

Exhibit Number: 3

The following exhibit is several assorted documents that exceeds the 10-page limit therefore it cannot be scanned.

A small portion has been scanned to aid in your research for information. The exhibit is on file at the Montana Historical Society and can be viewed there.

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of Higher Education**

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EXHIBIT 3
DATE 2-18-05
HB 369

HB 369: An act requiring school districts to pay the fee for students to take a national, curriculum-based college entrance examination; providing an appropriation; and providing an effective date

Impact of similar legislation in other states

Case studies show that administering the ACT (a curriculum-based college entrance examination in English, math, reading, and science) to all high school juniors may increase college-going rates and decrease remediation rates, especially among minority and low-income students.

- In Colorado, after requiring all students to take the ACT, enrollments increased by 34.4% from 2001 to 2003 across the state's two and four-year campuses, including a 7% increase for students with family incomes less than \$42,000. The number of students ready for college (based on test scores and course-taking patterns) has increased by 42%.
 - Illinois uses the ACT as part of a requirement for high-quality, yearly student assessments. For the first graduating class of ACT-tested freshmen in Illinois colleges, enrollment was up 23%, including a minority enrollment increase of 17% in 2002 over 2001.
 - Oklahoma combined higher college admissions standards with ACT's Educational Planning and Assessment System, including the ACT to increase students' readiness for life after high school. Though voluntary, 72% of all graduates now take the ACT (a 25% increase). Test scores have risen, more minority students are taking a rigorous high school curriculum (Native American core course taking rose for 39% to 46%), college attendance is up, and remediation rates are down.
 - Michigan has just replaced their current high school test with a version of the ACT. They expect students to take a college entrance exam (paid for by the state) more seriously than the previous standardized test because it will have a bearing on college acceptance or future employment.
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Projected costs and participation

Currently, about 56% of Montana's high school students take the ACT, for which they (or their parents) pay \$28 per test. Some students take the test more than once to improve their scores. If all of Montana's 11,660 juniors were to take the test, the cost could be \$326,480 per year.

On average, each year 350 Montana students (about 5% of the test-takers) qualify for fee waivers from ACT. As written, HB0369 encourages students to apply for fee waivers, which could reduce the annual cost to the state by approximately \$14,000. However, in other states that pay for the ACT, low-income students often use their one-time only ACT fee waivers to retake the test.

Where the test is voluntary, test taking has increased about 25%. Taking these factors into consideration, the actual cost for the first year may be around \$240,000. With increased communication about this opportunity and positive results, the second year of the biennium could see the number of students taking the test approaching 85%, for a cost of approximately \$275,000.

Potential economic impact

Number of Montana high school graduates who enter the MUS each fall as freshmen: Of the 11,298 Montana high school graduates in 2000, 4,364 enrolled in Montana institutions during the fall of 2000 and 5,155 did not immediately enroll in college. 1,779 students left Montana to start college in another state (Tom Mortenson, 2002, "The Human Capital Economy and Higher Education Opportunity in Montana").

Potential for additional students: With HB0369, we could see results like Colorado, with a 25% in-state college-going increase; Illinois with a 23% increase; or Oklahoma with a 7% increase in college-going rates (2001-2003 gains). In these states, the most significant increases were among low-income, minority students.

Projecting an 18% increase in college-going rates in Montana could result in an additional 2,034 students entering into post-secondary education in Montana.

Potential for additional income: The Mortenson study shows Montana's average family income by educational attainment of householder for the year 2001. The difference in family income headed by a high school graduate and someone with some college (no degree) is \$9,787. Completing an associate's degree results in a \$15,183 differential and a bachelor's degree adds \$44,337.

On average, individuals without education beyond high school reach their maximum earning potential of about \$30,000 per year during their first ten years of employment (Pfeiffer, 2004). Nationally, the difference in individual annual income between a high school graduate and some college is \$5,100, an associate's degree adds \$7,200, and a bachelor's adds \$17,800 (2001, Bureau of the Census).

Using national figures, even without completing any kind of degree, 2,034 additional students going on to higher education could earn an additional \$10,373,400 per year. If paying for the ACT resulted in only 1,000 additional Associate Degrees and no additional BA's, those 1,000 graduates could produce \$7,200,000 in additional annual income.

For Montanans aged 21-64, the annual earnings differential between a resident with a high school diploma and a bachelor's degree is \$8,360. In the 21-24 age group (which for a college degree may be the first year of income), the differential is \$2,529. For the 25-34 age bracket, the differential between a HS diploma and a bachelor's degree is \$5,200. The earnings of workers without college remain relatively flat throughout their careers, unlike workers with college degrees (US Census Bureau, 2004, which does not report earnings for associate degrees).

