



An Overview of Tennessee's High School Equivalency Tests

Shiri Anderson, Associate Legislative Research Analyst
(615) 401-7886/ Shiri.Anderson@cot.tn.gov

March 2015

Key Points

- Public Chapter 787 (2012) required the Department of Labor and Workforce Development to provide an alternative exam to the General Educational Development (GED) test. The HiSet is a new high school equivalency exam created by Iowa Testing Programs and Educational Testing Service (ETS). ETS is the agency that also produces the Praxis tests taken by individuals entering the K-12 teaching profession.
- As of January 2014, Tennesseans who lack a high school diploma may choose between two high school equivalency (HSE) exams: the GED test and the HiSet. Exams are administered at state-approved testing centers (primarily community colleges and colleges of applied technology) across Tennessee.
- A number of significant changes to the GED, including a more expensive and more rigorous test, took effect in January 2014. The GED is a computer-based exam that provides quick and accurate responses to the student. The HiSet is available in computer-based and paper-based formats.
- The GED and HiSet exams incorporate a scoring scale that indicates college and career readiness; either test can be used to determine eligibility for the HOPE Lottery Scholarship. In 2012, the General Assembly requested that the Tennessee Higher Education Commission (THEC) – with assistance from the Department of Labor and Workforce Development, Division of Adult Education, the Comptroller's Offices of Research and Education Accountability, and the Department of Education – review the new scoring scales for alignment with current HOPE lottery scholarship requirements. The General Assembly will determine the minimum scores required for both exams during the 2015 legislative session.
- Examination fees differ for the GED and the HiSet. The cost of the new GED exam is \$120; the cost of the HiSet exam is \$75. The General Assembly included funding in the FY 2012-13 budget to subsidize the cost of the new GED exam through the end of FY 2013-14. The state subsidy reduces the exam fee by \$45. Preparatory classes will continue as before for both exams.

Introduction

According to the 2010 U.S. Census, over 39 million American adults “lack a high school credential and are not enrolled in any educational program.”^{A, B, 1} Within this cohort, over 988,000 Tennesseans are lacking this credential.² High school equivalency (HSE) exams offer these adults a way to certify that they possess academic knowledge and skills equivalent to those of a high school graduate.

The General Educational Development (GED) exam is the most widely recognized alternative to a high school diploma.³ Of the 713,960 individuals who completed the exam, nearly 541,000 individuals (75.7 percent) passed the GED exam in the United States in 2013.⁴

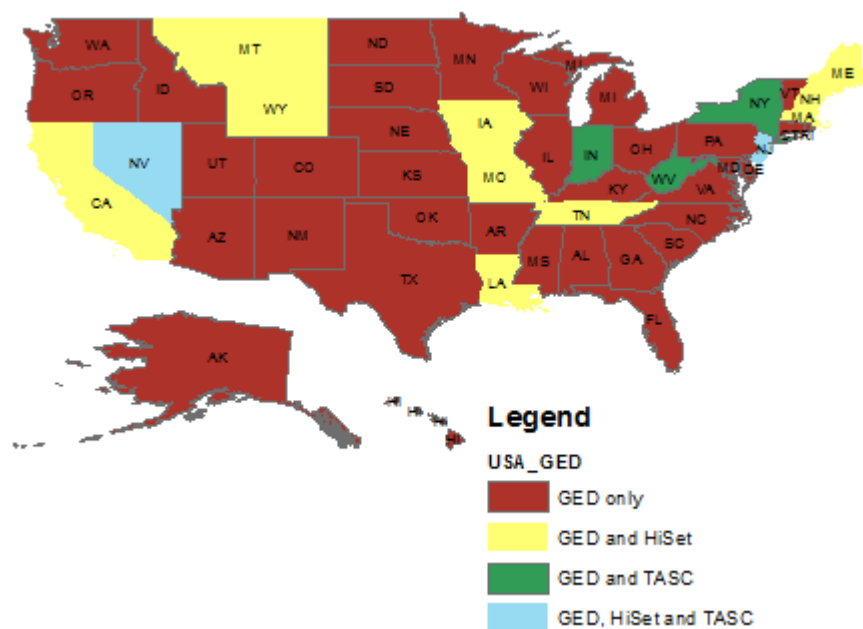
A new series of the GED was introduced in January 2014. The new exam is more rigorous and is administered in a computer-based format. The student is required to meet certain benchmarks in each sub-test, and the computer-based format is intended to provide quick and accurate responses to the student. The changes result in an increased cost for the exam.⁵

Some states, including Tennessee, have adopted alternatives to the GED.

Prompted in part by the increase in cost and in part by the elimination of a paper-based format, in 2012 the General Assembly enacted Public Chapter 787, which resulted in the State Board of Education selecting the HiSet as Tennessee’s alternative to the GED exam. Created by Iowa Testing Programs and the Educational Testing Service, HiSet is a less expensive alternative and is available in a paper-based format.⁶ (Some states also use CTB/McGraw Hill’s Test Assessing Secondary Completion (TASC), offered in both paper- and computer-based formats. See [Exhibit 1](#) for a map of which of the three HSE exams are in use by state.)

Currently, there are over 90 state-approved test centers (primarily community colleges and colleges of applied technology) across Tennessee. The GED exam is administered at 13 test centers; the remaining test centers administer only the HiSet. According to the Division of Adult

Exhibit 1: High School Equivalency Exam (GED, HiSet, and TASC) use by state, as of November 2014



^A “A high school credential means a regular high school diploma or alternative secondary certification, such as a GED test credential.” GED Testing Service, *2013 Annual Statistical Report on the GED Test*, 2014, p. 3, <http://www.gedtestingservice.com/> (accessed Aug. 12, 2013).

^B Educational programs may include secondary, postsecondary, or other forms of instruction.

Source: Compilation of data by author. GED Testing Service, *2013 Annual Statistical Report on the GED Test*, 2014, p. 3, <http://www.gedtestingservice.com/> (accessed Aug. 12, 2013). HiSet, “HiSet Requirements by State or Jurisdiction,” <http://hiset.ets.org/> (accessed Aug. 1, 2013). Testing Secondary Assessing Completion, “State Approval of TASC Test,” <http://www.tasctest.com/> (accessed Aug. 1, 2013).

Education in the Department of Labor and Workforce Development, the number of sites will increase to accommodate testing for the exams.⁷ See [Appendix C](#) for a list of testing centers and the tests they offer.

The purpose of this legislative brief is to provide an overview of HSE exams offered in Tennessee (the GED and HiSet). The brief identifies key revisions to the GED and how they will impact Tennessee's postsecondary eligibility requirements, specifically for the HOPE Lottery Scholarship. Further, the brief compares the trends for select populations in Tennessee from 2010 through 2013 based on the number of adult learners who tested, completed, and passed the GED exam.

Background

The GED program is managed by GED Testing Services (GEDTS), a division of the American Council on Education (ACE).^C The Council is a national association of accredited two- and four-year public and private postsecondary institutions.⁸

The exams originated during the early 1940s as a means to “certify that veterans returning from World War II without a conventional high school diploma had the skills to take advantage of the postsecondary education benefits provided in the GI Bill.”^D State governments, beginning with New York in 1947, gradually expanded GED test eligibility to the citizen population.⁹

The GED exam takes approximately seven hours and 45 minutes to complete and is offered in English, Spanish, or French. Tennesseans must first take the Official Practice Test (OPT),^E and provide a notarized transcript with acceptable scores indicating that the student is prepared to take the GED exam.¹⁰

The GED has undergone a series of significant changes since its creation in the early 1940s. (See [Appendix D](#) for a timeline of key changes to the GED.) During the incorporation of the 2002 Series, passing standards were raised.¹¹ Some SREB states, including Tennessee, experienced a decline in the number of credentials issued. Virginia remained steady through this transition. (See [Exhibit 2](#).) To date, there have been five generations of the GED exam with scoring and format changes occurring in each series. (See [Appendix B](#).)

There have been spikes and dips in the number of candidates who completed the GED exam throughout the program's testing history, while the number of test takers has remained relatively stable.¹² Beginning in 2002, the data shows a gradual increase in the number of candidates who completed the exam as indicated in [Appendix E](#). Between 2010 and 2012, the testing volume for individuals who completed the exam within this series declined, similar to the closeout of the 1988 Series in 2001. With the exception of 2013, this trend has remained steady during the closeout of each series.

^C ACE represents the presidents of the accredited degree-granting institutions in the United States. Tennessee's membership on the council consists of representation from the Board of Regents, Higher Education Commission, and Independent Colleges and Universities.

^D The GI Bill of Rights was passed in 1944 and signed by President Franklin Roosevelt. This law provides benefits, including postsecondary education, to military veterans. In 1947, 49 percent of college admissions in the United States consisted of military veterans.

^E The OPT under the 2002 Series was free for Tennesseans. The cost for the OPT under the 2014 GED is \$24 as shown in [Exhibit 3](#).

The trend in Tennessee's GED pass rate from 2010 through 2012 is similar to the national level. (See [Appendix F](#).) This rate increased in 2013 compared to 2012, thus increasing the pass rate at the close of the 2002 Series in 2013.

Tennessee issued more than 128,000 credentials during this time frame.¹³

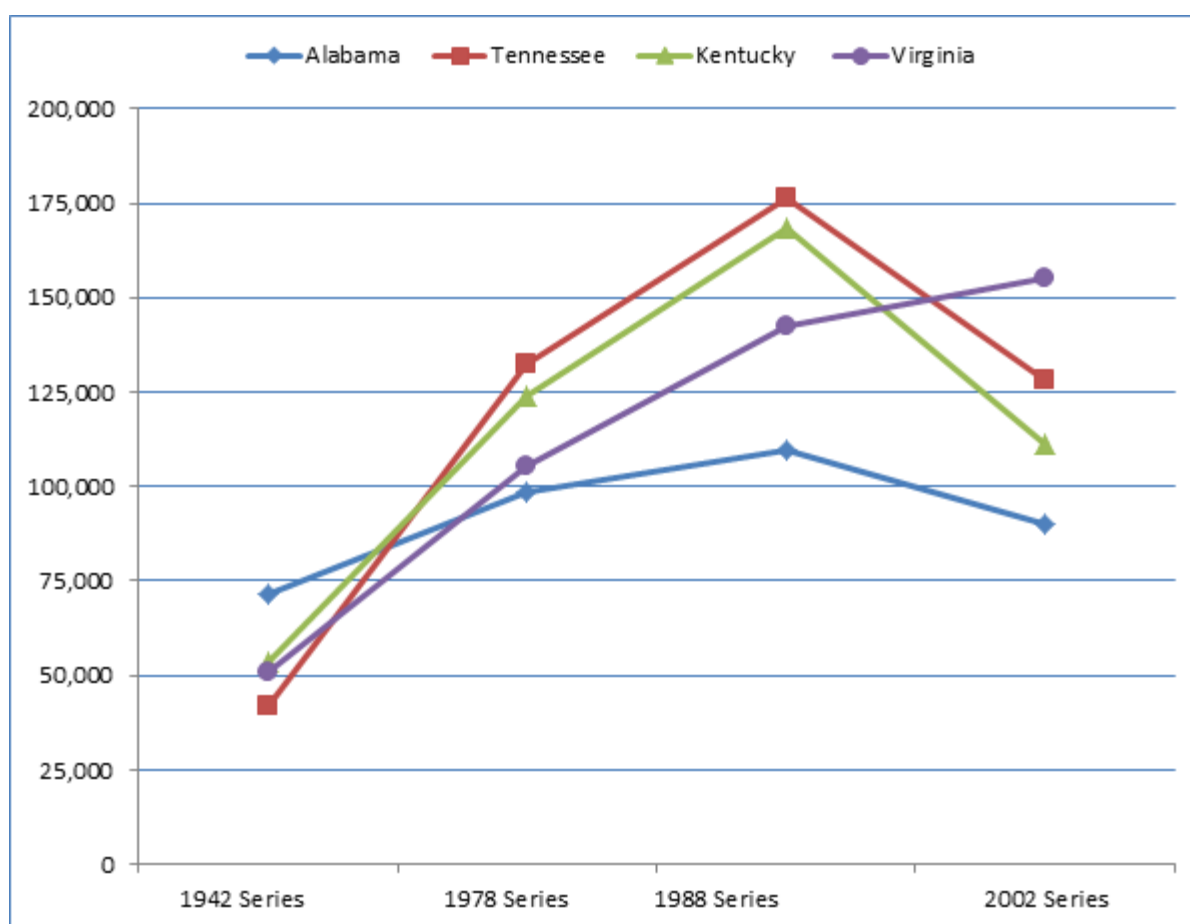
The New GED Exam

In 2011, ACE and GEDTS announced a joint venture with Pearson VUE to redesign the GED test.¹⁴ The effort, known as the GED 21st Century Initiative,¹⁵ resulted in a more rigorous exam using only a computer-based format. Exam registration

and scheduling is now offered 24 hours a day, seven days a week, and GEDTS provides applicants with an online support system to help navigate the adult education and higher education sectors.¹⁶

