

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: HB 281

51st Legislature, 2nd Session, 2014

Tracking Number: .196021.2

Short Title: Adult Basic Education Programs

Sponsor(s): Representative Rick Miera and Others

Analyst: Travis Dulany

Date: February 11, 2014

Bill Summary:

HB 281 makes an appropriation for additional funding for adult basic education (ABE).

Fiscal Impact:

\$4.0 million is appropriated from the General Fund to the Adult Basic Education Fund for expenditure in FY 15 and subsequent fiscal years. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the General Fund.

Fiscal Issues:

According to the Higher Education Department (HED):

- in FY 14, HED received almost \$5.4 million, including a \$200,000 special appropriation to HED, for ABE;
- in order to avoid a reduction in federal funding, the minimum state expenditure required under the *Workforce Investment Act 1998* (WIA, see “Background,” below), Title II, is \$6.1 million;
- this minimum amount is computed based on FY 10 state contributions of approximately \$6.7 million; and
- to maintain federal funding, HED has included the value of in-kind contributions to raise the non-federal contribution to the required level.

HED also points out that HB 281 specifies that any unexpended or unencumbered balance remaining at the end of a fiscal year shall *not* revert to the General Fund; however, provisions in current statute¹ creating the Adult Basic Education Fund state that “any unexpended or unencumbered balance remaining in the [Adult Basic Education Fund] at the end of each fiscal year shall revert to the General Fund.”

According to the Fiscal Impact Report from the Legislative Finance Committee (LFC):

- the appropriation contained in HB 281 is a nonrecurring expense to the General Fund;
- CS/HB 2, et al., the *General Appropriation Act of 2014*, contains an appropriation for nearly \$5.4 million from the General Fund for ABE; and

¹ Section 21-1-27.5 NMSA 1978

- should HB 281 be enacted along with the current appropriation level in CS/HB 2, et al., state General Fund support for ABE would increase to \$9.4 million, with a total program budget of \$13.4 million for FY 15.

Substantive Issues:

According to a fact sheet produced by HED for school year 2012-2013:

- 19,364 students were served at 26 adult education centers;
- over 1,300 students eligible for service were waitlisted at existing programs due to lack of capacity, in addition to over 24 communities or community organizations that requested ABE services;
- the yearly cost to provide services to adult education students is \$774 per student:
 - \$278 per student from state funds; and
 - \$496 per student from federal funds; and
- adult education centers help students to:
 - learn basic literacy and numeracy skills;
 - earn a General Educational Development certificate;
 - learn English as a second language;
 - prepare for college and careers; and
 - obtain and keep a job.

According to testimony received by the Legislative Education Study Committee during the 2013 interim:

- the 19,364 students served by ABE in school year 2012-2013 represent approximately 5.0 percent of the total population eligible to receive ABE services;
- more than 400,000 New Mexico adults cannot fully participate in family, work, and community opportunities due to lack of education or English language skills; and
- over 240,000 New Mexico adults have not finished high school.

Background:

In August 1998, the US Congress enacted the federal WIA, which rewrote federal statutes governing programs of job training, adult education, literacy, and vocational rehabilitation, in an effort to replace them with what the sponsors thought to be streamlined and more flexible components of workforce development systems. Previous versions of the act include the *Jobs Training Partnership Act of 1982* and the *Comprehensive Employment and Training Act of 1973*. Title II of the WIA is the *Adult Education and Family Literacy Act (AEFLA)*, which defines adult education as services or instruction below the postsecondary level for individuals:

- who have attained 16 years of age;
- who are not enrolled or required to be enrolled in secondary school under state law; and
- who:
 - lack sufficient mastery of basic educational skills to enable the individuals to function effectively in society;

- do not have a secondary school diploma or its recognized equivalent, and have not achieved an equivalent level of education; or
- are unable to speak, read, or write the English language.

The AEFLA's purpose is to:

- assist adults to become literate and obtain the knowledge and skills necessary for employment and self-sufficiency;
- assist adults who are parents to obtain educational skills necessary to become full partners in the educational development of their children; and
- assist adults in the completion of a secondary school education.

The New Mexico Legislature took action in 2003 that amended law to transfer the responsibility of the state level ABE program from the former State Board of Education (now the Public Education Department, or PED) to the Commission on Higher Education (now HED). The transfer of the state ABE program to HED occurred in April 2005.

ABE programs provide the following services:

- ABE (grades 1-8 and adult literacy);
- adult secondary education (grades 9-12 and General Educational Development certificate preparation);
- English as a second language;
- workplace literacy;
- work-based learning; and
- English literacy/civics education.

Committee Referrals:

HEC/HAFC

Related Bills:

*SB 44aa *Use of "High School Equivalency Credential"*