Using Montana's Census Bureau statistics to predict the potential economic impact of HB369, if the result were 500 more bachelor's degrees (about one-fourth of the additional college students), during the first year after graduation, those students would add \$1,264,500 in earnings to the Montana economy in one year alone. In the following years, the economic impact is exponential.

Potential for Job Availability: Data from the Montana Research and Analysis Bureau projects an annual increase of 1,091 jobs requiring postsecondary vocational training and associate degrees, as well as 1,234 jobs requiring bachelor's degrees in Montana until 2012. Based on both job growth and replacement (retirements, etc.), the Bureau projects 2,039 total annual openings requiring associate degrees or post-secondary training and 2,641 total annual openings requiring bachelor's degrees. The fastest growing segments are jobs for doctoral degrees (28.4%) and for associate's degrees (27.7%).

Potential decrease in unemployment if we increase college-going rates: The unemployment rate is 5.3% among high school graduates, 4.8% among those with some college, 4.0% among those with Associate Degrees, 3.1% for Bachelor's Degrees, and 2.8% for Master's. A more educated workforce decreases unemployment rates (Bureau of Labor Statistics, 2002).

Complementing other state initiatives

Recognizing that "Montana's economic future depends on our ability to reduce the many barriers to postsecondary education" and that "Montana is lacking the data on which many other states rely to identify, track and eliminate barriers, *Shared Leadership for a Stronger Montana Economy* recommends the enhancement of access-related data. Were all students to eventually take the ACT, data about college readiness, aspirations, and course-taking patterns (disaggregated by race, gender, etc.) would be readily available for the proposed data warehouse.

In Fall 2004, Montana's *Two-Year Education Council* included in its strategic plan to "Promote and Enhance Access to Postsecondary Education" the use of the ACT or SAT to meet testing requirements for all high school students. Two-year colleges use ACT test scores for placement and believe that when high school students take college entrance exams, they begin thinking more seriously about postsecondary education, including the opportunities available to them in two-year education.

In January of 2004, the Board of Education convened a *P-20 Committee* in an effort "to establish a seamless education system for Montana students." Among the goals set by this committee is "to ensure that alignment of standards, curriculum and assessment systems from pre-school through postsecondary education are simplified, non-duplicative, effective, and timely. HB0369 could be the critical first step in establishing a college-readiness test for all students; providing students with a test that not only provides a curriculum-based measure of their K-12 learning, but a predictive measure of postsecondary success.

President Bush will recommend that *No Child Left Behind's* testing requirements be instituted at the high school level. Curriculum-based achievement exams that focus on workforce and college readiness skills may fulfill that requirement in a way that promotes a seamless education system.

Admissions standards to the four-year programs of the Montana University System for traditional freshmen students require submission of an ACT or SAT test score. Many two-year and four-year programs use ACT or SAT scores to help place students into the appropriate mathematics courses.



A Single Test - Many Rewards: How Colorado's 11th Grade ACT Continues to Score

About to launch the fourth administration on April 28, 2004, Colorado's statewide ACT test program for all high school juniors has proven that a single test - well chosen - can reap many benefits. For the same \$26, the state has managed to solve many pieces of the education reform puzzle and students are among the biggest winners. A sampling of proven rewards includes:

STUDENT BENEFITS

- Students take the ACT for free
- Test administration is given in home high school on a weekday rather than Saturday
- Receive timely customized college and career planning reports, scholarships and applications
- More minority students are prepared for - and attending - college
- Students still "take the ACT seriously" and enjoy the personal benefits beyond high school
- More students enroll in college who previously had no plans to attend
- Student ACT scores are accepted across the country, including Ivy League universities

PARENT BENEFITS

- Automatically receive materials to help with their child's college and "real world" planning
- Test preparation materials and software for every student, at every high school
- Local ACT office to answer parents' questions and provide personal assistance
- Scholarship and financial aid information
- Website dedicated to parents at www.act.org

HIGH SCHOOL BENEFITS

- Diagnostic school reports that are prescriptive, sensitive to standards-based instruction
- Disaggregated information that helps teachers intervene with at-risk students
- ACT content aligns with state standards, no problem with "teaching to the test"
- Professional development workshops for teachers
- Teachers and administrators applauded for replicating secure, national test administration

