AMENDED IN SENATE APRIL 26, 2007 AMENDED IN SENATE APRIL 9, 2007

SENATE BILL

No. 219

Introduced by Senators Steinberg and Romero

February 9, 2007

An act to amend Section 52052 of the Education Code, relating to pupil achievement.

LEGISLATIVE COUNSEL'S DIGEST

SB 219, as amended, Steinberg. Pupil achievement: Academic Performance Index.

Existing law requires the Superintendent of Public Instruction, with approval of the State Board of Education, to develop the Academic Performance Index (API) consisting of a variety of indicators currently reported to the State Department of Education to track the achievement of schools and their pupils. Statutory provisions establish a specific calculation for graduation rates to be included within the API and require the Superintendent to provide an annual report to the Legislature on graduation and dropout rates in California.

This bill would require the Superintendent, with approval of the state board, to revise the API to include additional information by specified deadlines regarding school and school district dropout rates, high school graduation rates, and outcomes related to college and career readiness. The bill—would also would require the Superintendent to establish a broadly representative and diverse advisory committee to advise him or her and the state board on issues related to revision of the API and the inclusion of multiple measures and to recommend college and career related outcomes that provide meaningful insight into the program

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quality of public elementary and secondary schools and can be incorporated into the API by July 1, 2009.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. (a) The Legislature finds and declares all of the following:

- (1) The high number of children leaving school without completing their high school education poses a serious threat to children, their families, schools, and communities, and the competitiveness and well-being of the California economy. The potential adverse impacts of the high school dropout crisis include a strain on the social welfare system and a shortage of well educated Californians to fuel the 21st century economy.
- (2) New research suggests that fewer than 70 percent of 9th graders in California, and fewer than 50 percent of 9th graders in some school districts, graduate from high school. More than 150,000 California high school pupils may be leaving high school each year without a diploma.
- (3) If the dropout crisis is left unchecked, demographic trends suggest that the rate of future dropouts will increase. Latinos are more than twice as likely as whites to leave school before graduation. The Department of Finance estimates that the public school enrollment of Latinos will increase by 18 percent in the next 10 years. The Public Policy Institute of California predicts there will be twice as many high school dropouts in California in 2025 as there will be jobs to support them.
- (4) The high school dropout crisis will have detrimental effects on some of the largest industries in California, including computer technology and software engineering, health care, manufacturing, biotechnology, the building and automotive trades, entertainment, and other sectors that rely on an adequately educated workforce with a minimum of a high school education.
- (5) Dropouts impose substantial social costs on the state. They are less likely than high school graduates to be employed. The jobs they do find pay substantially lower wages. As a result, dropouts pay lower taxes and are more likely to require public welfare

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support. Dropouts also have poorer health and are more likely to 2 require public health support. 3

- (6) Dropouts are more likely to commit crimes and become incarcerated. More than 80 percent of the prisoners in California in 2005 did not graduate from high school. In 2006, each inmate cost California taxpayers an average of thirty-four thousand one hundred fifty dollars (\$34,150), according to the Department of Corrections and Rehabilitation.
- (7) Families and communities play an important role in keeping children on track toward high school graduation. However, schools are responsible for creating programs that engage children of different backgrounds, interests, and skill levels, and for keeping a close watch on truancy, course failure, and behavior problems that are the markers of a pupil at risk for dropping out of school.
- (b) It is the intent of the Legislature in enacting this act to reflect the public's fundamental expectation that public schools engage pupils, keep them on track for graduation, and prepare them for success after high school in college or immediate entry into a career.
- SEC. 2. Section 52052 of the Education Code is amended to read:
- 52052. (a) (1) The Superintendent, with approval of the state board, shall develop an Academic Performance Index (API), to measure the performance of schools, especially the academic performance of pupils.
- (2) A school shall demonstrate comparable improvement in academic achievement as measured by the API by all numerically significant pupil subgroups at the school, including:
 - (A) Ethnic subgroups.

