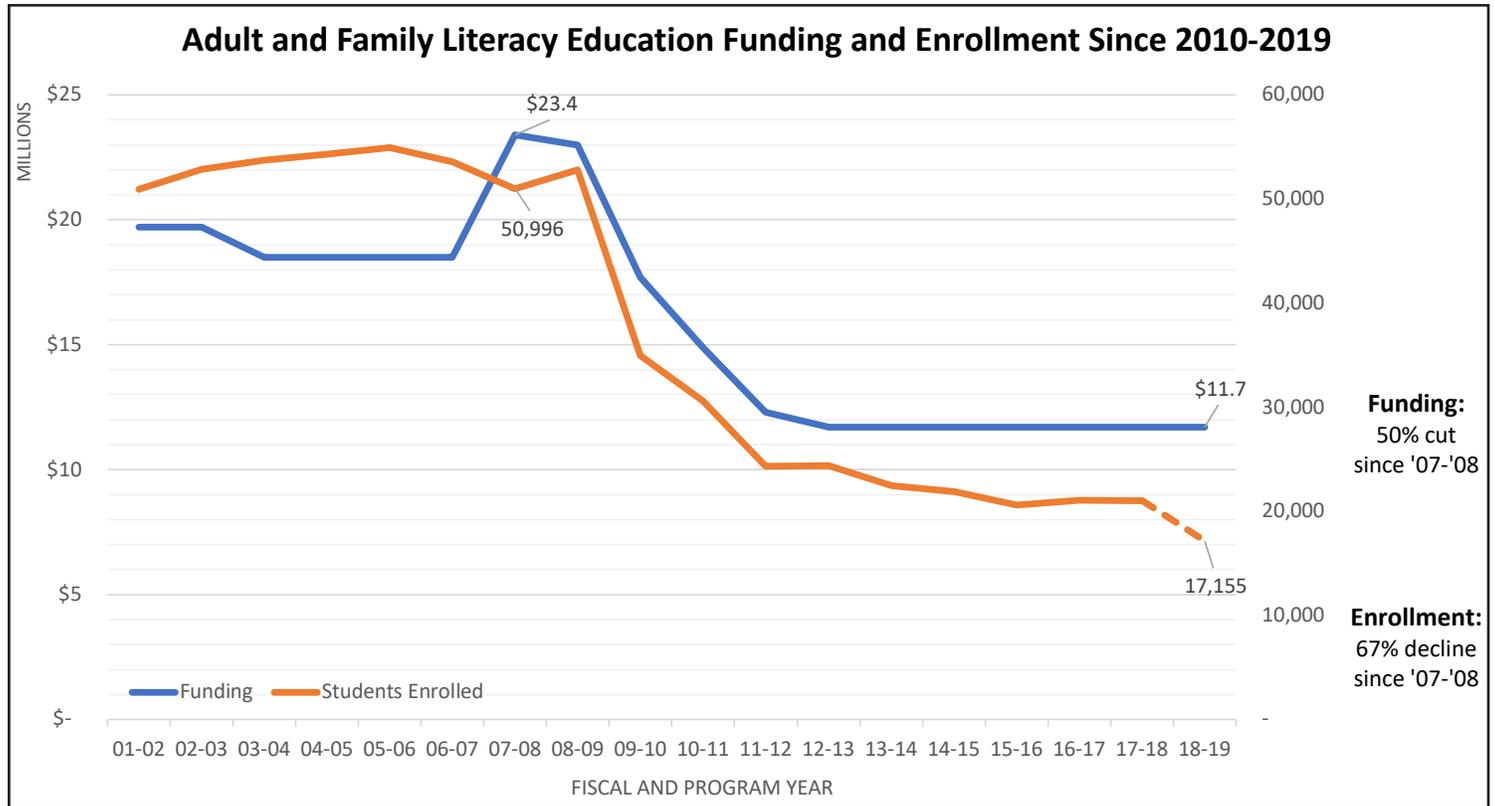


## Adult Education Funding in Pennsylvania



Increase funding for adult education! The declining funding level and student enrollment do not tell the whole story.

- 1,025,756 Pennsylvanians do not have a high school diploma
- 1,117,169 adults speak a language other than English
- 67,861 students dropped out of high school in the last five years
- 1,600,000 adults struggle with reading, math and digital literacy

Each year, increasing programmatic demands and inflation increase our cost per learner, explaining the declining enrollment with level funding.

### It's time to break the trend of level funding in Pennsylvania!

The Advocacy and Public Policy Committee has published this Budget Advocacy Primer to prepare PAACE members for action.

Adult and Family Literacy Education providers are working in the midst of a crisis to ensure that our students continue to learn. The current 5/12 budget for Adult and Family Literacy Education means that our line item will be negotiated for the remainder of the year.

It is our collective responsibility to make a strong case for funding so that we may continue and increase services to our students and community. Our elected officials must hear from us.