The 2014 GED test consists of four content areas (or sub-tests) – Reasoning through Language Arts (RLA),^F Mathematics, Science, and Social Studies – and uses a new scoring scale and revised passing score. The new scoring scale was designed to indicate preparedness for the college courses needed to qualify for certain jobs.¹⁷

Exhibit 2: Number of GED credentials issued by series for Alabama, Tennessee, Kentucky, and Virginia, as of December 31, 2013



Note: The information contained in this exhibit identifies SREB states with similar program policies through the 2002 Series. These programs include testing fees, age, and requiring the OPT.

Source: Compilation of data by author. GED Testing Service, *2013 Annual Statistical Report on the GED Test*, 2014, p. 76, <http://www.gedtestingservice.com/> (accessed Aug. 12, 2013).

^F The “Reasoning through Language Arts or RLA” consists of a reading and writing component. Students are expected to edit and understand the use of standard written English in context, read closely and write clearly.

The previous GED exam consisted of five sub-tests, and required a minimum score of 2250 on the entire battery, a sub-test average of 450.¹⁸ (See [Appendix E](#) for Tennessee's statistics on the average standard score for each content area.) On the new GED, applicants must score at least 150 (out of 200) points on each of the four sub-tests and must also obtain a total score of at least 600 (out of 800) points on the entire battery. There is an "honors passing score" range of 170-200 on each sub-test.¹⁹ Students who score within the honors range represent the performance consistent with college and career readiness and are considered prepared for the workforce.²⁰

The fee for the full GED exam is \$120; the fee per sub-test is \$30. Applicants may retake the exam three times within one calendar year from the date of the first exam and must wait 30 days before they retake the exam. There is a fee range^G of \$5-\$15 each time an applicant retakes either a sub-test or the full battery.²¹ The General Assembly included funding in the FY 2012-13 budget to subsidize the cost of the new GED exam through the end of FY 2013-14. The state subsidy reduces the exam fee by \$45, maintaining, for a limited period of time, the \$75 exam fee paid by applicants.²²

Postsecondary Scholarship Eligibility

HSE recipients are eligible for postsecondary scholarships and grants funded by the Tennessee lottery,^H with the exception of the HOPE Access

Grant.^I According to the Tennessee Student Assistance Corporation (TSAC), 24 students with GEDs received the HOPE Lottery Scholarship for FY 2012-13.^J ²³ GED recipients must obtain a minimum passing score^K on the GED and score at least a 21 on the ACT (equivalent to an SAT score of 980) to qualify for a HOPE scholarship.²⁴ Because the 2014 version of the GED includes a new scoring scale with a different passing score, HOPE scholarship eligibility qualifications for GED recipients must be changed. A minimum passing score requirement for Tennessee's new HSE exam, the HiSet, must also be set.²⁵

Public Chapter 787 (2012) directed the Tennessee Higher Education Commission (THEC) to make recommendations for a minimum GED score required to qualify for a lottery scholarship. (See [Appendix H](#).) Based on these recommendations, the following revisions will correspond with the previous score of 525 (HOPE eligibility under the 2002 Series for the GED):²⁶

1. Establish a new scoring range of 160-164; or
2. Revise the HOPE requirement to include a college and career readiness component with a score of 170. Adopting this score requirement will ensure students are prepared for higher education.

(See [Appendix I](#).)

^G This fee varies based on the amount set by the local testing center.

^H GED recipients may receive a Wilder-Naifeh Technical Skills grant if they enroll in a certificate or diploma program at a Tennessee College of Applied Technology and meet other requirements. Eligible veterans with a GED may receive a Helping Heroes grant, which is also funded by the state lottery.

^I For more information on specific lottery scholarships, see http://www.tn.gov/collegepays/mon_college/lottery_scholars.htm.

^J TSAC does not report the number of GED recipients who received a Wilder-Naifeh Skills grant or a Helping Heroes grant.

^K The minimum passing score on the 2002 version of the GED was an average of 525 on the five sub-tests. The minimum score for the new exam will be determined by the General Assembly during the 2015 legislative session.

Both the GED and the HiSet incorporate college and career readiness standards.²⁷

At the request of the Governor, the General Assembly passed the “Tennessee Promise Act of 2014” which provides financial assistance to students seeking a diploma, certificate or an associate’s degree from an eligible postsecondary institution.²⁸ Obtaining a GED or HiSet equivalency diploma will qualify a student for a Tennessee Promise scholarship. The student must obtain the equivalency diploma prior to the age of 19.²⁹ See Appendix H for additional information on the Tennessee Promise scholarship for GED recipients.

The HiSet

The High School Equivalency Testing (HiSet) program is a battery of tests developed by the Educational Testing Service and Iowa Testing Programs.³⁰ Available as of January 2, 2014, the HiSet consists of five sub-tests: Language Arts/Reading, Language Arts/Writing, Mathematics, Science, and Social Studies.³¹ Applicants must score at least 8 (out of 20) points on each sub-test to pass and must also obtain a total score of at least 45 (out of 100) points on the entire battery.^L

³² The HiSet exam does not have an “honors

passing score” per se, but does provide a recommended threshold with a score of 15 for college and career readiness.³³

The HiSet is offered in computer- and paper-based formats. The fee for the full exam is \$75; the fee per sub-test is \$20. Applicants may retake the exam, but must pay a \$10 test center administration fee each time.³⁴

Common Characteristics of the GED and the HiSet

Applicants are required to take the Official Practice Test (OPT) to measure their skill level prior to taking the GED and HiSet exams.³⁵ As indicated in [Exhibit 3](#), the cost to take the OPT for the GED is \$24 and there is no cost for the HiSet exam OPT.³⁶

Graduation Rates

Neither the *No Child Left Behind Act* of 2001 (NCLB) nor Tennessee’s 2012 NCLB waiver allow school districts to receive credit toward their graduation rate for high school-age students who obtain a high school equivalency diploma.

Source: Deputy Executive Director, State Board of Education, e-mail, May 21, 2014.

The Lois M. DeBerry Alternative Diploma Act

- The *Lois M. DeBerry Alternative Diploma Act* (PC 448 of 2013) allows a standardized high school equivalency test to be used in addition to the GED for awarding a high school equivalency diploma. See [Appendix J](#).
- The State Board of Education adopted the HiSet on June 21, 2013, as the alternative to the GED and a rule was adopted allowing HiSet to be recognized under Tennessee’s graduation requirements for individuals obtaining a high school diploma. See [Appendix K](#).

Source: Deputy Executive Director, State Board of Education, e-mail, May 23, 2014. Rules of the State Board of Education, Chapter 0520-1-3-.06(7), Minimum Requirements for the Approval of Public Schools, Graduation, Requirement E, The High School Equivalency Testing (HiSet) Program and the Issuance of Equivalency Diplomas, effective April 30, 2014.

^L The HiSet’s Language Arts/Writing subtest includes an essay component on which applicants must score at least 2 (out of 6) points to pass.

Both exams offer accommodations^M to individuals with documented disabilities. The 2014 GED exam will allow individuals requiring an accommodation to use a paper-based test.³⁷

score statistics for Tennesseans to the national average for individuals who were proficient in science, mathematics, writing, social studies, and reading from 2010 through 2013.

GED Statistics: Tennessee

In 2013, 15,322 Tennesseans completed the GED exam with an overall passing rate of 74 percent. Exhibit 4 compares the average GED standard

There are various reasons individuals choose to work toward obtaining an HSE diploma. In 2013, over 63 percent of all GED participants in the United States indicated that they plan to further

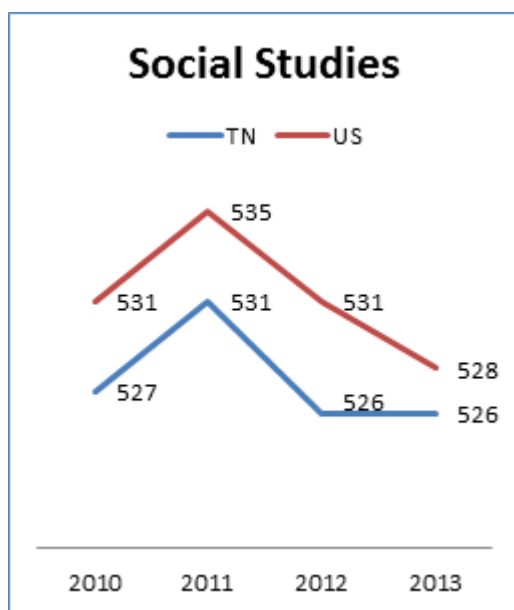
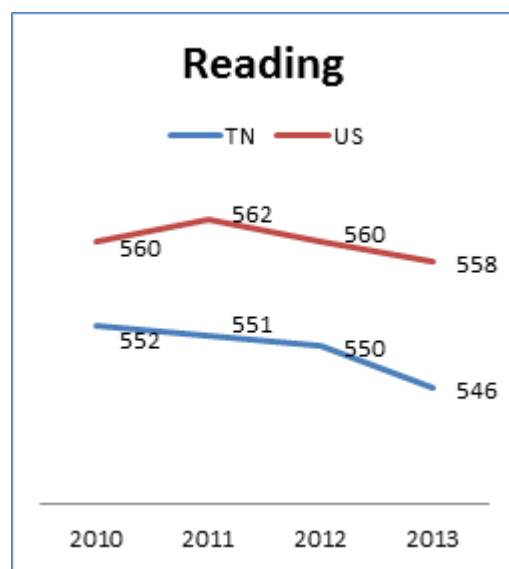
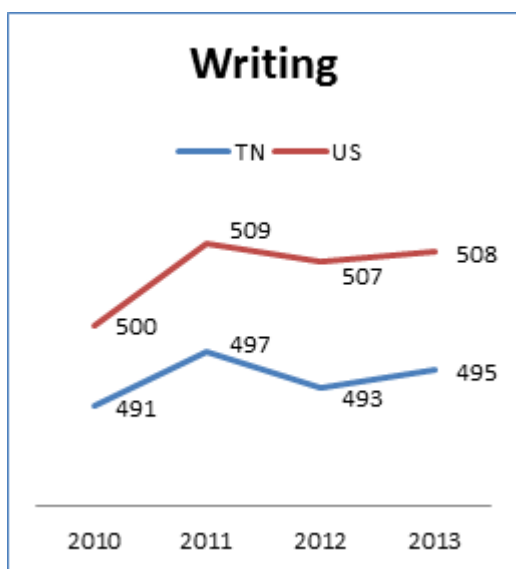
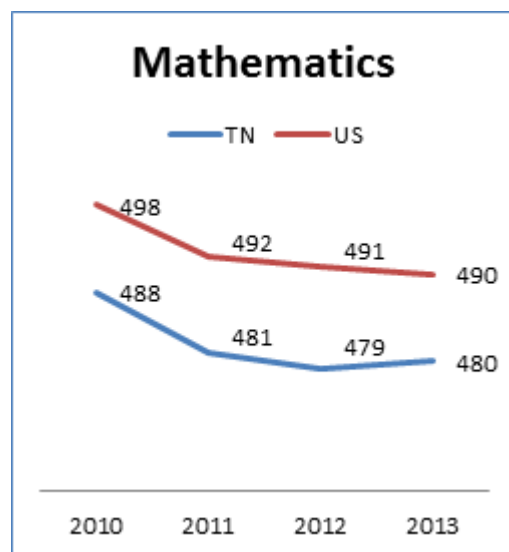
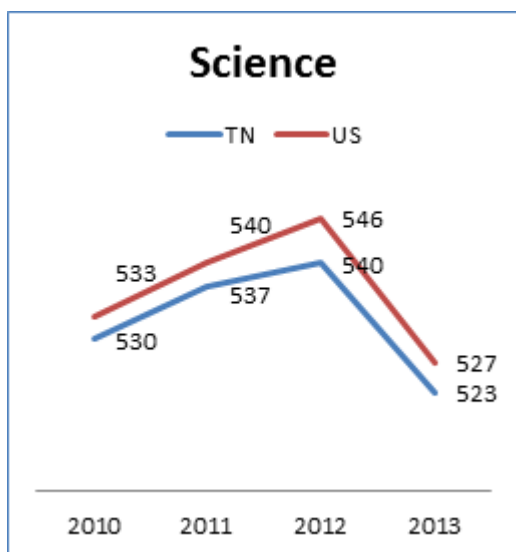
Exhibit 3: Comparison of select characteristics of the 2014 GED and HiSet exams

