



**Testimony Presented to the
Senate Appropriations Subcommittee on K–12, School Aid and Education
SECTION 107 ADULT EDUCATION FUNDING**

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Thank you, Chairman Hansen and members of the subcommittee, for letting me testify here today. My name is Peter Ruark, and I am a Senior Policy Analyst at the Michigan League for Public Policy. We advocate for state policies that help individuals and families with low incomes become economically self-sufficient. Increasing access to adult education plays an important role in that mission, and I appreciate this opportunity to speak with you.

In the 21st century economy, a high school diploma is simply not enough. Entry level job openings with a career track increasingly require a credential such as a degree, certificate or license. Unfortunately, many workers in Michigan lack certain basic skills needed to succeed in the occupational training leading to these credentials, either because they dropped out of high school or they passed classes without completely mastering the skills (a C- is still a passing grade!). Adult education is a crucial link that prepares these workers for training, credentials, and finally, skilled jobs.

Michigan is not reaching nearly enough of the working age adults who need adult education:

- Over 212,000 Michigan adults age 25-44 lack a high school diploma or GED, yet fewer than 7% of these students enroll in adult education.
- More than 234,000 Michigan adults speak English less than “very well,” yet fewer than 4% enroll in English as a Second Language adult education programs.
- Between 56% and 63% of Michigan community college students each year need to take developmental (remedial) education classes due to not having mastered a skill area needed for postsecondary education or training.

Attached to this testimony sheet I have provided some tables. Table 1 shows Michigan’s large reduction in state funding for adult education over the past 15 years. During budget years 1997 to 2001, the state funded adult education at \$80 million per year, but the Legislature cut funding drastically after that, to as low as \$20-22 million annually. Three years ago the Legislature bumped up the funding to \$25 million (actually \$23.75 million because 5% is set aside for administration and does not go directly to adult education programming). As federal funding has also been

reduced, total funding for adult education has dropped from \$96.3 million in 2001 to only \$37 million in 2017.

Table 2 shows how the funding reductions have resulted in fewer people enrolling in and completing adult education programs. The decrease in total funding since 2001 has been accompanied by a 46% decline in enrollment and a 40% decrease in students completing a level.

With more funding, adult education will be able to reach more students and will be able to facilitate student success by expanding into places such as community colleges, workplaces and sites in which parents can bring their children (i.e., Head Start).

The governor's proposed budget continues to fund adult education at \$25 million for Fiscal Year 2019. The Michigan League for Public Policy recommends that the adult education appropriation be increased by \$5 million, to \$30 million per year. At an estimated cost of \$1,255 per student (the average spent per student over the past five years), Table 3 shows that this would enable approximately 4,000 more students to be served.

Thank you again for the opportunity to address this important issue.

TABLE 1

| History of Funding for Michigan's Adult Education Programs | | | | | | |
|--|-----------------|---------------------------------|--------------|----------------|---------------|--------------------------|
| Program Year | Federal Funding | | | State Funding* | Total Funding | State Portion of Funding |
| | Base Grant | English Literacy & Civics Grant | Total | | | |
| 1995-96 | NA | NA | NA | \$185,000,000 | NA | NA |
| 1996-97 | \$8,287,819 | \$0 | \$8,287,819 | \$80,000,000 | \$88,287,819 | 90.6% |
| 1997-98 | \$11,482,416 | \$0 | \$11,482,416 | \$80,000,000 | \$91,482,416 | 87.4% |
| 1998-99 | \$11,654,356 | \$0 | \$11,654,356 | \$80,000,000 | \$91,654,356 | 87.3% |
| 1999-00 | \$11,973,584 | \$0 | \$11,973,584 | \$80,000,000 | \$91,973,584 | 87.0% |
| 2000-01 | \$13,691,487 | \$437,129 | \$14,128,616 | \$80,000,000 | \$94,128,616 | 85.0% |
| 2001-02 | \$15,159,503 | \$1,160,594 | \$16,320,097 | \$75,000,000 | \$91,320,097 | 82.1% |
| 2002-03 | \$16,310,508 | \$1,251,632 | \$17,562,140 | \$74,569,800 | \$92,131,940 | 80.9% |
| 2003-04 | \$14,679,457 | \$1,332,464 | \$16,011,921 | \$20,000,000 | \$36,011,921 | 55.5% |
| 2004-05 | \$14,871,841 | \$1,355,222 | \$16,227,063 | \$20,000,000 | \$36,227,063 | 55.2% |
| 2005-06 | \$14,755,635 | \$1,352,236 | \$16,107,871 | \$21,000,000 | \$37,107,871 | 56.6% |
| 2006-07 | \$14,606,756 | \$1,352,688 | \$15,959,444 | \$24,000,000 | \$39,959,444 | 60.1% |
| 2007-08 | \$14,606,750 | \$1,369,315 | \$15,976,065 | \$24,000,000 | \$39,976,065 | 60.0% |
| 2008-09 | \$14,349,799 | \$1,295,444 | \$15,645,243 | \$24,000,000 | \$39,645,243 | 60.5% |
| 2009-10 | \$12,914,820 | \$1,300,460 | \$14,215,280 | \$22,000,000 | \$36,215,280 | 60.7% |
| 2010-11 | \$13,003,714 | \$1,376,349 | \$14,380,063 | \$22,000,000 | \$36,380,063 | 60.5% |
| 2011-12 | \$13,419,141 | \$1,352,694 | \$14,771,835 | \$22,000,000 | \$36,771,835 | 59.8% |
| 2012-13 | \$12,623,242 | \$1,341,874 | \$13,965,116 | \$22,000,000 | \$35,965,116 | 61.2% |
| 2013-14 | \$11,935,152 | \$1,253,164 | \$13,188,316 | \$22,000,000 | \$35,188,316 | 62.5% |
| 2014-15 | \$11,972,115 | \$1,253,159 | \$13,225,274 | \$20,900,000 | \$34,125,274 | 61.2% |
| 2015-16 | \$12,373,128 | \$1,251,135 | \$13,624,263 | \$23,750,000 | \$37,374,263 | 63.5% |
| 2016-17 | \$12,235,393 | \$1,220,708 | \$13,456,101 | \$23,750,000 | \$37,206,101 | 63.8% |
| 2017-18 | \$12,099,957 | \$1,204,250 | \$13,304,207 | \$23,750,000 | \$37,054,207 | 64.1% |
| Change FY 2001>2018 | -12% | 175% | -6% | -70% | -61% | — |

