

DRAWING THE LINE ON EDUCATION:

The President's FY 1996 Budget Request vs. Republican Cuts Included in the House Labor/HHS/Education Appropriations Bill Passed on August 3, 1995, and the Republican Budget Resolution¹

Despite the bipartisan efforts last year to expand the quality and effectiveness of education, the current budget debate points to a divide between the President and the Republican Congress over education--the foundation of our democracy and free enterprise system. Both the President and Republicans believe we must reduce the budget deficit and balance the budget, and both propose deep cuts in discretionary spending to reach this goal. But the President also believes that in order to create more opportunity, we must reduce the education deficit by expanding investment in quality education. Most Republicans disagree. Thus, **while the President's balanced budget proposal launches an all-out effort to expand educational opportunities, the GOP budgets drastically decrease educational opportunity.**

THE EDUCATION GAP BETWEEN THE BUDGETS

The Republican budget resolution slashes education and training by \$36 billion for 1996 to 2002 (including \$10 billion in loan benefits to students). On July 21, the House Appropriations Committee took the first step towards making this budget resolution a reality, by slashing key education and training initiatives. By contrast, the President's budget increases investment in these same areas by \$40 billion over seven years. As a result, there is a major education gap between the President's proposal and the Republicans'.

President Clinton will fight to expand investments in quality education, and he will fight against efforts to reduce, gut, or eliminate key investments in education and job training. Following is a brief outline of the fundamental differences between the President's approach to education and the Republican approaches to education -- from pre-school through post-secondary education.

¹Source: Office of Management and Budget

I. EXPANDING HEAD START

President Clinton has made expanding and improving pre-schooling the starting point for helping families give their children a good start on the right course. Republicans would slash these investments.

- **HEAD START.** *President Clinton Adds 50,000 Children; Republicans Cut Up To 180,000 Children.*

President Clinton already expanded investment in Head Start by \$760 million from 1993 to 1995. Now, he proposes to increase annual funding by \$1.5 billion by 2002 to reach another 50,000 children. At the same time as he has expanded Head Start, he has also reformed the way the program works to improve teaching and facilities for all the children who participate.

Republicans: The House Appropriations Committee would reduce FY 1996 funding for Head Start to over \$100 million below the FY 1995 level and over \$500 million below the President's request. Nearly 48,000 children would be cut off Head Start in 1996 if HHS is to maintain program quality. Freezing funding at the reduced level would cut off up to 230,000 children below the President's proposed level for 2002.

II. IMPROVING ELEMENTARY AND SECONDARY EDUCATION

President Clinton has lent national support to local schools and communities working to improve the quality of their education by rigorously teaching the basics, making schools safe and drug-free, promoting increased parental involvement, raising student achievement and discipline, getting technology into the classroom, and providing opportunities to go from school to college or work. Republicans would eliminate national support for local educational improvement, leaving students without crucial resources and assistance they need to succeed.

- **THE GOALS 2000: EDUCATE AMERICA ACT: ASSISTING LOCAL SCHOOLS.** *President Clinton Helped To Create This Initiative And Would Provide \$896 Million by 2002 To Upgrade 85,000 Schools for 44 Million Children; Republicans Would Eliminate It.*

President Clinton helped create Goals 2000, which supports state, community, and school efforts to raise academic standards of achievement and gives teachers and states the tools they need to help students to meet them. Forty-eight states are already participating in this program. In his 1996 budget, the President calls for doubling the program, to \$750 million, with the total level rising to \$896 million by 2002. That's enough to support improvements for all 44 million children in the over 85,000 public schools.

Republicans: The House Appropriations Committee proposes **eliminating** Goals 2000 entirely--undermining what was once a bipartisan effort to spur bottom-up school improvement in schools across the nation.

TITLE I: HELPING CHILDREN LEARN TO HIGH STANDARDS. *President Clinton Would Expand It Each Year; Republicans Would Freeze Funding, Depriving Over One Million Children of Aid.*

President Clinton supports Title I Grants designed to provide needed resources to States and schools to raise educational achievement, especially in schools in low income areas. The program has been reoriented to give schools more flexibility to support effective innovations that help all students read and write well and meet challenging standards. The President has already increased Title I funding by \$573 million over two years, and he proposes an increase of \$302 million in FY 1996, enough to serve 300,000 additional children, with further increases every year in the future.

Republicans: The House Appropriations Committee would cut funding by \$1.1 billion in FY 1996, cutting as many as 1.1 million children from the program in 1996 alone. These children, many from our poorest communities, would be denied the opportunity they need to reach their full potential.