	GED	HiSet
Provider	GED Testing Services (GEDTS)/ Pearson VUE	Educational Testing Services (ETS)/ Iowa Testing Programs
Cost		
Official Practice Test (OPT)	\$24	Free
Full Exam	\$120	\$75
Per Sub-test	\$30	\$20
Retake	\$5 - \$15	\$10
Format	Computer-based	Paper-based or Computer-based
	4	5
Component Tests	Reading through Language Arts (RLA) Mathematics Science Social Studies	Language Arts Reading Language Arts Writing Mathematics Science Social Studies
Number of retakes allowed in a calendar year	3	3
Eligibility for HOPE Scholarship/ TSAC Aid	The General Assembly will determine the minimum score during the 2015 legislative session.	The General Assembly will determine the minimum score during the 2015 legislative session.
Alignment with College and Career Readiness Standards	Yes	Yes

Note: Individuals taking the entire HiSet exam may retake the exam twice, within 12 months, before incurring a fee. HiSet, "Payment and Fees", <http://hiset.ets.org/faq> (accessed Sept. 23, 2014).
Source: Compilation of data by author.

^M Test accommodations include braille, large print, and audio formats. Of the 16,184 Tennesseans who were tested on the GED exam in 2013, 10 received some type of accommodation (six applicants used a large-print format exam, while four were tested on audiocassette).

Exhibit 4: Average GED exam standard score statistics for Tennesseans compared to the national average: 2010- 2013

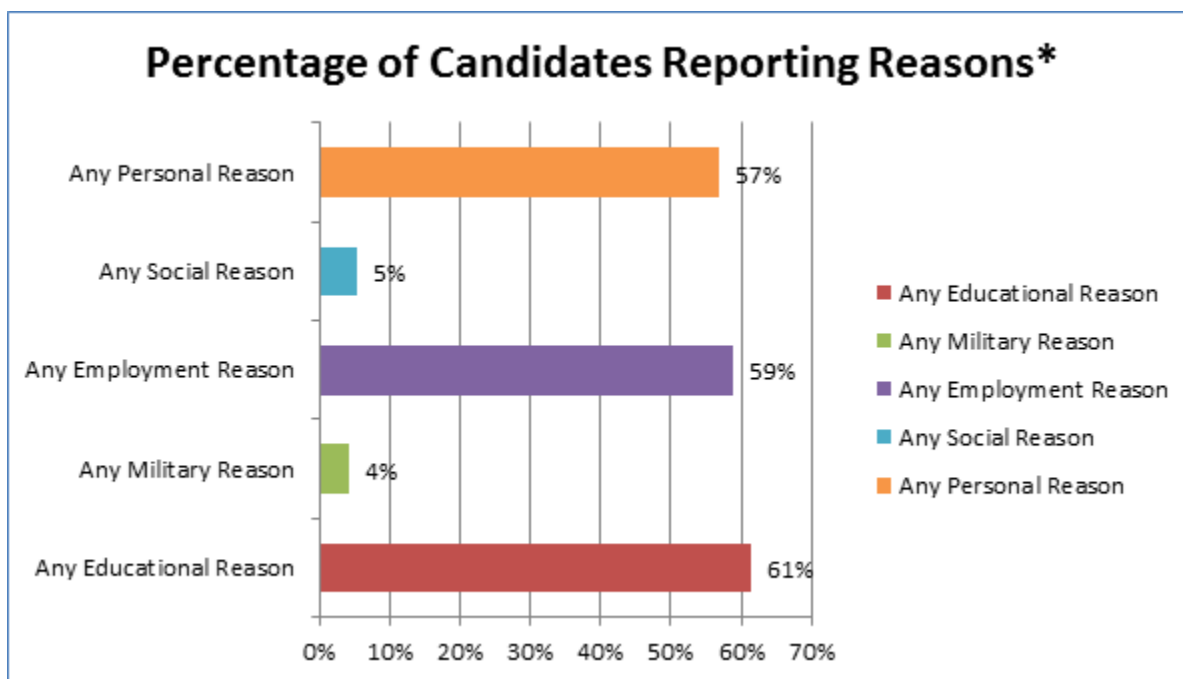


Source: Compilation of data by author.

their education.³⁸ Candidates in Tennessee mostly indicated employment as the reason to take the GED exam.³⁹ Exhibit 5 identifies the responses

from Tennesseans in 2013 for educational, military, employment, social and personal reasons.

Exhibit 5: Percentage of Tennessee's candidates reporting various reasons for taking the GED exam in 2013



Educational Reasons	Military Reasons	Employment Reasons	Social Reasons	Personal Reasons
<ul style="list-style-type: none"> •Four-Year College •Two-Year College •Technical or Trade Program •Skills Certification •Job Training 	<ul style="list-style-type: none"> •Military Entrance •Military Career 	<ul style="list-style-type: none"> •Keep First Job •Keep Current Job •Get Better Job •Employer Required 	<ul style="list-style-type: none"> •Early Release •Court Order •Public Assistance Requirement 	<ul style="list-style-type: none"> •Positive Role Model •Personal Satisfaction

Note: * Respondents could select as many reasons as were applicable; therefore, the percentages do not equal 100 percent. The percentage of candidates indicating reasons for testing was calculated by dividing the number of GED candidates with *at least one reported reason for testing* by the total number of candidates, then multiplying by 100. See Appendix B for an explanation of the formula used to calculate this response. Tennessee offered only the GED as an HSE prior to 2014; therefore, this information represents the student response for the GED exam in which 93 percent of the candidates responded to this question.

Source: GED Testing Service, *2013 Annual Statistical Report on the GED Test*, 2014, p. 32, <http://www.gedtestingervice.com/> (accessed Aug. 12, 2013).

High School Equivalency Exam Funding and Programming

The Division of Adult Education within the Department of Labor and Workforce Development oversees the administration of the GED and HiSet programs (i.e., preparation classes and exams) for most applicants. This division consists of two units: Adult Basic Education (ABE) and Testing Services. ABE provides the training and skills needed for adults to meet their educational and career goals. Testing Services oversees HSE testing and provides oversight and technical assistance to test centers throughout the state. In addition, this unit maintains records on site and assists local centers with maintaining records to provide copies of HSE credentials.⁴⁰

The Department of Correction (DOC) oversees the programs for inmates and parolees, and the Department of Children's Services (DCS) oversees the programs for children in state custody.^N DOC and DCS have selected the HiSet exam for individuals under their administration.^{O, 41} The Division of Adult Education's 2012-13 budget included \$14.2 million for instructional services to citizens.^{P, 42} The division distributes the funding to a variety of nonprofit organizations, postsecondary institutions, and K-12 school districts to provide preparatory courses for the HSE exams. Local agencies may also receive additional funding from local governments and private philanthropic organizations for HSE programming.⁴³

^N The state pays the exam fee for applicants in the custody of the Department of Correction and the Department of Children Services.

^O County-administered correctional facilities may use the GED exam in addition to the HiSet exam to test individuals in custody.

^P The Division of Adult Education's 2012-13 budget totaled \$15.5 million, with \$14.2 million distributed to local agencies for workforce literacy and basic education initiatives; the remaining \$380,000 was used for state-level administrative costs.

