

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: July 2, 2008  
POSITION: Oppose

BILL NUMBER: AB 2895  
AUTHOR: J. Brownley

**BILL SUMMARY: Student Achievement: High School Exit Examination**

This bill would expand the independent evaluation of the California High School Exit Exam (CAHSEE) to include additional information on students who did not graduate on time, in part, because they did not pass the CAHSEE. Specifically, the evaluation would collect information on whether these students completed all other graduation requirements, used alternative routes to earn a diploma or diploma equivalent, and the economic impact on those who failed to pass the CAHSEE. In addition, the bill would require analysis of schools attended by students who failed to pass the CAHSEE. Finally, the bill would require the use of student identifiers to track student progress to determine at what point students failed to attain the knowledge necessary to pass the CAHSEE.

**FISCAL SUMMARY**

This bill would create estimated annual costs of approximately \$1 million General Fund for additional data collection and analysis to be completed by the independent evaluator. The bill would significantly increase workload because it would require the evaluator to attain more varied data, such as tracking of students after they leave high school and are no longer in a compulsory education system, much of which may be difficult to collect. Consequently, we estimate that the evaluator's costs could be in excess of \$1 million, which is consistent with program evaluation costs reported by the State Department of Education (SDE). In addition, this bill may result in cost pressure to modify the California School Information System (CSIS) and the California Longitudinal Pupil Achievement Data System (CALPADS) to collect the additional data required for this evaluation.

**COMMENTS**

Finance is opposed to this bill for the following reasons:

- This bill would likely result in General Fund costs in excess of \$1 million for extensive data collection and analysis, which contradicts the Administration's efforts to narrow the state's General Fund budget gap.
- The data collection required by this bill is premature. The bill would require extensive tracking of individual student achievement from elementary through high school and beyond. Statewide data collection through CALPADS is needed for this analysis and this data will not be available until CALPADS has been operational for an extended period of time.
- The bill would require data collection beyond the capabilities of CSIS and CALPADS, thus, the bill would create cost pressure to expand the type of data collected by CSIS and CALPADS.

**COMMENTS (continued)**

Current law requires each student to successfully pass the CAHSEE as a condition of receiving a high school diploma. The exam consists of two portions, English language arts and mathematics, and students have multiple opportunities to pass each portion. An independent evaluator, currently the Human Resources Research Organization, completes an annual CAHSEE evaluation, a biennial report detailing evaluation activities, and studies on special topics.

Analyst/Principal (0363) R. Storm	Date	Program Budget Manager Jeannie Oropeza	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

**BILL ANALYSIS** Form DF-43 (Rev 03/95 Buff)

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CALPADS, upon complete implementation in 2009-10, will track individual student enrollment history, student academic performance, and other student data over time. System goals are to provide school districts and the SDE data necessary to: (1) comply with federal No Child Left Behind reporting requirements; (2) provide a better means of evaluating educational progress and investments over time; (3) provide local educational agencies (LEAs) information that can be used to improve student achievement; and (4) provide an efficient, flexible, and secure means of maintaining longitudinal statewide student-level data. The CSIS program assigns individual student identifiers, assists aggregate data collection at the local level, and facilitates electronic records transfer between LEAs and to postsecondary institutions. The individual students identifiers assigned under CSIS will be used by CALPADS to track individual students over time longitudinally. At the LEA level, there may be some longitudinal records of individual student achievement over time, however, this data has not been verified or collected statewide in the past.

Specifically, the bill would add surveys and statewide identifiers as required sources of information for the CAHSEE evaluation. The bill would also require the evaluation to include, as data is available, information on: (1) what happens to students who do not meet the CAHSEE requirement; (2) the number of students who did not graduate on time, but received a diploma or equivalent through continuing education at the high school, adult school, or community college levels, passing the California High School Proficiency Exam or the General Education Development test, or, for students with disabilities, through provisions in their individualized education plans; and (3) what the economic impact is on students who do not meet the CAHSEE requirement. In addition, the bill would require the collection and analysis of information on whether students who failed the CAHSEE had met all other graduation requirements. The following school level information for students who fail the CAHSEE would also be required: (1) decile rank; (2) percentage of underprepared teachers; (3) percentage of the student population classified as Title I, English learner, or ethnic minority; (4) analysis of county superintendent school report; and (5) analysis of the School Accountability Report Card. The bill would also require the evaluator to use student identifiers to analyze the scores of students who failed the CAHSEE on California Standards Tests and the California English Language Development Test in earlier grades to determine at what point students started to fall behind. Finally, the bill would allow the evaluator to make recommendations for increasing graduation rates.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP	2008-2009		2009-2010		2010-2011		Fund
	RV	98	FC	FC	FC	FC	FC	FC	Code
6110/Dept of Educ	SO	No	C	\$500	C	\$1,000	C	\$1,000	0001