



2022 BUDGET PRIORITY: INCREASE ADULT EDUCATION FUNDING TO PREPARE MORE WORKERS FOR JOB TRAINING AND SKILLED WORK

LEAGUE RECOMMENDATION:

Increase funding for traditional adult education by \$10 million, to \$36 million, allowing the state to assist nearly 8,000 more students.

BACKGROUND:

In today's job market, entry-level job openings with a career track increasingly require a postsecondary credential such as a degree, certificate or license. Many Michigan workers need remediation in one or more basic skill areas in order to succeed in training that leads to these credentials. By providing adults an opportunity to gain skills normally associated with high school graduation, adult education is crucial in preparing workers for occupational training, credentials, and finally, skilled jobs. By increasing the number of work-ready individuals, serving more individuals through adult education also helps employers find the skilled workers they need.

Despite its importance as a workforce development tool, Michigan has greatly reduced its commitment to adult education during the past two decades:

State funding has dropped dramatically. During budget years 1997 to 2001, state funding for adult education was \$80 million a year, but the Michigan Legislature cut funding drastically after that to \$20-22 million annually. Increases in budget years 2017 and 2019 have brought annual funding for traditional adult education to \$26 million along with \$4 million for programs that connect adult education or career technical programs to employers, for a total of \$30 million the past three years. This is far short of what is needed.

The funding loss for adult education is even greater when adjusted for inflation. In 2001 dollars, state funding for adult education has fallen by 78%.

WHY DOES IT MATTER?

The funding cuts have resulted in fewer people having access to and completing adult education programs. The decrease in total funding since 2001 has resulted in local adult education programs closing down or reducing the number of students they can accept each year. Not surprisingly, the 2018-2019 school year saw a 45% decline in total enrollment and a 36% decrease in students completing a grade level compared to 2000-2001.

Many community college students are not academically prepared and more access to adult education can help them succeed. During each of the past 10 years, well over half of all community college students in Michigan have been required to take developmental (remedial) education courses, which cost money but do not count for credit. These students could benefit from being able to take adult education free of cost in place of developmental education.

Higher academic success through more access to adult education can help decrease racial disparities in educational attainment. In Michigan, 27% of Latinx, 26% of African American and 24% of Native American adults 25 years old and over have an associate degree or higher, while 71% of Asian and 41% of White adults do. Expanding adult education in Michigan can increase racial equity in educational access and achievement, which in turn can reduce poverty and income

Reduction of Adult Education Funding from 2001 to 2021, in Inflation-Adjusted Dollars

Program Year	State Funding	Total Funding	State Funding (2001 Dollars)	Total Funding (2001 Dollars)
2000-2001	\$80,000,000	\$94,128,616	\$80,000,000	\$94,128,616
2020-2021	\$30,000,000	\$45,000,057	\$19,630,110	\$29,445,170
Decrease	-63%	-52%	-75%	-69%

Calculated using the Bureau of Labor Statistics Consumer Price Index Inflation Calculator
 Source: U.S. Department of Education and Michigan House Fiscal Agency

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History of Funding for Michigan's Adult Education Programs

Program Year	Federal Funding	State Funding*			Total Funding	State Portion of Funding
		Base Funding	AE/CTE-to Employer Grants	Total State Funding		
2000-01	\$14,128,616	\$80,000,000		\$80,000,000	\$94,128,616	85.0%
2014-15	\$13,225,274	\$22,000,000		\$22,000,000	\$35,225,274	62.5%
2015-16	\$13,624,263	\$25,000,000		\$25,000,000	\$38,624,263	64.7%
2016-17	\$13,456,101	\$25,000,000		\$25,000,000	\$38,456,101	65.0%
2017-18	\$13,304,207	\$25,000,000	\$2,000,000	\$27,000,000	\$40,304,207	67.0%
2018-19	\$14,160,066	\$26,000,000	\$4,000,000	\$30,000,000	\$44,160,066	67.9%
2019-20	\$14,428,437	\$26,000,000	\$4,000,000	\$30,000,000	\$44,428,437	67.5%
2020-21	\$15,000,057	\$26,000,000	\$4,000,000	\$30,000,000	\$45,000,057	66.7%

*Beginning with Program Year 2014-15, figures for state funding include a 5% administrative set-aside from the total appropriations.

Source: U.S. Department of Education and Michigan House Fiscal Agency

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