Endnotes

- ¹ GED Testing Service, *2013 Annual Statistical Report on the GED Test*, 2014, p. 3, <http://www.gedtestingservice.com/> (accessed Aug. 12, 2013).
- ² *Ibid.*, p. 8.
- ³ James J. Heckman, John E. Humphries, and Nicholas S. Mader, *The GED*, National Bureau of Economic Research, June 2010, p. 4, <http://www.nber.org/> (accessed Sept. 6, 2013).
- ⁴ GED Testing Service, *2013 Annual Statistical Report on the GED Test*, p. 8, <http://www.gedtestingservice.com/> (accessed Aug. 12, 2013).
- ⁵ Susan Doughty, former Director, Division of Adult Education, Tennessee Department of Labor and Workforce Development, interview, Sept. 13, 2012.
- ⁶ *Ibid.*
- ⁷ *Ibid.*
- ⁸ American Council on Education, "About the American Council on Education," <http://www.acenet.edu/> (accessed Sept. 24, 2012).
- ⁹ John H. Tyler, *The General Education Development (GED) Credential: History, Current Research and Direction for Policy and Practice*, The National Center for the Study of Adult Learning and Literacy, 2005, Chapter 3, p. 48, <http://www.ncsall.net/> (accessed Dec. 7, 2012).
- ¹⁰ Susan Doughty, former Director, Division of Adult Education, Tennessee Department of Labor and Workforce Development, interview, Sept. 13, 2012.
- ¹¹ James J. Heckman, John E. Humphries, and Nicholas S. Mader, *The GED*, National Bureau of Economic Research, June 2010, p. 11, <http://www.nber.org/> (accessed Sept. 6, 2013).
- ¹² GED Testing Service, *2013 Annual Statistical Report on the GED Test*, p. 2, www.gedtestingservice.com/ (accessed Aug. 12, 2013).
- ¹³ *Ibid.*, p. 76.
- ¹⁴ GED Testing Services, "About GED Testing Services," <http://www.gedtestingservice.com/> (accessed Sept. 24, 2013).
- ¹⁵ GED Testing Services, "The 21st Century GED Assessment System OVAE State Directors' Institute", p. 12, <http://conference.novaresearch.com/> (accessed Aug. 13, 2014).
- ¹⁶ GED Testing Services, "2014 GED Test Aligned with New National College and Career Readiness Standards for Adult Education," <http://www.gedtestingservice.com/> (accessed June 6, 2013).
- ¹⁷ *Ibid.*
- ¹⁸ Susan Doughty, former Director, Division of Adult Education, Tennessee Department of Labor and Workforce Development, e-mail, Dec. 12, 2012.
- ¹⁹ GED Testing Services, "FAQs," <http://www.gedtestingservice.com/> (accessed Sept. 24, 2012). Susan Doughty, former Director, Division of Adult Education, Tennessee Department of Labor and Workforce Development, interview, Sept. 13, 2012.
- ²⁰ Susan Doughty, former Director, Division of Adult Education, Tennessee Department of Labor and Workforce Development, interview, Sept. 13, 2012.
- ²¹ *Ibid.*
- ²² Marva Doremus, Administrator, Division of Adult Education, Tennessee Department of Labor and Workforce Development, e-mail, Nov. 21, 2013, and e-mail, May 23, 2014.
- ²³ Tim Phelps, Associate Executive Director for Grant and Scholarship Programs, Tennessee Student Assistance Corporation, e-mail, Jan. 29, 2013.
- ²⁴ Tennessee Student Assistance Corporation, "Tennessee HOPE Scholarship", <http://www.tn.gov/> (accessed June 14, 2014).
- ²⁵ Tim Phelps, Associate Executive Director for Grant and Scholarship Programs, Tennessee Student Assistance Corporation, telephone interview, Sept. 18, 2014.
- ²⁶ Dr. Richard G. Rhoda, Executive Director of the Tennessee Higher Education Commission, "Public Chapter 787," Memo, addressed to Chair Delores Gresham, Chair Harry Brooks, and Chair Mike Bell, Jan. 13, 2014.
- ²⁷ Susan Doughty, former Director, Division of Adult Education, Tennessee Department of Labor and Workforce Development, interview, Sept. 13, 2012.
- ²⁸ *Tennessee Code Annotated* 49-4-708(c)(1).
- ²⁹ 108th Tennessee General Assembly, Public Acts, 2014, Chapter No. 900, An act relative to postsecondary financial assistance, <http://www.tn.gov/> (accessed Aug. 18, 2014).
- ³⁰ HiSet, "Introducing the HiSet Program from ETSan Affordable, Accessible New Alternative," <http://hiset.ets.org/> (accessed Aug. 1, 2013).
- ³¹ HiSet, "About the HiSet Exam: Overview," <http://hiset.ets.org/> (accessed Aug. 1, 2013).
- ³² HiSet, "Understanding Your HiSet Scores," <http://hiset.ets.org/> (accessed Sept. 23, 2014).
- ³³ HiSet, "Minimum Scaled Scores for the HiSet Exam," <http://hiset.ets.org/> (accessed Sept. 23, 2014).
- ³⁴ HiSet, "Fees and Payment," <http://hiset.ets.org/> (accessed Sept. 23, 2014).
- ³⁵ Susan Doughty, former Director, Division of Adult Education, Tennessee Department of Labor and Workforce Development, interview, Sept. 13, 2012.

³⁶ Marva Doremus, Administrator, Division of Adult Education, Tennessee Department of Labor and Workforce Development, e-mail, Nov. 21, 2013.

³⁷ Susan Doughty, former Director, Division of Adult Education, Tennessee Department of Labor and Workforce Development, interview, Sept. 13, 2012.

³⁸ GED Testing Service, *2013 Annual Statistical Report on the GED Test*, p. 3, <http://www.gedtestingservice.com/> (accessed Aug. 12, 2013).

³⁹ Ibid., p. 32.

⁴⁰ Joey Czarneski, Director for Performance, Compliance and Testing Services, Division of Adult Education, Tennessee Department of Labor and Workforce Development, e-mail, Jan. 29, 2015.

⁴¹ Susan Doughty, former Director, Division of Adult Education, Tennessee Department of Labor and Workforce Development, interview, Sept. 13, 2012.

⁴² Joey Czarneski, Director for Performance, Compliance and Testing Services, Division of Adult Education, Tennessee Department of Labor and Workforce Development, e-mail, Jan. 29, 2015.

⁴³ Susan Doughty, former Director, Division of Adult Education, Tennessee Department of Labor and Workforce Development, interview, Sept. 13, 2012.

Appendix A: Definition of Terms

Adult	For the purposes of this report, an adult is someone aged 16 and older in the United States and the insular areas. This definition is consistent with the definition in the Adult Education and Family Literacy Act of 1998, Title ii of the Workforce Investment Act of 1998, and the U.S. Code (Title 20: Education, Chapter 73: Adult Education and Literacy, Subchapter i: Adult Education and Family Literacy, Paragraph 9202: Definitions).
Content area	Areas that assess skills and knowledge on an HSE exam in the following core high school academic subjects: Language Arts, Writing and Reading; Social Studies; Science; and Mathematics.
HSE test credential	An official document awarded and issued by an HSE testing jurisdiction, indicating that an individual has met the minimum passing standard on an HSE test in that jurisdiction. In some jurisdictions, the credential is called a diploma or certificate.
HSE test	An HSE assessment consisting of five content areas. It was designed and produced according to psychometric standards and properties in order to provide an opportunity for adults who did not complete a formal high school program to certify their attainment of high school-level academic knowledge and skills and earn their jurisdiction's high school-level equivalency credential, diploma, or certificate.
HSE test candidates	Adults who have tested in at least one of the five content areas of an HSE test, regardless of whether they completed or met the HSE test passing standard. In this report, the terms candidates and test-takers are used interchangeably with GED test candidates.
HSE test completers	Candidates who have tested in all five content areas of an HSE test, regardless of whether they met the HSE test passing standard. The number of completers serves as the denominator for calculating the pass rate. A candidate must have completed all five content areas and met the minimum passing standard in order to be considered a passer.
HSE test passers	Completers who have met their jurisdiction's minimum passing standard. The number of adults who met the passing standard serves as the numerator for calculating the pass rate. Some jurisdictions require adults to fulfill additional requirements beyond passing the HSE test in order to receive a credential. In this report, the term passers is used interchangeably with GED test passers.
Jurisdiction	For the purpose of this report, jurisdiction refers to an entity such as U.S. state, Canadian province or territory that administers an HSE testing program.
Minimum passing standard (GED exam)	To successfully pass the GED test, a test-taker must meet or exceed the minimum passing standard with a total score of 2250 and a minimum standard score of 410 in each of the five content areas. Because GED test scoring is based on a compensatory model, test-takers must earn an additional 200 standard score points beyond the 410 needed in each content area to reach the total passing standard of 2250. The additional standard score points may come from any one or a combination of content areas.

Official GED Practice Test (OPT)	The OPT was developed and copyrighted by GED Testing Services and the American Council on Education, and offers a sampling of test items from each content area in the GED test. The OPT items are created, analyzed, and tested by GED Testing Service academic subject and psychometrics experts, and distributed through contractual agreements by an outside vendor.
Retest	A retest occurs when a candidate takes any of the content areas more than once in which he or she failed to meet the minimum passing standard. A candidate also may retest if he or she did meet the minimum passing standard but wanted to improve the test score.
Series GED test	The GED test has been developed upon similar test specifications and psychometric standards and properties. There have been four previous series of the GED test: 1942, 1978, 1988, and 2002. The fifth occurred in 2014. Changes made in each series were the result of the identification of specific areas of need or assessment that would strengthen the test and provide evidence of test validity and credibility in a changing world.
Standard score	The standard score is reflective of a test-taker's performance on an HSE test. Standard scores are used to compare an examinee's performance on a test with the performance of graduating high school seniors who took the test. For the purposes of this report, the 2002 GED Series standard score was used for the calculations in Exhibit 4. This score scale ranges from 200 to 800, and falls along a normal distribution with a mean of 500 and standard deviation of 100.
Target population	This population consists of all adults who lack a traditional high school credential and further training or degrees and who could potentially take an HSE test and therefore further their educational, professional, and personal aspirations after acquiring an HSE test credential.

Note: The information contained in this Appendix reflects the 2002 Series scoring scale. To date there have not been any available statistics for the 2014 GED Series.

Source: GED Testing Service, *2013 Annual Statistical Report on the GED Test*, 2014, pp. 89-91, <http://www.gedtesting.com/> (accessed Aug. 12, 2013).

Appendix B: Formulas for Statistics

The following formulas were used to calculate the statistics for the exhibits and appendices presented in this report. Specific formulas are presented here under their respective exhibit or appendices. The same formulas were used to calculate jurisdiction statistics and jurisdictional group statistics. Therefore, jurisdictional group statistics are based on all records in that group; they are not averages of all the jurisdictions in a group.

Exhibit 4: Standard score statistics for GED test passers in Tennessee compared to the national average from 2010 through 2013

The median standard score was calculated by ordering all scores and identifying the score that has an equal number of scores above and below it. The mean standard score was calculated by averaging the tests scores.

Exhibit 7: Percentage of Tennessee's candidates reporting various reasons for taking the GED in 2013

Candidates indicating reasons for testing (%) was calculated by dividing the number of GED candidates with at least one reported reason for testing by the total number of candidates, then multiplying by 100. The percentage of GED candidates giving each reason for testing was calculated by dividing the total number of candidates who indicated that reason for testing by the total number of candidates for whom reasons for testing was reported, then multiplying by 100.

Appendix F: Statistics on the percentage of Tennesseans who completed and passed the GED exam compared to the national average from 2010 through 2013

The **completed percentage point change** from 2010-2011 and 2012-2013 was calculated by subtracting the percentage of completers in 2010 from the percentage of completers in 2011 and subtracting the percentage of completers in 2012 from the percentage of completers in 2013. A negative number signals a decrease from the previous period.

The **passed percentage point change** from 2010-2011 and 2012-2013 was calculated by subtracting the percentage of passers in 2010 from the percentage of passers in 2011 and subtracting the percentage of passers from 2012 from the percentage of passers in 2013. A negative number signals a decrease from the previous year.

Appendix G: Statistics on GED test passers in Tennessee: 2010-2013

Pass rate (%) was calculated by dividing the number of GED passers by the number of GED completers, then multiplying that number by 100.

Passers with reported age (%) was calculated by dividing the number of GED passers with reported age by the total number of passers, then multiplying by 100. The percentage in each age group was calculated by dividing the total number of GED passers in that age group by the total number of passers for whom age was calculated using their date of birth, then multiplying that number by 100.

Passers with reported gender (%) was calculated by dividing the number of GED passers with reported gender by the total number of passers, then multiplying by 100. The percentage in each gender group was calculated by dividing the total number of GED passers in that gender group by the total number of passers for whom gender was reported, then multiplying that number by 100.

Passers with reported ethnicity (%) was calculated by dividing the number of GED passers with reported ethnicity by the total number of passers, then multiplying by 100. The percentage in each ethnicity group was calculated by dividing the total number of GED passers in that ethnicity group by the total number of passers for whom ethnicity was reported, then multiply that number by 100.

Passers with reported highest grade completed (%) was calculated by dividing the number of GED passers with reported highest grade completed by the total number of passers, then multiplying by 100. The percentage in each grade level was calculated by dividing the total number of GED passers in that grade level by the total number of passers for whom the highest grade completed was reported, then multiplying that number by 100. The mode highest grade completed was the grade level most frequently reported by all GED passers.

Passers with reported years out of school (%) was calculated by dividing the number of GED passers with reported years out of school by the total number of passers, then multiplying by 100.

Years out of school was calculated by subtracting the year reported as the last year of school attended from the current report year. The percentage in each “years out of school group” was calculated by dividing the total number of GED passers in that group by the total number of GED passers for whom years out of school was reported, then multiplying that number by 100.

The percentage tested within two years was calculated by adding the total percentage in each year for the following years: <1, 1 and 2.

The mean for years out of school was calculated by averaging reported years of school for all GED passers.

