



ARIZONA STATE SENATE
Fifty-Fifth Legislature, Second Regular Session

AMENDED
FACT SHEET FOR H.B. 2122

continuing high school; workforce training

Purpose

Establishes the Continuing High School and Workforce Training Program (High School and Workforce Program), Adult Workforce Diploma Program (Workforce Diploma Program) and Community College Adult Education Workforce Development Program (Community College Program) and requires the State Board of Education (SBE) to adopt performance measures to evaluate adult education and workforce programs. Establishes the Workforce Diploma Program Fund and Community College Program Fund and appropriates \$6,000,000 from the state General Fund (state GF) in FYs 2023 through 2025 to each Fund.

Background

Schools must admit children who are between the ages of 6 and 21 years old, who reside in the school district and who meet the requirements for enrollment in a grade or program offered by the school ([A.R.S. § 15-821](#)). An adult may obtain a high school equivalency (HSE) diploma by: 1) passing the graduation equivalency diploma test; 2) participating in the College Credit Pathway to complete 25 college credits in specified subject areas; or 3) participating in the HSE PLUS Career Readiness Pathway offered exclusively by adult education providers under the federal Workforce Innovation and Opportunity Act ([ADE](#)).

The Arizona Department of Education's (ADE's) Adult Education Services authorizes adult education providers to provide educational services and training for adults who are at least 16 years old to continue their basic education and pass an SBE-approved HSE diploma test. An *adult education provider* is a school district, community college district, correctional facility or community-based organization, institution serving educationally disadvantaged adults or any other institution that receives public funds to provide adult education services ([A.R.S. §§ 15-232 and 15-234](#)).

H.B. 2122 appropriates a total of \$36,000,000 from the state GF over FYs 2023 through 2025 to the Workforce Diploma Program Fund and Community College Program Fund. If directing \$7,700 per full-time student from an unspecified source to schools participating in the High School and Workforce Program results in increased costs to the state GF, there may be an additional fiscal impact.

Provisions

High School and Workforce Program

1. Directs the SBE to establish a High School and Workforce Program that:
 - a) provides adult learners with alternative study services; and
 - b) leads to the issuance of a high school diploma and industry-recognized credentials.

2. Allows a high school diploma to be issued to a participating adult learner who meets statutory and SBE-adopted graduation requirements.
3. Requires the SBE to authorize eligible service providers to participate in the High School and Workforce Program and establish a school in partnership with a school district or charter school (program school).
4. Deems a service provider to be eligible for High School and Workforce Program participation if the provider:
 - a) is a 501(c)(3) nonprofit corporation or an adult education provider approved by ADE Adult Education Services; and
 - b) demonstrates at least a 10-year history of providing workforce training and career services in Arizona to persons:
 - i. who are at least 18 years old; and
 - ii. whose educational and training opportunities have been limited by educational disadvantages, disabilities or other barriers to education, such as a lack of affordable and reliable transportation, lack of child care or food insecurity.
5. Requires the SBE, in consultation with ADE, to evaluate applications and approve program schools that demonstrate the ability to provide adult learners with the instruction and support that lead to a high school diploma and one or more industry-recognized credentials.
6. Caps the terms of program school approval at:
 - a) for initial approval, two school years; and
 - b) for renewal of approval, four school years contingent on performance expectations, including student progression, graduation rates and earned industry-recognized credentials.
7. Caps the total projected full-time enrollment of program schools at:
 - a) 600 in FY 2023;
 - b) 1,000 in FY 2024; and
 - c) 1,400 in FY 2025 and each subsequent fiscal year.
8. Directs ADE to develop application procedures for the High School and Workforce Program and requires a service provider to submit an application on behalf of a program school.
9. Includes, in information required in a High School and Workforce Program application:
 - a) a description of the service provider's partnership with a school district or charter school;
 - b) a description of the program school's administrative structure, activities, staff, budget and specific curriculum that is aligned with state academic standards;
 - c) the program school's academic calendar and a schedule describing the length of school day, program sequence, multidisciplinary courses, pace and instructional activities;
 - d) confirmation of the program school's location and a description of the program school's facility, including accessibility, available classroom space, childcare space and health and safety requirements;
 - e) a description of specific academic, behavioral and emotional support services the service provider will offer to enrolled adult learners;

