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PRESIDENT WILLIAM J. CLINTON
REMARKS TO THE COMMUNITY
SAN JACINTO COMMUNITY COLLEGE
HOUSTON, TX
September 26, 1997

U.S.

Acknowledgments: Rep. Ken Bentsen; ~~Rep.~~ Gene Green; Rep. Sheila ~~Jackson~~ Lee; Mayor Bob Lanier; Pasadena Mayor Johnny Isbell; Dep't of Education's Community College Liaison Jackie Woods, Commissioner Garry Mauro, Astronaut Ellen Ochoa, Chancellor James Horton, Student Esmeralda Hernandez.

Standing here, so close to the battlefield where Texas first won independence, I am reminded that General Sam Houston was once himself a teacher. He led the Texas Army of Independence -- was President of Texas and a U.S. Senator -- but he called his time in the classroom "the most satisfying time of my life."

Today I want to discuss how we can give every American economic independence and expand opportunity through the kind of pioneering education you get here at San Jacinto and at community colleges across America. Community colleges must be the heart of American higher education in the next century. San Jack shows why. Your typical student is an adult ~~[29 years~~ 28 27 *old*]. So many of you are balancing home and work and school -- and San Jack is helping with child care and other facilities. And you have the highest academic standards of any community college in the state, with more students transferring to four year colleges than any other. Community colleges have long served as important transitions from high school to four year universities. Now, in the new economy that we are creating, they have become the engines for ~~the~~ economic development. Here at San Jacinto, from automotive to aerospace to medical technology to partnerships with hundreds of local businesses, you are vital to this community. I am here today because America should work more like San Jacinto ~~community~~ college.

Six years ago, when I announced my candidacy for President, I said that I had a vital mission for America in the 21st century: To keep the American Dream alive for every person responsible enough to work for it ... to keep America the world's strongest force for peace, freedom, and prosperity ... and to bring our people together across all the lines that divide us, into one America. Our oldest and most incandescent ideals -- opportunity for all, responsibility from all, a community of all -- had to illuminate our path as we strode forward to address the challenges of a new time.

We put in place a bold new economic strategy to shrink the deficit, invest in our people, and lower unfair trade barriers to our goods. The philosophy was solid and simple: remove the impediments that have restrained the American people and give them the tools and training to help them race ahead. By removing the massive deficits, we could free our people of the deadweight piled on in the 1980s that slowed their every step. By investing in their education and health, we would enable them to stride fast and strong over the long run. By reducing trade barriers, we would knock down the unfairly high hurdles that we had to leap over for too long.

The strategy worked: nearly 13 million new jobs ... inflation low and stable ... unemployment below 5% ... the largest drop in welfare rolls in history. And many of our poorest urban and rural communities are in a springtime of renewal. We put in place the strategy, pioneered here in Houston by Mayor Lanier, of community policing, all across the country -- and violent crime has dropped dramatically for five years now.

In July, America reached a new milestone when I signed into law the first balanced budget in a generation. It invests $24 billion to provide health care for up to 5 million children -- the vast majority from working families. That's the biggest investment in health care since the Medicaid program was signed into law by President Johnson. It provides tax relief for working families, including a $500 per child tax credit. That will give a typical family with two children a $1000 increase in take home pay. In these and so many ways, the balanced budget is the achievement of a generation; it is the platform on which you and your children can build for the 21st Century.

But America cannot rest; we have more to do to continue expanding opportunity. To keep our economy growing, Congress must pass spending laws that live up to the balanced budget agreement. We must expand exports, because the only way to create jobs and increase wages in America is for us to open trade with the rest of the world. That is why I am fighting to win the extension of traditional authority, given to every president since 1974, to break open markets to products made by American workers.

And above all, to make sure that every single American has the tools and the skills to reap the rewards of prosperity -- and to make sure that the new economy works for all our people -- we must give every American the best education in the world. Today, we know more than ever that America's success will only come from the creativity, the skills and the minds of people like you. Where in the 19th century opportunity came from access to a land grant, like your ancestors here in Texas, in the 21st Century it will come from access to a Pell Grant.

So I insisted that this balanced budget make the biggest single investment in education in a generation. I have said that America's goal must be to make the 13th and 14th years of education -- the first two years of college -- as universal as high school is today. With this new balanced budget, we are closer to that goal than ever. And today I am releasing a report by the Department of Education that shows how we are doing it.

millions of students

First and foremost, this balanced budget gives ~~everyone who needs it~~ a $1500 Hope Scholarship for the first two years of college. And here at San Jacinto, and at community colleges across Texas and in 6 other states, ~~your~~ tuition and fees will be entirely paid for. In fact, the maximum HOPE Scholarship will cover nearly 90% of the national average full-time tuition and fees. With this Hope Scholarship, America says to you: if you work hard; if you are willing to take responsibility for yourself and your future, we will help you do it.

for more students

(for community colleges.)

the HOPE Schol. could entirely cover t+f.

~~the~~ average ~~among~~
With our recent increase in PG, ~~the~~ the average scholarship for 1.4 million CC students is now nearly $2000 dollars.

That's not all this budget does. It targets thousands of dollars in tax cuts to 7 million people in school and upgrading their skills after the first two years of college -- older workers taking classes to upgrade their skills, graduate students, juniors and seniors in college.

With the ~~increase in Pell Grants that we've won over the past 2 yrs.~~ the
~~It increases Pell Grants by nearly $2000 to 1.4 million community college students~~. It creates Education Savings Accounts -- a tax free IRA that you can use to save for children to college. It continues the tax deduction that helps employers pay for the cost of an employee's education.

It is the broadest, most comprehensive, most ambitious effort to help people go to community college in our history. It reflects our belief that you are the future. I want to thank the administration of San Jacinto college for pledging to keep tuition costs down. I call on other community colleges to do the same. Providing high quality education at the lowest possible cost is a challenge we are engage in together.

We have made extraordinary progress on education. But this fall there is more to do.

I ask your support for voluntary national standards in education, so that every child can master the basics. There is legislation to block our proposal to help develop national tests -- and we must fight it. I ask your support for efforts like America Reads, charter schools, connecting all our classrooms to the information highway. There is legislation that would virtually end the national government's efforts in these areas -- and we must fight that, too. And there are even members of Congress who, in violation of the budget agreement, want to back out of funding the Pell Grants for community college students.

These are the same people who always say "no" to education -- eliminate the Department of Education; Some people in the Congress who say no to every effort to expand educational opportunity -- those who wanted to close down the Department of Education; those who would reduce our commitment to scholarships and grants and shut down completely innovative initiatives, like America Reads, national standards and charter schools.

It's fitting to come to Houston to say: when it comes to educating our children, "failure is not an option." Politics msut stop at the schoolhouse door.

There is one other thing we must do to open the doors of education to all Americans. We must recognize that if we truly believe in opportunity for all, then all Americans must have a fair shot at a good education.

America works best when America works together. A half-century ago, when Bob Lanier was a law student at the University of Texas, the school still denied admission to African-Americans. But Bob volunteered to go over to the tiny, one-room classroom that had been set up for black law students in a basement several blocks from the law school and teach constitutional law to students who had been unconstitutionally barred from the University. One of the students

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Mayor Lanier helped was Heman Sweatt, (HEE-min swett) who went on to become the first African-American admitted to the University of Texas. And the Supreme Court case of Sweatt v. Painter led to the historic Brown v. Board of Education desegregation decision, which gave the national government the power to help 9 brave African Americans open the doors of Little Rock Central High. – and inspired a generation...

Mayor Lanier continues to open doors, reaching out to the entire community of Houston with great success. Businesses run by minorities and women that were once shut out of City Hall, just as Heman Sweatt was shut out of the law school and the Little Rock 9 were shut out of class, now have an opportunity to compete. I certainly hope you don't turn back the clock on a program of progress that has been so successful.

