



CALIFORNIA STATE BOARD OF EDUCATION

MAY 2004 AGENDA

SUBJECT General Educational Development (GED): Adopt Amendments to Title 5 Regulations	<input checked="" type="checkbox"/> Action
	<input checked="" type="checkbox"/> Information
	<input type="checkbox"/> Public Hearing

RECOMMENDATION

Consider comments received during the public comment period and at the public hearing and take action to adopt the regulations.

SUMMARY OF PREVIOUS STATE BOARD OF EDUCATION DISCUSSION AND ACTION

The State Board of Education (SBE) approved the Notice of Proposed Rulemaking, the proposed Title 5 Regulations for the General Educational Development (GED) Program, and the beginning of the 45-day comment process at its meeting on March 10, 2004. The Public Hearing was held on May 10, 2004. SBE last amended the *California Code of Regulations*, Title 5, Section 11530(e), on May 10, 1996, increasing the fee to \$12.00.

SUMMARY OF KEY ISSUES

The proposed amendment to the regulations is intended to increase the amount of the fee that is needed to cover the administration costs for the State's GED Program. In California, the GED test is administered by 207 local GED Testing Centers. California *Education Code* Section 51420 requires the State Superintendent of Public Instruction (SSPI) to issue California high school equivalency certificates and official score reports. Each examinee that takes the GED pays a fee to the local GED Testing Center. California *Education Code* Section 51322 requires each testing center to forward to the SSPI a portion of the fee for each applicant who has taken the GED.

The first GED Tests were developed in 1942 to help returning World War II veterans finish their studies and re-enter civilian life. The GED Testing Service, a program of the American Council on Education, sponsors the GED Program. GED Testing Service develops and norms the GED Tests, develops national policy guidelines, and contracts with agencies to administer the testing program. California first adopted regulations for a GED Program in 1974. Fees paid by examinees fund the administration of the GED Program at the State Level. The fees are used to cover the cost of monitoring contracts with each of the testing centers, monitoring the contract with the GED Testing Service, and monitoring the contract for scoring tests with Educational Testing Service. The fees cover costs incurred in training examiners, inspecting and certifying testing sites, processing test center and examinee data, and processing requests for records from examinees. Annual expenses to provide follow-up services have increased 60 percent since the previous fee increase in 1996. An increase in the fee is now needed to cover increased administration costs of providing these services including increased costs for

personnel, communications, facilities, general expense, office supplies, printing, postage, travel, and data processing.

The GED is used by examinees to apply for college admission or employment. Examinee fees paid to test centers are the sole source of funding for the State's GED Program. No Federal or State general funds are provided. The increase is needed to cover increased administration costs so that the program can continue to operate.

FISCAL ANALYSIS (AS APPROPRIATE)

A fee increase is needed to provide California Department of Education's funding for the program beginning in the 2004-2005 school year. Test centers collect fees from examinees to cover the costs of administration. Therefore, there is no fiscal impact on school districts. The size of the proposed increase, from \$12 to \$20 is unlikely to discourage access.

ATTACHMENT

Attachment 1: Fiscal Analysis (7 pages)*

[Attachment 2](#): Title 5. Education, California State Board of Education, Notice of Proposed Rulemaking, General Educational Development (GED) (4 pages)

[Attachment 3](#): Proposed Regulations, Title 5. Education, Division 1, State Department of Education, Chapter 11. Special Programs, Subchapter 8. High School Proficiency Certificates, Article 2. High School Equivalency Certificate (G.E.D.) For Persons 18 Years of Age or Older, Section 11530. Definitions (1 page)

[Attachment 4](#): Amended GED Initial Statement of Reasons (3 pages)

A Last Minute Memorandum will be provided that will include a summary of the comments received during the public comment period and at the public hearing.

*This attachment is not available for web viewing. A printed copy is available for viewing in the SBE Office.

STATE OF CALIFORNIA

ARNOLD SCHWARZENEGGER, Governor

CALIFORNIA STATE BOARD OF EDUCATION1430 N Street, Room 5111
Sacramento, CA 95814

TITLE 5. EDUCATION
CALIFORNIA STATE BOARD OF EDUCATION
NOTICE OF PROPOSED RULEMAKING

General Educational Development Test (GED)

[Notice published March 26, 2004]

The State Board of Education (State Board) proposes to adopt the regulations described below after considering all comments, objections, or recommendations regarding the proposed action.

PUBLIC HEARING

Program staff will hold a public hearing beginning at **9:00 a.m. on May 10, 2004**, at 1430 N Street, Room 1101, Sacramento. The room is wheelchair accessible. At the hearing, any person may present statements or arguments, orally or in writing, relevant to the proposed action described in the Informative Digest. The State Board requests that any person desiring to present statements or arguments orally notify the Regulations Coordinator of such intent. The Board requests, but does not require, that persons who make oral comments at the hearing also submit a summary of their statements. No oral statements will be accepted subsequent to this public hearing.