SAFE AND DRUG-FREE SCHOOLS. *President Clinton Has Consistently Supported It; Republicans Would Gut It.*

President Clinton supports this initiative to make our schools safe from drugs and violence. The program funds everything from innovative anti-violence education and after-school programs to metal detectors and security personnel. The President would maintain funding at \$500 million per year.

Republicans: The House Appropriations Committee cuts this program by 60 percent to \$200 million, depriving over 23 million students of services in 1996 alone.

TECHNOLOGY FOR EDUCATION: GETTING COMPUTERS IN THE CLASSROOM. *Republicans Would Gut This Clinton Initiative Which Leverages Private Money for Technology in Public Schools.*

President Clinton has helped initiate this challenge to the private sector to join with schools and colleges to raise student achievement through the use of computers and new learning technology in the classroom. A \$50 million federal investment in 1996 will leverage hundreds of millions of dollars in private support.

Republicans: The House Appropriations Committee cut this program in half to \$25 million in FY 1996, denying school districts across the country the ability to participate in this initiative, and drastically slowing the effort to leverage millions more from the private sector.

SCHOOL-TO-WORK OPPORTUNITIES. *President Clinton Has Supported A New 50-State Movement; Republicans Would Stop It In Its Tracks.*

President Clinton, with bipartisan support, signed into law the most important national program ever to help states and localities set up systems to link Federal, state, and local resources in new effective ways that ensure that all young people—including the 70% of young Americans who don't get four-year degrees—get the education they need to obtain good jobs with a future. All states have received planning funds, and eight "leading edge" states are using implementation grants to create systems that are getting positive reviews from companies nationwide. Twenty more states will begin implementation this year. President Clinton has proposed increasing support by more than 60% for FY 1996 to \$400 million, bringing to 43 the number of states implementing school to work systems. Remaining states would start up the following year.

Republicans: The House Appropriations Committee slashed the President's request by over 50 percent to \$190 million. This would seriously hamper efforts of 28 states to complete the reforms they started in 1994 and 1995; twenty-two additional states would be denied the chance to implement their reform plans to raise student skills and help students succeed in the workplace.

SUMMER JOBS. *President Clinton Supports Work Experiences for Youth; Republicans Would Eliminate These Jobs.*

President Clinton recognizes that the summer jobs program is an important first opportunity to get work experience for many low-income youths, especially those in inner cities where jobs are scarce. Without these opportunities, these young people might otherwise not have any chance to learn skills and appropriate workplace behavior during their formative years. The President has proposed financing some 600,000 jobs in the summer of 1996 alone.

Republicans: The House Appropriations Committee would eliminate this program, a \$872 million cut from the President's request. In the summer of 1996 this would eliminate this valuable work experience for some 600,000 urban and rural at-risk youth.

III. INCREASING ACCESS TO POST-SECONDARY EDUCATION

Assistance with financial aid to deserving college students is an investment in America's future and helps families give their children a chance to make the most of their lives. Now more than ever, post-secondary education and job training are the gateway to America's middle class. Studies show that for every year of training a person gets after high school, his or her earnings rise by 6 to 12 percent. After 15 years in which college costs increased far faster than inflation but family incomes stagnated, President Clinton has initiated historic efforts to expand college access. Republican proposals would devastate access to post-secondary grants and loans, and to job training, setting back college access by years if not decades.

DIRECT LENDING AND INDIVIDUAL EDUCATION ACCOUNTS: MAKING COLLEGE MORE AFFORDABLE. *President Clinton Supports Expanding These Initiatives; Republicans Want To Raise the Cost to Students and Reduce Access.*

President Clinton supports expanding the new direct lending program and individual education accounts. Direct lending eliminates billions of dollars in unnecessary payments to lenders and others and makes student loans cheaper and more efficient for students, schools, and taxpayers. With the passage of the Student Loan Reform Act, 104 schools and over 252,000 students initiated the program in 1995. On July 1, 1995, more than 1,400 schools and 1.35 million students --representing almost 40% of all loans and the maximum allowed under this year's authorization--began the second year on schedule. The President would expand the program to all schools and students. This program is already saving \$6.8 billion for taxpayers, lowering interest rates for students, and allowing borrowers to choose flexible repayment arrangements, including pay-as-you-earn plans through Individual Education Accounts. In time, 20 million current borrowers and six million new borrowers per year will benefit.

