

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: SB 381

51st Legislature, 1st Session, 2013

Tracking Number: .191781.1

Short Title: Adult Basic Education Fund & Tests

Sponsor(s): Senator Linda Lopez and Representative Sheryl Williams Stapleton and Others

Analyst: Travis Dulany

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Bill Summary:

SB 381 makes an appropriation and amends higher education provisions in current law to make the Adult Basic Education Fund (ABEF) a non-reverting fund.

Fiscal Impact:

\$4.0 million is appropriated to the ABEF from the General Fund. Unexpended or unencumbered funds remaining at the end of FY 14 shall not revert.

Fiscal Issues:

The Legislative Finance Committee FY 14 recommendation for adult basic education (ABE) is \$5.58 million. SB 381 appears to be a supplemental appropriation to the recurring General Fund appropriation for ABE.

Federal funding is provided to ABE through the *Adult Education and Family Literacy Act*. In order to continue to qualify for this federal funding, the states are required to meet certain maintenance of effort requirements, more specifically, "Expenditures for adult education in the second preceding fiscal year must not be less than 90 percent of the fiscal effort per student or the aggregate expenditures in the third preceding fiscal year." As a result, the appropriation contained in SB 381 would need to be a recurring appropriation in order to meet federal maintenance of effort requirements and avoid the loss of federal funds.

According to the Higher Education Department (HED):

- if the \$4.0 million appropriation supplements current funding, it would increase the funding available for New Mexico providers and ensure ongoing compliance with federal maintenance of effort requirements; and
- funding above the previous level will allow for an additional level of federal funding.

ABE funding for prior fiscal years is as shown below:

Fiscal Year	Federal Funds	Recurring General Fund Appropriation
FY 09	\$ 3,384,569	\$6,531,900
FY 10	\$3,571,629	\$6,212,100
FY 11	\$3,815,227	\$5,670,259
FY 12	\$3,910,247	\$5,386,786
FY 13	\$4,163,128	\$5,186,786 ¹

Information on HED's website indicates that:

- there are nine ABE sites that either are underserved or place students requesting service on waitlists; and
- there are 11 communities that currently do not have an ABE center, but have requested ABE services.

Background:

Adult Basic Education

In August 1998, the US Congress enacted the federal *Workforce Investment Act of 1998* (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.

¹ Additional, nonrecurring appropriations of \$200,000 (supplemental) and \$85,000 (special) were made for FY 13 to satisfy the state's maintenance of effort requirements.

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 GED, or general educational development certificate preparation (see “GED” section below));
- English as a Second Language;
- Workplace Literacy;
- Work-based Learning; and
- English Literacy/Civics Education.

GED

The PED bill analysis reports that:

- approximately 270,000 New Mexicans lack a high school credential;
- for 195,000 New Mexicans 25 years of age or older, English is not their native language;
- in 2012:
 - 8,495 students took at least one section of the GED test;
 - 7,338 completed the entire battery of GED tests; and
 - 4,907 passed the GED test, for a pass rate of 67 percent;
- the average age of GED test-takers in New Mexico is 24;
- 53 percent of GED test-takers are male and 47 percent are female;
- the current cost for the GED paper-based test ranges from \$35 to \$100 among the 29 GED testing centers;
- computer-based testing is currently available at five testing centers across the state at a cost of \$120.

Regarding the cost of the GED, it may be important to note that the GED testing structure will change at the end of calendar year 2013 when the new series of the test is issued. According to GED Testing Service, effective January 2014, the following changes will be in effect for the GED:

- *Computer-based Testing*
 - the new GED will be available only on computers;
 - an internet connection will not be necessary at the time the person is taking the test; however, an internet connection will be required in order for the test to be graded;
 - once the student has completed the test (and an internet connection has been established), the tests are encrypted for security and submitted for scoring;
 - according to a PED official, technology upgrades may be necessary in order to prepare for CBT (computer-based testing), and testing centers will need to become “Pearson VUE Authorized Test Centers” in order to offer the CBT; and

