

Michigan League for Public Policy

2019 BUDGET PRIORITIES

Increase Adult Education Funding to Prepare More Workers for Job Training and Skilled Work

— LEAGUE RECOMMENDATION —

Increase adult education funding by \$5 million, to \$30 million, allowing the state to assist nearly 4,000 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 occupational training that leads to these credentials. Adult education is a crucial link in preparing these workers for 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 funding for adult education during the past 16 years:

- State funding has dropped dramatically.** During budget years 1997 to 2001, state funding for adult education was at \$80 million a year, but the Michigan Legislature cut funding drastically after that to as low as \$20 million annually. In budget years 2017 and 2018, the Legislature bumped up the funding to \$25 million (\$23.7 million with the 5% administrative set-aside). As federal funding has also been reduced, total funding for adult education in Michigan dropped from \$94 million in 2001 to only \$37 million in 2017.
- The funding loss is even greater when adjusted for inflation.** In 2001 dollars, this is a decrease of 73% in adult education funding.

Reduction of Adult Education Funding 2001 to 2018, in Inflation-Adjusted Dollars				
Program Year	State Funding	Total Funding	State Funding (2001 Dollars)	Total Funding (2001 Dollars)
2000-01	\$80,000,000	\$94,128,616	\$80,000,000	\$94,128,616
2017-18	\$23,750,000	\$37,054,207	\$16,508,880	\$25,756,780
Decrease	-70%	-61%	-79%	-73%

WHY IT MATTERS:

- The funding cuts have resulted in fewer people enrolling in and completing adult education programs.** The decrease in total funding since 2001 has been accompanied by a 51% decline in enrollment, a 36% decrease in students completing a grade level, and a 64% decrease in students completing and then advancing a grade level.
- 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, 56-63% of all community college students in Michigan have been required to take developmental (remedial) education courses. Such courses 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 race-based income inequality.** In Michigan, median household income varies greatly depending on the race of the household, ranging from \$76,370 (Asian) to \$30,732 (Black). Increasing adult education in Michigan can increase racial equity in educational access and achievement, which in turn can reduce income inequality.