COLLEGE BENEFITS

- Combined increases from 2001-2003 across the state's two and four-year campuses up 34.4%
- Increasing college enrollment across every income range
- 7% increase from 2002-2003 for students with family incomes less than \$42,000
- More diversity of enrolled freshmen classes
- Colleges reporting last-minute surge of enrollment just prior to class start dates, suggesting ACT-ready scores contributing to student application decision

STATE BENEFITS

- Access to college ensured for all students - more students enrolling as a result
- Administration materials, training, scoring, at all levels from state-through-student
- Approximate 8 week turnaround on all reports
- Saved millions on alternative test development
- Student privacy is protected
- On-time performance for all deliverables
- Data used by Colorado Department of Education for accountability *and* the Colorado Commission on Higher Education for postsecondary enrollment and customized research

Colorado ACT Success Stories

The following excerpts are testimonials about the statewide ACT test for Juniors collected from educators in Colorado during the fall of 2004.

From Linda Bostrom, Counselor—Arapahoe High School:

A student of mine, Jeff Nicholson, was in a serious car accident during the summer between his freshman and sophomore years. As a result, he and his passenger were hospitalized in critical condition suffering from multiple injuries. Following a rehabilitation program at Craig Hospital, he returned to his high school in October to take a reduced class schedule. He was enrolled in Honors classes and performed well in a rigorous curriculum. Jeff continued to earn the same fine grades he had earned in freshman year....all A's.

There were many personal and legal challenges Jeff had to face as a result of the accident. Sometime comments from peers were among the most difficult. Jeff was particularly self-conscious about his grades, he thought that maybe teachers were giving him "sympathy grades" as a result of his accident and brain injury. After receiving his results from the Colorado State required ACT last April, Jeff said, "These scores show me that I am truly earning my grades. I am now more confident in my abilities!"

From LaDonna Hutton, Director, Career & Technical Education La Junta High School:

Let me share this wonderful news with you.

As you know, I am the administrator of the East Otero School District R-1 alternative school, the Tiger Learning Center. We have been existence only four years and have seen remarkable academic and personal success of our students. One area of noted success has been in the number of our students deciding to go on to college. The first year (2000-2001) none of our students went on to college. The second year (2001-2002) three of our students chose to go on to college. Then, in 2002-2003 fifteen of our students made the decision to go on to college. We feel the biggest reason for this was the fact that our students took the statewide ACT test as Juniors. Normally, these "at-risk students" would never have opted to take the ACT test. College, to them, seemed out of their reach. I feel that after they were successful on the ACT test, it helped them to realize that college was not out of reach. It truly opened doors to them that would have otherwise been closed.

The Tiger Learning Center had 22 Juniors who took the statewide test last April (four of which scored 20+). It will be interesting to see how this affects their future decisions. Already, many of them are completing college, financial aide, and scholarship applications.

Thank you for your efforts on the behalf of Colorado's students. I truly believe the statewide ACT test has a positive impact in our students' decisions to further their education.

Sincerely,
LaDonna Hutton, Administrator—Tiger Learning Center

We need this type of workshop at the building level! We need all teachers within the specific content areas to experience the TIME to work on implementation. The more teachers know, the more they can buy in. We need to bring the information to those who work in the trenches.
Teacher, Glenwood Springs workshop

ACT results can be used to design instruction and it will align with district content standards. I didn't know there was so much support available!
Teacher, Grand Junction workshop

The insights I gained are regarding the level of support available to teachers. ACT is much more involved with younger learners!
Teacher, Grand Junction workshop

ACT's Standards for Transition are close to Colorado standards -- you don't have to teach to the test. If you teach standards, test preparation follows.
Teacher, Pueblo workshop

ACT's effort to address the classroom teacher and everyday setting. Aligning the standards to all aspects of assessment and curriculum. I hope to see more support conferences like this. It is great to see the interest in us, the teachers! We want to work together.
Teacher, Pueblo workshop

I hadn't realized that there was an EXPLORE test for 8th graders. By far the most useful insight that I gained was being able to see what instructional strategies (pathways) could be used to move students from one level to the next. Also, being able to relate score ranges to what abilities students have was useful.
Teacher, Grand Junction workshop

Most state scores rise

ACT SCORES FROM PAGE A1

The scores released this week are the final scores from the graduating students who took the test as required in their junior year and may have taken it again their senior year to improve their score. The scores the students receive their junior year might encourage them to keep trying, Miller said.

The recent scores weren't a surprise to retired University of Northern Colorado professor Ernie Andrade. It was a lesson he learned six years ago. Andrade and other professors for the Cumbres teaching program at UNC worked with Wells Fargo Bank beginning in the 1997-98 school year to give the test for free to all Latino students at Denver West, Northglenn and Greeley Central high schools.