That is why the work of Houston Together is so important. With leaders like Congresswoman Sheila Jackson Lee, working side by side with business leaders like Phil Carroll of Shell and Ken Lay of Enron, I have faith that Houston will keep a good thing going. By drawing on the strength of your diversity, Houston is on the right track for the 21st Century. Don't let anyone derail you with division. Don't let anyone try to pit one American against another. Don't let anyone scare you or fool you.

I don't believe in telling anyone how to vote on a local referendum, but Houston has taken the right steps to mend affirmative action. I'd hate to see you take the wrong steps to end it.

Yesterday, I spoke at a remarkably moving ceremony in Little Rock. It was 40 years ago that the Little Rock Nine broke the color barrier at Little Rock Central High school. Yesterday, we welcomed them back. The brave young men and women -- now proud adults -- who braved the insults and violence then teach us a vital lesson today. They imagined a future in which all children regardless of their race or creed could live and learn together. Today, because they acted, we live in an America that is far more just, far more united than forty years ago. Today, as we approach the new century, it is up to all of us to imagine that new time -- to imagine an America where every young person and every working person has access to the best education in the world, where we are coming together instead of coming apart -- and work to build it. I ask for your help. Thank you & God bless etc.

Mark-up of final

Investing in Quality, Affordable Education for All Americans:

A New Look at Community Colleges

Investing in Quality, Affordable Education for All Americans: A New Look at Community Colleges

"I believe America ought to work the way the community colleges in America work. I believe they are the ultimate democratic institution, small "d": open to everybody, where everybody has a chance; results-oriented; flexible, not bureaucratic; working in partnership with the private sector; guaranteeing opportunity for everybody who is responsible enough to seek it."
-- President Bill Clinton, September 6, 1996, at Gulf Coast Community College, Panama City, FL

Fifty years ago, a panel convened by President Truman challenged the nation to develop a network of low-cost community colleges whose "dominant feature is its intimate relations to the life of the community it serves." The vision of that Presidential Commission has been more than realized. Today, the American community college is the most popular type of institution in the premier system of higher education in the world.

Since the opening of the first campus in Joliet, Illinois, in 1901, the community college has grown to become an institution at the economic and educational core of hundreds of American cities and towns. More than 5.3 million credit-earning students study at more than 1,200 community colleges. The enrollment figure represents almost half of the national undergraduate student body; nearly the same number are enrolled in non-credit programs.

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Community colleges look like and serve all of America. As an institution with a strong local focus, the community college is a vital hub for the development of human resources to support local business and industry. The typical community college curriculum is driven by academic and occupational programs and support services that target local economic and workforce development needs. In recent years, community colleges have broadened their mission to work more closely with K-12 school districts in an effort to promote higher academic standards in elementary and secondary classrooms.

The community college's increasingly vital role in serving America's educational and economic needs was one of the catalysts behind the largest new investment in student financial aid since the GI Bill.

The Taxpayer Relief Act that President Clinton signed into law in August included a new form of assistance designed to make the first two years of college as universally available as the first 12 grades. The HOPE Scholarship provides a tax credit of up to $1,500 per year for students in middle-income families for the first two years of college. With an average community college tuition of $1,320 projected for the 1998-99 academic year, the HOPE Scholarship will make the first two years of college affordable for any student who works hard and makes the grade.

The legislation also created the Lifetime Learning Tax Credit -- a 20 percent tax credit for the first $5,000 in tuition and fees for juniors, seniors, graduate students, or adults who take a course to advance their career prospects (after the year 2002, the credit is available on the first $10,000 in tuition and fees). We live in an age in which everyone must learn throughout their lifetime in order to remain competitive in the job market. Adult learners, minority and immigrant students, traditional-aged high school graduates, and workers of all ages across America are looking for ways to enhance their job skills to navigate these changing times. For lower- and middle-income families, the Lifetime Learning Tax Credit and the affordability of community colleges offer a formula for getting ahead.

> With an average community college tuition of $1,320 projected for the 1998-99 academic year, the HOPE Scholarship will pay for, on average, 88 percent of an eligible student's tuition at a two-year institution.

President Clinton's tax breaks for college will help Americans invest more than $35 billion in education over the next five years. When combined with larger Pell Grants for the nation's neediest students, the tax breaks for college will enable two-year colleges to open their classrooms to more and more Americans -- a development that will yield two primary benefits.

First, education beyond high school instills a higher regard for good citizenship and the democratic process, a priceless commodity in our increasingly mobile and diverse society. Second, postsecondary education offers the best path to economic self-sufficiency and a better quality of life. Recent studies of the ties between educational achievement and economic well-being indicate an American worker with two years of college earns, on average, almost $1.1 million over the course of his or her lifetime. By contrast, the average American with only a high school diploma will earn about $250,000 less.

President Clinton's dozen visits to community college campuses thus far during his Administration symbolizes his firm belief that community colleges are engines of community growth. This report offers a snapshot of the community college and its central role in academic and occupational skill development, life-long learning and the promotion of America's economic and social progress.

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A Profile of the 21st Century Community College Student

As recently as the mid-1980s, most community college students were recent high school graduates who attended as full-time students. Since that time, however, the profile of the community college student body has changed dramatically. With an average age of 29, today's community college students need an educational program that enables them to balance schoolwork with the time demands of jobs and families.

For these students, flexibility is essential, and community colleges have responded. Almost two-thirds of community college students attend part-time, which means that they need classes at a time and place that is convenient with their work schedule. The typical community college offers a full range of day, evening, and weekend courses to accommodate virtually any student's working hours. Satellite campuses provide options in close proximity to a student's home or workplace. Ancillary

services, such as child care and tutorial programs, respond to family needs in a way that helps students manage their commitments. The list of options continues to grow as advancements in technology make courses available via television and other "distance learning" media.

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The expanding range of choices is essential to keep up with the increasing demand for postsecondary education. As Secretary Riley noted in a recent report, the Baby Boom Echo is driving up enrollment to record levels in our K-12 system. This year, more than 52.2 million students entered the nation's public and private elementary and secondary schools. That figure is an all-time record, and it is expected to be eclipsed every year for the coming decade before leveling off at the new plateau.

As these students grow older, the demand for all types of higher education will grow as well. Because of their extensive ties to local high schools, community colleges will feel the wave first among institutions of higher education. The growth in the 18-to-24 age group is foremost among several factors expected to drive up community college enrollment by 11 percent over the coming decade. Workers returning to school and employers in search of training for their employees will also drive enrollment growth.

More specifically, the community college serves a range of educational needs that span the socioeconomic spectrum. One out of 10 community college students already possesses a bachelor's degree. These students turn to a community college for technical or occupationally related course work, such as foreign language training, enhanced computer skills, or emergency medical technician certification. In these and dozens of other areas, the community college offers the right subject, at the right time and place, and at the right price.

Community colleges are often key players in efforts to help people make the transition from the welfare rolls to payrolls. For example, last year community colleges in California served more than 125,000 students

who were on public assistance, preparing for work. Many community colleges are now intensifying their efforts to forge links with state and local welfare offices and design strategies to help students make the transition from welfare to work.

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More than one-fifth of community college students will transfer directly into a four-year baccalaureate program. These students lay the groundwork to earn their bachelor's degree while attending the community college. About one-fourth of America's college students enroll alternately or simultaneously in both a two-year college and a four-year college to craft an educational program that meets their learning needs, cost considerations, and personal or career schedules. Studies of the educational achievement levels of these students find that community college transfer students perform as well during their junior and senior years of study as the students who began their college education in four-year institutions.

For another third of the community college student body, the goal of their studies is to complete a certificate or degree program that qualifies them for a specific line of work. Community colleges train large segments of the workforce in nursing and allied health fields, computer-related fields, the hospitality industry, agricultural support industries, and the array of positions in automotive and manufacturing technology.

