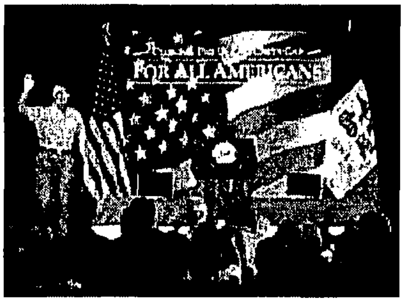
Gore
2000

AL GORE UNVEILS AGENDA FOR CLOSING THE OPPORTUNITY GAP



Press Release

Watch a clip from the speech.

"Our National economic prosperity should not leave anyone behind. With leadership and vision about the right education and innovation policies we can build on our successes to provide new opportunities for all Americans."
- Vice President Al Gore

There are many aspects to the Opportunity Gap that Al Gore has addressed and will address in the future to help America become not just better off, but better in every way and for every family. Today, in Fort Dodge, Iowa, Vice President Al Gore is laying out his ideas about three aspects of the Opportunity Gap that need to be closed in every community, every region, every sector of our country.

THE EDUCATION GAP:

Today, what you earn depends upon what you learn. In the 21st century, education will no longer be just a period in our lives; it will be a way of life. All of our people will need to reach higher skills and education than ever before to succeed. A key to opportunity in the information age is a quality education and too many of our students -- especially disadvantaged students -- are not getting the education they deserve. That is why the Vice President is fighting for revolutionary progress in our public schools to close the education gap.

The Gore Agenda:

Al Gore is offering out an ambitious agenda for change in our educational system -- for dramatic progress to make sure that all children receive a first-class education. Those changes include:

- Making pre-school available to every child, so that every child gets the best possible start in life -- closing the opportunity gap before it has a chance to open up;

- Fundamentally changing the American high school to make it a center of excellence for all students -- and to break down overly large institutions through the use of "schools within schools";
- Improving teacher quality, elevating the teaching profession and recruiting and training a new generation of talented teachers for our highest need schools;
- Turning around failing schools;
- Using new technology to increase educational productivity;
- Adopting a new focus on discipline, character values, safety and parental involvement;
- Creating new 401(j) savings accounts to make college and job training more affordable;
- and Making tax-free savings accounts for college more accessible and transferable as families move from state to state.

New Steps: Today, Al Gore is calling for two more steps to close the education gap by tackling the high school drop out problem and helping disadvantaged high school graduates succeed in college.

- **Keeping Kids In School.** As President, Al Gore will challenge every state to raise their compulsory school age to 18 and would provide matching grants to help those states that meet this challenge and adopt aggressive, proven strategies to prevent students from dropping out of school. Research and experience suggests that effective dropout prevention strategies and compulsory schooling laws can keep students in school longer and have a positive impact on future earnings.
    - **Holding School Districts Accountable for Drop Out Rates.** He will also help states make this change effective by requiring states that accept funding under this proposal to hold school districts and schools accountable for reducing the drop-out rate and increasing high school graduation rates and student achievement. Funding under this initiative will help to ensure that students are prepared to succeed in school once the new requirement is phased-in through proven strategies to help children stay and succeed in school.
    - **Strengthen Existing Efforts To Prepare Students For College.** As President, Gore would also propose significant funding to strengthen the "Gear Up" and TRIO programs to help young people prepare for success in college. While these efforts will help all young people at risk of dropping out of high school, Gore will ensure a special focus in all of these efforts to reduce the unacceptably high dropout rate among Hispanic youth.
- **Helping Disadvantaged High School Graduates Succeed in**

College. As president, Al Gore will propose new "Opportunity Academies" to provide disadvantaged high school graduates with the extra academic preparation and support needed to succeed in college.

- Creating new "Opportunity Academies" under this program, students between high school and college will get intensive academic preparation in math, writing, reading, study skills and other tools needed to succeed in college. Experiences with these intensive intervention programs preparing students for military academies and other institutions of higher education show that this kind of pre-college work can materially improve the likelihood of college success. Partnerships of universities and school districts could apply for these matching grants to support summer or yearlong programs for high school graduates before they enter college.

- Helping Disadvantaged Students Stay and Succeed in College. The Vice President's initiative also would help universities undertake other strategies to help disadvantaged students stay and succeed in college, including mentorship programs, support services, and scholarships to reduce the debt burden on disadvantaged students û from urban and rural areas and of all races.

THE INNOVATION GAP:

Our investments in innovation have been a key ingredient in our economic growth. Innovation, the key to raising productivity and our standard of living, is also at the heart of closing the opportunity gap for all Americans.

