For at least 93 million low-skilled adults\(^1\) in the United States, greater economy opportunity rests on their ability to access education that can help prepare them for college and career success. One of the most significant federal funding streams dedicated to this purpose is Title II (the Adult Education and Family Literacy Act) of the Workforce Investment Act. States receive these federal funds and then distribute grants to local providers to help low-skilled adults improve their basic skills and English language proficiency. Although federal adult education has traditionally been supplemented by sizeable state-level matching funds, a decline in federal and state funding for adult education has resulted in states serving only fraction of the students—2 million out of 93 million—who could benefit from services.

Funding for adult education brings significant returns to individuals, their families, and communities. Adults with a high school education and beyond are more likely to be employed and less likely to live in poverty and need public assistance, such as food stamps, Medicaid, and housing subsidies. They are also more likely to thus contribute to the tax base through state and federal income taxes.

Despite the critical need for services and the observable benefits to society, funding for adult education and English language programs remains scarce and fewer adult learners have been able to access services.

\(1\) The National Assessment of Adult Literacy, 2003.
• Funding for adult education and English language services has declined by 17 percent from 2002 to 2012 in inflation-adjusted terms. For program year 2012, federal adult education funding is just under $600 million. Though the system is already persistently underfunded, 2012 funding levels represent a significant disinvestment compared to the early 2000s. The Department of Education made a one-time adjustment in FY 2010 to accommodate for an administrative error that resulted in six years of underpayment to 22 states. This funding was not carried over to the next fiscal year and should not be interpreted as an increase as it was provided to account for years of systemic underpayment.

• State funding, a traditionally robust source of funding for adult education, is becoming less reliable as a result of crumbling state revenues. Traditionally, state funding for adult education has been significant—on average, states provided about $3.50 for each $1 of federal funding. In the last year, several states, including California, Oklahoma, and New York, have made significant cuts to state funding for adult education or have eliminated funding completely. Other states, such as Florida, are mitigating reduced revenues by charging tuition for adult education and ESL courses that were once provided at no cost to students. For low-skilled, low-income students, tuition costs may prevent them from being able to receive services. Early reports from Florida show that enrollment since the introduction of tuition and fees is down at least 38 percent.

• Enrollment has declined since 2001 along a similar trajectory as federal funding. As funding has become more scarce, enrollment in adult education and ESL has declined by 27 percent. Adult education is now only able to serve two million adults annually of the estimated 93 million that may be eligible for services. Yet demand remains high, with at least 160,000 students remaining on waiting lists and nearly every state reporting the existence of a waiting list for services. In some states, demand is so high that programs have lotteries to determine who can be served.

5 National Assessment of Adult Literacy, 2003 and the National Reporting System PY 2010 Data, Office of Vocational and Adult Education.