

SENATE BILL REPORT

E2SHB 1599

As Reported by Senate Committee On:
Early Learning & K-12 Education, March 23, 2011
Ways & Means, April 1, 2011

Title: An act relating to establishing the pay for actual student success dropout prevention program.

Brief Description: Establishing the pay for actual student success dropout prevention program.

Sponsors: House Committee on Ways & Means (originally sponsored by Representatives Probst, Haler, Maxwell, Orwall, Haigh, Santos, Dammeier, Seaquist, Liias, Reykdal, Kagi, Roberts, Kenney and Ormsby).

Brief History: Passed House: 3/02/11, 54-42.

Committee Activity: Early Learning & K-12 Education: 3/21/11, 3/23/11 [DPA-WM, DNP].

Ways & Means: 3/31/11, 4/01/11 [DPA, DNP].

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Majority Report: Do pass as amended and be referred to Committee on Ways & Means.

Signed by Senators McAuliffe, Chair; Harper, Vice Chair; Litzow, Ranking Minority Member; Fain, Hill, Hobbs, Nelson and Tom.

Minority Report: Do not pass.

Signed by Senators King and Rockefeller.

Staff: Kimberly Cushing (786-7421)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass as amended.

Signed by Senators Murray, Chair; Kilmer, Vice Chair, Capital Budget Chair; Zarelli, Ranking Minority Member; Parlette, Ranking Minority Member Capital; Baumgartner, Brown, Conway, Fraser, Hewitt, Holmquist Newbry, Kastama, Keiser, Kohl-Welles, Pflug, Regala and Rockefeller.

Minority Report: Do not pass.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Signed by Senators Baxter, Honeyford and Schoesler.

Staff: Elise Greef (786-7708)

Background: The Building Bridges Dropout Prevention and Intervention Program (Building Bridges) has provided state grants to local consortia of high schools and community-based organizations. An evaluation of the grant projects in 2009 found that key interim measures associated with reduced dropout rates include:

- increased earned credits towards graduation;
- increase in the percentage of students on track for on-time graduation; and
- reduction in school risk behaviors (suspensions).

In 2009 the Opportunity Internship Program was created to provide financial incentives for consortia of businesses, high schools, workforce development councils, and others to provide mentoring, internships, and counseling for low-income high school students to encourage them to pursue postsecondary education and high-demand occupations.

In 2010 funds were appropriated to the Office of Superintendent of Public Instruction (OSPI) to support a national dropout prevention program called Jobs for America's Graduates, which includes instruction, employability skills, mentoring, job placement, and leadership training.

The College Success Foundation is a Washington nonprofit organization that has received state funds to administer various college scholarship programs and provide college and career advising, counseling, and community mentoring programs for high school students.

In 2009 the K-12 Data Governance group was established to develop policies, protocols, and definitions for collecting data from school districts and for adding new collection requirements through the student information system.

Summary of Bill (Recommended Amendments): The Pay for Actual Student Success Program (PASS) is created to invest in proven dropout prevention and intervention programs and to provide an annual financial award for high schools that demonstrate improvement in dropout prevention indicators.

Dropout Prevention Programs. Subject to funds appropriated for this purpose, funds are allocated as specified in the budget to support PASS through the following programs:

- Opportunity Internship Program;
- Jobs for America's Graduates Program;
- Building Bridges, to be used to expand programs that have been determined to be successful in reducing dropout rates or to replicate these programs in new partnerships; and
- individual student support services provided by a college scholarship organization with expertise in managing scholarships for low-income high potential students and foster care youth, including college and career advising, counseling, and community mentor programs.

Dropout Prevention Indicators. OSPI, in consultation with the State Board of Education, must annually calculate the following for each high school:

- the extended graduation rate, which may be statistically adjusted for student demographics in the school;
- the proportion of students at grade level, calculated based on earned credits and using a standard definition;
- the proportion of students who are suspended or expelled, not including in-school suspensions; and
- a student attendance measure, beginning in 2012-13, using an indicator adopted by OSPI and a standard definition of a student absence.

OSPI may add indicators to the list, but must rely on data collected through the student information system to the maximum extent possible. The K-12 Data Governance group must establish parameters for the collection of student attendance data and student discipline data. School districts must submit attendance and discipline data for high school students for purposes of the PASS beginning in 2012-13.

Performance Metric. OSPI must develop a metric for measuring performance on the dropout prevention indicators that assigns points and results in a dropout prevention score. The score must be weighted so that no high school qualifies for an award without an increase in its extended graduation rate. OSPI may establish a minimum level of improvement to qualify for a PASS award.

Award. Subject to funds appropriated for this purpose, each year beginning in the 2011-12 school year, a high school that demonstrates improvement in its dropout prevention score compared to a baseline year is eligible to receive a PASS award. The award amount is determined by OSPI based on appropriated funds and eligible high schools. The Legislature's intent is to provide an award commensurate with the degree of improvement and the size of the school. A minimum award amount must be established. OSPI must establish objective criteria to prioritize awards to high schools with the greatest need for assistance if there are not sufficient funds to provide an award for each school. High schools receiving awards may be required to demonstrate a community match.