WRITTEN COMMENT PERIOD

Any interested person, or his or her authorized representative, may submit written comments relevant to the proposed regulatory action to the Regulations Coordinator. The written comment period ends at **5:00 p.m. on May 10, 2004**. The Board will consider only written comments received by the Regulations Coordinator or at the Board Office by that time (in addition to those comments received at the public hearing). Written comments for the State Board's consideration should be directed to:

Debra Strain, Regulations Coordinator
California Department of Education
LEGAL DIVISION
1430 N Street, Room 5319
Sacramento, California 95814
E-mail: dstrain@cde.ca.gov
Telephone : (916) 319-0860
FAX : (916) 319-0155

AUTHORITY AND REFERENCE

Authority: Section 51426, Education Code.

References: Section 51420, 51421, 51425, Education Code.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

The proposed amendment to the regulations is intended to specify the fee that must accompany each application for an equivalency certificate. The fee was last raised in 1996. These fees fund the administration of the State GED program, including coordination with the national GED office (the American Council on Education), and assistance to government agencies, to over 200 local testing centers, to examinees, and to the public.

DISCLOSURES REGARDING THE PROPOSED ACTION

Mandate on local agencies and school districts: None

Cost or savings to any state agency: None

Costs to any local agency or school district which must be reimbursed in accordance with Government Code section 17561: None

Other non-discretionary cost or savings imposed on local educational agencies: None

Cost or savings in federal funding to the state: None

Significant, statewide adverse economic impact directly affecting business including the ability of California businesses to compete with businesses in other states: None.

Cost impacts on a representative private person or businesses: The State Board is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

Adoption of these regulations will not:

- (1) create or eliminate jobs within California;
- (2) create new businesses or eliminate existing businesses within California; or
- (3) affect the expansion of businesses currently doing business within California.

Significant effect on housing costs: None.

Affect on small businesses: The proposed regulations would not have a significant adverse economic impact on any business because individual examinees must pay the State fee as a condition of taking the GED under the auspices of a public school district, a community college district, or correctional facility. Businesses do not play a role in the administration of the GED.

CONSIDERATION OF ALTERNATIVES

In accordance with Government Code section 11346.5(a)(13), the State Board must determine that no reasonable alternative it considered or that has otherwise been identified and brought to the attention of the State Board, would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action.

The State Board invites interested persons to present statements or arguments with respect to alternatives to the proposed regulations at the scheduled hearing or during the written comment period.

CONTACT PERSONS

Inquiries concerning the substance of the proposed regulations should be directed to:

Monte Blair, Consultant
California Department of Education
Standards and Assessment Division
1430 N Street
Sacramento, California 95814
Telephone: (916) 319-0357
Email: mblair@cde.ca.gov

Requests for a copy of the proposed text of the regulations, the Initial Statement of Reasons, the modified text of the regulations, if any, or other technical information upon which the rulemaking is based or questions on the proposed administrative action may be directed to the Regulations Coordinator, or to the backup contact person, Najia Rosales, Regulations Analyst, at (916) 319-0860.

AVAILABILITY OF INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATIONS

The Regulations Coordinator will have the entire rulemaking file available for inspection and copying throughout the rulemaking process at her office at the above address. As of the date this notice is published in the Notice Register, the rulemaking file consists of this notice, the proposed text of the regulations, and the initial statement of reasons. A copy may be obtained by contacting the Regulations Coordinator at the above address.

AVAILABILITY OF CHANGED OR MODIFIED TEXT

Following the public hearing and considering all timely and relevant comments received, the State Board may adopt the proposed regulations substantially as described in this notice. If the State Board makes modifications that are sufficiently related to the originally proposed text, the modified text (with changes clearly indicated) available to the public for at least 15 days before the State Board adopts the regulations as revised. Requests for copies of any modified regulations should be sent to the attention of the Regulations Coordinator at the address indicated above. The State Board will accept written comments on the modified regulations for 15 days after the date on which they are made available.

AVAILABILITY OF THE FINAL STATEMENT OF REASONS

Upon its completion, a copy of the Final Statement of Reasons may be obtained by contacting the Regulations Coordinator at the above address.

AVAILABILITY OF DOCUMENTS ON THE INTERNET

Copies of the Notice of Proposed Rulemaking, the Initial Statement of Reasons, the text of the regulations in underline and strikeout, and the Final Statement of Reasons, can be accessed through the California Department of Education's website at <http://www.cde.ca.gov/regulations>.

REASONABLE ACCOMMODATION FOR ANY INDIVIDUAL WITH A DISABILITY

Pursuant to the *Rehabilitation Act of 1973*, the *Americans with Disabilities Act of 1990*, and the *Unruh Civil Rights Act*, any individual with a disability who requires reasonable accommodation to attend or participate in a public hearing on proposed regulations, may request assistance by contacting Monte Blair, Standards and Assessment Division, 1430 N Street, Sacramento, CA, 95814; telephone (916) 445-9441; fax, (916) 319-0967. It is recommended that assistance be requested at least two weeks prior to the hearing.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

TITLE 5. Education
Division 1. State Department of Education
CHAPTER 11. SPECIAL PROGRAMS
Subchapter 8. High School Proficiency Certificates
Article 2. High School Equivalency Certificate (G.E.D.)
For Persons 18 Years of Age or Older

Amend Section 11530(e) to read:

§ 11530. Definitions

(e) "Fee" to accompany each application for an equivalency certificate shall be ~~\$12.00~~ \$20.00 and shall be nonrefundable irrespective of whether or not a California High School Equivalency Certificate is granted. This fee shall be charged only once for a given series of the General Educational Development Test.