Adult and Family Literacy Education is ready and able to address the three crises facing our Commonwealth:

1. Health crisis
2. Economic crisis
3. Racial and social justice crisis

On the health front, health literacy is a key component of adult learning. On the economic front, upskilling incumbent, displaced and emerging workers will be essential to our state’s economic recovery. On the racial and social front, adult educators connect with learners from all over the world who settle into our community. We provide equitable educational opportunities so they can contribute to help build our community, and develop citizenship skills. Adult educators work with adults who are members of our community and represent diverse economic, racial and cultural backgrounds. Whatever the students’ backgrounds, adult educators are on the front line providing services so that our community members can develop strong skills that will enable them to earn a sustainable wage and give back to the community.

This primer was developed to give you necessary background information to get involved in advocacy efforts. The primer provides a brief explanation of the budget process in Pennsylvania, an explanation of “maintenance of effort” and how it impacts our line item and advocacy message, and a description of what we, as PAACE members, are asking for in the budget.

**Teachers, administrators, tutors, volunteers, and coordinators, reading this primer is the first step! In the next few weeks, we will be sending you action items to do to fight for our funding.**

## **The Budget Process in Pennsylvania**

This section provides an overview of the budget process in Pennsylvania. Keep in mind that due to the pandemic, the budget process for this year looks different. Because of these changes, advocacy is especially important this year.

### **Budget Process at a Glance**

<b>July</b>	<b>August</b>	<b>February</b>	<b>March</b>	<b>April—June</b>	<b>June 30</b>
Budget Instructions Distributed	Agencies prepare budget requests	Governor announces executive budget	Budget hearings to review agency budgets	Budget line items negotiated	Deadline for PA General Assembly to approve budget

### **Preparation**

Preparing the state’s budget is a yearlong process, starting on July 1.

- The first step of the process is the distribution of the Budget Instructions by the Office of the Budget and Program Policy Guidelines by the Governor which define the major policy issues and problems faced by the Commonwealth and provide direction for the preparation of each agency’s budget request.
- Agencies prepare budget requests starting in August according to the direction and guidance provided in the Budget Instructions and Program Policy Guidelines.
- Total agency requests must be brought into balance with estimated total revenues from existing sources or new revenue sources must be recommended.
- In December, the Governor meets with leaders of the General Assembly to apprise them of anticipated spending and revenue levels and to discuss major fiscal issues.
- The Secretary of the Budget makes recommendations to the Governor on the proposals contained in the agency budget requests. The Governor then conducts reviews to make the final budget decisions.
- The Governor’s Executive Budget is finalized in January and submitted to a joint session of the General Assembly by the Governor through his budget address in early February.

### **Approval**

The appropriations committees of the House and Senate hold budget hearings to review agency requests for funds. The appropriations hearings provide legislators with an opportunity to review the specific programmatic, financial and policy aspects of each agency’s programs.

At the time that the General Appropriation Bill and other appropriation bills are presented to the Governor for approval, the official revised revenue estimates for the budget year are issued.

- If the combined appropriations passed by the Legislature exceed the revenue estimates, the Governor has the authority and duty either to veto entire appropriation bills or to reduce the amount of appropriations in order to produce a budget that is in balance with revenues.
- The Governor also has the power to reduce or item veto any appropriation thought excessive or unnecessary even if the total appropriations passed by the legislators do not exceed estimated revenues.

- A Governor's item veto may be overridden by a two-thirds vote of each chamber of the General Assembly. The signing of the appropriation bills and any revenue bills by the Governor is the last step in the approval stage of the budget cycle.

On occasion, additional appropriations are made subsequent to the passage of the General Appropriation Act. These additional appropriations are made for a purpose for which either no appropriation was originally made, or in those circumstances where the General Assembly deems it desirable that an original appropriation be increased in the current fiscal year period. Additional appropriations are made in supplemental appropriation bills, which are passed in the same manner as regular appropriation bills.

Adapted from [The Budget Process in Pennsylvania](http://www.budget.pa.gov/PublicationsAndReports/Documents/OtherPublications/Budget%20Process%20In%20PA%20-%20Web.pdf) published by the Pennsylvania Office of the Budget. [www.budget.pa.gov/PublicationsAndReports/Documents/OtherPublications/Budget%20Process%20In%20PA%20-%20Web.pdf](http://www.budget.pa.gov/PublicationsAndReports/Documents/OtherPublications/Budget%20Process%20In%20PA%20-%20Web.pdf)

## What is Maintenance of Effort (MOE)?

**Maintenance of Effort (MOE) is important for Pennsylvania because the state must invest in adult literacy and basic education in order to receive federal funding from Title II of WIOA.**

- The non-federal expenditures that Pennsylvania reports to the federal government for one fiscal year, must be at least 90 percent of the amount Pennsylvania reported to the federal government the year before.
- **If Pennsylvania cuts the line item too much, it could result in our MOE falling below 90 percent, resulting in a loss of federal funds. In 2020, Pennsylvania's federal grant award is expected to be \$19,718,214.**
- This does not leave much wiggle room for cutting the state budget. Pennsylvania's investment in adult literacy and basic education keeps these resources in Pennsylvania and funds adult and literacy and education for Pennsylvania's vulnerable residents.