Community colleges appeal to diverse groups of Americans for a host of reasons. Employers are eager to send their employees to community colleges because of their accessibility, low cost, and the proven ability of these institutions to meet the needs of local business and industry. Students like the same features, as well as the flexibility of the course offerings and the personal atmosphere created by manageable class sizes.

Serving 21st Century Learners in a Fast-Changing Economy

The pace of change in today's workplace is dizzying, and growing faster with each new day. Consider this: Today's high-end desktop PC offers

more computing power than the first spaceship that landed on the Moon. With technological advancements emerging at such a furious pace, American workers must continually renew and expand their skills base to keep up with the changing times.

The need for such up-to-the-minute education and training goes to the heart of the community college's mission. By building and maintaining alliances with employers in their region, community colleges keep close tabs on the labor demands in the local job market. Such public/private partnerships serve the needs of employers, as well as the needs of current and prospective employees.

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This philosophy has put community colleges in the forefront of several areas related to education, training, and economic growth:

Workforce development -- Two-year colleges are leaders in providing trained manpower for traditional fields and newly emerging employment areas. They are extremely effective in supporting local economic development efforts, as well as training the local workforce for both specific tasks (e.g., statistical processing controls) and widely marketable skills (e.g., technical writing). Community colleges train the bulk of nursing and credentialed allied health service workers in the United States -- 85 percent of the training in ophthalmic technology, 71 percent in medical imaging, 69 percent in respiratory technology.

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Working with business and industry, community colleges provide the bulk of the skilled manpower in computer technologies, manufacturing and other evolving industries that demand high-skilled labor. For

example, San Jacinto Community College in the Houston suburb of Pasadena, Texas, provides training and technical staff for the aerospace industry. San Jacinto College addresses the training needs of this industry through a formalized program of study for prospective employees and more specialized programs for experienced employees.

Distance Learning and the Internet -- For nearly two decades, community colleges have made greater and greater use of distance learning and computer-assisted instruction. By overcoming boundaries of time and place, distance learning is ideally suited for working adults and residents of rural areas removed from community college campuses.

The full range of video technologies -- including broadcast and cable TV, satellite communication, and compressed video systems -- are the backbone of many community college programs. For example, the Los Angeles Community College District enrolls nearly 1,500 students who are pursuing their education entirely via "tele-courses" and interactive video. Community colleges were among the first users of "tele-courses" on global economics and world geography developed jointly by the Annenberg Foundation and the Corporation for Public Broadcasting. The willingness to embrace new approaches to curriculum and instruction is indicative of the commitment of community colleges to serve their students with contemporary material.

As "courseware" moves onto the World Wide Web, community colleges are building tele-courses and developing larger "virtual classrooms" that students can access through a personal computer. These students are already well-accustomed to using computers in their classes. According to the 1996 report of the Campus Computing Project, 31 percent of courses in community colleges use computer-based classrooms or labs. About one course in six uses computer-based simulations.

One example of the advanced use of technology can be found at New Hampshire Technical College, which converted a biotechnology technician course to a virtual classroom. The program emerged from the college's partnership with a company that is geographically isolated from other technical training programs in northern New England. This capability is ideal for training in an economy in which mid-level technical jobs have become pivotal. It requires significant network capacity, as well as faculty who know how to create interactive

curriculum materials.

To enhance and expand their distance learning capabilities, community colleges are building larger on-campus computer networks. These burgeoning systems are designed with an emphasis on greater support for instructional labs, and the training of faculty in electronic techniques that facilitate learning. These colleges are committed to continually upgrading their computer and telecommunications capacity. During a recent World Bank symposium on the promise and challenges associated with distance learning, representatives of Hewlett-Packard, Lucent Technologies, and Sun Microsystems, among others, agreed that community colleges were more responsive to the challenges of providing technical training in technical fields than other postsecondary institutions.

Under-served populations -- Two-year colleges provide low-cost access to education for two economically vulnerable groups -- high school dropouts who want to earn a General Equivalency Degree (GED), and non-English speaking citizens who need an English-as-a-Second Language (ESL) course. The Los Angeles Community College District, for example, delivers ESL training to students from 80 different language groups. Research shows that high school dropouts and non-English-speaking students felt most comfortable in the community college environment.

Math and Science Education -- It may surprise some to learn that community colleges are major incubators of future scientists, engineers and other technical professionals. One in six bachelor's degree recipients in engineering, engineering technology and architecture started in a community college. And one in ten graduating Ph.D.s in math and electrical engineering last year began in a community college.

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Community colleges are increasingly supporting the American economy through close ties to businesses and industries that rely on a workforce

that is proficient in math and science. As institutions that focus on teaching and instruction rather than research, community colleges have faculty members with business and industry experience who can demystify math- and science-related careers.

Community colleges also benefit from the significant support of federal agencies. The National Science Foundation has recognized and increased its emphasis on community college math and science instruction.

Teaching and Learning -- Community colleges provide significant leadership at all levels of education. In the K-12 arena, community colleges are major sponsors of Tech-Prep and School-to-Work programs. Students at two-year colleges are active in the campaigns to improve the reading skills of American students. Almost 200 community colleges have signed up to participate in the "America Reads Challenge," including the commitment of some of their College Work-Study positions to reading tutors who work in the local schools. Community colleges are the primary source for the development of para-professionals in the teaching fields and for recruitment of potential teaching forces in urban and rural areas. This role will increase in the next few years as the national need for new teachers continues to increase.

Remedial Educational Opportunities -- For students lacking the basic skills needed to pursue college-level coursework, community colleges are the nation's primary providers of skill-strengthening assistance. Over 56 percent of the postsecondary enrollments in remedial reading, 80 percent in pre-algebra mathematics, and 61 percent in pre-college algebra are found in the local community college.

Opening the Doors to College: How the New Federal Investments in Higher Education Will Make a Difference

The tax breaks for college included in the Taxpayer Relief Act fulfilled two of President Clinton's educational goals for the nation:

- Making the first two years of college universally accessible to all learners; and,
- Encouraging people to pursue learning throughout their lifetime.

The new tax cuts extend federal student financial assistance in a variety

of ways. These investments will benefit large portions of the nation's community college student body.

The Hope Scholarship will provide virtually tuition-free access for the first two years of college, as well as one- and two-year certificate programs. The Hope Scholarship provides a 100 percent tax credit on the first $1,000 dollars of tuition and fees, and 50 percent of the second $1,000. As Table I shows, the Hope Scholarship will cover, on average, 88 percent of tuition and fees for community college students in the 1998-99 academic year. Students in seven states -- including California and Texas -- who are eligible for the maximum HOPE credit will have their tuition and fees covered entirely.

For those who wish to continue their education beyond the first two years of college, the Lifetime Learning Tax Credit provides a 20 percent credit for the first $5,000 of tuition and fees through the year 2002, and 20 percent of the first $10,000 thereafter.

These tax breaks for college will ease the pressure brought to bear on lower- and middle-income families by rising tuition, building ~~and~~ on supplementing the foundation of federal student aid programs.

Both houses of Congress have embraced the President's call to increase the maximum Pell Grant -- the bedrock form of support for the nation's most needy students -- to $3,000. This $300 increase over the current maximum will provide the biggest one-year boost in Pell investment ever, and it will make an additional 130,000 students eligible for the grants. box

As more students opt for the low-cost option of a community college, a larger proportion of Pell Grant funds are benefiting community college students. In 1985, community college students received about 18 percent of all Pell dollars. By 1994, the community college share grew to 30 percent, and it is expected to climb even higher as more students embrace the concept of lifelong learning and enroll in community colleges. In academic year 1998-99, 1.4 million community college students will receive almost $2.6 billion in Pell Grants.

Further, expansion of the federal College Work-Study program will allow more students to earn part of the cost of their education. In 1996, one-

sixth of College Work-Study funds supported community college students. President Clinton aims to broaden this commitment to support one million work-study positions by the year 2000.