Appendix C: Tennessee High School Equivalency Test Centers and Type of Exam Offered, as of June 30, 2014

Organization Name	GED	HiSET Computer- Based Test	HiSET Paper- Based Test
Bethel University	x		
Bledsoe County Correctional Facility		x	x
Bledsoe County Correctional Facility (Women)		x	x
Charles Bass Correctional Complex		x	x
Chattanooga State Community College	x	x	
Cleveland State Community College	x	x	x
Cleveland State Community College-Athens	x	x	
Collierville Literacy Council			x
Columbia State Community College	x	x	x
Columbia State Community College-Lawrenceburg			x
Columbia State Community College-Lewisburg			x
Community Resource Center- Nashville			x
Correctional Development Center			x
Davidson County Sheriff's Office			x
Davidson County Detention Center			x
Davidson County Juvenile Detention Center			x
Davidson County Sheriff's Office Metro Southeast			x
DeBerry Special Needs Facility		x	x
Dickson Co Board of Education			x
Dyersburg State Community College		x	x
East TN Career Coach (mobile unit)			x
Everett Adult Learning Center-Blount Co.		x	x
Hamilton County Jail (Chattanooga State Addendum)			x
Hardeman Co Correctional Facility			x
Henry County Adult Ed			x
Jefferson County Adult Learning Center			x
Johnson City Police Department			x
Johnson County Police Department			x
Knox County Detention Center			x
Knox County Schools	x	x	x
Lincoln County Jail-Fayetteville			x

Organization Name	GED	HiSET Computer- Based Test	HiSET Paper- Based Test
Mark Luttrell Correctional Facility		x	x
Martha O'Bryan Center- Nashville			x
Middle TN Career Coach (mobile unit)			x
Morgan County Correctional Prison		x	x
Motlow State Community College			x
Motlow-Fayetteville Campus			x
Motlow-Smyrna			x
Motlow-Winchester	x	x	x
Northeast Correctional Complex		x	x
Northeast State Community College		x	x
Northeast State Community College-Kingsport		x	
Northwest Correctional Complex		x	x
Pellissippi State Community College- Blount County		x	x
Pellissippi State Community College		x	x
Riverbend Maximum Security Prison		x	x
Roane State Community College-Campbell County		x	x
Roane State Community College-CBT			x
Roane State Community College-Loudon County Campus			x
Roane State Community College-Morgan County Campus			x
Roane State Community College-Oak Ridge Branch Campus		x	x
Roane State Community College-Scott County Campus			x
Robertson County Detention Center			x
South Central Correctional			x
Scott County Detention Center			x
Sevier County Adult Learning Center			x
Shelby County Division of Corrections			x
Shelby County Testing			x
Southwest Tennessee Community College		x	x
Sullivan County Sheriff's Office			x
Tennessee College of Applied Technology Crossville	x		
Tennessee College of Applied Technology - Covington			x
Tennessee College of Applied Technology - Elizabethton			x

Organization Name	GED	HiSET Computer- Based Test	HiSET Paper- Based Test
Tennessee College of Applied Technology - McMinnville	x		
Tennessee College of Applied Technology - Pulaski	x		
Tennessee College of Applied Technology Murfreesboro			x
Tennessee College of Applied Technology Whiteville		x	x
Tennessee Prison for Women		x	x
Tennessee State University	x	x	x
Tennessee College of Applied Technology - Jackson		x	
Tennessee College of Applied Technology - Livingston		x	
Tennessee College of Applied Technology (Broad St/Lexington) - Jackson			x
Tennessee College of Applied Technology - Ripley		x	
Tennessee College of Applied Technology Nashville	x		
Tennessee Department of Children's Services-Mountain View		x	x
Tennessee Department of Children's Services-Wilder		x	x
Tennessee Department of Children's Services-Woodland Hills		x	x
Tennessee Department of Labor & Workforce Development-Central Office			x
Turney Center Industrial Complex		x	x
University of Tennessee - Martin		x	
Volunteer State Community College			x
Walters State Community College		x	
Walters State Community College-Claiborne County		x	
Walters State Community College-Greeneville	x		
Warren County Jail			x
Washington County Correctional Facility			x
West Tennessee State Penitentiary		x	x
West Tennessee Career Coach (mobile unit)			x
Whiteville Correctional-PBT			x
Williamson County Sherriff's Dept. (Addendum)			x
Workforce Adult Learning Center (Robertson Co.)		x	
Workforce Adult Learning Center-Clarksville			x

Notes: (1) This list was revised to eliminate duplications and to remove testing centers that were no longer state-approved. CBT refers to computer based-testing while PBT refers to paper-based testing.

(2) Addendum sites are associated with the testing facility but in another location.

(3) The Department of Correction has a mobile testing facility in each grand division.

Source: Joey Czarneski, Director, Adult Education, Tennessee Department of Labor and Workforce Development, e-mail, Nov. 3, 2014.

Appendix D: Key Changes to the GED, 1942 – 2014

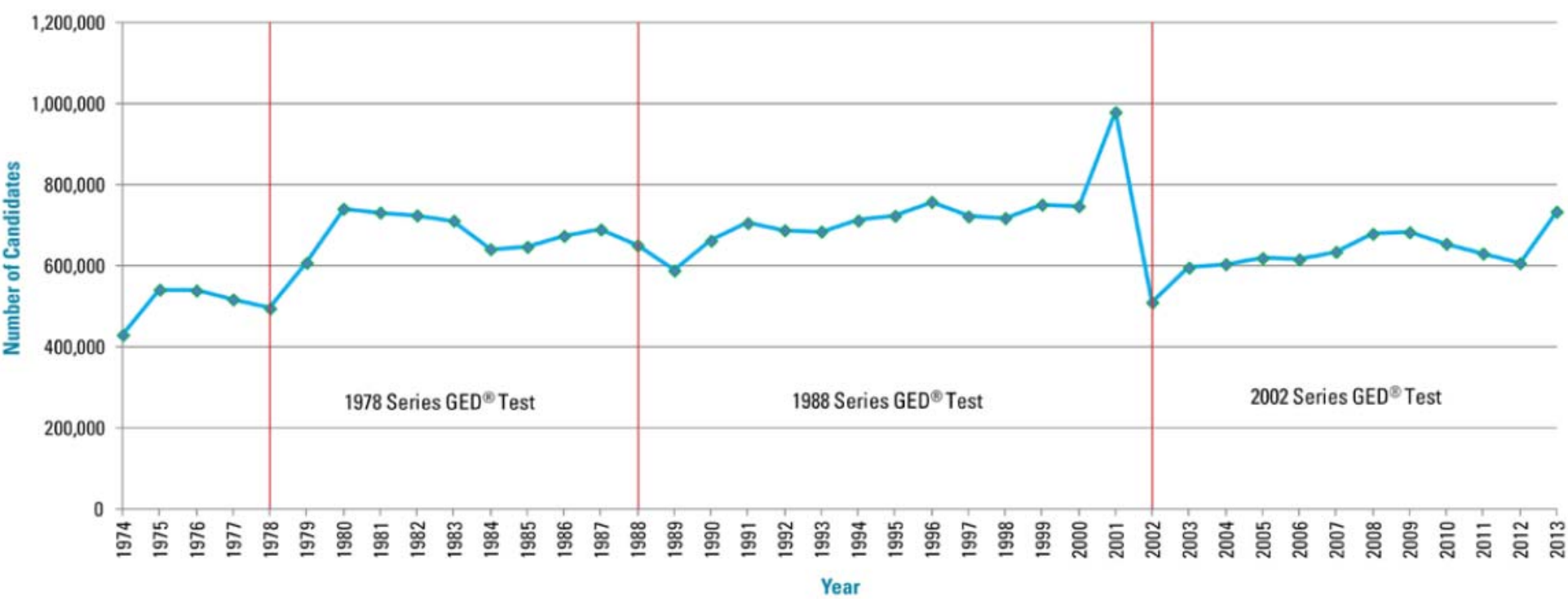
Year	Changes to the GED Testing Program
1942	GED test introduced for veterans. 80% of graduation bound high school seniors said to be able to pass all five batteries. For most of its history, the GED Test standard score scale ranged from 20 to 80 with a mean of 50 and a standard deviation of 10.
1943	From 1943 to 1976, the Commission on Accreditation recommended that a high school or state (jurisdiction) should grant a GED credential if an otherwise-qualified GED examinee met the “35 or 45” standard: <ul style="list-style-type: none">▪ a standard score of 35 or above on each of the five tests in the battery OR▪ an average standard score of 45 on the five tests in the battery.
1947	New York offers GED test to civilian high school dropouts.
1959	More civilians taking the GED test than veterans.
1974	California becomes last state to introduce GED test for dropouts.
1978	Second series of the GED test introduced. Test time of 6 hours. Scoring requirements include: <ul style="list-style-type: none">▪ a standard score of 35 or above on each of the five tests in the battery; or▪ an average standard score of 45 on the five tests in the battery.
1981	Time limit extended to 6.75 hours. National minimum age for testing abolished. The Commission on Educational Credit and Credentials elevated the recommendation to a minimum requirement, that the candidate earn either: <ul style="list-style-type: none">▪ a standard score of 40 or above on each of the five tests in the battery; or▪ an average standard score of 45 or above on the five tests in the battery.
1982	Standards made more difficult; 75% of graduate bound high school seniors said to be able to pass the entire test.
1988	Third series of GED test introduced. This is the first series to include a writing sample. Time extended to 7.5 hours for taking the test. Scoring requirements include: <ul style="list-style-type: none">▪ a standard score of 40 or above on each of the five tests in the battery; or▪ an average standard score of 45 or above on the five tests in the battery.
1992	National minimum age of 16 years old for GED test taking implemented
1997	Passing standards made more difficult; 67% of graduate bound high school seniors said to be able to pass the entire test. Beginning in 1997 and continuing through the end of the Third Series in 2001, the nationwide minimum score requirement was raised for only the second time in its history to “40 AND 45” meaning that test takers were required to earn both: <ul style="list-style-type: none">▪ a standard score of 40 or above on each of the five tests in the battery; AND▪ an average standard score of 45 or above on the five tests in the battery.

2002	<p>Fourth series of the GED test introduced. Calculator allowed for first time on parts of the math test. Passing standards made more difficult; 60% of graduate bound high school seniors said to be able to pass the entire test. Test time of approximately 7 hours. Scoring requirements include:</p> <ul style="list-style-type: none"> ▪ a standard score of 410 or above on each of the five tests in the battery; and ▪ an average standard score of 450 or above on the five tests in the battery.
2014	<p>Fifth series of the GED test introduced. The exam will be taken by computer and will not be offered in a paper-based format. The exam will consist of technology enhanced items such as fill-in-the-blank, drop-down selection. The cost of the computerized test will be \$120. The four subject battery will be Language Arts (which will include a Writing and Reading assessment), Science, Social Studies and Math. The test time will remain at approximately 7 hours. Scoring will range from 100 to 200 and the requirements will include:</p> <ul style="list-style-type: none"> ▪ applicants must achieve a minimum passing score of 600 or above on the entire battery; or ▪ an average standard score of 150 or above on each battery.

Note: Bolded text denotes revisions to the GED series. The information provided regarding the 2014 exam was compiled by the author based on general research and interviews.

