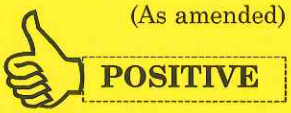
Attachment E

The Bell Policy Center

# STATE and LOCAL OPPORTUNITY NOTE

Revised; replaces *Opportunity Note* of Jan. 28, 2013

**HB 13-1005**
(As amended)




**Drafting Number:** LLS 13-0100.01
**Prime Sponsors:** Sen. Nancy Todd, Rep. Rhonda Fields, Rep. John Buckner

**Date:** April 18, 2013
**Bill Status:** Senate Education Committee
**Policy Analyst:** Frank Waterous (303) 297-0456

## Title: Concerning post-secondary certificate programs that combine basic education course work with skills training

**This bill represents a net opportunity gain for Colorado, and the Bell Policy Center strongly supports it. The innovative and collaborative pilot program that will be established through the bill is based on a successful educational model employed in other states. It will help low-literacy, low-skilled working-age adults more quickly and effectively acquire the education and technical skills they need for successful participation in the 21st century workforce. It will also help the state's employers meet their pressing need for workers who are prepared to fill critical "middle-skill" jobs that require some post-secondary education and training but less than a four-year degree.**

### Summary of Legislation

The bill was recommended by the Educational Success Task Force. It requires the State Board for Community Colleges and Occupational Education to design and implement a pilot program consisting of 20 career & technical education certificate programs of not more than 12 months in length. The programs will integrate adult basic-education and literacy instruction with post-secondary career & technical coursework. In designing the program, the board will collaborate with the state's local district colleges, area vocational schools, the Department of Education's adult-education office, local adult education providers and local workforce-development programs. The pilot program ends July 1, 2018.

To be eligible for enrollment in the certificate programs, students must be unemployed or underemployed adults who are seeking to enter or re-enter the workforce or obtain better employment, and who have low levels of information or math literacy.

### Background

**House Bill 13-1005 addresses two key education and workforce needs in Colorado.** First, as the Working Poor Families Project notes, "Post-secondary education is increasingly central to America's ability to compete in a global marketplace, to the productivity of employers, and to the livelihood of individual adults who hope to earn family-supporting wages."[1] In fact, economists estimate that by the year 2018, fully two-thirds of Colorado's workforce will need some level of post-secondary education.[2]

Yet recent data show that more than 340,000 working-age Colorado adults lack a high school diploma or GED. Many of these adults do not have basic literacy and numeracy skills. Unfortunately, Colorado continues to provide no state-appropriated funding for adult-education programs, and only one out of every 25 eligible adults is enrolled in such a program.[3] Further, even though adult-education programs work hard to serve low-literacy, low-skilled adults, they have traditionally not focused on preparing students for a transition to post-secondary education.[4] As such, a significant component of our state's adult working-age population is unprepared for full participation in the 21st century workforce.

Second, Colorado has a substantial "middle-skill gap" between the number of jobs available that require some post-secondary education but less than a four-year bachelor's degree – so-called, middle-skill jobs – and the number of workers with the skills and

The Bell Policy Center believes a top priority of the General Assembly should be to expand opportunities for Coloradans to achieve the American Dream. In that spirit, we offer Opportunity Notes on selected bills. Similar to Fiscal Notes, Opportunity Notes reflect our best analysis of whether a bill, if implemented, will expand opportunities for Coloradans.

A POSITIVE analysis means our research suggests a bill will expand opportunity in a cost effective manner.

A NEGATIVE analysis means our research suggests the measure will restrict opportunities or will not cost-effectively achieve its goals.

training to fill those jobs. As a 2011 report prepared for the Skills2Compete-Colorado campaign by the National Skills Coalition highlighted, our state has "a structural shortage of middle-skill workers. Accounting for 47 percent of Colorado's jobs, only 36 percent of Colorado workers are trained to the middle-skill level, a gap that threatens to undermine economic growth and innovation."[5]

The collaborative pilot program proposed by the Educational Success Task Force and authorized through HB 13-1005 seeks to address these issues and is consistent with recommendations from the Working Poor Families Project, the Skills2Compete-Colorado campaign, the National Commission on Adult Literacy and others.[6] It is based on the successful "I-BEST" (Integrated Basic Education and Skills Training) model pioneered in Washington state and adapted by other states to their own policy and governance contexts – most notably Minnesota through its "FastTRAC" adult career-pathways initiative.