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- (B) Socioeconomically disadvantaged pupils.
- (C) English language learners.
- (D) Pupils with disabilities.
- (3) (A) For purposes of this section, a numerically significant pupil subgroup is one that meets both of the following criteria:
- (i) The subgroup consists of at least 50 pupils each of whom has a valid test score.
- (ii) The subgroup constitutes at least 15 percent of the total population of pupils at a school who have valid test scores.
- (B) If a subgroup does not constitute 15 percent of the total population of pupils at a school who have valid test scores, the

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subgroup may constitute a numerically significant pupil subgroup if it has at least 100 valid test scores.

- (C) For a school with an API score that is based on no fewer than 11 and no more than 99 pupils with valid test scores, numerically significant subgroups shall be defined by the Superintendent, with approval by the state board.
- (4) The API shall consist of a variety of indicators currently reported to the department, including, but not limited to, the results of the achievement test administered pursuant to Section 60640, attendance rates for pupils in elementary schools, middle schools, and secondary schools,—and the graduation rates for pupils in secondary schools, and the measures described in subdivision (i).
- (A) Graduation rates for pupils in secondary schools shall be calculated for the API as follows:
- (i) The number of pupils who graduated on time for the current school year, which is considered to be three school years after the pupils entered 9th grade for the first time, divided by the total calculated in paragraph (2) clause (ii).
- (ii) The number of pupils entering 9th grade for the first time in the school year three school years prior to the current school year, plus the number of pupils who transferred into the class graduating at the end of the current school year between the school year that was three school years prior to the current school year and the date of graduation, less the number of pupils who transferred out of the school between the school year that was three school years prior to the current school year and the date of graduation who were members of the class that is graduating at the end of the current school year.
- (B) (i) The pupil data collected for the API that comes from the achievement test administered pursuant to Sections 60640 and 60644 and the high school exit examination administered pursuant to Section 60851, when fully implemented, shall be disaggregated by special education status, English language learners, socioeconomic status, gender and ethnic group. The API shall include both of the following:
- (I) Only the test scores of pupils who were counted as part of the enrollment in the annual data collection of the California Basic Educational Data System for the current fiscal year and who were continuously enrolled during that year may be included in the test result reports in the API score of the school.

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(II) The test scores of enrolled pupils who were referred to an alternative education program, including community, community day, and continuation high schools and independent study, that is designed to enroll pupils for less than one school year.

- (ii) Results of the achievement test and other tests specified in subdivision (b) shall constitute at least 60 percent of the value of the index.
- (C) Before including high school graduation rates and attendance rates in the API, the Superintendent shall determine the extent to which the data are currently reported to the state and the accuracy of the data. Notwithstanding any other provision of law, graduation rates for pupils in dropout recovery high schools shall not be included in the API. For purposes of this subparagraph, "dropout recovery high school" means a high school in which 50 percent or more of its pupils have been designated as dropouts pursuant to the exit/withdrawal codes developed by the department.
- (D) The Superintendent shall provide an annual report to the Legislature on the graduation and dropout rates in California and shall make the same report available to the public. The report shall be accompanied by the release of publicly accessible data for each school district and school in a manner that provides for disaggregation based upon socioeconomically disadvantaged pupils and numerically significant subgroups scoring below average on statewide—standards—aligned standards—aligned assessments. In addition, the data shall be made available in a manner that provides for comparisons of a minimum of three years of data.
- (b) Pupil scores from the following tests, when available and when found to be valid and reliable for this purpose, shall be incorporated into the API:
- (1) The assessment of the applied academic skills matrix test developed pursuant to Section 60604.
- (2) The nationally normed test designated pursuant to Section 60642.
- (3) The standards-based achievement tests provided for in Section 60642.5.
 - (4) The high school exit examination.
- (c) Based on the API, the Superintendent shall develop, and the state board shall adopt, expected annual percentage growth targets for all schools based on their API baseline score from the previous year. Schools are expected to meet these growth targets through

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effective allocation of available resources. For schools below the statewide API performance target adopted by the state board pursuant to subdivision (d), the minimum annual percentage growth target shall be 5 percent of the difference between the actual API score of a school and the statewide API performance target, or one API point, whichever is greater. Schools at or above the statewide API performance target shall have, as their growth target, maintenance of their API score above the statewide API performance target. However, the state board may set differential growth targets based on grade level of instruction and may set higher growth targets for the lowest performing schools because they have the greatest room for improvement. To meet its growth target, a school shall demonstrate that the annual growth in its API is equal to or more than its schoolwide annual percentage growth target and that all numerically significant pupil subgroups, as defined in subdivision (a), are making comparable improvement.