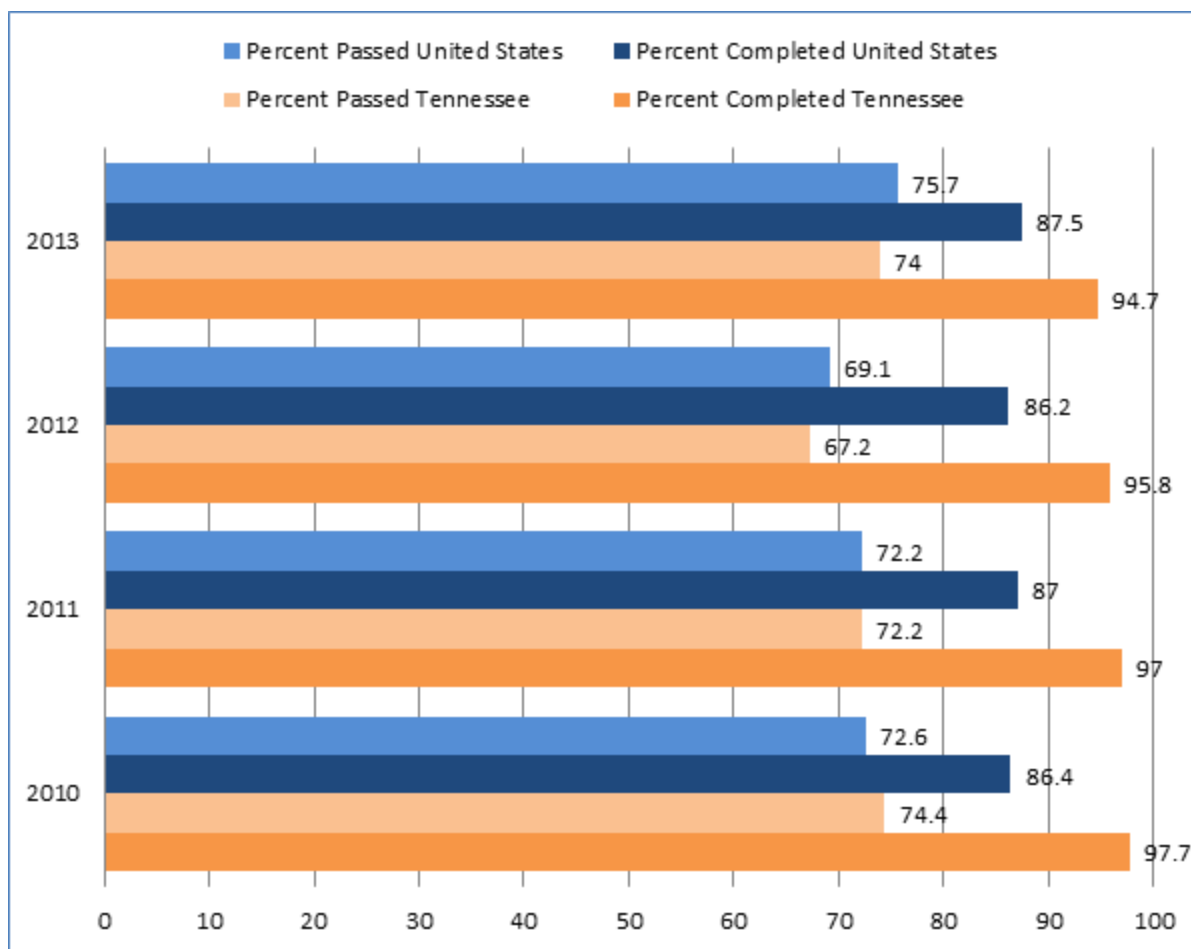
Source: James J. Heckman, John E. Humphries, and Nicholas S. Mader, *The GED*, National Bureau of Economic Research, June 2010, p. 11, <http://www.nber.org/> (accessed Sept. 6, 2013) ; GED Testing Service, "History of Recommended Minimum GED Test Passing Standards," <http://www.gedtestingservice.com/> (accessed Sept. 24, 2012); Susan Doughty, former Director, Division of Adult Education, Tennessee Department of Labor and Workforce Development, interview, Sept. 13, 2012.

Appendix E: The Number of GED Completers, 1974-2013



Source: GED Testing Service, *2013 Annual Statistical Report on the GED Test*, 2014, p. 81, <http://www.gedtesting-service.com/> (accessed Aug. 13, 2014).

Appendix F: Tennessee's Test Candidate Participation by Percentage of Adult Learners Completing the GED Exam and Percentage Passing, 2010 through 2013



Source: Compilation of data by author.

**Appendix G: Selected Demographic Statistics of GED Test Passers in Tennessee:
2010-2013**

	2010	2011	2012	2013
GED Test Pass Rate	74.4	72.2	67.2	74
Mean Age (Years)	26.9	27.2	27.3	28
16 to 18 Year Olds (%)	19.8	19	19.7	17.3
19 to 24 Year Olds (%)	35.6	34.4	33.5	32.5
Male (%)	55.8	57.4	56.8	54
Female (%)	44.2	42.6	43.2	46
Hispanic Origin (%)	3.3	3.9	4.7	7.4
American Indian / Alaska Native (%)	0.8	0.5	0.8	0.7
Asian (%)	0.8	1	0.7	0.8
African American (%)	20.7	21.4	19.3	21.2
Pacific Islander / Hawaiian (%)	0.2	0.2	0.2	0.2
White (%)	74	72.6	73.9	69.7
Mode Highest Grade Completed	11	11	11	11
Tested Within Two Years Out of School (%)	30.1	29.8	30.2	24.8
Mean Years Out of School	9.3	9.6	9.7	10.4

Note: The response rate for each demographic was greater than 84%.
Source: Compilation of data by author.

PUBLIC CHAPTER NO. 787

HOUSE BILL NO. 2861

By Representative Harry Brooks

Substituted for: Senate Bill No. 2511

By Senator Bell

AN ACT to amend Tennessee Code Annotated, relative to programs signifying completion of high school or its equivalent.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 49-4-903, is amended by adding the following language as a new subsection (e):

(e) In light of the stated intention of the American Council on Education to create a new GED® test aligned with the common core state standards, THEC shall study whether any changes should be made to the requirements for receipt of Tennessee HOPE lottery scholarships by recipients of GED diplomas under § 49-4-908. The department of labor and workforce development, division of adult education, the department of education and the office of research and education accountability in the office of the comptroller of the treasury shall assist THEC. THEC shall report its progress in determining whether any changes should be made to the requirements for receipt of Tennessee HOPE lottery scholarships by recipients of GED diplomas to the education committees of the house of representatives and the senate by February 1, 2013. THEC shall report its final findings and conclusions and make any recommendations for changes to the statute to the general assembly by January 14, 2014.

SECTION 2. Tennessee Code Annotated, Title 4, Chapter 3, Part 14, is amended by adding the following language as a new, appropriately designated section: it.

49-3-14_. The department of labor and workforce development, with the assistance of the department of education, the state board of education and THEC, shall develop and implement a program for individuals who did not graduate from high school that will provide a means, other than the GED® tests, to obtain a credential signifying completion of high school or its equivalent. The department of labor and workforce development shall report its progress in developing and implementing such program to the education committees of the house of representatives and the senate by February 1, 2013. The department shall submit its final report with recommendations for any needed legislation to the general assembly by January 14, 2014.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.

Appendix I: THEC's Response to Public Chapter 787 (2012) Regarding the Revised HOPE Lottery Scholarship Requirements for GED Recipients



RICHARD G. RHODA
Executive Director

STATE OF TENNESSEE
HIGHER EDUCATION COMMISSION
PARKWAY TOWERS, SUITE 1900
NASHVILLE, TENNESSEE 37243-0830
(615) 741-3605
FAX: (615) 741-6230

BILL HASLAM
Governor

January 13, 2014

To: The Honorable Dolores Gresham
Chair, Senate Education Committee

The Honorable Harry Brooks
Chair, House Education Committee

The Honorable Mike Bell

From: Richard G. Rhoda
Executive Director

Re: Public Chapter 787

In accordance with the requirements of Public Chapter 787, the Tennessee Higher Education Commission led a collaborative research process throughout 2013 to determine whether statutory changes may be necessary to HOPE lottery scholarship requirements to accommodate revisions recently made to the GED examination. Per Public Chapter 787, representatives from the following agencies were represented on the working group:

- Tennessee Higher Education Commission
- Tennessee Department of Labor and Workforce Development, Adult Education Division
- Comptroller of the Treasury, Office of Research and Educational Accountability
- Tennessee Department of Education
- Tennessee Student Assistance Corporation

The working group met on September 27, 2012 to evaluate current HOPE scholarship requirements for GED recipients and how the revised scoring structure of the new GED exam may affect their eligibility. No details were available from the GED testing service at that time regarding how the current HOPE requirement for GED recipients of 525 would equate with the new scoring structure.

However, in November 2013, this information became available, and GED Testing Service representatives provided information regarding the possible concordance between a 525 on the previous GED test (the current HOPE lottery requirement) and a similar range on the revised exam.

Based on this memorandum and the discussions of the working group, THEC recommends that the HOPE lottery scholarship statute be revised to accommodate the new scoring structure. There are two possible courses of action for this revision:

1) Revise HOPE requirements for GED recipients to a new scoring range of 160-164:

Based on the analysis of the GED Testing Service, this range corresponds with the percentile range of the current HOPE requirement of 525.

2) Revise HOPE requirements for GED recipients to a new scoring requirement of 170:

The GED Testing Service indicates that this score corresponds with College and Career Readiness. Adopting this scoring requirement, while an increase in rigor, may represent an opportunity to align GED scoring criteria with a level that ensures students are prepared to succeed in higher education.

It should be noted that making this change adds a college and career readiness requirement for GED students that is not required for traditional students entering college as freshmen. Both students obtaining a GED and traditional students must score a 21 ACT (980) SAT.

The new GED test is expected to be implemented in 2014, with Tennessee students receiving test scores under the revised structure in January 2014. The members of the working group stand ready to answer any further questions that may arise.

Source: Dr. Richard G. Rhoda, Executive Director of the Tennessee Higher Education Commission, "Public Chapter 787," Memo, addressed to Chairmen Delores Gresham, Chairman Harry Brooks, and Chairman Mike Bell, Jan. 13, 2014.

State of Tennessee
PUBLIC CHAPTER NO. 900

SENATE BILL NO. 2471

By Norris, Campfield, Massey, Watson

Substituted for: House Bill No. 2491

By McCormick, Harry Brooks, Mark White, Forgety, Kane, Coley, Dawn White, Kevin Brooks, John DeBerry, Ragan, Lamberth, Camper, Akbari, Hardaway, Armstrong, Powell, Lundberg, Marsh

AN ACT to amend Tennessee Code Annotated, Title 49, Chapter 4, Part 7 and Title 49, Chapter 4, Part 9, relative to postsecondary financial assistance.

WHEREAS, Governor Haslam has set the goal of making Tennessee the number one location in the Southeast for high-quality jobs; and

WHEREAS, high-quality jobs require a workforce that is equipped with the knowledge and skills provided through postsecondary education; and

WHEREAS, the Governor and members of the General Assembly hear continually from Tennessee employers that the demand for skilled workers exceeds the supply; and

WHEREAS, Tennessee lags behind the national average in residents with higher education degrees, ranking forty-third in the percentage of adults with a two-year degree or higher; and

WHEREAS, without intervention, the current higher education attainment level of thirty-two percent (32%) among Tennesseans is projected to increase to only thirty-nine percent (39%) by 2025; and

WHEREAS, recognizing these realities, Governor Haslam launched the Drive to 55 initiative to increase higher education attainment among Tennesseans to fifty-five percent (55%) by 2025, which will require the awarding of four hundred ninety-four thousand (494,000) additional postsecondary credentials; and

WHEREAS, these credentials need to be fully aligned with emerging workforce demands, which will require collaboration across education and workforce agencies at the state, regional, and local level; and

WHEREAS, the Drive to 55 initiative is comprised of strategies to address both traditional and nontraditional students; and

WHEREAS, we cannot reach fifty-five percent (55%) without engaging our adult population that has some college but no degree; and

WHEREAS, reaching this goal will require focused effort and coordination across all systems and institutions of Tennessee higher education; and

WHEREAS, a key to the future economic success of Tennessee is reaching fifty-five percent (55%) higher education attainment by 2025 in order to keep up with projections of the percent of Tennessee jobs that will require a postsecondary credential or degree; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 49-4-708, is amended by deleting the section in its entirety and by substituting instead the following language:

(a) This section shall be known and may be cited as the "Tennessee Promise Scholarship Act of 2014".