- f) a description of the adult learner and family supports that will be provided at no cost to adult learners, including on-site childcare, local transportation assistance, career and higher education counseling and job placement assistance;
 - g) a description of the available counseling services that assist adult learners in overcoming barriers to educational success, including educational disadvantages, homelessness, criminal history or disabling conditions;
 - h) a description of the career technical education (CTE) instruction the school will provide;
 - i) a description of specific Program outcomes, goals and metrics the school will use to determine adult learner success; and
 - j) the projected number of adult learners the school will enroll.
10. Requires the program school CTE instruction and courses to lead to industry-recognized credentials or result in an adult learner earning university or community college course credits.
11. Allows a service provider to partner with a community college district or CTE district to provide CTE instruction.

High School and Workforce Program Funding, Compliance and Reporting

12. Requires a program school to receive \$7,700 per full-time student and, for a part-time student, funding proportionate to the number of enrolled courses or hours of instruction.
13. Authorizes the SBE, if the total full-time enrollment requested by program schools exceeds the prescribed caps, to prioritize funding to schools demonstrating the highest performance.
14. Requires the SBE to prioritize new program schools based on the adult learner services and supports outlined on their applications.
15. Deems a program school to be ineligible for any other school finance formula funding, including transportation funding, Arizona online instruction funding, base-support level funding and additional assistance.
16. Specifies that a program school is eligible to receive funding for any adult learner regardless of age.
17. Requires a program school to meet all applicable legal and statutory requirements for public schools, including:
- a) requirements for student assessments and special education services; and
 - b) prohibitions against admission limits based on ethnicity, national origin, gender, income level, disabling condition, English language proficiency or athletic ability.
18. Prohibits a program school from:
- a) conducting advertising or marketing campaigns directed at students currently enrolled in a school district or charter school;
 - b) undertaking any other activity that encourages students currently enrolled in a school district or charter school to stop attending the school to enroll in a program school; or
 - c) enrolling a student who, within the preceding 30 days, was enrolled in a school district or charter school.

19. Directs the SBE, if a service provider fails to meet any High School and Workforce Program requirements or SBE-adopted rules, to immediately:
 - a) initiate a process to bring the program school into compliance; or
 - b) revoke the school's authorization to participate in the Program.
20. Requires a program school to annually report to ADE the following information on adult learners enrolled in the school:
 - a) the number enrolled;
 - b) the average progress toward meeting graduation requirements and the graduation rate;
 - c) the number and type of industry-recognized credentials earned;
 - d) the number of adult learners who have newly-acquired proficiency in the English language;
 - e) a descriptive summary of the academic, behavioral and emotional support services the service provider offers; and
 - f) information required by the SBE-adopted performance measures.
21. Requires, by December 15 beginning in 2025, ADE to submit an annual report evaluating High School and Workforce Program effectiveness to the Governor, President of the Senate, Speaker of the House of Representatives and Secretary of State.
22. Authorizes the SBE to adopt rules to administer the High School and Workforce Program.

Workforce Diploma Program

23. Establishes the Workforce Diploma Program within the SBE to assist a person who is at least 21 years old in earning a high school diploma and developing critical employability and career and technical skills to prepare for employment.
24. Directs the SBE to operate the Workforce Diploma Program in cooperation with ADE and allows the Program to be delivered in a campus-based, online or blended modality.
25. Requires the SBE to annually:
 - a) by August 15, issue a request for qualifications for eligible Workforce Diploma Program providers (program providers) to participate in the Program; and
 - b) by October 15 and in consultation with ADE, approve all qualified program providers for placement on an approved program providers list.
26. Prescribes the following criteria for approval as a program provider:
 - a) be operating a regionally-accredited high school diploma-granting entity;
 - b) have the ability to develop a learning plan for each student that integrates graduation requirements and career goals;
 - c) provide a course catalog that includes all courses necessary to meet graduation requirements; and
 - d) have the ability to provide:
 - i. remediation opportunities in literacy and numeracy;
 - ii. career pathways coursework;
 - iii. preparation for industry-recognized credentials and stackable credentials;
 - iv. career placement services; and
 - v. academic skill intake assessments and transcript evaluations.