The collective impact of these investments is to make all colleges more accessible financially, but this is especially true for community colleges. For eligible middle-income students, the Hope Scholarship will cover all or almost all of their tuition. ~~On average, the maximum Hope Scholarship will pay for 88 percent of tuition for a community college student.~~ For students with the greatest financial need, the combined support of the Hope Scholarship, Pell Grants, College Work-Study and other forms of assistance will help to cover tuition and fees, and many additional expenses as well.

Implications for the Future

At the dawn of the new millennium, community colleges are well-positioned to serve as key providers of academic and occupational education for adult learners of all ages. Community colleges are adaptive organizations that fulfill an array of needs directly related to the future growth and prosperity of their region. The current and future expectations of these institutions will only expand as they develop and strengthen alliances throughout the economy.

That said, community colleges face some significant challenges in the coming years in order to continue playing this pivotal role. They are preparing to meet the educational and personal needs of increasingly diverse populations. They are extending their role as leaders in workforce training development -- an area that now includes Tech-Prep and School-to-Work initiatives, as well as means of comprehensive assessment that judge students on what they know and not just on how long they have been sitting in a classroom. They are playing a leading role in the national movement to improve K-12 education -- contributing to the recruitment, retention and ongoing training of the new cadre of two million teachers needed for America's schools in the coming decade. They are extending their role as centers for comprehensive community development programs. And they are at the heart of the nation's response to the challenge of welfare reform, developing flexible ways of continuing to provide academic and

occupational skills needed by adults and young people alike.

As called for by the Truman Commission a half-century ago, community colleges are, indeed, driven by their inextricable links with the communities that they serve. Whether it is a young woman studying to become an aerospace technician with NASA, a mid-career computer programmer taking night courses on JAVA or some other computer language, or an aspiring teacher taking credits in calculus, chemistry and literature that he or she will transfer to a nearby university -- community colleges are engines of community growth. Our investments in the nation's community colleges and their students will come back to us exponentially in the form of continued growth and prosperity for future generations of Americans.

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Enlarge Labels

Table 1

	Public 2-Year Institutions Estimated 1998-99 Tuition and Fees and HOPE Scholarship Tax Credit		
	Estimated 1998-99 Average Tuition and Fees	Maximum HOPE Scholarship Tax Credit	Maximum HOPE Scholarship Tax Credit as % of Tuition and Fees
Alabama	1,030	1,015	99%
Alaska	$2,040	$1,500	74%
Arizona	860	860	100%
Arkansas	1,030	1,015	99%
California	400	400	100%
Colorado	1,370	1,185	86%
Connecticut	1,900	1,450	76%
Delaware	1,470	1,235	84%
District of Columbia	N/A	N/A	N/A
Florida	1,190	1,095	92%
Georgia	1,200	1,100	92%
Hawaii	870	870	100%
Idaho	1,170	1,085	93%
Illinois	1,390	1,195	86%
Indiana	2,540	1,500	59%
Iowa	2,030	1,500	74%
Kansas	1,380	1,190	86%
Kentucky	1,230	1,115	91%
Louisiana	870	870	100%
Maine	2,970	1,500	51%
Maryland	2,330	1,500	64%
Massachusetts	2,580	1,500	58%
Michigan	1,730	1,365	79%
Minnesota	2,350	1,500	64%
Mississippi	1,050	1,025	98%
Missouri	1,410	1,205	85%
Montana	1,660	1,330	80%
Nebraska	1,330	1,165	88%
Nevada	1,090	1,045	96%
New Hampshire	3,060	1,500	49%
New Jersey	2,150	1,500	70%
New Mexico	670	670	100%
New York	2,750	1,500	55%
North Carolina	640	640	100%
North Dakota	1,930	1,465	76%
Ohio	2,450	1,500	61%
Oklahoma	1,210	1,105	91%
Oregon	1,700	1,350	79%
Pennsylvania	2,190	1,500	68%
Rhode Island	1,920	1,460	76%
South Carolina	1,220	1,110	91%
South Dakota	2,880	1,500	52%
Tennessee	1,080	1,040	96%
Texas	840	840	100%
Utah	1,530	1,265	83%
Vermont	2,780	1,500	54%
Virginia	1,610	1,305	81%
Washington	1,610	1,305	81%
West Virginia	1,380	1,190	86%
Wisconsin	2,160	1,500	69%
Wyoming	1,150	1,075	93%
Outlying Areas	1,800	N/A	N/A
US Totals	$1,320	$1,160	88%

Source: Education Department estimates based on data from the 1996-97 Integrated Postsecondary Education Data System early release file, adjusted for estimated increases in tuition and fees and weighted by the unduplicated headcount of all students enrolled in public 2-year institutions.

District of Columbia does not have a public 2-year institution.

Outlying areas are not covered by the HOPE scholarship tax credit.

Table 2

	Public 2-Year Institutions Estimated 1998-99 Pell Grants		
	Recipients	Dollars (In Thousands)	Average Award
Alabama	33,000	55,114	1,670
Alaska	300	$637	$1,480
Arizona	30,700	55,574	1,810
Arkansas	12,500	23,171	1,850
California	195,900	384,075	1,960
Colorado	16,500	29,838	1,800
Connecticut	9,700	16,197	1,670
Delaware	2,800	4,300	1,560
District of Columbia	N/A	N/A	N/A
Florida	97,200	181,479	1,870
Georgia	40,000	53,032	1,330
Hawaii	4,100	7,514	1,830
Idaho	3,500	6,772	1,950
Illinois	59,900	101,298	1,690
Indiana	18,400	31,987	1,740
Iowa	20,800	37,403	1,800
Kansas	15,500	27,237	1,760
Kentucky	19,300	36,622	1,890
Louisiana	17,100	30,619	1,800
Maine	2,100	4,010	1,910
Maryland	22,800	38,823	1,700
Massachusetts	25,000	46,257	1,850
Michigan	47,900	78,394	1,640
Minnesota	30,000	52,375	1,750
Mississippi	25,600	50,426	1,970
Missouri	22,100	38,288	1,730
Montana	5,000	10,070	2,020
Nebraska	9,000	13,866	1,540
Nevada	3,300	5,114	1,570
New Hampshire	2,600	4,778	1,830
New Jersey	30,800	58,159	1,890
New Mexico	9,800	17,251	1,760
New York	125,700	251,128	2,000
North Carolina	37,200	63,058	1,700
North Dakota	3,600	6,913	1,920
Ohio	44,300	77,048	1,740
Oklahoma	26,100	48,175	1,850
Oregon	16,800	29,984	1,780
Pennsylvania	35,600	63,866	1,790
Rhode Island	4,000	6,573	1,650
South Carolina	22,200	33,954	1,530
South Dakota	2,700	5,276	1,950
Tennessee	23,900	43,222	1,810
Texas	117,900	209,530	1,780
Utah	7,800	13,291	1,710
Vermont	2,800	4,056	1,470
Virginia	28,700	50,876	1,770
Washington	38,700	74,143	1,920
West Virginia	4,500	9,150	2,030
Wisconsin	22,900	41,063	1,790
Wyoming	4,300	8,166	1,880
Outlying Areas	21,600	45,270	2,090
US Totals	1,424,500	$2,585,425	$1,810

Source: Education Department estimates based on the President's fiscal year 1998 budget policy, adjusted for mid-session review re-estimates.

District of Columbia does not have a public 2-year institution.

