

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: April 23, 2008
POSITION: Oppose

BILL NUMBER: SB 1446
AUTHOR: G. Romero
RELATED BILLS: AB 2040

BILL SUMMARY: High School Exit Examination

This bill, an urgency measure, would allow Class of 2008 and 2009 disabled students, who are unable to pass the California High School Exit Exam (CAHSEE) with a modification, to receive an exemption from the requirement to pass the CAHSEE in order to receive a high school diploma. Also, the bill would require local educational agencies (LEAs) to report certain student data to the Superintendent of Public Instruction (Superintendent) and the State Board of Education (Board).

FISCAL SUMMARY

This bill would create a state-mandated local program by requiring LEAs to collect and report data to the Superintendent. However, it is difficult to quantify the actual statewide cost because the data collection activities required of school officials, are vague and uncapped. Consequently, data collection costs could range from tens of thousands of dollars to several million dollars annually, which is based on similar data reporting mandate costs.

COMMENTS

The Department of Finance is opposed to this bill for the following reasons:

- A related bill, Senate Bill 123, which required an extension of the exemption from the CAHSEE requirement for disabled students for the Class of 2008, was vetoed in 2007. The veto message indicated that the Administration supports the recommendation of the Board and the Superintendent to require disabled students to pass the CAHSEE with or without modifications.
The bill is inconsistent with the policy position of the Board. In May 2007, the Board recommended that disabled students meet the CAHSEE requirement, with the exception that disabled students who pass the exam with a modification can subsequently request a waiver at the local level from the requirement.
The bill would create a reimbursable state mandate for data collection, which contradicts the Administration's efforts to narrow the state's budget gap.
The bill is premature. The tentative settlement agreement of Chapman v. O'Connell would require the State Department of Education (SDE) to conduct a study to identify disabled students who have taken, but not passed, the CAHSEE with modifications and have satisfied all other high school graduation requirements. Because this population has only been identified anecdotally, it would be premature to adopt legislation that would affect a yet-to-be defined subgroup of disabled students.

Beginning with the Class of 2006, passage of both the English-language arts and mathematics portions of the CAHSEE became a statewide graduation requirement, and students have multiple opportunities to pass each portion. Current law further authorizes an LEA to waive the CAHSEE graduation requirement for disabled students if: (1) the student had an existing individualized (IEP) or Section 504 plan; (2) the school

Analyst/Principal Date Program Budget Manager Date
(0363) R. Storm Jeannie Oropeza

Department Deputy Director Date

Governor's Office: By: Date: Position Approved
Position Disapproved

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April 23, 2008

SB 1446

COMMENTS (continued)

certified that the student completed all other state and local graduation requirements; and (3) the student passed the CAHSEE with modifications.

A lawsuit, *Chapman v. O'Connell*, challenged the requirement that disabled students pass the CAHSEE. In April 2008, the parties reached a tentative settlement that would require the SDE to conduct a study to identify students who have taken, but not passed, the CAHSEE with modifications or accommodations specified in their IEP or 504 plans and have, or will, satisfy all other requirements for high school graduation. According to the SDE, the Chapman plaintiffs have not been able to identify for the court any students who meet these criteria.

A past *Chapman* settlement, codified by Chapter 3, Statutes of 2006 (SB 517), and Chapter 629, Statutes of 2006 (SB 267), allowed disabled students from the Class of 2006 and 2007 to obtain a high school diploma without passing either portion of the exam with modifications (in other words, an exemption from the CAHSEE requirement), if the following conditions were met: (1) the student had an existing IEP or Section 504 plan; (2) the school certified that the student completed all other state and local graduation requirements; (3) the student took the exam at least twice beyond tenth grade with accommodations/modifications specified in the IEP; and (4) the student received CAHSEE supplemental instruction or the school failed to provide supplemental instruction to disabled students. Exemptions to the CAHSEE expired in December 2007.

The Board was required by SB 267 to evaluate the exemption policy for the Class of 2006 and 2007 disabled students and to make a recommendation to the Legislature. In May 2007, the Board recommended that all students, including those with disabilities, be required to meet the CAHSEE requirement. The Board did not recommend continuing the option of an exemption, but recommended to continue allowing students to meet the CAHSEE requirement through the waiver process.

Disabled students who are unable to receive a high school diploma as a result of not passing the CAHSEE may receive a certificate or document of educational achievement of completion. These students may continue their education in high schools, adult schools, or community colleges. School districts are required to provide an appropriate education to disabled students until age 22 with the goal that these students meet all graduation requirements, attain functional life skills, or are prepared for a vocation. A high school diploma is not required for admission to an adult school or community college.

The bill would extend the exemption process for disabled students who have not passed the CAHSEE or received a waiver to the Class of 2008 and 2009 disabled students. The previous exemption process was repealed on December 31, 2007. Also the bill requires LEAs to report on the procedures used to implement the provisions of the bill, the number of students who receive diplomas because of the bill, and any other needed information. The bill repeals these requirements on January 1, 2010.

A related bill, Assembly Bill 2040 (Nunez), would allow disabled students to pass the CAHSEE using an alternative assessment process.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)								Fund Code	
	LA	(Dollars in Thousands)									
	CO	PROP									
	RV	98	FC	2007-2008	FC	2008-2009	FC	2009-2010			
6110/Dept of Educ	LA	Yes		----- See Fiscal Summary -----							0001