- (d) Upon adoption of state performance standards by the state board, the Superintendent shall recommend, and the state board shall adopt, a statewide API performance target that includes consideration of performance standards and represents the proficiency level required to meet the state performance target. When the API is fully developed, schools must, at a minimum, meet their annual API growth targets to be eligible for the Governor's Performance Award Program as set forth in Section 52057. The state board may establish additional criteria that schools must meet to be eligible for the Governor's Performance Award Program.
 - (e) The API shall be used for both of the following:
- (1) Measuring the progress of schools selected for participation in the Immediate Intervention/Underperforming Schools Program pursuant to Section 52053.
- (2) Ranking all public schools in the state for the purpose of the High Achieving/Improving Schools Program pursuant to Section 52056.
- (f) (1) A school with 11 to 99 pupils with valid test scores shall receive an API score with an asterisk that indicates less statistical certainty than API scores based on 100 or more test scores.
- 38 (2) A school shall annually receive an API score, unless the Superintendent determines that an API score would be an invalid

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measure of the performance of the school for one or more of the following reasons:

(A) Irregularities in testing procedures occurred.

- (B) The data used to calculate the API score of the school are not representative of the pupil population at the school.
- (C) Significant demographic changes in the pupil population render year-to-year comparisons of pupil performance invalid.
- (D) The department discovers or receives information indicating that the integrity of the API score has been compromised.
- (E) Insufficient pupil participation in the assessments included in the API.
- (3) If a school has less fewer than 100 pupils with valid test scores, the calculation of the API or adequate yearly progress pursuant to the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.) and federal regulations may be calculated over more than one annual administration of the tests administered pursuant to Sections 60640 and 60644 and the high school exit examination administered pursuant to Section 60851, consistent with regulations adopted by the state board.
- (g) Only schools with 100 or more test scores contributing to the API may be included in the API rankings.
- (h) The Superintendent, with the approval of the state board, shall develop an alternative accountability system for schools under the jurisdiction of a county board of education or a county superintendent of schools, community day schools, nonpublic, nonsectarian schools pursuant to Section 56366, and alternative schools serving high-risk pupils, including continuation high schools and opportunity schools. Schools in the alternative accountability system may receive an API score, but shall not be included in the API rankings.
- (i) The Superintendent, with the approval of the state board, shall revise the API to do all of the following:
- (1) By July 1, 2008, or when reliable data first becomes available, include school and school district dropout rates for pupils who drop out of school while enrolled in the 8th or 9th grade. If reliable data is not available by July 1, 2008, the Superintendent, on or before that date, shall report to the Legislature the reasons for the delay and the anticipated date upon which he or she will include the specified dropout rates in the API.

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(2) By July 1, 2008, assign all accountability data on pupils in alternative education programs, including community, community day, and continuation high schools and independent study, to the school and school district of residence, to ensure that placement decisions are in the best interests of affected pupils.

- (3) By July 1, 2009 When reliable data first becomes available, include high school graduation rates, as calculated pursuant to subparagraph (A) of paragraph (4) of subdivision (a).
- (4) By July 1, 2009, include outcomes related to college and career readiness, based on recommendations received pursuant to subparagraph (A).
- (A) The Superintendent shall establish a broadly representative and diverse advisory committee to advise him or her and the state board on issues related to revision of the API and the inclusion of multiple measures and to recommend college and career related outcomes that provide meaningful insight into the program quality of public elementary and secondary schools and can be incorporated into the API by July 1, 2009.
- (B) The advisory committee's recommendations also shall include data and connections between the data systems of elementary and secondary schools, institutions of postsecondary education, and employers that are necessary for establishing more robust and reliable indicators of the performance of elementary and secondary schools based on college and career related outcomes. The committee shall include representatives from all segments of education in California, the business and labor communities, and any related state agencies or departments. of the following:
- (i) All segments of education in California, including one parent of an elementary or secondary school pupil, one elementary or secondary teacher, one elementary or secondary school administrator, one member of the governing board of a school district, and one alternative school educator.
 - (ii) The business and labor communities.
- (iii) State agencies or departments related to the groups described in clauses (i) and (ii).