Table 3
Distribution of Higher Education Tuition Tax Benefits and Pell Grants by Student's State of Legal Residence (All Institutions —)

	Number of Beneficiaries (in thousands)			Dollar Amounts of Benefits (in millions)			Pell Grants	
	HOPE Scholarship	20% Credit for Lifetime Learning	Total	HOPE Scholarship	20% Credit for Lifetime Learning	Total	Number of Beneficiaries (in thousands)	Dollar Amount of Benefits (in millions)
Alabama	90	109	199	$80.6	$60.1	$140.7	80	$148.6
Alaska	12	15	28	11.1	8.4	19.5	5	8.9
Arizona	112	138	250	100.7	75.6	176.3	74	140.0
Arkansas	37	44	81	32.8	24.2	57.0	40	78.7
California	761	934	1,695	682.4	513.2	1,195.6	438	900.4
Colorado	101	124	224	90.2	68.0	158.2	54	101.2
Connecticut	69	85	153	61.4	46.5	107.9	27	48.6
Delaware	19	24	43	17.2	13.1	30.3	6	10.8
District of Columbia	34	42	76	30.3	23.0	53.3	11	20.4
Florida	255	311	565	228.3	170.8	399.0	192	369.4
Georgia	122	149	272	109.8	82.0	191.8	100	174.0
Hawaii	28	35	63	25.3	19.2	44.5	8	14.9
Idaho	24	29	52	21.2	15.8	37.0	21	42.1
Illinois	308	379	687	276.0	208.1	484.1	152	283.5
Indiana	119	146	266	107.0	80.3	187.3	79	143.2
Iowa	69	84	154	62.0	46.4	108.4	53	95.9
Kansas	70	85	155	62.5	46.9	109.3	46	84.8
Kentucky	71	86	157	63.8	47.4	111.2	66	129.5
Louisiana	76	92	169	68.6	50.7	119.3	87	181.3
Maine	23	28	51	20.7	15.6	36.3	15	29.0
Maryland	112	138	250	100.3	75.6	176.0	56	102.0
Massachusetts	176	217	393	157.7	119.0	276.7	83	157.8
Michigan	227	278	505	203.3	152.7	355.9	141	256.3
Minnesota	119	146	264	106.4	79.9	186.4	75	132.9
Mississippi	45	54	98	40.1	29.5	69.6	56	114.8
Missouri	119	146	266	107.1	80.3	187.4	82	150.9
Montana	15	18	33	13.4	9.9	23.3	18	35.3
Nebraska	48	58	106	42.7	32.1	74.8	30	52.0
Nevada	28	34	62	24.9	18.9	43.8	9	16.4
New Hampshire	26	32	59	23.7	17.8	41.5	13	24.2
New Jersey	140	172	311	125.3	94.3	219.6	77	149.9
New Mexico	40	49	89	36.1	26.9	63.0	34	66.6
New York	414	503	916	370.9	276.1	647.0	375	767.3
North Carolina	153	188	342	137.5	103.4	240.9	87	162.2
North Dakota	16	19	34	13.9	10.3	24.2	15	29.3
Ohio	222	271	493	198.8	148.8	347.6	161	297.2
Oklahoma	72	87	159	64.3	47.8	112.2	69	133.7
Oregon	68	83	151	60.8	45.7	106.5	41	77.1
Pennsylvania	251	307	558	224.8	168.8	393.6	159	303.7
Rhode Island	31	38	69	27.7	20.8	48.5	18	33.2
South Carolina	69	84	154	62.0	46.4	108.4	54	97.2
South Dakota	14	17	31	12.7	9.4	22.1	16	30.8
Tennessee	98	119	217	87.4	65.4	152.8	74	141.0
Texas	387	473	860	347.0	260.0	607.1	270	510.8
Utah	58	71	129	52.2	39.0	91.2	47	84.6
Vermont	14	18	32	13.0	9.7	22.7	9	16.7
Virginia	148	181	329	132.3	99.6	232.0	81	148.2
Washington	117	144	262	105.3	79.2	184.5	71	136.8
West Virginia	35	42	76	30.9	23.1	54.0	30	61.0
Wisconsin	127	157	284	114.2	86.1	200.3	65	119.3
Wyoming	12	15	28	11.1	8.3	19.5	9	16.6
Outlying Areas	N/A	N/A	N/A	N/A	N/A	N/A	189	437.4
US Totals	5,800	7,100	12,900	$5,200.0	$3,900.0	$9,100.0	4,065	$7,868.0

Source: Education Department estimates based on State-level enrollment, Pell Grant recipient data, and the President's fiscal year 1998 budget policy, adjusted for mid-session review re-estimates.

The number of beneficiaries and amount of benefits for the tax credits were calculated for FY 1998 and FY 1999, respectively.
"Outlying Areas" are not covered by the tax credits.

FAMILIES' GUIDE TO THE 1997 TAX CUTS FOR EDUCATION

Many new tax benefits for adults who want to return to school and for parents who are sending or planning to send their children to college will be available due to the balanced budget signed into law in August, 1997. These tax cuts effectively make the first two years of college universally available, and they will give many more working Americans the financial means to go back to school if they want to choose a new career or upgrade their skills. When fully phased in, 12.9 million students are expected to benefit – 5.8 million under the "HOPE Scholarship" tax credit, and 7.1 million under the Lifetime Learning tax credit.

- **Up to a $1,500 "HOPE Scholarship" tax credit for students starting college**

The "HOPE Scholarship" tax credit helps make the first two years of college or vocational school universally available. Students will receive a 100% tax credit for the first $1,000 of tuition and required fees and a 50% credit on the second $1,000. This credit is available for tuition ~~and required fees less~~ grants, scholarships, and other tax-free educational assistance and will be available for payments made after December 31, 1997 for college enrollment after that date. A high school senior going into his or her freshman year of college in September, 1998, for example, could be eligible for as much as a $1,500 HOPE tax credit.

This credit is phased out for joint filers who have between $80,000 and $100,000 of adjusted gross income, and for single filers who have between $40,000 and $50,000 of adjusted gross income. The credit can be claimed in two years for students who are in their first two years of college or vocational school and who are enrolled on at least a half-time basis in a degree or certificate program for any portion of the year. The taxpayer can claim a credit for his own tuition expense or for the expenses of his or her spouse or dependent children.

*A **married couple with an adjusted gross income of $60,000 has two children in college at least half-time**, one at a community college with a tuition of $2,000 and the other a sophomore at a private college with tuition of $11,000. Using the HOPE Scholarship tax credit, this couple would have their taxes cut by as much as $3,000.*

- **The Lifetime Learning tax credit**

This tax credit is targeted to adults who want to go back to school, change careers, or take a course or two to upgrade their skills and to college juniors, seniors, graduate and professional degree students. A family will receive a 20% tax credit for the first $5,000 of tuition and required fees paid each year through 2002, and for the first $10,000 thereafter. Just like the "HOPE Scholarship" tax credit, the Lifetime Learning tax credit is available for tuition and required fees less grants, scholarships, and other tax-free educational assistance; families may claim the credit for amounts paid on or after July 1, 1998 for college or vocational school enrollment beginning on or after July 1, 1998. The maximum credit is determined on a per-taxpayer (family) basis, regardless of the number of post-secondary students in the family, and is phased out at the same income levels as the "HOPE Scholarship" tax credit. Families will be able to claim the Lifetime Learning tax credit for some members of their family and the "HOPE Scholarship" tax credit for others who qualify in the same year.

*A **homemaker**, whose family has an adjusted gross income of $70,000, wants to attend a graduate teacher training program at a public university ($3,500 tuition) after being out of college for 20 years. Using the Lifetime Learning credit, her family's income taxes would be cut by as much as $700.*

*A married couple has an adjusted gross income of $32,000. The husband who is working as an **automobile mechanic** decides to go back to a local technical college to take some computer classes in the hope of getting a better job. He will pay a tuition of $1,200. Using the Lifetime Learning credit, this family would have their taxes cut by as much as $240.*

- **Parents and grandparents can create education IRAs and make penalty-free withdrawals from other IRAs**

Beginning January 1, 1998, taxpayers may withdraw funds from an IRA, without penalty, for their own higher education expenses or those of their spouse, child, or even grandchild. In addition, for each child under age 18, families may deposit $500 per year into an Education IRA in the child's name. Earnings in the Education IRA will accumulate tax-free and no taxes will be due upon withdrawal if the money is used to pay for post-secondary tuition and required fees (less grants, scholarships, and other tax-free educational assistance), books, equipment, and eligible room and board expenses. Once the child reaches age 30, his or her Education IRA must be closed or transferred to a younger member of the family.

