



Reecie Stagnolia, Chair

ISSUES

Supporting Knowledge and Investing in Lifelong Skills Act SKILLS Act

TITLE I – *Section numbers cited are current law**

I. One Stop Centers (Payments for Infrastructure) Section 121 (h)

Issue – We are concerned about provisions related to the costs of infrastructure.

The bill proposes to pay for the costs of infrastructure by taking a portion of administrative funds from each one-stop partner. It also allows the taking of additional funds for other one-stop costs.

Adult education is capped at 5% for administrative services. Needless to say, managing a performance-based program run by a number of eligible applicants requires a concerted effort to ensure quality services. In addition, local programs have limited resources with waiting lists. Diverting administrative funds for other purposes could seriously impede our ability to insure participants are provided with high quality programs. There are already too few dollars available for serving participants and administrative activities at the state and local level. In some states, administrative dollars are barely enough to operate state offices. **We support a line item for infrastructure costs.**

II. Participation on State and Local Boards – Sections 111 and 117

Issue – While we applaud the inclusion of business representatives on boards, we are concerned that not requiring the involvement of one stop partners may eliminate a key element in the decision-making process. While business representatives can speak to the employment and skills needs of a local community, they do not have the expertise and knowledge of the operation of

one stop partner programs necessary to effectively develop the state plan and the activities to be carried out with a state or local community.

While we agree that boards that are too large may not be effective in carrying out their responsibilities, **we do believe the key one stop partners funded under the Workforce Investment should play a role in the decision making process.**

III. Performance Accountability System – Section 136

Issue – In key states such as California and New York, state Attorneys General or state statutes interpret FERPA strictly and do not allow local adult education programs to collect Social Security numbers. As a result, data match with employment data is not possible. **Therefore, states should not be required to collect employment data** because not all states can do so.

IV. State Unified Plan – Section 501

Issue: We would like to clarify that considering Title I and Title II programs as one activity or program for purposes of the unified plan is not an indication of the committee's intention to consolidate the programs. Because there are 90 million adults (NAALS) who do not have reading, math and/or English skills to qualify for high demand jobs or post-secondary entrance requirements, it is essential that adult education not be diverted to its critical mission of enabling undereducated, under-prepared adults to be college and career ready.

TITLE II – *Sections Cited are Current Law**

I. Allowing “for profits” to be eligible providers – Section 203 (3)(E)

Issue: The legislation would make several changes to the list of eligible providers to allow private, **for profit** agencies or institutions to receive funds for adult education programs. Last year the Senate conducted an extensive study of proprietary schools and the results revealed these organizations had limited effectiveness and ability to demonstrate results. The conclusions were

very convincing that it was impractical to invest public funds in those institutions.

Recommendation: We strongly oppose this provision and other language related to the participation of for profit organizations as eligible providers and request that it be removed from the SKILLS Act.

II. Intensity and Duration - Multiple Sections – see below

Issue: In the definition of family literacy (Section 203) and under measurable goals (Section 231(d)(4)), the Committee includes language regarding whether or not a program is of sufficient intensity and *of sufficient quality* to make sustainable changes. However, in section 231 (d)(15), the language refers to services being of sufficient intensity *and duration*.

In the adult education profession, “intensity” is defined as the number of hours per week that the student attends classes. “Duration” is defined as the number of months he/she attends. We certainly do not want to de-emphasize “duration” as a requirement for our programs. Adults must have time-on-task in order to overcome their education deficiencies and achieve educational goals.

Current law refers to “intensity and duration” because we have learned that the amount of time that an individual attends classes is also important to positive outcomes. It is also not clear how the committee would define “quality.” Would this definition include “duration?”

Recommendation: We recommend that the language be amended in all instances where it appears to refer to programs of “sufficient intensity, duration and quality.”

III. Definition of “Literacy” - Section 203 (11)

Issue: The bill proposes to modify the definition of literacy to focus on one’s attainment of a level of proficiency necessary to obtain employment and to successfully make the transition to postsecondary education. It eliminates language referring to their ability to function in their family and in society. Obtaining a job is important, as is making the transition to postsecondary education. However, for many of our participants, their lack of education affects their ability to help their children with schoolwork, or to simply read them a story. We cannot overlook the importance of this skill when we are defining literacy. Similarly, many individuals lack the simple skills to read a bus schedule (go get to work), read a prescription bottle (possibly causing an overdose or leading to medical treatment), or obtain their citizenship. Therefore, these individuals lack the skills necessary to function in society and we also cannot ignore this skill set when defining literacy. The Committee’s definition is too limited and does not reflect the reality faced by individuals with limited literacy skills.

Recommendation: We recommend revising the language to read:

“The term literacy means an individuals’ ability to read, write and speak in English, compute and solve problems at levels of proficiency necessary to function on the job, in the family and in society and to successfully make the transition to postsecondary education.”

IV. Authorization of Appropriations - (Section 205)

Issue: The SKILLS Act would create a ceiling of funding for adult education programs of \$606,294,933 for a total of 7 years. This limit would prevent any real program growth in adult education programs at a time when we have waiting lists of individuals who need to improve their skills in order to obtain or retain employment. We are also facing a possible influx of immigrants seeking services should an immigration reform bill pass which requires English language skills for legalization purposes.

Recommendation: Although we understand there are budget restrictions, we prefer language that establishes a funding figure for 2014 and then provides for

“such sums” in the out years. This will allow the Appropriations Committee to set a figure consistent with budgetary restraints each year.

V. Reservation of funds for National Programs - Section 211 (a)

Issue: In Section 211 (a) of current law, there is a reservation of 1.5% for carrying out National Leadership Activities. It is capped at \$8 million. The SKILLS Act would provide that 2% of funds be reserved for this purpose and eliminates the cap. We are concerned that the lack of a cap could result in fewer dollars available to send to the States to provide actual services.