## What do we want?

As representatives of state-funded adult education agencies, we request that Pennsylvania's Adult and Family Literacy Education line item in the state budget be funded at \$23 million. This level of funding will enable agencies to provide services to adult learners to help them be better prepared to enter the labor market and participate in workforce training. The gains in their income will result in an increased tax base for Pennsylvania and a **decrease** in income subsidies. Additionally, participation in adult education programs will help adult learners support their children's education, and be informed about protecting themselves and their families during a pandemic.

Earlier this year, PAACE advocated for Pennsylvania to restore Adult and Family Literacy Education funding to the 2008–2009 amount of \$23 million dollars. 2009–2010 saw the beginning of recession related funding cuts which ultimately led to an overall 50% cut. From 2003 to 2007, the Adult and Family Literacy line item was funded at \$18.534 million. Adult and Family Literacy Education has not recouped any of the funds that were cut during the last recession.

The strong correlation between education and the ability to earn a self/family-sustaining wage is well established. Recent data reports that 1,025,756 Pennsylvanians do not hold a high school diploma. Of that number, 67,861 students dropped out of high school within the last five years. Added to the data pool, 1,600,000 adults struggle with basic reading, math and digital literacy skills that significantly impact their ability to get a job, move to a high wage paying job or engage in college-level training.

Pennsylvanians who do not hold a high school credential are two times more likely to be unemployed, four times more likely to live in poverty, and 3.5 times more likely to be incarcerated. Additionally, there is a lifetime difference of lost revenue between dropouts and graduates. Adult learners who participate in 100 hours or more of adult education earn an extra \$9,000 in annual income. In Pennsylvania, 1,025,756 do not have a high school credential. That amounts to more than 9 billion dollars.

For businesses to succeed in Pennsylvania, they need skilled workers. There is a need for skilled workers now. In 2018, 53% of Pennsylvania jobs required more than a high school diploma, but less than a 4-year degree. In this same year, only 42% of Pennsylvania adults had the necessary training. The untapped workforce of adults who separated from school before fully developing their skills and English learners can fill labor gaps with some education and training. Adult and Family Literacy Education is the connector between this untapped workforce, job training, and jobs. This is especially true in times of chronic unemployment such as we are now experiencing as a result of the COVID-19 pandemic.

Under-investing in Adult and Family Literacy Education has strained our provider network. Providing the support necessary for adult education students to succeed has remained the same while funds have declined. Successful programs offer intensive student case management, education and career navigation, and standards-based curriculum. Additionally, providers coordinate services with local workforce development partners which

requires resources for programs to build relationships and support student transition to postsecondary education, training, and employment. In Pennsylvania, Adult and Family Literacy Education providers are not a second chance for low skilled adults, they are the ONLY chance. Invest in adult education at a level that provides the resources that providers need to support Pennsylvania's most vulnerable residents who often fill important, essential jobs, such as nurse aides and grocery store cashiers. Pennsylvania cannot leave anyone behind.

With the establishment of Pennsylvania's goal that 60% of Pennsylvania's population ages 25-64 will hold a postsecondary degree or industry recognized credential by 2025, with particular focus on closing attainment gaps for historically underrepresented populations, adult and family literacy programs are a key on-ramp to higher education and are key partners in helping the Commonwealth meet this goal. Pennsylvania will need to invest in adults already out of high school in order to meet this goal. The adults we serve in our programs will be able to succeed in higher education and job training with the right remediation, advisement and support that adult and family literacy education is able to provide.

It is hard to predict the impact COVID-19 will have on the state economy; however, we know that adult and family literacy education students have been hit hard by this pandemic. Many had to work long hours in essential jobs risking their health. Many more lost their jobs and are now facing an uncertain future. Adult and Family Literacy programs are a first step in finding stability. When the pandemic forced programs across the state to close to the public, adult education providers were primarily face to face programs. These programs did not stop what they were doing, instead they changed how they did it. Programs swiftly and effectively transitioned from face to face services to remote services and are well suited to provide a combination of face to face and remote services moving forward. Unfortunately, access to technology is a barrier for many adult learners.

Additional funding will ensure that programs can expand case management and ensure access to technology.

## Sources

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**PAACE Members, advocacy work can feel daunting! The advocacy and public policy committee is here for you. Please contact us with any questions, comments, or concerns. Look for further communication with advocacy action items!**

## Advocacy Calendar

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<b>July</b>	<ul style="list-style-type: none"> <li>• Advocacy Primer - create and distribute</li> <li>• Request letters of support</li> </ul>
<b>August</b>	<ul style="list-style-type: none"> <li>• Student letters</li> <li>• Legislative visits</li> <li>• Lesson plans for students to engage in advocacy</li> </ul>
<b>September</b>	<ul style="list-style-type: none"> <li>• Student letters</li> <li>• Legislative visits</li> <li>• Voter registration</li> </ul>
<b>October</b>	<ul style="list-style-type: none"> <li>• Student letters</li> <li>• Legislative visits</li> <li>• Voter registration</li> </ul>
<b>November</b>	Budget for remainder of FY 20.21