

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: HM 99

51st Legislature, 2nd Session, 2014

Tracking Number: .197072.1

Short Title: Adult Education Program Funding Formula

Sponsor(s): Representatives Rick Miera and Sheryl Williams Stapleton and Others

Analyst: Travis Dulany

Date: February 18, 2014

Bill Summary:

HM 99 requests that the Higher Education Department (HED), in cooperation with the Legislative Education Study Committee (LESC) and the Legislative Finance Committee (LFC), form a work group to study the feasibility of fully funding the formula for adult education programs.

HM 99 requests that staffing for the work group be provided by HED, the LESL, and the LFC; and work group membership is to include representation from:

- the New Mexico Adult Education Association;
- the National Council of State Directors of Adult Education;
- community-based adult education organizations;
- the New Mexico Association of Community Colleges;
- the New Mexico Independent Community Colleges;
- community college financial offices;
- the Director of Institutional Research at the University of New Mexico;
- the Adult Basic Education (ABE) Division of HED; and
- the LESL and LFC.

The work group is requested to compile data on:

- the need for adult education services in New Mexico;
- base funding costs per program;
- cost per student served; and
- performance-based funding incentives.

Finally, HM 99 requests that the work group:

- recommend a fully funded formula based on a full workload that is adjusted annually; and
- report its recommendations to the LESL by August 1, 2014.

Fiscal Impact:

Legislative memorials do not carry appropriations.

Substantive Issues:

According to the bill analysis from HED for a related bill:

- 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.

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 (GED) certificate;
 - learn English as a second language;
 - prepare for college and careers; and
 - obtain and keep a job.

According to testimony received by the LESC 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 GED certificate preparation);
- English as a second language;
- workplace literacy;
- work-based learning; and
- English literacy/civics education.

Committee Referrals:

HEC

Related Bills:

HB 281a *Adult Basic Education Programs*

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