(b) As used in this section:

- (1) "Continuous enrollment" has the same meaning as defined in § 49-4-902; except that a student enrolled in a Tennessee college of applied technology shall be enrolled in accordance with the institution's requirements;
- (2) "Eligible high school" has the same meaning as defined in § 49-4-902;
- (3) "Eligible postsecondary institution" means a postsecondary institution that was eligible for the Tennessee education lottery scholarship, as defined in § 49-4-902, on July 1, 2013, and remains eligible thereafter;
- (4) "Full-time student" means a student who is enrolled in a minimum of twelve (12) semester hours, or its equivalent at a Tennessee college of applied technology;
- (5) "Gift aid" has the same meaning as defined in § 49-4-902;
- (6) "Home school student" means a student who completed high school in a Tennessee home school associated with a church-related school as defined by § 49-50-801, or an independent home school student whose parent or guardian has given notice to the local director of a Tennessee school district under § 49-6-3050(b)(1) of intent to conduct a home school;
- (7) "Resident" means a student as defined by regulations promulgated by the board of regents under § 49-8-104; and
- (8) "TSAC" means the Tennessee student assistance corporation.

(c) TSAC shall administer the Tennessee Promise scholarship program for Tennessee residents seeking an associate's degree, certificate or diploma from an eligible postsecondary institution under the following terms and conditions:

- (1) To be eligible for the scholarship a student shall be admitted to, and enrolled full-time in, an eligible postsecondary program in the fall term following graduation from an eligible high school, or completion of high school as a Tennessee home school student, or obtaining a GED® or HiSET® diploma; provided, that the student obtains the GED® or HiSET® diploma prior to the student reaching nineteen (19) years of age. Exceptions to initial enrollment may be made for extenuating circumstances as provided in rules and regulations promulgated by TSAC;
- (2) Students applying for the scholarship shall complete the Tennessee Promise scholarship application for their initial year of enrollment in accordance with the schedule determined by TSAC. Students shall complete the free application for federal student aid (FAFSA) each academic year in which they seek to receive the Tennessee Promise scholarship;
- (3) To continue to receive a Tennessee Promise scholarship at an eligible two-year or four-year postsecondary institution, a student shall maintain a minimum cumulative grade point average of 2.0 as set forth in the rules promulgated by TSAC. To continue to receive a Tennessee Promise scholarship at a Tennessee college of applied technology, a student shall maintain satisfactory academic progress as determined by the institution;
- (4) Scholarship recipients shall participate in mentoring and community service programs under the rules and regulations promulgated by TSAC. TSAC shall develop the selection and renewal criteria for students and shall have the authority to work with outside organizations to develop the most effective means for delivering the scholarships. In selecting outside organizations for participation in the Tennessee Promise scholarship program, TSAC shall give preference to locally established entities that meet designated standards specified by the program's promulgated rules and regulations;
- (5) A Tennessee Promise scholarship at a Tennessee public two-year

postsecondary institution or Tennessee college of applied technology shall be the cost of tuition and mandatory fees at the eligible postsecondary institution attended less all other gift aid, as defined in § 49-4-902. Gift aid shall be credited first to the student's tuition and mandatory fees;

(6) Notwithstanding subdivision (c)(5), the amount of the Tennessee Promise scholarship at an eligible four-year public postsecondary institution or an eligible private institution shall be the average cost of tuition and mandatory fees at the public two-year postsecondary institutions less all other gift aid, as defined in § 49-4-902. Gift aid shall be credited first to the average tuition and mandatory fees as described in subdivision (c)(5);

(7) A Tennessee Promise scholarship student who has an approved medical or personal leave of absence from an eligible postsecondary institution may continue to receive the scholarship upon resuming the student's education at an eligible postsecondary institution so long as the student continues to meet all applicable eligibility requirements. The sum of all approved leaves of absence shall not exceed six (6) months;

(8) A student shall be eligible for the Tennessee Promise scholarship until the occurrence of the first of the following events:

(A) The student has earned a diploma or associate's degree; or

(8) The sum of the number of years the student attended a postsecondary institution, exclusive of approved leaves of absence, equals two and one-half (2½) years from the date of the student's initial enrollment at an eligible postsecondary institution; and

(9) Except for a medical or personal leave of absence, as approved by an eligible postsecondary institution, a Tennessee Promise scholarship student shall maintain continuous enrollment at an eligible postsecondary institution.

(d) The Tennessee Promise scholarship endowment fund is created. The Tennessee Promise scholarship endowment fund shall be established and funded under the following terms and conditions:

(1) This fund shall be an irrevocable trust that the state treasurer shall administer. The attorney general and reporter shall approve the terms of the trust instrument. The trust shall consist of the Tennessee Promise endowment account and the Tennessee Promise scholarship special reserve account;

(2) The trustees of the trust shall be as follows:

(A) The governor, or a member of the governor's cabinet or a cabinetlevel staff member who is designated by the governor;

(B) The state treasurer;

(C) The comptroller of the treasury;

(D) The secretary of state;

(E) The commissioner of finance and administration;

(F) The chair of the finance, ways and means committee of the house of representatives;

(G) The chair of the finance, ways and means committee of the senate; and

(H) One (1) member appointed by the governor who shall serve at the pleasure of the governor;

(3) The state treasurer shall serve as the chair of the trustees and shall preside over all meetings and proceedings of the trustees;

(4) The trust may invest in any security or investment in which the Tennessee consolidated retirement system is permitted to invest; provided, that investments by the trust shall be governed by the investment policies and guidelines adopted by the trustees of the trust in accordance with the provisions of this part. The state treasurer shall be responsible for the investment and reinvestment of trust funds in accordance with the policies and guidelines established by the trustees;

- (5) The trust shall be initially funded in fiscal year 2014-2015 by a deposit of:
- (A) The program-generated revenues of TSAC invested as a part of the chairs of excellence endowment fund established by § 49-7-501 and pursuant to Chapter 98 of the Public Acts of 2013, and any income earned from the investment of such funds; and
 - (B) The balance of the lottery for education account established in accordance with § 4-51-111 (b), but excluding the general shortfall reserve subaccount provided in § 4-51-111 (b)(3) and the sum of ten million dollars (\$10,000,000);
- (6) The initial deposit shall constitute the principal of the trust. Subsequent transfers to the trust and trust income, as defined in this section, shall not increase, or constitute an addition to, the principal of the trust, but shall be placed in the Tennessee Promise scholarship special reserve account provided in subdivision (d)(9);
- (7) Beginning in fiscal year 2014-2015, all funds in the lottery for education account, established in § 4-51-111(b), in excess of sum of the general shortfall reserve subaccount provided in § 4-51-111 (b)(3) and ten million dollars (\$10,000,000), shall be transferred on at least an annual basis to the Tennessee Promise scholarship special reserve account, or more frequently as determined by the state treasurer and the commissioner of finance and administration. Such transfers shall occur after all required expenditures have been made for Tennessee education lottery scholarship programs, Tennessee student assistance awards, and administrative expenses, and after any required deposits into the general shortfall reserve subaccount have been made. The Tennessee Promise scholarship special reserve account shall be a part of the trust, and the funds in the special reserve account may be commingled with, co-invested with, and invested or reinvested with the other assets of the trust;
- (8) The principal of the trust shall not be expended for any purpose. Trust income shall be expended only to fund the Tennessee Promise scholarship program and pay expenses incurred in administering and investing the trust assets. Trust income means the income from the trust's investment portfolio from whatever source derived, including, but not limited to, interest, dividends, and realized capital gains or losses;
- (9) Any trust income not allocated or distributed to the beneficiaries of the Tennessee Promise scholarship program shall be maintained in a Tennessee Promise scholarship special reserve account and may be subject to future allocations and distributions in accordance with this section;
- (10) Any funds transferred for the Tennessee Promise scholarship program after the initial deposit in subdivision (d)(5), including matching funds or future appropriations made by the general assembly, shall be placed in the Tennessee Promise scholarship special reserve account of the trust. Unexpended funds remaining in the trust in any fiscal year, whether principal or funds in the Tennessee Promise scholarship special reserve account shall not revert to the general fund;
- (11) The funds transferred to this trust may be commingled with, co-invested with, and invested or reinvested with other assets transferred to the trust. All or a portion of the trust may be invested, reinvested and co-invested with other funds, not a part of the trust, which are held by the state treasurer, including, but not limited to, assets of the Tennessee consolidated retirement system and the state pooled investment fund established pursuant to title 9, chapter 4, part 6. The state treasurer shall account for such trust funds in one (1) or more separate accounts in accordance with this section and other law;

(12) Notwithstanding any provision of the law to the contrary, all funds placed in the Tennessee Promise scholarship special reserve account shall be available for allocation and distribution as authorized herein only to the extent that funds are available in the Tennessee Promise scholarship special reserve account, and the state shall not be liable for any amount in excess of such sum. All requests for withdrawals for the payment of program funding that are presented to the state treasurer shall be used only to fund the Tennessee Promise scholarship program. Such requests for withdrawals shall not be commingled with requests for withdrawals presented to the state treasurer for any other purpose, and the individual or entity requesting the withdrawal of funds shall attest to the same upon presentation of the request for withdrawal to the state treasurer; and

(13) The provisions of the irrevocable trust are provided in this subsection (d), but the trust shall not include the provisions contained in other subsections of this act, which shall be subject to amendment by legislative enactment.

(e) TSAC and the Tennessee higher education commission shall provide assistance to the general assembly by researching and analyzing data concerning the scholarship program created under this part, including, but not limited to, student success and scholarship retention. TSAC shall report its findings annually to the education committee of the senate and the education committee of the house of representatives by March 15.

(f) The comptroller of the treasury, through the comptroller's office of research and education accountability, shall review and study the Tennessee Promise scholarship program to determine the effectiveness of the program. The study shall be done in the third year of the program and every four (4) years thereafter. The comptroller of the treasury shall report the findings and conclusions of the study to the speakers of the senate and house of representatives and the members of the education committees of the senate and the house of representatives.

(g) The TSAC board of directors shall appoint a special advisory committee comprised of representatives from existing college access programs in the state. The committee shall take steps necessary to eliminate barriers to access to scholarships and hold mentoring organizations to the highest standard in serving the students receiving the scholarship. Members of the committee shall serve without compensation.

SECTION 2. TSAC is authorized to promulgate rules to effectuate the purposes of Section 1 of this act, including the determination of student eligibility and for the distribution of funds appropriated for scholarships under the program. Such rules shall include adjustments to scholarship amounts and student eligibility in the event that net proceeds from the trust account established under this section are insufficient to fund fully the Tennessee Promise scholarship program. All such rules shall be promulgated in accordance with Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 3. Tennessee Code Annotated, Section 49-4-902, is amended by deleting subdivision (24) in its entirety.