The Gore Plan: Closing the Innovation Gap -- Vice President Gore is proposing a number of efforts to stimulate investment in innovation by the private sector, the university community and within the federal government. The goal is to make sure that all industries, all sectors, and all regions are prepared to succeed in the Information Age. Among the items the Vice President has previously proposed that would close the Innovation Gap are:

- A permanent R+D tax credit, modified to specifically help small and start-up businesses -- businesses that can play a critical role in bringing growth to regions that have been left behind;
- A doubling of research in information technology, to create new jobs and to increase and improve jobs in many existing industries;
- A new 401(J) Job Training Account, to keep workers trained for a lifetime. No person should be denied a chance to succeed in the Information Age;
- A renewed effort to close the "digital divide" between the information "haves" and the information "have nots."

New Steps: Today, Al Gore is calling for three more steps to close the Innovation Gap:

- **Training for the Innovation Age.** The Vice President is announcing his support for legislation that will offer firms additional tax credits to offer training to workers in information technology skills above a set level of expected training. (such as S. 456, sponsored by Sen. Kent Conrad.)

- We need to close the innovation gap in all sectors including the manufacturing and small business sectors.
- Tax credits of up to $6,000 per worker will assist workers in obtaining training courses, or certification programs, that improve information technology skills. Importantly, this proposal would double the tax credit for businesses that focus on training individuals in designated enterprise zones or empowerment communities -- rural or urban.

- **Using New Technology Bonds:** Based on the success of Empowerment Zones and Enterprise Communities, this approach will offer a combination of assistance through: (1) interest subsidies for Technology Community bonds, or (2) competitive grants and loans to underserved communities.
    - The program will focus especially on small town and rural America and underserved areas in our cities, to make sure that these communities are not left behind in the digital revolution.
    - Using a Technology Bond, or other financial support, local communities will be able to develop the infrastructure necessary to compete for economic growth. In addition, to stimulate the creation of a local strategy for developing an information infrastructure, this program will offer targeted grants on a partially matching basis to communities for Internet build-out, and technology training for students.
- **Manufacturing Task Force:** Finally, the President and Vice President are announcing today the creation of a new Manufacturing Task Force, under the National Economic Council, to identify steps we can take to improve the prospects for American manufacturing in the 21st Century:
    - The Task Force will look at governmental policies and private sector practices that can be helpful to manufacturing, as well as those that observers say are harmful;
    - It will report back to the President and Vice President early next year;
    - It will make recommendations on how best to ensure a vibrant U.S. manufacturing sector in the years to come.

THE INCOME GAP:

The American economy is the strongest in a generation. Our current prosperity has benefited many Americans. Importantly, much progress has occurred to help close the income gap, especially for women and minorities. Even so, we must do more to help close the income gap for women and minorities.

The Gore Plan: Closing the Income Gap -- As President, Al Gore's agenda for progress includes revolutionary educational reform program, enhanced access to technology and training and skills incentives. These policies will go a long way toward addressing the income gap. But we must do more:

- **Bridging the Digital Divide:** Internet and information technology have transformed the way we learn, do business and communicate. Al Gore believes that we must make sure no one is left behind by this revolutionary technology. He has proposed an ambitious program to narrow the "digital divide" that too often separates rich from poor, black from white, and urban from rural in this country. Gore's plan would broaden economic opportunity through economic, education and technology policies, including new ideas for expanding access to technology. Gore believes we should set a national goal of making computers as common in American homes as the telephone. *Read Al Gore's Speech on Narrowing the "Digital Divide"*

- **Making the Minimum Wage a Working Wage:** We need to increase the minimum wage over the next two years to match our economic prosperity with the importance and dignity of the work done by all Americans. Now is the time to help out Americans who work hard, who play by the rules, and who earn the minimum wage. Al Gore strongly supports a one-dollar increase in the minimum wage and regular reviews of this wage increase to make sure that it keeps up with a changing economy.

- **Equal Pay for Equal Work:** We need to work aggressively toward our goal of equal pay for equal work for women. Women earn about 75 cents for every dollar a man earns. As Vice President, Al Gore has led the fight for increased resources for enforcement, better private sector-led compliance programs, improved data collection concerning pay levels for women workers, and better targeted policies and enforcement actions to address the remaining pockets of unfair employment practices as they effect women.