Republicans have proposed legislation to reduce funds available for direct lending, prevent more schools from choosing to participate in the initiative, and cap participation at 40 percent of all loans. The committee mark would also reduce student loan administration funds by almost 40 percent which would cripple implementation, deny the benefits of direct lending to low and middle income students, and jeopardize the integrity of both the direct and guaranteed loan programs. These actions will stop the growth of cost-effective, efficient direct lending in order to keep unnecessary payments flowing to wealthy banks and unnecessary middlemen.

IN-SCHOOL INTEREST EXEMPTION: HELPING STUDENTS AND FAMILIES PAY FOR COLLEGE. *Republicans Would Raise College Costs for Up to 4 Million Students.*

President Clinton supports the in-school interest exemption, under which **five million** need-tested students with Stafford loans do not have to pay interest while enrolled in school and during the grace period (six months) between leaving school and entering repayment.

Republicans in their budget resolution propose \$10 billion in cuts in student loans. In order to achieve that level of savings and preserve unnecessary payments to banks, secondary markets, and guaranty agencies, they will not only have to eliminate any subsidy for graduate or professional students, but also hit college students with higher fees--for example, eliminating the six month grace period for interest after college or raising the origination fees that every student must pay to get their loans.

PELL GRANTS: PROVIDING THE LIFELINE TO COLLEGE FOR WORKING FAMILIES. *President Clinton Would Raise the Maximum Grant to a Record High and Would Increase Annual Funding by \$3.4 Billion by 2002; Republicans Would Eliminate Up To 300,000 Students From The Program.*

President Clinton has supported the Pell Grant program, and increased the maximum Pell Grant in his 1996 budget by 12%, to its highest level ever, \$2,620. In his new budget, he would increase annual funding by \$3.4 billion by 2002--enough to reach 960,000 more recipients and increase the maximum award to \$3,128.

Republicans: The House Appropriations Committee would increase the maximum Pell Grant by only \$100, to \$2440. Furthermore, the committee would eliminate about 300,000 students from the program who would receive awards between \$400 and \$600 under the President's proposal. For millions of students, grants make the difference between going to college and not going, between staying in school and dropping out.

AMERICORPS: HELPING STUDENTS WHO HELP THEIR COMMUNITIES. *President Clinton Offers Opportunities to Nearly 50,000 Young People in AmeriCorps Next Year Alone plus over 1 Million Other Service Opportunities Each Year for People of All Ages; Republicans Would Eliminate All of AmeriCorps and More Than 750,000 of the Service Opportunities for People of All Ages.*

President Clinton created AmeriCorps to enable young people to earn money for education by serving their communities--teaching, caring for the sick, making the streets safer. Already 20,000 Americans are serving in AmeriCorps, and nearly 50,000 are expected next year. He also fully supports an additional 1 million service opportunities in Learn and Serve, VISTA, Foster Grandparents, and other programs.

Republicans: The House Appropriations Committee would eliminate AmeriCorps and the Corporation for National Service and cut opportunities in other service programs. Over 4.3 million service opportunities for youth in their communities would be abolished over the next seven years. In FY 1996 alone nearly 50,000 young Americans from hard-working, middle class families will lose the opportunity to serve their communities through AmeriCorps in locally-identified areas of crucial need such as health care, social service, and crime prevention, and to earn an educational award to help pay for college or other training.

EDUCATION AND TRAINING TAX DEDUCTION: REWARDING PARENTS WHO INVEST IN THEIR CHILDREN'S EDUCATION. *President Clinton Supports A Deduction; With All the Tax Breaks for the Wealthy, Republicans Don't.*

President Clinton supports a tax deduction for middle-class families with education and job training expenses up to \$10,000. This deduction would provide tax-favored treatment to education similar to the benefits for other investments like housing and equipment. It invests in those who invest in themselves and in America.

Republicans do not support the education and training tax deduction. With its \$20,000 tax cut for the wealthiest 1%, the Contract with America includes tax breaks for capital gains, gifts and inheritances in excess of \$600,000, and the depreciation of business purchases--but not for education.

IV. LIFELONG LEARNING

In order to maintain good job prospects throughout their lives in a fast-changing economy, Americans need the opportunity to upgrade their education and skills regularly. President Clinton wants to support lifelong learning by reforming job training programs and putting resources and information directly into workers' hands. Republicans just want to slash job training.