NOTE: Authority cited: Section 51426, Education Code. Reference: Sections 51420, 51421 and 51425, Education Code.

Amended Initial Statement of Reasons
General Educational Development (GED) Test Regulations

SPECIFIC PURPOSE OF THE REGULATIONS

The proposed amendment to the regulations is intended to specify the amount of the fee authorized by Education Code section 51421(a).

NECESSITY/RATIONALE

The GED is used by many examinees to apply for college admission or employment. The first GED Tests were developed in 1942 to help returning World War II veterans finish their studies and re-enter civilian life. California first adopted regulations for a GED Program in 1974. Since that time CDE estimates that over 1,500,000 examinees have successfully completed the battery and received certificates issued by the California Department of Education. The GED Tests measure the academic skills and knowledge expected of high school graduates. The GED Testing Service, a division of the national not-for-profit American Council on Education, sponsors the GED program. GED Testing Service develops the GED Tests, develops national policy guidelines, and contracts with agencies to administer the testing program.

Education Code section 51421(a) states: "The superintendent may charge a one-time only fee, established by the State Board of Education, to be submitted by an examinee when registering for the test sufficient in an amount not greater than the amount required to pay the cost of administering this article and for the cost of providing all followup services related to the completion of the general educational development test. The amount of each fee may not exceed twenty dollars (\$20) per person." The amount of the fee was last revised in 1996. An increase in the fee is now needed to cover increased costs. CDE estimates that there will be a maximum of 40,000 examinees registering for the test in fiscal year 2003-04. If the fee is set at \$20, the estimated income will be \$800,000. Although CDE believes that program expenses could exceed the income generated by a \$20 fee, the Education Code currently does not permit a higher amount.

Each year there is a new cohort of GED examinees who are entitled to follow-up services, including duplicate score reports and certificates for those who are in the GED database (post 1990 examinees), and time-consuming research of paper or microfilm records for those who are not in the database (pre 1990 examinees). The yearly growth in the number of individuals requesting follow-up services causes a steadily increasing workload. Since 1995-96 an estimated additional 450,000 examinees have taken the GED Test and will potentially request follow-up services. However, CDE only receives

income from the initial assessment. The resources required to service an examinee's request may be considerable, depending on particular needs and the availability of historical records.

The annual number of examinees registering varies depending on demographics and changes in educational programs and policies. For example, the number of examinees registering increased in 2001 because they wished to take the test before a new version of GED test was introduced the next year. The number registering decreased in 2002. As a result, the revenues for the GED Unit vary from year to year.

Specific reasons for the increase are:

1. Administration costs including personnel, communications, facilities, general expense, office supplies, printing, postage, data processing and travel have increased since 1995-96 due to inflation and increased demand for services.
2. An Education Programs Consultant was added to the GED Unit in order to monitor a new centralized scoring contract with regard both to the contractor and its impact on over 200 California testing centers. The contract was required by the national owner of the GED Test, the GED Testing Service of the American Council on Education. The Educational Programs Consultant also resolves particularly sensitive and complex problems for examinees, local testing centers, and education agencies.
3. An obsolete database program was replaced in 2002, and the unit is paying the Department's Technical Services Division ongoing costs for database and programming services. The old data system could no longer be supported and was unreliable. The new program was required to maintain a reasonable level of services to examinees. The database and programming costs are estimated at \$100,000 per year. However, it is not uncommon for these costs to increase unpredictably in response to new requirements for examinee services or unexpected programming problems.

Examinee fees are paid by local testing centers based on the number of first-time registrations. These fees are the sole source of funding for the State's GED Program. No Federal or State general funds are provided.

TECHNICAL, THEORETICAL, AND/OR EMPIRICAL STUDY, REPORTS, OR DOCUMENTS

The State Board relied on CDE's Unit Manager's Summary Cost Reports for the GED Unit in proposing the adoption of this regulation.

**REASONABLE ALTERNATIVES TO THE REGULATIONS AND THE AGENCY'S
REASONS FOR REJECTING THOSE ALTERNATIVES**

No other alternatives were presented to or considered by the State Board.

**REASONABLE ALTERNATIVES TO THE PROPOSED REGULATORY ACTION
THAT WOULD LESSEN ANY ADVERSE IMPACT ON SMALL BUSINESS**

The State Board has not identified any alternatives that would lessen any adverse impact on small business.

**EVIDENCE SUPPORTING FINDING OF NO SIGNIFICANT ADVERSE ECONOMIC
IMPACT ON ANY BUSINESS**

The proposed regulations would not have a significant adverse economic impact on any business because they relate only to local school districts and not to small business practices.