A taxpayer's ability to contribute to an Education IRA is phased out when the taxpayer is a joint filer with an adjusted gross income between $150,000 and $160,000, or a single filer with an adjusted gross income between $95,000 and $110,000. There are a few restrictions. A student, for example, who receives the tax-free distributions from an Education IRA may not, in the same year, benefit from the "HOPE Scholarship" or Lifetime Learning tax credits.

- **Greater flexibility for families saving in qualified State tuition plans**

When a family uses a qualified State-sponsored tuition plan to save for college, no tax is due in connection with the plan until the time of withdrawal as a result of a law passed last year. This year's change in law allows families to use these plans to save not only for tuition but also for certain room and board expenses for students who attend on at least a half-time basis. Tuition and required fees paid with withdrawals from a qualified State tuition plan are eligible for the "HOPE Scholarship" tax credit and Lifetime Learning tax credit. These benefits are available on January 1, 1998.

- **Paying back student loans at a lower cost**

For many college graduates, one of their first financial obligations is to repay their student loans, which average about $13,500 per student. The new student loan interest deduction will reduce the burden of the repayment obligation by allowing students or their families to take a tax deduction for interest paid in the first 60 months of repayment on student loans. The deduction is available even if an individual does not itemize other deductions.

The maximum deduction is $1,000 in 1998, $1,500 in 1999, $2,000 in 2000, and $2,500 in 2001 and beyond. It is phased out for joint filers with adjusted gross income between $60,000 and $75,000, and single filers with adjusted gross income between $40,000 and $55,000. The deduction is available for all educational loans, including loans made to students, parents, guaranteed student loans, and loans from private lenders, made before August of 1997 when the new student loan interest deduction became law but only to the extent that the loan is within the first 60 months of repayment.

A senior graduates from college and finds a job paying $25,000 a year (and has no other income). The student has a total student debt of $12,000 and is in the 15% federal income tax bracket. The monthly payment for this student's loans is $148. The total amounts of payments for the first year is $1,776, over half of which is interest ($960) which can be deducted under the new law. The student's maximum tax benefit can be calculated by multiplying $960 by 15%: for a tax savings of $144.

- **Going to school while you work**

The new tax law extends Section 127 of the tax code for three years. Section 127 allows workers to exclude up to $5,250 of employer-provided education benefits from their income. The assistance must be for undergraduate courses beginning prior to June 1, 2000. This provision will enable many Americans to pursue their goals of lifelong learning.

- **Community service loan forgiveness**

This provision excludes from income student loan amounts forgiven by non-profit, tax-exempt charitable or educational institutions for borrowers who take community-service jobs that address unmet community needs. For example, a recent graduate who takes a low-paying job in a rural school will not owe any additional income tax if in recognition of this service her college or another charity forgives a loan it made to her to help pay her college costs. This provision applies to loans forgiven after August 5, 1997.

The balanced budget bills signed by President Clinton include many other provisions that will help all of the young people in America grow and learn and help families navigate through these changing times. The new tax law includes a provision to encourage computer donations to schools. The balanced budget agreement protects and advances President Clinton's top domestic priorities, such as expansion of Head Start, and an increase in the maximum Pell grant for college to $3,000. All of these benefits and tax cuts have one goal: to give parents the support they need to give their children a first class education and hope for the future.

For information on additional student aid programs that will help meet the costs of college and lifelong learning for you, your children and grandchildren, please call 1-800-4FED-AID. For information on the importance of getting ready for college early, especially middle school students, call 1-800-USA-LEARN.

(This is an informational guide produced by the Department of Education; for detailed tax information and instruction please consult your IRS tax forms and publications to see if you qualify.)

MAKING TWO YEARS OF COLLEGE UNIVERSALLY AVAILABLE, AND PROMOTING A LIFETIME OF LEARNING

September 26, 1997

President Clinton fought for a Bipartisan Balanced Budget that included a $1,500 HOPE Scholarship and a Lifetime Learning Tax Credit for middle income families, and a $3,000 maximum Pell Grant scholarship for lower-income families. Today the President will release a new report which shows how these initiatives will help ensure that anyone can afford tuition and fees for two years at a community college, and highlights how community colleges are providing a high-quality education and preparing millions of Americans to participate in the 21st Century economy. The President will also challenge Congress to follow through on the Balanced Budget Agreement, not shut the door on thousands of adult students.

Community Colleges are Dynamic Institutions that Provide a High Quality, Affordable Education. Today the President travels to San Jacinto College, near Houston, to release a new report on community colleges by the U.S. Department of Education. Fifty years after the Truman Commission Report called for a nationwide network of public community colleges, this report highlights the critical role being played by community colleges in preparing the workforce of the 21st Century. The report describes how these institutions provide a high quality education to a diverse array of Americans at various stages in their lives and careers, and underscores that community colleges are remarkably affordable, with average tuition and fees expected to run just over $1,300 next fall.

The HOPE Scholarship Cuts Tuition and Fee Costs at Community Colleges by 88%. New projections by the Department of Education indicate that in the 1998-99 school year, the HOPE Scholarship will cover up to 88 percent of the national average full-time tuition and fees at community colleges. In seven States, including Texas, HOPE covers up to 100 percent of community college tuition and fees. In 35 States, the HOPE Scholarship covers up to 75 percent or more of tuition and fees. 5.8 million students are expected to benefit from the HOPE Scholarship at all types of higher education institutions.

Pell Grants Will Benefit 1.4 Million Community College Students. The Department of Education estimates that 1.4 million community college students will receive an average Pell Grant in 1998-99 of $1,810. Pell Grants are available on a sliding scale based on income and can be used to cover tuition and fees as well as living expenses associated with college. The Bipartisan Balanced Budget Agreement includes the President's proposal for the largest increase in the grant in two decades, to a maximum of $3,000. Some students will qualify for both a Pell Grant and a tax credit (HOPE or Lifetime).

7.1 Million Will Benefit from Lifetime Learning Tax Credit. For students beyond their first two years of college, including those who are returning to school (full or part time) to upgrade their skills or change careers, the Taxpayer's Relief Act offers a 20 percent tax credit for the first $5,000 of tuition and fees paid by a student. It is expected that 7.1 million students will take advantage of the credit to help pay for postsecondary education.

Many Adults Who Return to School Will be Shortchanged if Congress Does Not Finish the Job. Unless Congress follows through on the President's Pell Grant proposals -- as required by the Bipartisan Balanced Budget Agreement -- more than half a million adult students will find that their income is too low for them to benefit from HOPE (because they do not have sufficient tax liability), but they are not considered poor enough for a sufficient Pell Grant (223,000 will not be eligible for a grant at all). Those affected are students over 24 or veterans, and are either single or married without dependent children. A House-Senate conference committee is currently considering this issue. If they do not act to address this problem, college may be out of reach for students like a 22-year-old veteran making only $10,000 a year, a married 35-year-old with *joint* income of only $14,000, or a 30-year-old with income of only $11,000.

Final

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Clean Final
9/26/97

Investing in Quality, Affordable Education for All Americans:

A New Look at Community Colleges

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"I believe America ought to work the way the community colleges in America work. I believe they are the ultimate democratic institution, small "d": open to everybody, where everybody has a chance; results-oriented; flexible, not bureaucratic; working in partnership with the private sector; guaranteeing opportunity for everybody who is responsible enough to seek it."
-- President Bill Clinton, September 6, 1996, at Gulf Coast Community College, Panama City, FL

Fifty years ago, a panel convened by President Truman challenged the nation to develop a network of low-cost community colleges whose "dominant feature is its intimate relations to the life of the community it serves." The vision of that Presidential Commission has been more than realized. Today, the American community college is the most popular type of institution in the premier system of higher education in the world.