27. Specifies that program providers maintain approval status unless removed from the approved providers list.

28. Directs, by November 15 of each year, approved program providers to begin enrolling students.

Workforce Diploma Program Funding, Compliance and Reporting

29. Establishes the Workforce Diploma Program Fund, administered by ADE, consisting of legislative appropriations, gifts, grants and other donations.

30. Appropriates \$6,000,000 from the state GF in each of FYs 2023, 2024 and 2025 to the Workforce Diploma Program Fund.

31. Specifies that Workforce Diploma Program Fund monies are continuously appropriated and exempt from lapsing.

32. Directs ADE to pay a program provider the following amounts for each student who completes the respective milestone:

- a) \$250 for each completed half unit of high school credit;
- b) \$250 for each completed employability skills certification;
- c) \$250 for each earned industry-recognized credential or stackable credential requiring up to 50 hours of training;
- d) \$500 for each earned industry-recognized credential or stackable credential requiring between 50 and 100 hours of training;
- e) \$750 for each earned industry-recognized credential or stackable credential requiring over 100 hours of training; and
- f) \$1,000 for each earned high school diploma.

33. Directs ADE to:

- a) pay program providers in the order in which monthly invoices are submitted until all available monies are exhausted; and
- b) by the last calendar day of each month, provide a written update to program providers that includes the aggregate total dollars paid to providers to date and the estimated number of enrollments still available for the year.

34. Directs, by the 10th calendar day of each month, each program provider to submit monthly invoices to ADE for milestones met in the previous calendar month.

35. Requires the SBE, beginning with the end of the second fiscal year of the Workforce Diploma Program and in cooperation with ADE, to review data from each program provider to ensure that each provider is achieving minimum performance standards, including:

- a) a graduation rate of at least 50 percent; and
- b) an average cost per graduate of \$7,000 or less.

36. Directs the SBE, in cooperation with ADE, to:

- a) place a program provider that does not meet minimum performance standards on probationary status for the remainder of the fiscal year; and
- b) remove, from the approved providers list, a provider that does not meet the minimum performance standards for two consecutive years.

37. Requires, by July 15, each program provider to annually report to the SBE:
 - a) the total number of students funded through the Workforce Diploma Program;
 - b) the total number of earned credits;
 - c) the total number of earned industry-recognized credentials or stackable credentials earned for each funding tier;
 - d) the total number of students who graduated through the Program; and
 - e) the information required by the SBE-adopted performance measures.
38. Defines *approved program provider* as a public, nonprofit or other entity that meets Workforce Diploma Program requirements and does not receive federal or state funding or private tuition for a student who is funded through the Program.
39. Defines terms.

Community College Program

40. Establishes the Community College Program, within the SBE to be operated in cooperation with ADE, to provide adult learners with integrated education and training programs and additional study and support services that lead to the issuance of:
 - a) a high school or HSE diploma; and
 - b) an industry-recognized credential or a community college degree.
41. Requires a Community College Program applicant to be a community college that is a recognized high school or HSE diploma provider and provides education and workforce training that leads to industry-recognized credentials or community college degrees.
42. Allows the SBE, in cooperation with ADE, to request information from any Community College Program applicant or participating community college to determine eligibility and funding distributions.

Community College Program Funding, Compliance and Reporting

43. Establishes the Community College Program Fund, administered by ADE, consisting of legislative appropriations and any other monies.
44. Appropriates \$6,000,000 from the state GF in each of FYs 2023, 2024 and 2025 to the Community College Program Fund.
45. Specifies that Community College Program Fund monies are continuously appropriated and exempt from lapsing.
46. Directs ADE to distribute Community College Program Fund monies to all participating community colleges that meet the eligibility criteria in a proportional manner based on the number of adult learners served.
47. Caps a participating community college's distribution per full-time student at \$3,000 each fiscal year and requires part-time students to be funded in proportion to the number of enrolled courses or hours of instruction.

