

DRAFT Act 78 AEL Committee Proposal

Executive Summary of Proposed Changes

The [Committee] proposes the following legislative changes and recommendations related to policy and administration of Adult Education and Literacy programs to meet the goals of Act 78 Sec. E504:

1. Retire the High School Completion Program (HSCP) described in 16 V.S.A. §943;
2. Make modifications to the Adult Diploma Program (ADP) described in 16 V.S.A. §945;
3. Make modifications to 16 V.S.A. §4011(f) that governs how funding is determined for 16 V.S.A. §945 to ensure alignment with changes to ADP; and
4. Make modifications to 16 V.S.A. §941 under the Flexible Pathways Initiative to ensure alignment with the previous proposed legislative changes.

With these legislative changes, the Committee seeks to simplify the funding and administration of a statewide **Adult Education and Secondary Credential Program** while maintaining two pathways to a secondary credential, the Adult Diploma Program (16 V.S.A. §945a) and GED Pathway (16 V.S.A. §945b), as well as the adult education and literacy services supported under 16 V.S.A. §945c. These proposed changes will also support adequate funding from an appropriate source of funds, the General Fund, that will enable the Agency of Education (AOE) to administer this program as a direct grant to Adult Education and Literacy (AEL) providers.

Introduction

Act 78 (2023) Sec. E504 created an Adult Education and Literacy HSCP Student Access Committee to “review and make recommendations to reduce barriers for vulnerable Vermonters, including English learner applicants to Adult Education Programs” and “provide recommendations in its report to the Joint Fiscal Committee and the House and Senate Committees on Education on how to increase equity and education access to Adult Education Programs. It further stated that the “Committee shall include in its report any administrative changes that could be made to help achieve these goals.”

The legislative language above asserts a few assumptions that reflect an incomplete picture of the Adult Education and Literacy (AEL) system and what may be informing trends in learners seeking AEL services, and the different funding streams that support Adult Education and Literacy in Vermont.

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- Assumption 1: *The High School Completion Program (HSCP) is experiencing decreased enrollment due to the COVID-19 pandemic, policy changes within the program, and lower literacy skills that limit acceptance into the program.*
- Assumption 2: *Adult basic education programs overall are experiencing funding reductions due to decreased enrollment.*
- Assumption 3: *It is the intent of the General Assembly that the Committee report be used to inform fiscal year 2025 budget considerations and that the recommendations of the Committee be implemented to increase HSCP enrollment.*

Ten years after the passage of the Flexible Pathways Initiative (Act 77) and close to 20 years since the first instantiation of the High School Completion Program (HSCP), school districts and schools have been successful in adopting many of the practices proven to be effective in engaging and sustaining learners over the course of the HSCP, and that indeed are codified in the Act 77 legislation of 2013. AEL providers have been critical partners in this successful policy that has encouraged creativity and flexibility as school districts support all students in completing secondary school and preparing for post-secondary success. However, a by-product of this landmark legislation has been a decline in supporting our adult learner population and the AEL system that serves them.

This proposal seeks to revitalize the State’s vision for the Vermont Adult Education and Literacy system network of providers as core partners in the workforce education and training system for the State, and as outlined in Vermont’s Workforce Innovation and Opportunity Act (WIOA) State Plan. The recommended changes outlined in this proposal will support and sustain an adult education and training system that is rigorous and accessible to every adult Vermonter so that they can earn a secondary credential, prepare for post-secondary education, develop the skills and training necessary to enter or advance in the workforce, and be an active, engaged, and informed citizen in their communities.

Legislative Background

There are several state and federal laws and rules that govern the funding and administration of Adult Education and Literacy in Vermont. This has created a complicated landscape for the administration, delivery and oversight of AEL services, a critical component of our Workforce Development System. The AEL system, in concert with Adult Career Technical Education, comprises the primary arm of Adult Education and Training of our State Workforce Development system and is essential to meeting the State’s goals for a future-ready workforce and economy.