The professors were looking for a way for more Latino students to go to college and thought that if more took the test and did well, they might decide to continue their education.

Andrade also thought the scores would go down as more students took the test, but was quickly proven wrong. The scores were about even in all of the high schools and even went up at Denver West, he said.

"What it told us was that, if we get more kids to take the test, we'll get more kids into

District 6 high school results

The following are composite scores for ACT for Greeley-Evans District 6 high schools.

	2004	2003	2002	2001	2000
Greeley Central HS	19.5	19.7	19.5	20.9	21.2
Greeley West HS	20.4	19.7	19.1	20.8	21.2
Union Colony Prep	24.1	21.7	23.5	20	22
State	20.3	20.1	20.1	21.5	21.5

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2004 ACT scores

The following numbers are scores for ACT for Greeley-Evans District 6 and Windsor Re-4 compared to select districts, the state and nation.

	District 6	State	National
English	19.5	19.5	20.7
Math	19.7	20.4	20.9
Science	19.8	20.3	20.6
Composite	19.8	20.3	20.6
Windsor	20.2	22	20.4
Poudre	20.8	21.5	20.9
Thompson	20.8	21.5	20.9
Math	20.2	21.4	20.4
Reading	20.8	21.5	20.9
Science	20.8	21.5	20.9
Composite	20.8	21.5	20.9

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ABOUT THE ACT TEST

The ACT is a curriculum-based achievement test made up of separate exams in English, reading, mathematics and science. The ACT is the only national college entrance exam that includes a science test. An optional writing test will be added in February 2005.

the university," he said. "If they don't take the test, they won't get in."

The program worked, said Pres Montoya, who was a Cumbres founder. The program recruited about 70 Latino students that year, most of them because of their ACT scores. Andrade and Montoya were excited that Colorado has been

All students show improvement on ACT

BY MARIA ST. LOUIS SANCHEZ
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Greeley-Evans District 6 must have quite a few diamonds in the rough. Administrators weren't surprised when they found that average ACT scores for the class of 2004 have crept up 0.5 of a point higher than 2003. What surprises them is that many students who take the test are not college-bound, yet they keep up quite well with their college-bound peers.

footing the bill. The number of students who took the test in District 6 has almost doubled since then, but there has been only a slight decline in average scores.

The last District 6 scores before the change came from the class of 2002; 437 students took the test with an average score of 20.8. In the 2004 class, 819 students took the test and had average scores of 19.6. The same trend is true for the rest of the state, which had average scores of 21.5

"Some students may not be thinking of college but when their results come in, they might take it a little more seriously," said Lori Miller, District 6 director of curriculum instruction and assessment. "They could find out they had more abilities than they thought."

The ACT was once an optional test for students who were thinking about college. In 2002, Colorado changed its rules and required all high school juniors to take the test, with the state

before the change and 20.3 after. Those scores shocked many educators in Colorado, Miller said.

"It surprised everyone," she said. "With a huge increase in sample size you would expect a significant decrease in scores, but that isn't the case. It shows that maybe it is right that we're providing all kids the opportunity to take the assessment."

SEE ACT SCORES, PAGE A10

ACTIVITY

R E P R I N T

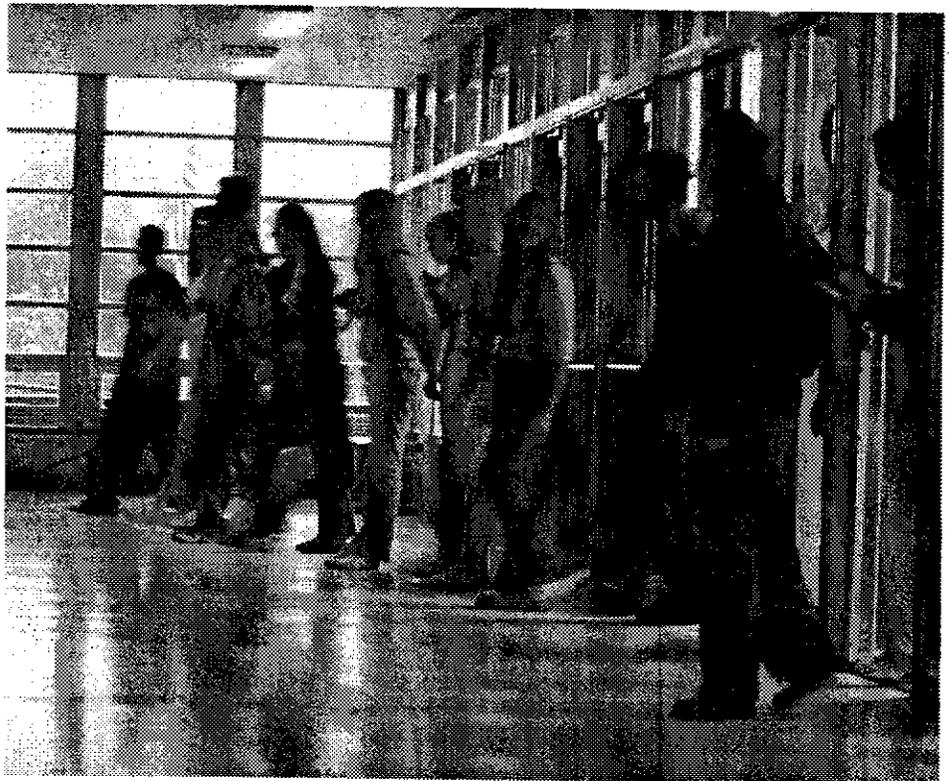
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Initiatives, Including Statewide ACT, Credited for Boost in College-Going Rate