48. Requires a participating community college to use Community College Program Fund monies:
 - a) for adult learners to participate in a high school or HSE diploma program that also offers an industry-recognized credential or a community college degree; and
 - b) to supplement and not supplant current program offerings.
49. Allows a portion of the Community College Program Fund monies to be used for additional support services to ensure the success of participants, including:
 - a) transportation assistance for adult learners with a demonstrated need;
 - b) childcare services for dependents while the adult learner is on-site;
 - c) college and career counseling; and
 - d) job placement assistance.
50. Allows a participating community college to accept and spend federal monies and private grants, gifts, contributions and devises to assist the community college in carrying out Community College Program purposes.
51. Allows the SBE, in cooperation with ADE, to develop a process to bring a participating community college into compliance or revoke the college's authorization to participate in the Community College Program at the SBE's discretion, in cooperation with ADE.
52. Requires, by September 30 of each year in which the Legislature appropriates monies to the Community College Program Fund, each participating community college to submit a report to the Governor, President of the Senate, Speaker of the House of Representatives and Secretary of State.
53. Requires each report to include at least:
 - a) the number of adult learners enrolled;
 - b) the completion rate of high school and HSE diplomas earned;
 - c) the average progress of adult learners toward meeting completion criteria;
 - d) the number and type of industry-recognized credentials, community college degree credits and community college degrees earned;
 - e) a descriptive summary of the Community College Program offered;
 - f) the number of adult learners who have newly-acquired proficiency in the English language; and
 - g) the information required by the SBE-adopted performance measures.

Adult Education and Workforce Program Performance Measures

54. Directs, by July 1, 2024, the SBE, in cooperation with ADE, to adopt performance measures to evaluate the performance of adult education and workforce development programs in Arizona.
55. Requires the SBE-adopted performance measures to include:
 - a) measurements of adult learner progress toward earning a high school or HSE diploma;
 - b) the number of high school or HSE diplomas earned;
 - c) the number of industry-recognized credentials earned;
 - d) the number of adult learners or graduates who have matriculated at an institution of higher learning or postsecondary educational institution;

- e) the number of adult learners or graduates who have newly-acquired employment, who are earning higher wages or who have obtained a better job or promotion; and
- f) other relevant measures as adopted by the SBE.

56. Requires the SBE-adopted performance measures to:

- a) allow for a comparable evaluation across adult education and workforce development programs; and
- b) take into consideration the variety of learning levels of adult learners entering the programs.

Miscellaneous

57. Becomes effective on the general effective date.

Amendments Adopted by the Appropriations Committee

1. Establishes the Workforce Diploma Program and Community College Program, operated by the SBE, in cooperation with ADE.
2. Establishes the Workforce Diploma Program Fund and directs ADE to pay program providers prescribed amounts for specific student milestones.
3. Establishes the Community College Program Fund and requires ADE to proportionally distribute Fund monies to all eligible participating community colleges, subject to a cap of \$3,000 per full-time student.
4. Appropriates a total of \$36,000,000 from the state GF in FYs 2023 through 2025 to the Community College Program Fund and the Workforce Diploma Program Fund.
5. Outlines requirements for the Workforce Diploma Program and the Community College Program relating to:
 - a) eligibility and approval;
 - b) compliance and enforcement;
 - c) funding amounts, uses and procedures; and
 - d) reporting.
6. Requires the SBE to adopt performance measures to evaluate the performance of all adult education and workforce development programs, rather than performance expectations for the High School and Workforce Program.
7. Prescribes requirements for the adult education and workforce development program performance measures.
8. Removes the requirement that the SBE adopt a funding model for the High School and Workforce Program.
9. Removes fiscal-year limitations on providing High School and Workforce Program schools \$7,700 per full-time student.

10. Adds to the High School and Workforce Program school reporting requirements.

11. Makes conforming changes.

House Action

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| ED | 2/8/22 | DPA | 8-2-0-0 |
| APPROP | 2/15/22 | W/D | |
| 3 rd Read | 2/23/22 | | 39-20-1 |

Senate Action

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|--------|---------|-----|-------|
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| APPROP | 3/22/22 | DPA | 9-0-1 |

Prepared by Senate Research

April 1, 2022

LB/KJA/slp