

**Department of Legislative Services**  
 Maryland General Assembly  
 2013 Session

**FISCAL AND POLICY NOTE**

House Bill 830  
 Economic Matters

(Delegate Rudolph)  
 Education, Health, and Environmental Affairs

**Alternatives to the General Educational Development Tests - Study**

This bill requires the Division of Workforce Development and Adult Learning (DWDAL) in the Department of Labor, Licensing, and Regulation (DLLR) to conduct a study to identify alternative methods for an individual to earn the equivalent of a high school diploma without passing the general educational development (GED) tests. By December 1, 2013, DWDAL must report on the results of the study.

The bill takes effect June 1, 2013, and terminates May 31, 2014.

**Fiscal Summary**

**State Effect:** General fund expenditures increase by \$16,100 for DLLR to hire a part-time contractual employee to conduct the required study. Revenues are not affected.

(in dollars)	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	16,100	0	0	0	0
Net Effect	(\$16,100)	\$0	\$0	\$0	\$0

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** None.

**Small Business Effect:** None.

## Analysis

**Bill Summary:** When conducting the study to identify alternative methods for an individual to earn the equivalent of a high school diploma without passing the GED tests, DWDAL must consider whether:

- an alternative method presents greater opportunities for individuals to obtain the equivalent of a high school diploma;
- an alternative method adequately measures the major subject area knowledge and skills considered to be the outcomes of a high school education;
- the costs of an alternative method as compared with the costs of the GED tests justify the adoption of an alternative method;
- other jurisdictions have studied or adopted an alternative method; and
- an alternative method provides foreign language and disability accommodations.

**Current Law/Background:** DWDAL, under the direction of the Office of the Assistant Secretary of Labor, Licensing, and Regulation, has oversight responsibility for DWDAL's five offices including Adult Education and Literacy Services. The mission of Adult Education and Literacy Services is to provide leadership for the establishment of adult education goals, oversight for implementation of the federal Adult Education State Plan, and administration of the statewide GED tests. The Adult Education and Literacy Program delivers literacy and English language instruction and high school diploma options for adults and out-of-school youth. The office oversees Maryland's Adult Instructional Services and GED testing programs. Instructional programs include Adult Basic Education; Adult Secondary Education, including GED tests preparation and the National External Diploma Program; English for Speakers of Other Languages; English Literacy/Civics Education; Family Literacy; and Workplace Education. The Governor's proposed fiscal 2014 budget for the program contains \$2.8 million including approximately \$961,000 in State general funds, approximately \$622,000 in special funds, and \$1.2 million in federal funds.

A Maryland resident may obtain a high school diploma by examination through the GED program. To qualify, an individual must be at least age 16 and may not have already obtained a high school certificate or diploma. The individual must also have officially withdrawn from a regular public or private school.

In November 1942, the U.S. Armed Forces Institute asked the American Council on Education to develop a battery of tests to measure high school-level academic skills, which became the GED tests. The GED test has been revised several times since then and currently comprises five tests: Language Arts Writing, Language Arts Reading, Mathematics, Science, and Social Studies. Accommodations, including a Braille version of the GED tests, are available for individuals with disabilities.

DLLR charges \$45 to take the pencil and paper version of the 2002 GED test; these funds are used to support the GED program. In fiscal 2012, approximately 9,900 GED tests were administered, and approximately 5,700 individuals were awarded a high school diploma after taking the test.

The current version of the GED test will expire at the end of 2013. The current version, known as the 2002 Series GED test, will be replaced with the new 2014 GED test on January 2, 2014. Those who have taken the 2002 Series GED test, but not passed all five parts, have until the end of 2013 to pass or they will need to start over again in 2014 with the new GED test in order to receive their high school credentials. The 2014 GED will be offered by a new for-profit company, GED Testing Services LLC, which is a joint venture of the American Council on Education and Pearson Vue Testing, a for-profit company. The 2014 GED test is reportedly more rigorous than the current GED test, and will be aligned with the common core standards. In addition, the 2014 GED will be computer based, will be only offered at Pearson testing centers, and will have a higher test fee of \$120.

In response to the changes to the GED test, 25 states have formed a workgroup to consider GED alternatives, either by developing a new test or paying a private company that can do it for less than what the new GED test will cost.

**State Expenditures:** General fund expenditures increase by \$16,145 in fiscal 2014 for DLLR to hire a part-time contractual employee to conduct the required study to identify alternative methods for an individual to earn the equivalent of a high school diploma without passing the GED tests. This estimate includes one part-time (30%) salary, fringe benefits, one-time start-up costs, operating expenses, and termination of the contractual employee on December 31, 2013.

Contractual Position	0.3
Salary and Fringe Benefits	\$11,444
Operating Expenses	86
Start-up Costs	<u>4,615</u>
<b>Total Fiscal 2014 Expenditures</b>	<b>\$16,145</b>

## Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland State Department of Education; Department of Labor, Licensing, and Regulation; *Times Union*, *Crain's New York*; *Texas Tribune*; Department of Legislative Services

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