- **Eliminating the Marriage Penalty.** We need to make sure that elimination of the "Marriage Penalty" means eliminating it for lower income workers who benefit from the existing Earned Income Tax credit as well. To rectify this, Al Gore has proposed:

    - Changing the standard deduction for married couples, so that a married couple would get the same standard deduction as if they remained single. It would raise the standard deduction by $1400 for married couples who claim it;

    - Special marriage penalty relief for the hardest-pressed working families, those that receive the Earned Income Tax Credit. Under his proposal, families would be able to earn more before they begin to lose their EITC; married couples making up to about $29,000 a year would see an EITC increase of approximately $500 a year in tax relief.

- **New Steps: Today, Al Gore is calling for a third round of Empowerment Zones.** The Vice President will propose, later this year, a third round of the successful Empowerment Zone/Enterprise Communities program.

- This program provides tax incentives and seed money to underserved communities. Under the Vice President's leadership, the Empowerment Zone/Enterprise Community program, which supports community-based, comprehensive revitalization strategies, that has leveraged over $10 billion in private, non-profit, and public sector investment.
- The proposal for a third round of zones, to be laid out later this year, will focus specially on medium-sized cities and smaller towns -- in addition to continuing the program's work on urban centers and rural areas.
- This new focus in the program will ensure that no community is left behind as we work to bring jobs and economic growth to all regions of our country.

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COLLEGE OPPORTUNITY TAX CUT:
PROVIDING TAX INCENTIVES TO MAKE HIGHER EDUCATION MORE AFFORDA

January 20, 2000

Investing $30 Billion in a College Opportunity Tax Cut. Since 1993 the President has taken numerous steps to make college more affordable and accessible, including direct student loans, Pell Grant increases, and the Hope Scholarship and the Lifetime Learning tax credits producing the biggest expansion in college support since the GI bill. But tuition costs continue to rise and many students and their families are still struggling to make ends meet. That is why today the President will propose the College Opportunity Tax Cut that will, when fully phased in, provide up to $2,800 in tax relief for students or their families. The President's proposal would cost $30 billion over 10 years.

How the College Opportunity Tax Cut Works. The President's proposal would help make college, graduate school, and job training more affordable for millions of families -- including expanding the tax cut and making it available to more families. In general, the proposal would provide up to $2,800 annually in tax relief per family.

- **Providing a Deduction or 28 Percent Tax Credit for Higher Education.** The President's proposal would give families the option of taking a tax deduction or claiming a 28 percent credit for tuition and fees to pay for college and other higher education. The proposal would cover up to $5,000 of educational expenses in 2001 and 2002 and rise to $10,000 of educational expenses from 2003 forward. When fully phased in, this proposal would provide up to $2,800 in tax relief annually to help American families pay for college.
- **The College Opportunity Tax Cut Would Cover College, Graduate Work, or Job Training.** Students or families could use the College Opportunity Tax Cut to help pay for college, graduate work, or courses taken to enhance job skills. There is no limit to the number of years that a taxpayer could take this credit, although when fully phased in it is limited to $10,000 in educational expenses per family per year. A family could choose between the Hope Scholarship or the College Opportunity Tax Cut, but could not take both for the same student.
- **Expanding the Tax Cut to More Families.** The College Opportunity Tax Cut would phase out for individuals with incomes between $50,000 and $60,000 and married filers with incomes between $100,000 and $120,000. This are higher than the income thresholds for any of the education tax cuts currently available.

What the College Opportunity Tax Cut Would Mean for Typical Families

- **A Family Sends a Child to College.** A family sends a child to a four-year college. The tuition costs the family $11,000 after financial aid. The College Opportunity Tax Cut would generally provide a tax break of $2,800 annually to offset the cost of tuition. (This example is based on the fully phased in proposal.)

- **An Automobile Mechanic Takes Night Classes in Computers at a Local Technical College.** She will pay tuition of $1,200. The College Opportunity Tax Cut would generally provide a tax break of $336 to offset the cost of tuition.
- **A Homemaker Joins a Graduate Teacher Training Program.** After being out of college for 20 years, a homemaker enters a graduate teacher training program with tuition of $4,000. The College Opportunity Tax Cut would generally provide a tax break of $1,120 to offset the cost of tuition.
- **A Family Plans for Its Education.** The combination of the existing Hope Scholarship and the proposed College Opportunity Tax Cut provides a powerful way for a family to plan for its education. Each member of a family of four is pursuing higher education. The father is working on a masters degree part-time; the mother, a computer technician, is attending a two-year program at a local community college; the daughter is a senior in high school who eventually hopes to go on to medical school; and the son is a freshman at a small private college and plans to earn a master's degree to become a teacher. Based on typical tuition expenses incurred for these programs, a combination of Hope Scholarships and the new College Opportunity Tax Cut would generally reduce this family's Federal income taxes by $28,000 over the nine years its members attend school, or an average of over $3,000 per year.