Use of Award. Ninety percent of the award is allocated to the high school, and 10 percent is allocated to the school district. Award funds may be used on a variety of listed activities and can be offered directly by the school or district, or under contract with education agencies or community-based organizations. Activities include strategies to close the achievement gap, graduation coaches, comprehensive guidance and planning programs, parent engagement activities, dropout early warning data systems, and early learning programs for pre-kindergarten students.

Award recipients are encouraged to implement dropout prevention and reengagement strategies in a comprehensive and systematic manner. Graduation coaches are defined as a staff person who will be working in consultation with school counselors assigned to identify and provide specified intervention services to students who have dropped out, are at risk of dropping out, or not graduating on time.

Support and Accountability. OSPI must regularly inform schools about PASS and the activities likely to increase PASS awards. Within available funds, OSPI must develop strategies for identifying and disseminating successful programs and may offer support and

assistance through regional networks. Award funds may be withheld if OSPI finds that schools or districts have willfully manipulated their dropout prevention indicators. A non-appropriated High School Completion Account (Account) is established to receive legislative appropriations for PASS, federal funds, gifts, or grants. Expenditures of funds in the Account are authorized by OSPI and may only be used to make investments in the four prevention programs under the act and to make PASS awards.

EFFECT OF CHANGES MADE BY WAYS & MEANS COMMITTEE (Recommended Amendments): The striking amendment does the following:

- Removes the requirement that graduation coaches must work in the context of a comprehensive school guidance and counseling program as provided in current law.
- Clarifies that expenditures from the High School Completion Account may be used for dropout prevention and intervention programs identified in the bill and PASS Program awards.

EFFECT OF CHANGES MADE BY EARLY LEARNING & K-12 EDUCATION COMMITTEE (Recommended Amendments): It is clarified that the graduation coach is a staff person who will be working in coordination with school counselors and in the context of a comprehensive school guidance and counseling program as provided in current law. A null and void clause is added.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Engrossed Second Substitute House Bill (Early Learning & K-12 Education): PRO: The dropout rate is likely to go up with budget cuts, and we want to mitigate the worst effects. Programs have reduced the rate all across the state. The idea is to take programs that are working in high schools, put them together in a state-wide system, and provide incentives for high schools that improve. This bill creates a cohesive, comprehensive, dropout-prevention system. Performance incentives are a great way to encourage districts to do the best things for kids. Despite the financial crisis, supporting programs that can influence and improve dropout rates will save money in the long run. School counselors are highly trained staff who provide academic, career, and social support to all students as well as targeted interventions for at-risk students. However, with dwindling resources, tracking graduation requirements, and overwhelming caseloads, less time is spent effectively working with students. PASS would help because research shows that schools which utilize comprehensive programs have higher on-time graduation rates. We know how to increase graduation rates; we just need to make it a priority. With \$10,500 per year for every student who drops out, the cost of the bill is equivalent to ten high school dropouts. The bill implements proven dropout-prevention models and has the potential to involve effective dropout-prevention programs. PASS would reward innovative high schools doing great work with disengaged students, support existing successful OSPI programs, and support successful grass-roots programs like Garden-Raised Bounty (GRuB). Jobs for

America's Graduates helps students focus on a career path. The Opportunity Internship Program helps students get an internship in a chosen field, including STEM professions. Communities in Schools brings community resources into schools and can be part of a cohesive system to prevent dropouts.

OTHER: The policy and programs imbedded in this legislation will make a significant difference in the dropout rate. Many students drop out because there is no connection between their course work and future careers. Work-based learning is an essential element to increase graduation rates. Nations that provide workplace learning as part of secondary education have much lower rates of unemployment.

Persons Testifying (Early Learning & K-12 Education): PRO: Representative Probst, prime sponsor; Kim Reykdal, Jeannie Bierlie, Washington School Counselors Association; Shawn Lewis, OSPI; Eric Withee, Stand for Children; Jacob Ripp, Caroline Craig, Jobs for Americas Graduates; Blue Peetz, Serena Jeffery, GRuB; Alorean Martin, Matthew Baird, Opportunity Internship student; Chuck Tiernan, Communities in Schools of Washington; Tracy Oster, Communities in Schools of Federal Way.

OTHER: Wes Pruitt, Workforce Board.

Staff Summary of Public Testimony on Recommended Amendments as Passed by EDU (Ways & Means): PRO: When a student graduates from high school, the savings for the tax payer is \$10,500 every year for the rest of the student's life. Despite the tough economic times, the graduation rate is going up. We need to use the proven strategies that are already in place to prevent students from dropping out of school. The bill expands current dropout prevention programs and focuses on relationships that create one-on-one contact for students. The outcomes with regard to graduation rates need to change. This will be the first time financial incentives are awarded to schools for an improvement in dropout prevention, and the grants to schools and districts will help. To have kids drop out as seniors is a waste of money. We need to motivate students that are struggling.

Persons Testifying (Ways & Means): PRO: Representative Probst, prime sponsor; Superintendent Randy Dorn, OSPI; Roberto Lopez, College Success Foundation; David Foster, Communities in Schools of WA; Jim Kainber, Stand for Children; Ramona Hattendorf, WA State Parent Teacher Assn.; Doug Nelson, Public School Employees of WA Service Employees International Union Local 1948.