SECTION 4. Tennessee Code Annotated, Section 49-4-902, is amended by adding the following language as a new, appropriately designated subdivision:

() "Full-time equivalent semester" means any semester in which a student is enrolled full-time and receives a Tennessee HOPE scholarship. A semester in which a part-time student attempts six (6), seven (7) or eight (8) semester hours and receives a Tennessee HOPE scholarship shall be counted as one-half (%) of a full-time equivalent semester. A

semester in which a part-time student attempts nine (9), ten (10), or eleven (11) semester hours and receives a Tennessee HOPE scholarship shall be counted as three-fourths (%) of a full-time equivalent semester;

SECTION 5. Tennessee Code Annotated, Section 49-4-913, is amended by deleting subsections (b), (c), and (d) in their entirety and by substituting instead the following language:

(b) Notwithstanding subsection (a), and except as set forth in subsections (c) and (d) and §§ 49-4-919, 49-4-920 and 49-4-941, a student who first receives a Tennessee HOPE scholarship in the fall semester of 2009 or later, may receive the scholarship until the first of the following events occurs:

- (1) The student has earned a baccalaureate degree;
- (2) Five (5) years have passed from the date of the student's initial enrollment at any postsecondary institution; or
- (3) The student has attempted a total of one hundred twenty (120) semester hours or has received the Tennessee HOPE scholarship for eight (8) full-time equivalent semesters at any postsecondary institution, whichever occurs later.

(c) A student who first receives a Tennessee HOPE scholarship in the fall semester of 2009 or later and who is enrolled in an undergraduate degree program required to be more than one hundred twenty (120) semester hours in length may receive a Tennessee HOPE scholarship until the first of the following events occurs:

- (1) The student has earned a baccalaureate degree;
- (2) Five (5) years have passed from the date of the student's initial enrollment at any postsecondary institution; or
- (3) The latter of the following events has occurred:
 - (A) The student has attempted the number of semester hours required to earn the undergraduate degree or a total of one hundred thirty-six (136) semester hours at any postsecondary institution, whichever is less; or
 - (B) The student has completed eight (8) full-time equivalent semesters.

(d) Notwithstanding subsections (b) and (c), the five-year, total full-time equivalent semester, and total semester hour limitations for a student who first receives a Tennessee HOPE scholarship for nontraditional students pursuant to § 49-4-931 beginning with the fall semester of 2009 or thereafter, shall be based on the sum of years, total full-time equivalent semesters, or total semester hours attempted while receiving the Tennessee HOPE scholarship or the Tennessee HOPE scholarship for nontraditional students.

SECTION 6. Tennessee Code Annotated, Section 49-4-914, is amended by deleting the section in its entirety and by substituting instead the following language:

(a) Subject to the amounts appropriated by the general assembly and any provision of law relating to a shortfall in funds available for postsecondary financial assistance from the net proceeds of the state lottery, the amount of a Tennessee HOPE scholarship and Tennessee HOPE scholarship for nontraditional students awarded to a student attending an eligible four-year postsecondary institution shall be one thousand seven hundred fifty dollars (\$1,750) for full-time attendance for each semester. This award amount shall apply to each entering freshman in the fall term of 2015, and thereafter, and shall continue through the final semester of such student's sophomore year. The determination of a student's status as a freshman or sophomore shall be made by the postsecondary institution attended.

(b) Subject to the amounts appropriated by the general assembly and any provision of law relating to a shortfall in funds available for postsecondary financial assistance from the net proceeds of the state lottery, for a student described in subsection (a) the award amount shall increase to two thousand two hundred fifty dollars (\$2,250) per semester beginning in

the student's junior year, as determined by the postsecondary institution attended, and shall continue until the student is no longer eligible for a Tennessee HOPE scholarship under§ 49-4-913(b) and (c).

(c) Subject to the amounts appropriated by the general assembly and any provision of law relating to a shortfall in funds available for postsecondary financial assistance from the net proceeds of the state lottery, a Tennessee HOPE scholarship and Tennessee HOPE scholarship for nontraditional students awarded to a student attending an eligible two-year postsecondary institution shall be one thousand five hundred dollars (\$1,500) for full-time attendance for each semester. This award amount shall apply to the initial entering freshman class beginning in the fall term of 2015 and to each entering class thereafter.

(d) A student who first received the Tennessee HOPE scholarship, Tennessee HOPE access grant or Tennessee HOPE scholarship for nontraditional students in the fall semester of 2009 or later may receive such scholarship or grant in the summer semester of an academic year as defined in § 49-4-902(2)(A) in addition to the receipt of the scholarship or grant in the fall and spring semesters of an academic year.

(e) The amount of a Tennessee HOPE scholarship awarded to a student attending an eligible two-year postsecondary institution that provides on-campus housing shall be the same as the amount provided in subsection (c).

(f) Subject to the amounts appropriated by the general assembly and any law relating to a shortfall in funds available for postsecondary financial assistance from the net proceeds of the state lottery, the amount of a Tennessee HOPE scholarship and Tennessee HOPE scholarship for nontraditional students, who enroll in an eligible postsecondary institution prior to the fall term of 2015, shall be determined in accordance with§ 4-51-111 and shall be set in the general appropriations act.

SECTION 7. Tennessee Code Annotated, Section 49-4-919, is amended by adding the following language as new subsection (b) and by redesignating the remaining subsections accordingly:

(b) Notwithstanding subsection (a), a student who first receives a Tennessee HOPE scholarship in the fall semester of 2009 or later, may receive the scholarship until the first of the terminating events described in§ 49-4-913(b) and (c).

SECTION 8. Tennessee Code Annotated, Section 49-4-920, is amended by deleting subsection (g) and by substituting instead the following language:

(g) Notwithstanding subsection (f), a student who first receives a Tennessee HOPE scholarship after having received a Tennessee HOPE access grant in the fall semester of 2009 or later may receive the scholarship until the first of the terminating events described in § 49-4-913(b) and (c).

SECTION 9. Tennessee Code Annotated, Section 49-4-921 (a), is amended by deleting the subsection in its entirety and substituting instead the following language:

(a) To be eligible for a Wilder-Naifeh technical skills grant, a student seeking a diploma or certificate at a Tennessee college of applied technology operated by the board of regents of the state university and community college system shall:

- (1) Meet the requirements of§§ 49-4-904 and 49-4-905(a); and
- (2) Be admitted to the institution in a program of study leading to a certificate or diploma.

SECTION 10. Tennessee Code Annotated, Section 49-4-923, is amended by adding the following language:

- (a) This section shall be known and may be cited as the “Wilder-Naifeh Reconnect” grant.
- (b) To be eligible for a Wilder-Naifeh reconnect grant, a student seeking a diploma or certificate at a Tennessee college of applied technology operated by the board of regents of the state university and community college system shall:
- (1) Meet the requirements of §§ 49-4-904 and 49-4-905(a);
 - (2) Be admitted to the institution in a program of study leading to a certificate or diploma;
 - (3) Complete and file the FAFSA Students shall complete the FAFSA each academic year in which they seek to receive the Wilder-Naifeh reconnect grant; and
 - (4) Be an independent student as determined by the FAFSA
- (c) A student who receives a Wilder-Naifeh reconnect grant under this section shall be enrolled full-time as defined in § 49-4-708. If a student fails to maintain satisfactory academic progress, then the student shall lose the Wilder-Naifeh reconnect grant. Once a student loses a Wilder-Naifeh reconnect grant, no additional award under this section shall be made.
- (d) A student who has been awarded a Wilder-Naifeh reconnect grant shall maintain continuous enrollment at the institution in accordance with the institution’s requirements.
- (e) A student shall reapply each academic year for the Wilder-Naifeh reconnect grant.
- (f) An eligible student may receive a Wilder-Naifeh reconnect grant for all course work required by the institution for a program of study leading to a certificate or diploma. WilderNaifeh reconnect grants may not be used for continuing education courses.
- (g) Subject to the amounts appropriated by the general assembly and any law relating to a shortfall in funds available for postsecondary financial assistance from the net proceeds of the state lottery, a Wilder-Naifeh reconnect grant awarded under this section shall be for independent students as determined by the FAFSA, and shall be the cost of tuition and mandatory fees at the Tennessee college of applied technology attended less all other gift aid, which shall be credited first to the student’s tuition and mandatory fees.
- (h) No student shall be eligible for more than one (1) Wilder-Naifeh reconnect grant.

SECTION 11. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act, which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 12. For the purposes of promulgation of the rules and for fund transfers made pursuant to Section 1, this act shall take effect upon becoming law, the public welfare requiring it. For all other purposes, this act shall take effect July 1, 2015, the public welfare requiring it.

Source: 108th Tennessee General Assembly, Public Acts, 2014, [Chapter No. 900](#), An act relative to postsecondary financial assistance, <http://www.tn.gov/> (accessed Aug. 18, 2014).

State of Tennessee
PUBLIC CHAPTER NO. 448

SENATE BILL NO. 1 05

By Massey, Burks, Gresham, Ford, Tracy, Bowling, Harper, Kelsey, Kyle, Overbey, Tate
Substituted for: House Bill No. 387

By Powers, Lois DeBerry, Camper, Pitts, Hardaway, Johnnie Turner, Harry Brooks, Shaw, Parkinson, Favors, Gilmore, Miller, Armstrong, Eldridge, Halford, Roach, Love, Cooper, Lollar, Towns, Windle, Faison, Fitzhugh, Butt, Moody, Pody, Littleton, Shipley, Ryan Williams, Weaver, Rogers

AN ACT to amend Tennessee Code Annotated, relative to creating an educational credential signifying completion of high school and to enact the Tennessee Alternative Diploma Act.
BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 4-3-1422, is amended by deleting the section in its entirety and by substituting instead the following:
4-3-1422.

(a) This section shall be known and may be cited as the “Lois M. DeBerry Alternative Diploma Act”.

(b) The department of labor and workforce development is authorized to make recommendations relative to assessments that lead to the award of a high school equivalency credential. The state board shall review the recommendations of the department. Any recommendation approved by the state board of education shall be considered a high school equivalency assessment and the successful completion of such assessment shall lead to the award of a high school equivalency credential. The department, as needed, may consult with or request assistance from other state agencies in performing its duties under this section.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

Source: 108th Tennessee General Assembly, Public Acts, 2013, [Chapter No. 448](#), An act relative to creating an educational credential signifying completion of high school and to enact the Tennessee Alternative Diploma Act, <http://state.tn.us/> (accessed June 23, 2014).

Appendix L: Minimum Requirement for the Approval of Public Schools for Graduation

0520-01-03-.06 GRADUATION, REQUIREMENT E.

(7) The High School Equivalency Testing (HiSET) Program and the Issuance of Equivalency Diplomas.

(a) The testing program is operated in accordance with the HiSET manual of the Education Testing Service and the rules established by the Department of Labor and Workforce Development.

(b) The chief examiners shall ensure that all examinees meet the state requirements for age, residency, proper identification, and any other qualifications prior to admission to the testing session.

(c) A candidate must be eighteen (18) years of age before being eligible to take the HiSET test. A seventeen (17) year old may be allowed to take the examination upon recommendation of the local school superintendent. The superintendent may require written documentation from the applicant to support this recommendation. This rule shall not be used to circumvent participation in the regular high school program.

(d) The HiSET test consists of five (5) core areas that count twenty (20) points each. In order to pass, the total composite score on the HiSET test shall not be less than forty five (45) and no score on any one (1) core area of the test battery shall be less than eight (8).

Rules of the State Board of Education, [Chapter 0520-1-3-.06\(7\)](#), Minimum Requirements for the Approval of Public Schools, Graduation, Requirement E, The High School Equivalency Testing (HiSet) Program and the Issuance of Equivalency Diplomas, <http://state.tn.us/> effective April 30, 2014.



OFFICES OF RESEARCH AND EDUCATION ACCOUNTABILITY
Phillip Doss, Director
Suite 1700, James K. Polk Building ▪ 505 Deaderick Street
Nashville, Tennessee 37243 ▪ (615) 401-7866
www.comptroller.tn.gov/orea