- test-takers will need to know “basic” computer, keyboarding, and typing skills, and have a familiarity with computer software tasks such as scrolling, using graphic user interfaces, and exhibiting windows.
- *Content Areas*
 - the new GED is aligned with Common Core State Standards (CCSS), as well as other college- and career-readiness standards of states that have not adopted CCSS (such as Texas and Virginia);
 - although the new GED test will have four content sections (further explained below) rather than the five currently offered on the 2002 Series GED Test, the full battery of tests will take the same amount of time as the current test, at approximately seven hours;
 - the test is intended to provide “an indicator of readiness to enter workforce training programs or postsecondary education,” and “actionable information about a candidate’s academic strengths and weaknesses”;
 - the newly developed test is said to be evidence-based, norm-referenced, designed to measure deep understanding of core skills needed for a variety of pathways, and based on empirical performance of a nationally representative sample of graduating high school seniors;
 - the new question types on the 2014 GED are intended to measure critical cognitive skills, that, according to GED Testing Service, are not possible on a paper-based test; and
 - the four content areas, along with their respective focuses, are:
 - **Literacy**, with a focus on integrated reading and writing tasks that require test-takers to read complex texts, analyze arguments, and use text-based evidence to support reasoning;
 - **Mathematics**, with a focus on deep mastery of a core set of quantitative reasoning skills relevant to a wide range of career and postsecondary pathways;
 - **Science**, with a focus on reasoning skills drawn from both CCSS Mathematics and English/Language Arts, as well as nationally recognized science and social studies curricular standards; and
 - **Social Studies**, with a focus on essential science and social studies content that is both relevant to the lives of adult test-takers and typical of what is taught in a high school course of study.
- *Cost*
 - the base price for the new GED test will be \$120/test-taker;
 - testing centers will be compensated approximately \$38/test-taker;
 - GED Testing Service representatives informed the Legislative Education Study Committee staff that states and testing centers may either add additional administrative fees on top of the \$120/test-taker base price or subsidize it through state funds.
- *Registration*
 - test-takers will register for the new GED test through GED Testing Service, either online or by a toll-free telephone number;

- because the registration will be via internet or telephone, it appears as though a credit or debit card will be necessary to sign up for the new GED test; however, PED staff have indicated that test-takers may also obtain a prepaid card in order to register online or over the telephone.

According to GED Testing Service:

- the GED test was first developed in 1942 and was primarily administered to armed service members whose military service interrupted their ability to complete high school;
- the original series of GED tests reflected the needs of the industrial era;
- at the time in which the test was developed, 37 percent of test-takers indicated plans to seek additional education at the postsecondary level;
- the original series English test focused on correctness and effectiveness of expression, while the other portions – social studies, science, and literature – relied on the interpretation of reading material;
- the test was revised in 1978, and the changes, as quoted below, were characterized by a:
 - “shift in emphasis from science and social studies reading materials to a separate reading test”; and
 - “transition away from a recall of facts toward application of conceptual knowledge and evaluation of presented information”;
- the third series of the GED test, released in 1988, was based on the following recommendations from a panel of professionals and experts:
 - the addition of a direct writing sample;
 - increased emphasis on critical thinking and problem-solving skills;
 - increased reflection of the diverse roles adults play in society;
 - greater emphasis on understanding the sources of societal change; and
 - an increase in contextual settings relevant to adults;
- in the 1988 series, the reason candidates took the test shifted, with over 65 percent saying they were taking the test in order to enroll in a postsecondary institution; and
- the fourth series, released in 2002, and also the current GED test, is based on content standards at the national and jurisdictional level, and will expire December 31, 2013.

Administration of the state’s GED program resides with PED.

Committee Referrals:

SEC/SFC

Related Bills:

SB 183 *Replace GED Terms With Equivalency Diploma*

SB 263 *Bernalillo GED Educational Training*

HB 321 *Adult Education Programs & GED Test*