Remediation, PSAT Program, and Advanced Placement Program. The total appropriation was approximately \$46.2 M for FY 2012 and the same amount for FY 2013.

Background on College Readiness:

According to a report issued by American College Testing (ACT), in 2012, 25 percent of ACT-tested high school graduates met all four College Readiness Benchmarks (English, Mathematics, Reading, Science). Approximately 15% met one benchmark, 17% met two; 15% met three benchmarks. Fully 28% did not meet any of the benchmarks. The organization suggests that key practices for increasing readiness should be implemented: Curriculum and Academic Goals; Staff Selection, Leadership, and Capacity Building; Instructional Tools: Programs and Strategies; Monitoring Performance and Progress; and Intervention and Adjustment.

Explanation of State Revenues:

Explanation of Local Expenditures: *Summary:* *Graduation Plan; Continuous School Improvement Plan:* School corporations should be able to implement these requirements with no additional appropriations.

School Officials: Under the bill, school corporations would implement initiatives to reduce or eliminate the need for remedial instruction at the post-secondary level (either in college or in a workforce training program). This could require additional training for staff or the employment of additional staff to implement and manage the remedial program. As a result, the bill's requirements could represent an additional workload [and/or expenditure] on school corporation, and existing staffing and resource levels, if currently being used to capacity, may be insufficient for full implementation. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

Graduation Waiver: In the short term, the number of students applying for these scholarships may decrease depending on the number of students with graduation waivers that continue on to college. In the long run, this may result in an increase in the demand for remedial instruction as students try to ensure that they are not disqualified from grants and scholarships. In 2011, 8 percent (5,064) of the students graduating from public non-charter school corporations were granted waivers. It is unknown how many of the waivers were work readiness waivers.

Post-Secondary Credit: The impact would depend on the number of students who could not meet the minimum grade set by this bill. The current statute does not indicate what the grading scale should be. Under this bill, the minimum grade could be used as an indicator for college/workforce readiness, and therefore one of the tools used to determine the amount and scope of remedial training that would be needed.

Explanation of Local Revenues:

State Agencies Affected: Department of Education; State Board of Education; Education Roundtable; Commission of Higher Education; Department of Workforce Development.

Local Agencies Affected: School Corporations

Information Sources: The Condition of College & Career Readiness Report, 2012, Act Inc:

www.act.org/research-policy/;

State Budget Agency: 2011 -2013 As-Passed Budget: www.in.gov/sba/2558.htm;

Department of Education website: www.doe.in.gov/improvement/accountability/data-center

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