Federal Law

The Adult Education and Literacy (AEL) system in Vermont is a network of four non-profit AEL providers who compete to deliver adult education services as defined and governed by the [Workforce Innovation Opportunity Act](#) (WIOA), Title II Adult Education Family Literacy Act (AEFLA) as part of Vermont’s workforce development and training system. WIOA is landmark

legislation that is designed to strengthen and improve our nation's public workforce system and help get Americans, including youth and those with significant barriers to employment, the necessary education and training to obtain high-quality jobs and careers and help employers hire and retain skilled workers.

Four titles comprise WIOA, and each state submits a WIOA state plan that outlines how the titles work individually and in concert as part of a One-Stop system to meet the goals of this federal legislation. The State of Vermont developed a WIOA Combined State Plan in 2016, approved by the federal government, to meet the requirements of WIOA, Public Law No. 113–128. The Plan includes the four core WIOA programs and the state agency responsible for its oversight:

- Youth, Adult, and Dislocated Worker Programs under Title I (VDOL)
- Adult Education and Literacy (AEL) Act Program under Title II (VAOE)
- Wagner-Peyser Act Program under Title III (VDOL)
- Vocational Rehabilitation Program under Title IV (AHS)

In accordance with federal rules, the State is currently updating its WIOA Combined State Plan which signals an opportunity for the State to reinvest in its Adult Education and Literacy system and strengthen the coordination across WIOA Titles I-IV that reflect the same goals and values as articulated in Act 78.

State Law

16 V.S.A. §1049, formerly organized under Subchapter 6 – *Adult Education and Literacy* – and relating to the adult education and GED programs was redesignated in 2013, No. 77 under the Adult Diploma Program (ADP), [16 V.S.A. §945](#). Two additional statutes govern the funding of the ADP (excerpted below):

- **Chapter 133: Education Payments; 16 V.S.A. § 4011** [...] (f) *Annually, the Secretary shall pay to a department or agency that provides an adult diploma program an amount equal to 26 percent of the base education amount for each student who completed the diagnostic portion of the program, based on an average of the previous two years.*
- **Chapter 133: State Funding of Public Education; 16 V.S.A. §4025**
(b) *Monies in the Education Fund shall be used for the following: (1) To make payments to school districts and supervisory unions for the support of education in accordance with the provisions of section 4028 of this title, other provisions of this chapter, the provisions of 32 V.S.A. chapter 135, and the Flexible Pathways Initiative established by section 941 of this title, but excluding adult education and literacy programs under section 945 of this title. [...]*
(d) *Upon withdrawal of funds from the Education Fund for any purpose other than those authorized by this section, 32 V.S.A. chapter 135 (education property tax) is repealed.*

The language reflected above in 16 V.S.A. §4025 was added during the 2018 Special Legislative Session. With the passage of Act 11 (pp. 62 and 220) it explicitly excluded the use of Education

Funds to support adult education and literacy activities and moved those funds into the General Fund.

In addition to explicit restrictions on using Education Funds to support adult education and literacy activities, 16 V.S.A. §4025(d) prohibits direct funding to non-local education agencies (LEAs) such as AEL providers, including in the administration of flexible pathways such as the High School Completion Program as outlined in [16 V.S.A. §943](#).

Finally, in 2021, Pursuant to **Act 74, Section H.3 Section 6**, the Vermont State Legislature directed the Vermont Agency of Education (AOE) to commission a comprehensive study and report on “the design, implementation, and costs of an integrated and coherent adult basic education, adult secondary education, and postsecondary career and technical education system [...]” that would address the Legislature’s concerns that “due to rapidly changing technology and evolving business needs, potential employees may lack the particular skills and training necessary [...]” despite the “broad diversity of postsecondary workforce education and training programs offered by multiple providers [...]”. The main objective of this study was to conduct a thorough analysis of the current system, identifying its strengths, gaps, barriers, and requirements in service to supporting consistency, integration, and coherence across the different workforce education and training contexts to ensure equitable access for all adult learners to high quality programs. The report on this study conducted by TPMA is due December 15th, however a preview of excerpted key findings relevant to this proposal are included below:

- **Assets:** *The existing Adult CTE and AEL systems have been instrumental in providing essential skills to advance adult learners, with dedicated staff offering practical solutions to barriers.*
- **Gaps:** *Despite the assets, there’s a lack of cohesion between the AEL and Adult CTE systems, leading to disparities in access and outcomes for learners. The lack of a cohesive system, coupled with insufficient funding for Adult CTE and static allocations for AEL, has led to disjointed services, variable program quality, and disparate opportunities throughout different regions.*
- **Barriers:** *Key obstacles include geographical challenges, cultural norms, and logistical issues like transportation. However, the most pressing barrier is the chronic underfunding of programs.*

Addressing Assumptions

In consideration of the above legislation governing the Adult Education and Literacy system in Vermont, the Committee addressed the following assumptions:

The High School Completion Program (HSCP) is experiencing decreased enrollment due to the COVID-19 pandemic, policy changes within the program, and lower literacy skills that limit acceptance into the program.

The HSCP has experienced a steady decline in student enrollment since 2016 (FY17). Additionally, the AEL system overall has experienced a significant decline in enrollment

beginning in 2006 (FY07), dropping from 7,201 participants in FY07, to 2,201 in FY19, to 1,912 in FY23. This trend has been consistent with a national trend of declining enrollment in Adult Education and Literacy systems. However, while the population of adult learners in the system has declined, their needs for adult basic education services have increased. A review of FY23 data reflects that 61% of adult learners assessed were basic skills deficient (assessing below the 9th grade level), an increase of 8% since FY20 alone.

Adult basic education programs overall are experiencing funding reductions due to decreased enrollment.

While enrollment of adult learners has decreased over time, AEL programs in the state have struggled to maintain adequate programming due to stagnant General Fund appropriations and an over-reliance on earning revenue through the HSCP (an Education Funded school district program). As identified in the key findings from the Act 74 report excerpts above, the “chronic underfunding” of adult education programs in the state has been the “most pressing barrier” to an integrated and coherent system that can serve Vermont’s adult population.

This underfunding has not been intentional but rather is likely due to (1) confusion created as an artifact of legislative changes regarding how adult education and literacy was funded, and (2) unnecessary complexity that has made enormous demands on AEL providers and AOE staff that has diminished capacity to focus on adult learners.

It is the intent of the General Assembly that the Committee report be used to inform fiscal year 2025 budget considerations and that the recommendations of the Committee be implemented to increase HSCP enrollment.

In 2011, in an [executive summary](#) of an evaluation report of the High School Completion Program submitted by the College of Education and Social Sciences at the University of Vermont stated the following:

One might theorize that at some time in the future, the HSCP will be truly successful if the numbers in the program actually decline, and it no longer exists in its current format. This would indicate that schools are indeed transforming and meeting the needs of all students.
(emphasis added)

Additionally, this evaluation report identified key practices that contributed to successful student outcomes, many of which were later included in Act 77 of 2013. This Committee proposes to celebrate the decline in enrollment in HSCP, a dropout program designed to re-engage disengaged learners. With increased student participation in flexible pathways such as online learning, Early College, Dual Enrollment and Career Technical Education, and with landmark legislation like Act 173 (2018) and Act 67 - Community Schools Act (2021), school districts have more tools and greater flexibility to support student-centered learning.

If the intent of the current legislation is to ensure access to secondary credentials for adult learners, the proposed changes to the current Adult Diploma Program maintain those pathways while ensuring consistency in access and simplifying administration.

Proposed Legislative Language and Rational

The following proposed legislative changes seek to clarify and streamline state statutes governing the administration and funding of adult education and literacy programs. Specifically, these changes will support the following:

- Greater predictability, flexibility, and accountability for AEL providers to plan, develop, and deliver programs that can respond to the 12-month/year needs of populations that enter and exit the system on a rolling basis and that cannot be served when reliant on a fee-for-service reimbursement model such as the HSCP.
- Maintain pathways for adult learners to earn high school diplomas or GEDs.
- Savings from reclaiming substantial staff time spent on managing invoicing processes at both the State and local level, as well as savings from no longer requiring the state to maintain a separate system to support the invoicing process for HSCP.
- Reinvestment of AOE staff time into programmatic leadership, support and oversight and reinvestment of AEL provider staff time to focus on student learning so that the State can meet federal performance targets and State goals.
- One set of state-level graduation proficiencies and corresponding statewide assessment program to ensure consistency, clarity, and equitable access to adult education and literacy programs.