Recommendation: We recommend retaining **the 2% reservation but capping it at \$15 million.** This would allow for some growth but would insure that adequate funding continues to be reserved for serving program participants.

VI. Definition of Qualifying Adult – Section 211(d)

Issue: Section 211(d) provides a definition of “Qualifying Adult”, setting forth the criteria for determining who is eligible for services under AEFLA. We are concerned that item (3) includes an “and” at the end and not an “or”. This could lead to the conclusion that an individual would have to meet all four criteria. There are individuals with high school diplomas who seek our services because they simply did not receive the skills they require during high school and who need additional academic services in order to obtain or retain a job or transition to postsecondary education or training.

The National Adult Literacy Survey identified 93 million adults with deficiencies in math, reading and/or English. Some 40 million adults have not completed high school. Thus, there are some 50 million adults with a high school diploma who do not have 21st Century skills. Many of these adults graduated from high school in 1970s, 1980s or 1990s. Their 20th Century skills

do not prepare them for 21st Century jobs. These adults are the ones laid off as plants close and they need to upgrade their skills to compete for high demand jobs and qualify to enter post-secondary programs.

Recommendation: **Change the “and” at the end of item (3) to an “or.”**

VII. Initial Allotments – Section 211

Issue: The amount provided for initial allotments under Section 211 (c)(1) has not changed since 1982, thereby putting a burden on less populated states. Since 1982, outlying areas have received initial allotments of \$100,000 and states have received \$250,000.

Recommendation: **We recommend that allotments be raised once appropriations for adult education basic grants exceed \$570 million. We believe initial allotments for outlying areas should be raised to \$200,000 and \$350,000 for other eligible agencies.**

VIII. State Distribution of Funds – Section 222

Issue: The SKILLS Act retains in Section 222 (a)(2) the provision to reserve 12.5% of grant funds to carry out state leadership activities. The state directors have requested that state leadership funds be increased from 12.5 to 15%. This would restore the amount to the level in law prior to the enactment of the Workforce Investment Act. The 12.5% limit has put a burden on the states who are expected to carry out critical support and infrastructure responsibilities, particularly as they relate to expanding professional development, developing career pathway programs, integrated education and training, assistance for students transitioning to postsecondary, monitoring program performance and improving low performing programs and other activities that insure quality of services and responsiveness to new federal requirements.

Recommendation: **Increase the amount available for state leadership activities to 15 percent.**

IX. Cap on Grant Funds Available for Administrative Expenses – Section 222

Issue: Section 222 (a)(3) of current law allows states to use 5 percent or \$65,000, whichever is greater, for the administrative expenses of the eligible agency. Again, this amount has not been increased for over a decade. It is very difficult, particularly for small states, to respond to the requirements of the Act with an administrative grant of \$65,000.

Recommendation: **We recommend increasing the \$65,000 to \$100,000 to help small states meet their responsibilities under the Act.**

X. State Plan – Section 224

Issue: In Section 224 (State Plan) of the SKILLS Act, provision (10)(A), states are required to explain how they will build the capacity of community-based and faith-based organizations to provide adult education and family literacy programs. We are concerned that this is contradictory to the spirit of Section 231 (c), which is to provide direct and equitable access to all eligible providers. The wording of (A) would appear to single out a specific set of providers for special treatment. In addition, there may be scores, if not hundreds, of community-based organizations in a state which, under this provision, could demand that the state help them build their capacity. The state has neither staff nor sufficient funding to assist non-funded organizations.

Recommendation: **We recommend that you eliminate (A). Adult education programs are already required to treat all eligible providers on an equal basis.**

XI. State Plan – Section 224 (12)

Recommendation: **The State Directors support requirement (12) but suggest that it be amended to add “for the workforce and” after students and before “to enter postsecondary education.”**

XII. Local Activities – Section 231

Issue: Section 231(b) (Grants and Contracts for Local Providers) contains a modification of local activities that is of great concern to state directors of adult

education. Item (b)(3) would appear to allow adult education funds to pay for credit bearing postsecondary coursework. We believe our primary role is addressing 1) the basic skills needs of adults, which will enable them to work towards achievement of a high school diploma or its alternative and 2) participate in the educational component of integrated education and training programs (but not to include funding the training component). Limited adult education funds should not be used for postsecondary education or for training activities that are part of integrated education and training programs.

Adult education programs across the country work hand in hand with postsecondary institutions to develop career pathway programs. Therein, adult education assumes the cost of basic skills and the post-secondary institutions arrange for the occupational training costs.

Using funds for occupational training reduces the number of undereducated, under-prepared adults whom we can serve. As it is, adult education programs have the capacity under current funding levels to enroll only 1.8 million of the 93 million in need of these services,

Recommendation: While we strongly support integrated education and training programs, we request that the language **clarify that adult education would only pay for the adult education component of integrated education and training programs.** Additionally, we recommend that **language allowing adult education to pay for credit bearing postsecondary work be eliminated** from the bill.

XIII. Maintenance of Effort – Section 241

Issue: The SKILLS Act eliminates the maintenance of effort (MOE) provisions from Section 241 (Administrative Expenses). Elimination of the MOE provision will allow states to reduce state funding for adult education. The maintenance of effort provision was placed in the law to help maintain level funding by the states. The number of individuals we can service in adult education combining federal, state and local funds has already dropped from 3 million to 1.8 million. If the true purpose of the bill is to decrease the skills gap and put Americans back to work, eliminating this provision will have the opposite effect. Simply put, it will reduce the number of individuals who can access services and gain the skills they require to obtain or retain a job.

Recommendation: Restore the maintenance of effort provisions of the law.

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