*The four most recent figures for state funding take into account a new 5% administrative set-aside deducted from the total appropriations.
 Source: U.S. Department of Education and Michigan House Fiscal Agency

TABLE 2

| As Adult Education Funding Has Dropped, so Have Enrollments and Completions | | | | | | | |
|---|---------------|--------------------------|-------------------|--------------------------|----------|--|----------|
| Program Year | Total Funding | Amount Spent per Student | Students Enrolled | Students Completed Level | | Students Completed Level and Advanced One or More levels | |
| | | | | Number | Percent | Number | Percent |
| 2000-01 | \$94,128,616 | \$1,681 | 56,001 | 15,471 | 28% | 7,760 | 14% |
| 2001-02 | \$91,320,097 | \$1,202 | 75,988 | 23,922 | 31% | 936 | 1% |
| 2002-03 | \$92,131,940 | \$1,300 | 70,893 | 17,496 | 25% | 7,038 | 10% |
| 2003-04 | \$36,011,921 | \$746 | 48,273 | 15,280 | 32% | 6,588 | 14% |
| 2004-05 | \$36,227,063 | \$1,042 | 34,768 | 11,210 | 32% | 3,536 | 10% |
| 2005-06 | \$37,107,871 | \$1,159 | 32,024 | 10,229 | 32% | 3,139 | 10% |
| 2006-07 | \$39,959,444 | \$1,216 | 32,856 | 12,293 | 37% | 4,256 | 13% |
| 2007-08 | \$39,976,065 | \$1,308 | 30,571 | 11,866 | 39% | 3,587 | 12% |
| 2008-09 | \$39,645,243 | \$1,404 | 28,243 | 11,265 | 40% | 3,470 | 12% |
| 2009-10 | \$36,215,280 | \$1,164 | 31,106 | 11,076 | 36% | 3,320 | 11% |
| 2010-11 | \$36,380,063 | \$1,413 | 25,745 | 10,289 | 40% | 3,115 | 12% |
| 2011-12 | \$36,771,835 | \$1,285 | 28,614 | 9,823 | 34% | 2,754 | 10% |
| 2012-13 | \$35,965,116 | \$1,218 | 29,533 | 10,779 | 37% | 3,071 | 10% |
| 2013-14 | \$35,188,316 | \$1,229 | 28,625 | 9,393 | 33% | 2,762 | 10% |
| 2014-15 | \$34,125,274 | \$1,243 | 27,443 | 9,951 | 36% | 2,771 | 10% |
| 2015-16 | \$37,374,263 | \$1,360 | 27,483 | 10,455 | 38% | 2,980 | 11% |
| 2016-17 | \$37,206,101 | \$1,232 | 30,196 | 9,327 | 31% | N/A | N/A |
| Change 2000-01 > 2016-17 | -60% | -27% | -46% | -40% | — | -62% | — |

Sources: U.S. Department of Education and Michigan House Fiscal Agency (Funding); Michigan Workforce Development Agency National Reporting System tables (Adult education participation)

TABLE 3

| How Many More Low-Skilled Adults Could Be Served by Increasing Adult Education Funding? | | | | | |
|---|----------------------|---------------------------|-----------------------------|---|-----------|
| | Annual Funding Level | Number of Students Served | Increase in Students Served | If Entire Increase Serves Adults Age 25-44 Without HS diploma | |
| | | | | # Served | % Served |
| Five-Year Average * | \$35,971,814 | 28,656 | — | 13,914 | 6% |
| If Increased by \$5 M | \$40,971,814 | 32,639 | 3,983 | 17,897 | 8% |
| If Increased by \$10 M | \$45,971,814 | 36,622 | 7,966 | 21,880 | 10% |
| If Increased by \$15 M | \$50,971,814 | 40,605 | 11,949 | 25,863 | 12% |
| If Increased by \$20 M | \$55,971,814 | 44,588 | 15,932 | 29,846 | 13% |
| If Increased by \$25 M | \$60,971,814 | 48,572 | 19,916 | 33,830 | 15% |

*Five-year average is for Program Years 2012-13 through 2016-17.