Legislative Changes

§ 945. Adult Diploma Program; General Educational Development Program **Adult Education and Secondary Credential Program**

(a) *The Secretary shall maintain an Adult Diploma Program (ADP), which shall be an assessment process administered by the Agency through which **any Vermont individual resident who is at least 16 years of age, who has not received a high school diploma, and who is not enrolled in a public or approved independent school, post-secondary institution, or home study program** ~~an individual who is at least 20 years of age~~ can receive a local high school diploma granted by one of the Program's participating high schools.*

b) *The Secretary shall maintain a General Educational Development (GED) Program, which it shall administer jointly with the GED **Testing Service** and approved local testing centers and through which a ~~adult individual~~ **Vermont resident who is at least 16 years of age who has not received a high school diploma, and who is not enrolled in a public or approved independent school, post-secondary institution, or home study program** ~~and who is not enrolled in secondary school~~ can receive a secondary school equivalency certificate based on successful completion of the GED tests.*

(c) *The Secretary may provide additional programs designed to address the individual needs and circumstances of adult students, particularly students with the lowest levels of literacy skills. (Added 2013, No. 77, § 1; amended 2013, No. 77, §§ 6, 7; 2019, No. 131 (Adj. Sess.), § 69.)*

16 V.S.A. § 4011

(f) Annually, the Secretary shall pay to a ~~department or agency~~ Local adult education and literacy provider as defined under § 942 of this title, that provides an ~~adult diploma program~~ Adult Education and Secondary Credential Program an amount equal to 26 percent of the base education amount for each student who completed ~~(s) the~~ diagnostic portion ~~(s)~~ of the program, based on an average of the previous two years.

§ 941. Flexible Pathways Initiative

(a) There is created within the Agency a Flexible Pathways Initiative:

(1) to encourage and support the creativity of school districts as they develop and expand high-quality educational experiences that are an integral part of secondary education in the evolving 21st Century classroom;

(2) to promote opportunities for Vermont students to achieve postsecondary readiness through high-quality educational experiences that acknowledge individual goals, learning styles, and abilities; and

(3) to increase the rates of secondary school completion and postsecondary continuation in Vermont.

(b) The Secretary shall develop, publish, and regularly update guidance, in the form of technical assistance, sharing of best practices and model documents, legal interpretations, and other support designed to assist school districts:

(1) to identify and support secondary students who require additional assistance to succeed in school and to identify ways in which individual students would benefit from flexible pathways to graduation;

(2) to work with every student in grade 7 through grade 12 in an ongoing personalized learning planning process that:

(A) identifies the student's emerging abilities, aptitude, and disposition;

(B) includes participation by families and other engaged adults;

(C) guides decisions regarding course offerings and other high-quality educational experiences; and

(D) is documented by a personalized learning plan;

(3) to create opportunities for secondary students to pursue flexible pathways to graduation that:

(A) increase aspiration and encourage postsecondary continuation of training and education;

(B) are an integral component of a student's personalized learning plan; and

(C) include:

- (i) applied or work-based learning opportunities, including career and career technical education and internships;
- (ii) virtual learning and blended learning;
- (iii) dual enrollment opportunities as set forth in section 944 of this title;
- (iv) early college programs as set forth in subsection 4011(e) of this title;
- ~~(v) the High School Completion Program as set forth in section 943 of this title; and~~
- (vi) the ~~Adult Diploma Program and General Educational Development Program~~ **Adult Education and Secondary Credential Program** as set forth in section 945 of this title; and

(4) to provide students, beginning no later than in grade 7, with career development and postsecondary planning resources to ensure that they are able to take full advantage of the opportunities available within the flexible pathways to graduation and to achieve their career and postsecondary education and training goals.

(c) Nothing in this subchapter shall be construed as discouraging or limiting the authority of any school district to develop or continue to provide educational opportunities for its students that are otherwise permitted, including the provision of Advanced Placement courses.

(d) An individual entitlement or private right of action shall not arise from creation of a personalized learning plan. (Added 2013, No. 77, § 1.)