Since the opening of the first campus in Joliet, Illinois, in 1901, the community college has grown to become an institution at the economic and educational core of hundreds of American cities and towns. More than 5.3 million credit-earning students study at more than 1,200 community colleges. The enrollment figure represents almost half of the national undergraduate student body; nearly the same number are enrolled in non-credit programs.

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Community colleges look like and serve all of America. As an institution with a strong local focus, the community college is a vital hub for the development of human resources to support local business and industry. The typical community college curriculum is driven by academic and occupational programs and support services that target local economic and workforce development needs. In recent years, community colleges have broadened their mission to work more closely with K-12 school districts in an effort to promote higher academic standards in elementary and secondary classrooms.

The community college's increasingly vital role in serving America's educational and economic needs was one of the catalysts behind the largest new investment in student financial aid since the GI Bill.

The Taxpayer Relief Act that President Clinton signed into law in August included a new form of assistance designed to make the first two years of college as universally available as the first 12 grades. The HOPE Scholarship provides a tax credit of up to $1,500 per year for students in middle-income families for the first two years of college. With an average community college tuition of $1,320 projected for the 1998-99 academic year, the HOPE Scholarship will make the first two years of college affordable for any student who works hard and makes the grade.

> With an average community college tuition of $1,320 projected for the 1998-99 academic year, the HOPE Scholarship will pay for, on average, 88 percent of an eligible student's tuition at a two-year institution.

The legislation also created the Lifetime Learning Tax Credit -- a 20 percent tax credit for the first $5,000 in tuition and fees for juniors, seniors, graduate students, or adults who take a course to advance their career prospects (after the year 2002, the credit is available on the first $10,000 in tuition and fees). We live in an age in which everyone must learn throughout their lifetime in order to remain competitive in the job market. Adult learners, minority and immigrant students, traditional-aged high school graduates, and workers of all ages across America are looking for ways to enhance their job skills to navigate these changing times. For lower- and middle-income families, the Lifetime Learning Tax Credit and the affordability of community colleges offer a formula for getting ahead.

President Clinton's tax breaks for college will help Americans invest more than $35 billion in education over the next five years. When combined with larger Pell Grants for the nation's neediest students, the tax breaks for college will enable two-year colleges to open their classrooms to more and more Americans -- a development that will yield two primary benefits.

First, education beyond high school instills a higher regard for good citizenship and the democratic process, a priceless commodity in our increasingly mobile and diverse society. Second, postsecondary education offers the best path to economic self-sufficiency and a better quality of life. Recent studies of the ties between educational achievement and economic well-being indicate an American worker with two years of college earns, on average, almost $1.1 million over the course of his or her lifetime. By contrast, the average American with only a high school diploma will earn about $250,000 less.

President Clinton's dozen visits to community college campuses thus far during his Administration symbolizes his firm belief that community colleges are engines of community growth. This report offers a snapshot of the community college and its central role in academic and occupational skill development, life-long learning and the promotion of America's economic and social progress.

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A Profile of the 21st Century Community College Student

As recently as the mid-1980s, most community college students were recent high school graduates who attended as full-time students. Since that time, however, the profile of the community college student body has changed dramatically. With an average age of 29, today's community college students need an educational program that enables them to balance schoolwork with the time demands of jobs and families.

For these students, flexibility is essential, and community colleges have responded. Almost two-thirds of community college students attend part-time, which means that they need classes at a time and place that is convenient with their work schedule. The typical community college offers a full range of day, evening, and weekend courses to accommodate virtually any student's working hours. Satellite campuses provide options in close proximity to a student's home or workplace. Ancillary

services, such as child care and tutorial programs, respond to family needs in a way that helps students manage their commitments. The list of options continues to grow as advancements in technology make courses available via television and other "distance learning" media.

> With an average age of 29, today's community college student needs an educational program that enables them to balance schoolwork with the time demands of work and family.

The expanding range of choices is essential to keep up with the increasing demand for postsecondary education. As Secretary Riley noted in a recent report, the Baby Boom Echo is driving up enrollment to record levels in our K-12 system. This year, more than 52.2 million students entered the nation's public and private elementary and secondary schools. That figure is an all-time record, and it is expected to be eclipsed every year for the coming decade before leveling off at the new plateau.

As these students grow older, the demand for all types of higher education will grow as well. Because of their extensive ties to local high schools, community colleges will feel the wave first among institutions of higher education. The growth in the 18-to-24 age group is foremost among several factors expected to drive up community college enrollment by 11 percent over the coming decade. Workers returning to school and employers in search of training for their employees will also drive enrollment growth.

More specifically, the community college serves a range of educational needs that span the socioeconomic spectrum. One out of 10 community college students already possesses a bachelor's degree. These students turn to a community college for technical or occupationally related course work, such as foreign language training, enhanced computer skills, or emergency medical technician certification. In these and dozens of other areas, the community college offers the right subject, at the right time and place, and at the right price.

Community colleges are often key players in efforts to help people make the transition from the welfare rolls to payrolls. For example, last year community colleges in California served more than 125,000 students

who were on public assistance, preparing for work. Many community colleges are now intensifying their efforts to forge links with state and local welfare offices and design strategies to help students make the transition from welfare to work.

> The growth in the 18-to-24 age group is one of several factors expected to drive up community college enrollment by 11 percent over the coming decade.

More than one-fifth of community college students will transfer directly into a four-year baccalaureate program. These students lay the groundwork to earn their bachelor's degree while attending the community college. About one-fourth of America's college students enroll alternately or simultaneously in both a two-year college and a four-year college to craft an educational program that meets their learning needs, cost considerations, and personal or career schedules. Studies of the educational achievement levels of these students find that community college transfer students perform as well during their junior and senior years of study as the students who began their college education in four-year institutions.

For another third of the community college student body, the goal of their studies is to complete a certificate or degree program that qualifies them for a specific line of work. Community colleges train large segments of the workforce in nursing and allied health fields, computer-related fields, the hospitality industry, agricultural support industries, and the array of positions in automotive and manufacturing technology.

Community colleges appeal to diverse groups of Americans for a host of reasons. Employers are eager to send their employees to community colleges because of their accessibility, low cost, and the proven ability of these institutions to meet the needs of local business and industry. Students like the same features, as well as the flexibility of the course offerings and the personal atmosphere created by manageable class sizes.

Serving 21st Century Learners in a Fast-Changing Economy

The pace of change in today's workplace is dizzying, and growing faster with each new day. Consider this: Today's high-end desktop PC offers

more computing power than the first spaceship that landed on the Moon. With technological advancements emerging at such a furious pace, American workers must continually renew and expand their skills base to keep up with the changing times.

The need for such up-to-the-minute education and training goes to the heart of the community college's mission. By building and maintaining alliances with employers in their region, community colleges keep close tabs on the labor demands in the local job market. Such public/private partnerships serve the needs of employers, as well as the needs of current and prospective employees.

> One out of 10 community college students already possesses a bachelor's degree. These students turn to a community college for technical or occupationally related course work.

This philosophy has put community colleges in the forefront of several areas related to education, training, and economic growth:

Workforce development -- Two-year colleges are leaders in providing trained manpower for traditional fields and newly emerging employment areas. They are extremely effective in supporting local economic development efforts, as well as training the local workforce for both specific tasks (e.g., statistical processing controls) and widely marketable skills (e.g., technical writing). Community colleges train the bulk of nursing and credentialed allied health service workers in the United States -- 85 percent of the training in ophthalmic technology, 71 percent in medical imaging, 69 percent in respiratory technology.