Colorado's college-going rate jumped 14 percent this year, according to enrollment statistics for fall 2002. The increase is largely attributed to the sweeping education reforms instituted by Governor Bill Owens. As part of his reform program, the ACT Assessment® has been administered to all high school juniors for the last two years. The students entering college in 2002 come from the first class to participate in statewide ACT testing.

"Providing all Coloradans with access to quality higher education programs is key to putting our fellow citizens on the road to successful and fulfilling careers. We're proud to work with ACT™ to let our young people know that attending a college or university is within their grasp and an important choice for their future," said Owens.

The 14 percent boost represents 2,797 more students who opted to enroll in one of Colorado's postsecondary institutions directly upon graduation from a Colorado high school.



More Colorado 2002 high school graduates enrolled in college, perhaps because more of them were identified as being ready for college based on their scores on the ACT Assessment. The state started administering the ACT Assessment to all high school juniors in 2000.

"We believe that a strong argument can be made that a 14 percent spike in the enrollment of Colorado's graduates in Colorado's postsecondary institutions from 2001 to 2002 can be attributed, at

least in part, to the fact that the 2002 graduates contained 16,484 more ACT-tested students than the class of 2001, a 60 percent increase," said Larry Erenberger, senior consultant with ACT.



SEARCH

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Measuring Illinois Students' Progress Toward State Learning Standards

The Challenge: Coming up with a set of high quality assessments that would accurately measure students' progress in meeting the learning standards set by the Illinois State Board of Education.

The Solution: Prairie State Achievement Exam (PSAE), which includes the ACT Assessment, two WorkKeys assessments, and three state-developed assessments in writing, science, and social sciences.

Why the ACT? It is a long-established, thoroughly tested exam that measures educational achievement in English, math, reading, and science—four of the five academic areas covered by the PSAE. The knowledge and skills measured by the ACT Assessment are closely aligned with the Illinois Learning Standards.

The Results: Many more Illinois students are taking the ACT, college enrollment is up, access to college has expanded, and college readiness has increased.

Challenge

The federal Elementary and Secondary Education Act of 1994 required states to (1) adopt challenging content and student performance standards and (2) demonstrate that they have adopted a set of high-quality, yearly student assessments. The Illinois State Board of Education (ISBE), in response to this law, adopted the Illinois Learning Standards in 1997. These standards are a set of statements that define the specific knowledge and skills that every public school student should learn in school.

The challenge ISBE faced was in coming up with a set of high quality assessments that would accurately measure students' progress in meeting the learning standards it had set.

Solution

To comply with the requirement for a high-quality, yearly student assessment at the high school level, the Illinois General Assembly established the Prairie State Achievement Exam (PSAE) in July 1999. The exam is taken by all public school 11th graders each spring. The first administration of PSAE was in the spring of 2001.

Included within the PSAE is the ACT Assessment®, a college admission and placement exam. Also included are two ACT WorkKeys® tests (Reading for Information and Applied Mathematics) and three state-developed assessments in writing, science, and social sciences.

College readiness has increased.

- The number of Illinois high school graduates earning an ACT Composite score of 18 (the low end of the range for admission to colleges with liberal admission policies) or higher was 27 percent higher in 2003 than in 2001.
- Significantly more Illinois graduates were ready for college algebra (+21%) and English composition (+29%) in 2003 than in 2001, based on their ACT scores.
- Illinois' state average ACT Composite score rose from 20.1 in 2002 to 20.2 in 2003, despite an increase in the number of students tested.

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