The President's New Proposal Builds on His Previous Steps to Make College More Affordable. Since 1993, President Clinton has been dedicated to expanding access to education and training beyond high school. New and expanded programs provide over $50 billion in student aid annually -- compared to $22 billion when he took office.

- **Hope Scholarship and Lifetime Learning Tax Credit.** In 1997, the President signed the Hope Scholarship and Lifetime Learning Tax Credit into law. In 1999, these two measures provided an estimated $3.5 billion in tax relief for 4.8 million families.
- **Hope Scholarship.** The Hope Scholarship is part of the President's goal to make the first two years of college as universal as high school. It provides a tax credit worth up to $1,500 *per student* against educational expenses for the first 2 years of college. (The credit provides a tax break of 100 percent of the first $1,000 of tuition and 50 percent of the next $1,000.) Both the Hope Scholarship and the Lifetime Learning tax credit phase out for individuals with incomes between $40,000 and $50,000 and married filers with incomes between $80,000 and $10,000.
- **Lifetime Learning Tax Credit.** The President's proposed College Opportunity Tax Cut builds on the Lifetime Learning tax credit. Under current law, the Lifetime Learning tax credit provides a 20 percent credit on educational expenses for college, graduate study, or job training. The credit covers up to $5,000 of expenses *per family* through 2002 and then up to $10,000 thereafter.
- **More Affordable Student Loans.** The President's Direct Lending Program and improvements to the student loan program have saved students an estimated $8.7 billion on their loans over the last five years while taxpayers have saved over $5 billion through student loan reform.

- **\$8.7 Billion in Savings for Students.** Students who borrowed student loans since 1993 will save \$100 annually for each \$10,000 in outstanding loans -- and a total of \$5 billion -- due to the lower interest rate formula. Also, in 1993, the Administration reduced loan origination fees, saving students nearly \$3.7 billion to date. In 1999, in recognition of widespread discounts available on guaranteed student loans, the Administration reduced direct loan fees even further.
- **More Repayment Options.** Since 1993, borrowers have more flexibility in managing their student loan debt. The income-contingent repayment plan allows direct loan borrowers to repay their loans based upon their income; after 25 years, any remaining loan balance is discharged.
- **Creating the Direct Loan Program.** Under the Direct Loan program, students receive loans directly from the Education Department rather than through government-guaranteed lenders. Because the Direct Loan program is substantially less expensive for taxpayers than the guaranteed loan program, taxpayers have saved over \$4 billion over the past five years. The program has pioneered the use of new technology, streamlined loan processing and disbursement, and improved customer service in both programs through competition.
- **Strengthening the Guaranteed Loan Program.** Federal subsidies for banks and guaranty agencies have been pared down, saving taxpayers \$1.6 billion over the past five years.
- **Reducing Loan Defaults.** The national cohort default rate has been reduced from 22.4 percent seven years ago to a record-low 8.8 percent. At the same time, collections on defaulted loans have more than doubled, from \$1 billion in FY1993 to \$2.2 billion in FY1998.
- **Expanded Student Aid Opportunities.**
- **Larger Pell Grant Awards For Needy Students**. When President Clinton took office in 1993, the Pell Grant maximum award was \$2,300, the same as it was in 1989. The maximum award has since increased by 43 percent to \$3,300 in 2001. The FY 2001 budget proposes increase in the maximum to \$3,500, a 52 percent increase over the 1993 level.
- **Early Intervention to Help Low-income Students Prepare for College.** Based on an Administration proposal, the new GEAR UP program funds partnerships between colleges and high-poverty middle schools. It was funded at \$200 million in FY2000. The President's FY2001 budget proposes to increase GEAR UP funding by 62.5 percent, bringing the total to \$325 million to fund mentoring, tutoring, and college scholarships for an estimated 1.4 million low-income students.
- **College Outreach and Support for Disadvantaged Students.** The Department's TRIO programs helps low-income, first-generation students succeed in college. Since 1993, funding for the program has increased from \$388 million to \$645 million; it now serves 730,000 students. The President's FY2001 budget proposes to expand TRIO by \$80 million, to serve an additional 37,000 students.
- **More Work-study Opportunities.** Spending for Federal Work-Study increased by 41 percent from 1993 to 2000. The President has requested a \$77 million increase in FY2001 to continue to allow one million students to work their way through college.