G.I. BILL OF RIGHTS FOR WORKERS (SKILL GRANTS). *President Clinton Supports Skill Grants for America's Workers; Republicans Want a 25% Cut in Job Training Funds.*

President Clinton: Under the adult reform proposal, low-income or dislocated workers (and others) could go to a One-Stop Center for help to get jobs, and learn about the services and track records of job training programs. Then, they could use Skill Grants at their own choice among those institutions. The President would provide 800,000 Skill Grants in 1996 alone. For youth training programs, the President proposes to build on and intensify the national reform embodied in the School-to-Work system to serve in-school and out-of-school youth. Youth programs would be streamlined and funding would be consolidated in a \$2.9 billion State grant, replacing current fragmented efforts under the Perkins Vocational Education Act and the Job Training Partnership Act. In total, the President proposes to increase spending (excluding Pell Grants) by over \$2 billion by 2002.

Republicans: The House Appropriations Committee cut funding by nearly 50 percent below the President's request, and 25 percent below the FY 1995 level. These cuts would deny reemployment services to 506,000 dislocated workers and deny training opportunities to 84,000 disadvantaged adults compared with the President's request. Republicans also eliminate some 600,000 job opportunities for disadvantaged youth by

not funding the Summer Youth Employment Program. This means millions of young people will lose the opportunity to develop adequate work preparation skills and obtain good first jobs over the next seven years.

**INVESTING IN EDUCATION AND TRAINING
VS. CUTTING EDUCATION AND TRAINING:
PRESIDENT'S FY 1996 REQUEST VS.
ACTION BY HOUSE APPROPRIATIONS COMMITTEE**

	PRESIDENT CLINTON'S 10-YEAR BUDGET	REPUBLICAN CUTS
Goals 2000: Help States and schools raise academic standards and student achievement	Increase to \$750 million in FY 1996, supporting improvements for over 8 million children in 17,000 schools.	Eliminate
Education for disadvantaged students: Help low-income students achieve high standards	Increased by \$573 million over the last 2 years; increase by \$302 million in 1996, serving as many as 300,000 more children in 1996 alone, and providing increases in the future.	Reduce funding by \$1.1 billion in FY 1996, cutting 1.1 million children from the program in FY 1996 alone.
Safe and Drug-Free Schools and Communities	Fund at \$500 million per year, providing safer, more drug-free learning environments for 39 million children in 14,000 school districts.	Reduce Funding to \$200 million, a 60% cut from the President's request.
Head Start: Comprehensive services for pre-school youth & toddlers to increase school readiness	Increase FY 1996 funding by \$400 million and add 32,000 new Head Start slots for children in 1996, and a total of 50,000 new slots by 2002.	Cuts funding by \$137 million from FY 1995 level. 48,000 fewer children would be served in 1996 than under the President's plan if program quality were to be maintained.
Pell Grants	Increase maximum award to an all-time high of \$2,620 in 1996, and reach about 200,000 more students than in 1995. By 2002, raise the top award to a record \$3,128 and reach about 800,000 new students.	The House Appropriations Committee action increases maximum to \$2,440 – \$180 less than the President's level, and eliminates eligibility for about 300,000 students.
Summer Jobs for disadvantaged young people	Funding for over 600,000 jobs for disadvantaged young people in the summer of 1996.	Program eliminated beginning in 1996, wiping out job opportunities for over 4 million disadvantaged youth over the next 7 years.
Job Training for dislocated workers, low-income adults	Put Skill Grants directly into the hands of disadvantaged and dislocated workers, with 800,000 Skill Grant recipients in 1996. Increase 1995 funding by 40% to \$3.1 billion.	Cuts funding by nearly 50% below the President's request, and would deny re-employment training opportunities to over 500,000 dislocated workers and 84,000 disadvantaged adults compared with the President's request.
AmeriCorps: College Aid for National Service	Expand by \$349 million to provide nearly 50,000 opportunities for community service and college aid, and 580,000 youth (K-12) other service opportunities.	Eliminated. Over 4.3 million service opportunities for youth in their communities abolished over 7 years.
ALL EDUCATION AND TRAINING (Budget Function 500)	INCREASE EDUCATION, TRAINING AND AID TO STUDENTS BY \$40 BILLION IN DISCRETIONARY OUTLAYS OVER 7 YEARS	THE HOUSE APPROPRIATIONS COMMITTEE CUTS OUTLAYS FOR EDUCATION AND TRAINING BY \$36 BILLION INCLUDING \$10 BILLION IN LOAN BENEFITS TO STUDENTS