### Research Evidence of Effectiveness

**The type of collaborative, integrated, accelerated model of adult basic-education and post-secondary skills training proposed in this bill has a track record of proven success in other states.**

The Center for Law and Social Policy reports that "the most rigorous research to date is a 2010 study by Columbia University on the effectiveness of Washington State's I-BEST program. ... The study finds that I-BEST students are 56 percent more likely than regular adult basic-education ... students to earn college credit, 26 percent more likely to earn a certificate or degree, and 19 percent more likely to achieve learning gains on basic-skills tests – or more simply, as Washington puts it, I-BEST moves students 'farther and faster.' "[7]

In Minnesota, 88 percent of adults enrolled to date in the FastTRAC initiative received an industry recognized credential or earned credits toward that credential. Additionally, 64 percent of these adults were successful in either gaining employment or continuing into further post-secondary education.[8]

### Estimates of Impact

Implementation of the pilot program proposed in HB 13-1005 will help more low-literacy, low-skilled Colorado adults complete the post-secondary credentials necessary for success in the 21st century workforce. This, in turn, will lead to more workers who are able to earn family-sustaining wages. A well-recognized study by the Community College Research Center at Columbia University found that adult basic-education students who reach the "tipping point" of completing a one year of post-secondary coursework and a credential had an $8,500 average annual earnings advantage over similar students who completed less than 10 credits.[9]

Additionally, by helping to produce more workers with the skill levels and training needed to fill critical middle-skill jobs and close the state's middle-skill gap, the pilot program will help meet the needs of Colorado employers and bolster our state's economic growth and competitiveness. As the Metro Denver Economic Development Corporation has noted, "Educational attainment is the single-most important element in job and income growth" and is one of the chief underpinnings of a strong economy.[10]

**The Bell Policy Center strongly supports HB 13-1005.**

### End notes

1 Hilliard, Tom, *Graduating to College: Three States Helping Adult Education Students Get a College Education*, the Working Poor Families Project, Policy Brief, Summer 2012. The Bell Policy Center is the Working Poor Families Project's Colorado state partner in its efforts to better prepare America's working families for a more secure economic future.

2 Carnevale, Anthony P., Nicole Smith and Jeff Strohl, *Help Wanted: Projections of Jobs and Education Requirements Through 2018*, Georgetown University Center on Education and the Workforce, June 2010.

3 Hallgren, Kathleen, et.al., Measuring Opportunities for Working Families, The Bell Policy Center, Forthcoming, 2013.

4 Hilliard, the Working Poor Families Project, 2012.

5 *Colorado's Forgotten Middle-Skill Jobs: Meeting the Demands of a 21st-Century Economy*, National Skills Coalition, written for the Skills2Compete-Colorado campaign, October 2011. The Bell Policy Center is a member of the Skills2Compete-Colorado campaign coalition.

6 See for example Duke, Amy-Ellen and Evelyn Ganzglass, *Strengthening State Adult Education Policies for Low-Skilled Workers*, The Working Poor Families Project, Summer 2007; *Preparing for the Future: Closing Colorado's Middle-Skill Gap*, Skills2Compete-Colorado campaign, Oct 2011; and Strawn, Julie, *Policies to Promote Adult Education and Postsecondary Alignment*, prepared for the National Commission on Adult Literacy, Sept. 28, 2007 (rev. Oct. 18, 2007).

7 Strawn, Julie, *Farther, Faster: Six Promising Programs Show How Career Pathway Bridges Help Basic Skills Students Earn Credentials That Matter*, Center for Law and Social Policy's Center for Postsecondary and Economic Success, Aug 2011.

8 Minnesota FastTRAC Initiative, Fact Sheet, updated Dec 2012.

9 Jenkins, Davis, *A Short Guide to 'Tipping Point' Analyses of Community College Student Labor Market Outcomes*, Community College Research Center, Teachers College, Columbia University, April 2008.

10 *Toward a More Competitive Colorado: Executive Summary on Competitiveness*, Metro Denver Economic Development Corporation, November 2009.