- **AmeriCorps education awards.** Since 1994, over 150,000 AmeriCorps volunteers have earned up to $4,725 for college while serving local communities.
- **Enrollment Rates Have Risen Under President Clinton.** The percentage of students who completed high school and went directly to college rose from 61.9 percent in 1992 to 67.0 percent in 1997 -- an 8 percent increase in the enrollment rate.Proportionately, enrollment rates increased even more for African Americans and Hispanics over this period. For African Americans, enrollment rates increased from 48.2 percent to 58.5 percent -- a 21 percent increase. Over this period Hispanics enrollment rates increased from 55.0 percent to 65.6 percent -- a 19 percent increase. [Source: U.S. Department of Education, *The Condition of Education 1999*]

Gore 2000

Al Gore's Plan to Promote Lifelong Learning and Worker Training

Nashville - June 23 - To keep up with a fast-moving, fast-changing economy, workers must have the ability to continue learning and upgrading their skills for a lifetime. That is why Al Gore has focused on the next great frontier in American education: dramatically expanding opportunities for lifelong learning and worker training. Today, many of the most crucial industries are facing shortages of the skilled workers they need. At the same time, adults with higher levels of education earn more, have greater job security, are less likely to be unemployed, and are more likely to find reemployment quickly if they are displaced. Gore believes that in the 21st Century, lifelong learning should be as affordable and routine as buying a new appliance or financing a car.

To make sure that individuals can reach their potential in the 21st Century, Al Gore is working toward the day when every American has the opportunity to continue learning for a lifetime and can obtain the skills they need to succeed. Gore is today announcing his lifelong learning and worker training initiative that includes:

Encouraging Employers to Provide Training

* Creating New Learning Opportunities for America's Workers. To make it easier for firms to upgrade the skills of their workers or for firms to move into a community with a labor force that has the necessary skill, Gore is today offering a new proposal to offer assistance, in the form of matching grants, to states to help develop worker skills. These competitive grants would be offered to communities who develop a plan to partner with local workforce boards, industry, and labor groups as well as Regional Skill Alliances to develop meaningful, accredited learning opportunities for workers to meet the skills needed in their communities. This would help employers who want to expand their technology and assure workers have the training they need.

* Expanding the Availability of Support for Dislocated Workers to Continue Training. Under current law, only workers who are eligible for trade adjustment assistance automatically receive benefits beyond the initial 26 weeks of unemployment insurance. Gore today is proposing a new proposal to provide matching challenge grants to states that provide a training allowance to all unemployed workers in approved training programs. Under this proposal, the Federal government would match states that choose to give unemployed workers an additional 13 weeks of training allowance benefits if it is necessary to complete their training.

* Provides up to a $6,000 Tax Credit for Employers Who Provide Worker Training. To make it easier for workers to succeed in the new economy, Gore's plan would offer employers up to a $6,000 tax credit per employee for worker training in information technology and other technology skills. The credits would be limited to programs accredited by a local workforce board and would be targeted to frontline workers.

Making Lifelong Learning More Affordable

* Making Lifelong Learning More Affordable for Individuals by Making Tuition Tax Deductible. The Administration's Hope Scholarship and Lifetime Learning Tax Credits have provided an estimated $3.5 billion in tax relief for 4.8 million families. Gore's proposed College Opportunity Tax Cut would build on these efforts by making $10,000 of tuition and fees for post-secondary education and training tax deductible. The plan would give individuals up to $2,800 annually in tax relief per family and would give individuals in lower tax brackets the same amount of relief as those in higher brackets.

* Helping Workers Save for Life-Long Learning Through 401(j) Accounts. Gore's plan would create new 401(j) accounts so that employers can help employees save tax free for lifelong learning for the employee and his or her spouse.

###

UAW tax deduction tied in

respect - citizenship - 1

together

Parents & kids will see change

school const. - schools as centers of community

THE VICE PRESIDENT'S RESIDENCE

Responsibility - examples - contrasts

As leader of country I believe in children, I believe in college I believe in teachers, failing schools

Family conferences - respect, responsibility expectations

Mortgage

- College Oppt. Tax Cuts - Credits/ deductions
- Work study + serve - double
- Loans - take origination fee to zero
- Grants - why charge kids for going to school

- $1,000 over 5 yrs. + then match w/ $1,000

Vouchers vs. failing schools - some get moved + removed but stand w/ me b/cause cannot tolerate

criticism welcome, but if not helping get out of the way - head to criticize, but heart to help - Partnership

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TX. Kids count #s back up lack of commitment to higher ed.

Need Bush quote
anti-Dep't of Education or in favor of Contract w/ America

values, discipline + character

- Parents

- Higher Ed
  week after next

Make IDEA Spending Mandatory
$1 billion - Dodd + Lynne Rivers amendment