

STATE OF NEW MEXICO LEGISLATIVE EDUCATION STUDY COMMITTEE

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November 15, 2011

MEMORANDUM

TO: Legislative Education Study Committee

FR: Travis Dulany

RE: STAFF REPORT: ADULT BASIC EDUCATION (ABE)

Introduction

During the October 2011 interim meeting of the Legislative Education Study Committee (LESC), the Adult Basic Education (ABE) administrator for New Mexico State University at Grants, Mr. Tom McGaghie, reported that nearly 400,000 New Mexico adults do not have a high school diploma and/or English language skills; however, the state currently has the capacity to serve only 5.0 percent of this population. The ABE administrator emphasized that in the current year over 23,000 students were receiving ABE services; however, each of the state's 29 ABE centers has a waiting list because of a lack of state capacity. Mr. McGaghie requested that the LESL consider a discussion of ABE and the holistic role and benefit that the program has for education in New Mexico.

This staff report provides the following information:

- background;
- current practices;
- funding for ABE;
- 2011 issue: funding for ABE instructional materials; and
- policy options.

Background

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* (JTPA), and the *Comprehensive Employment and Training Act of 1973* (CETA). 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 the Higher Education Department, or HED). The transfer of the state ABE program to HED occurred in April 2005.

According to HED, 23,248 students are enrolled in the 2011 New Mexico ABE program across 29 higher learning institutions, which provide the following services:

- Adult Basic Education (grades 1-8 and adult literacy);
- Adult Secondary Education (grades 9-12 and General Educational Development (GED) preparation);
- English as a Second Language (ESL);
- Workplace Literacy;
- Work-based Learning; and
- English Literacy/Civics Education.

Funding for Adult Basic Education

Title II of the WIA is the major source of federal support to states for ABE programs. The act provides five-year basic grants to states allocated by a formula that is based on the number of adults, over age 16, who have not completed high school in each state. For FY 12, HED reports the receipt of over \$3.9 million in federal support from the act.

Regarding state funds, each year the Legislature provides an appropriation to ABE as part of the state's required 25 percent match for receipt of federal funds. Historically, the Legislature has appropriated an amount well above the required federal match. For FY 12, the 2011 Legislature appropriated \$5,386,786 to provide ABE services to eligible students. However, state support for ABE has declined during the last two fiscal years, as noted in the table below:

| Fiscal Year | Federal Funds | Legislative 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 |

Current Practices

ABE covers a broad array of learning topics, from basic English communication skills to college preparation. The diverse nature of ABE requires flexibility in teaching and diversity in course offerings. In fact, in preparing this report, nearly all literature on the topic emphasized the notion that there is no one type of ABE student, but rather an eclectic mix of cultures, backgrounds, professions, and ethnicities. Nonetheless, HED has attempted to focus the ABE program in New Mexico toward helping students obtain a professional certificate and at least one year of college.

In 2008, an HED consultant advised the department on a variety of methods for addressing and improving career pathways, most notably, the I-BEST, or Integrated Basic Education and Skills Training, model. According to HED, the department has begun implementing a pilot program for the model. The reason for the pilot program and movement toward the I-BEST model revolves around the enhanced return on investment for both the student and the State of New Mexico for ABE through the model.

According to 2010 census data, persons working full-time who have "some college" have median annual earnings of \$40,556; individuals who earned a high school diploma received median annual earnings of \$34,197; and those who did not complete high school were reported to have median earnings of \$27,470. Because of the substantial earning gap between those who did not complete high school and those with some college education, HED is gearing its ABE approach not only toward adult literacy and successful GED test completion, but also toward technical and career training. So far, the department has selected six sites for its pilot program.

2011 Issue: Funding for Adult Basic Education Instructional Materials

According to statute, funds for instructional materials are allocated annually through the *General Appropriation Act* (GAA) to the Instructional Materials Fund, which is administered by PED. From there, the 2011 GAA includes an interagency transfer from the Instructional Materials Fund for ABE instructional materials to the ABE budget. However, at the time of drafting for this report, those funds have not yet been transferred. PED officials have stated that the transfer is underway.

On August 20, 2011, Legislative Finance Committee and LESC staff, HED officials, PED officials, and ABE administrators met to discuss funding discrepancies for ABE instructional materials. A PED official stated that HED is responsible for requesting ABE funds, but has failed to do so in the last two years. This, according to the PED official, was the reason the funds were not transferred to HED sooner.

Policy Options

For the consideration of the committee, the following policy options are offered:

- language in House Bill 2, *General Appropriation Act* (2012), to specify the purpose and intention of the ABE instructional materials interagency transfer; and/or
- amending statute to appropriate ABE instructional materials directly to HED; and/or
- amending the calculation for ABE instructional materials, as the current calculation is done by multiplying PED's average per-student material cost times 0.25 of total ABE enrollment for the previous school year (the current calculated allocation is approximately \$209,000 for ABE instructional materials statewide).

Presenters

Ms. Frances Bannowsky, Director, ABE Division, HED; and Mr. Tom McGaghie, ABE Director, New Mexico State University-Grants Campus, will present on Adult Basic Education in New Mexico.