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Working with business and industry, community colleges provide the bulk of the skilled manpower in computer technologies, manufacturing and other evolving industries that demand high-skilled labor. For

example, San Jacinto Community College in the Houston suburb of Pasadena, Texas, provides training and technical staff for the aerospace industry. San Jacinto College addresses the training needs of this industry through a formalized program of study for prospective employees and more specialized programs for experienced employees.

Distance Learning and the Internet -- For nearly two decades, community colleges have made greater and greater use of distance learning and computer-assisted instruction. By overcoming boundaries of time and place, distance learning is ideally suited for working adults and residents of rural areas removed from community college campuses.

The full range of video technologies -- including broadcast and cable TV, satellite communication, and compressed video systems -- are the backbone of many community college programs. For example, the Los Angeles Community College District enrolls nearly 1,500 students who are pursuing their education entirely via "tele-courses" and interactive video. Community colleges were among the first users of "tele-courses" on global economics and world geography developed jointly by the Annenberg Foundation and the Corporation for Public Broadcasting. The willingness to embrace new approaches to curriculum and instruction is indicative of the commitment of community colleges to serve their students with contemporary material.

As "courseware" moves onto the World Wide Web, community colleges are building tele-courses and developing larger "virtual classrooms" that students can access through a personal computer. These students are already well-accustomed to using computers in their classes. According to the 1996 report of the Campus Computing Project, 31 percent of courses in community colleges use computer-based classrooms or labs. About one course in six uses computer-based simulations.

One example of the advanced use of technology can be found at New Hampshire Technical College, which converted a biotechnology technician course to a virtual classroom. The program emerged from the college's partnership with a company that is geographically isolated from other technical training programs in northern New England. This capability is ideal for training in an economy in which mid-level technical jobs have become pivotal. It requires significant network capacity, as well as faculty who know how to create interactive

curriculum materials.

To enhance and expand their distance learning capabilities, community colleges are building larger on-campus computer networks. These burgeoning systems are designed with an emphasis on greater support for instructional labs, and the training of faculty in electronic techniques that facilitate learning. These colleges are committed to continually upgrading their computer and telecommunications capacity. During a recent World Bank symposium on the promise and challenges associated with distance learning, representatives of Hewlett-Packard, Lucent Technologies, and Sun Microsystems, among others, agreed that community colleges were more responsive to the challenges of providing technical training in technical fields than other postsecondary institutions.

Under-served populations -- Two-year colleges provide low-cost access to education for two economically vulnerable groups -- high school dropouts who want to earn a General Equivalency Degree (GED), and non-English speaking citizens who need an English-as-a-Second Language (ESL) course. The Los Angeles Community College District, for example, delivers ESL training to students from 80 different language groups. Research shows that high school dropouts and non-English-speaking students felt most comfortable in the community college environment.

Math and Science Education -- It may surprise some to learn that community colleges are major incubators of future scientists, engineers and other technical professionals. One in six bachelor's degree recipients in engineering, engineering technology and architecture started in a community college. And one in ten graduating Ph.D.s in math and electrical engineering last year began in a community college.

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Community colleges are increasingly supporting the American economy through close ties to businesses and industries that rely on a workforce

that is proficient in math and science. As institutions that focus on teaching and instruction rather than research, community colleges have faculty members with business and industry experience who can demystify math- and science-related careers.

Community colleges also benefit from the significant support of federal agencies. The National Science Foundation has recognized and increased its emphasis on community college math and science instruction.

Teaching and Learning -- Community colleges provide significant leadership at all levels of education. In the K-12 arena, community colleges are major sponsors of Tech-Prep and School-to-Work programs. Students at two-year colleges are active in the campaigns to improve the reading skills of American students. Almost 200 community colleges have signed up to participate in the "America Reads Challenge," including the commitment of some of their College Work-Study positions to reading tutors who work in the local schools. Community colleges are the primary source for the development of para-professionals in the teaching fields and for recruitment of potential teaching forces in urban and rural areas. This role will increase in the next few years as the national need for new teachers continues to increase.

Remedial Educational Opportunities -- For students lacking the basic skills needed to pursue college-level coursework, community colleges are the nation's primary providers of skill-strengthening assistance. Over 56 percent of the postsecondary enrollments in remedial reading, 80 percent in pre-algebra mathematics, and 61 percent in pre-college algebra are found in the local community college.

Opening the Doors to College: How the New Federal Investments in Higher Education Will Make a Difference

The tax breaks for college included in the Taxpayer Relief Act fulfilled two of President Clinton's educational goals for the nation:

- Making the first two years of college universally accessible to all learners; and,
- Encouraging people to pursue learning throughout their lifetime.

The new tax cuts extend federal student financial assistance in a variety

of ways. These investments will benefit large portions of the nation's community college student body.

The Hope Scholarship will provide virtually tuition-free access for the first two years of college, as well as one- and two-year certificate programs. The Hope Scholarship provides a 100 percent tax credit on the first $1,000 dollars of tuition and fees, and 50 percent of the second $1,000. As Table I shows, the Hope Scholarship will cover, on average, 88 percent of tuition and fees for community college students in the 1998-99 academic year. Students in seven states -- including California and Texas -- who are eligible for the maximum HOPE credit will have their tuition and fees covered entirely.

For those who wish to continue their education beyond the first two years of college, the Lifetime Learning Tax Credit provides a 20 percent credit for the first $5,000 of tuition and fees through the year 2002, and 20 percent of the first $10,000 thereafter.

These tax breaks for college will ease the pressure brought to bear on lower- and middle-income families by rising tuition, building and supplementing the foundation of federal student aid programs.

Both houses of Congress have embraced the President's call to increase the maximum Pell Grant -- the bedrock form of support for the nation's most needy students -- to $3,000. This $300 increase over the current maximum will provide the biggest one-year boost in Pell investment ever, and it will make an additional 130,000 students eligible for the grants.

As more students opt for the low-cost option of a community college, a larger proportion of Pell Grant funds are benefiting community college students. In 1985, community college students received about 18 percent of all Pell dollars. By 1994, the community college share grew to 30 percent, and it is expected to climb even higher as more students embrace the concept of lifelong learning and enroll in community colleges. In academic 1998-99, 1.4 million community college students will receive almost $2.6 billion in Pell Grants.

Further, expansion of the federal College Work-Study program will allow more students to earn part of the cost of their education. In 1996, one-

sixth of College Work-Study funds supported community college students. President Clinton aims to broaden this commitment to support one million Work-Study positions by the year 2000.

The collective impact of these investments is to make all colleges more accessible financially, but this is especially true for community colleges. For eligible middle-income students, the Hope Scholarship will cover all or almost all of their tuition. On average, the maximum Hope Scholarship will pay for 88 percent of tuition for a community college student. For students with the greatest financial need, the combined support of the Hope Scholarship, Pell Grants, College Work-Study and other forms of assistance will help to cover tuition and fees, and many additional expenses as well.

Implications for the Future

At the dawn of the new millennium, community colleges are well-positioned to serve as key providers of academic and occupational education for adult learners of all ages. Community colleges are adaptive organizations that fulfill an array of needs directly related to the future growth and prosperity of their region. The current and future expectations of these institutions will only expand as they develop and strengthen alliances throughout the economy.

That said, community colleges face some significant challenges in the coming years in order to continue playing this pivotal role. They are preparing to meet the educational and personal needs of increasingly diverse populations. They are extending their role as leaders in workforce training development -- an area that now includes Tech-Prep and School-to-Work initiatives, as well as means of comprehensive assessment that judge students on what they know and not just on how long they have been sitting in a classroom. They are playing a leading role in the national movement to improve K-12 education -- contributing to the recruitment, retention and ongoing training of the new cadre of two million teachers needed for America's schools in the coming decade. They are extending their role as centers for comprehensive community development programs. And they are at the heart of the nation's response to the challenge of welfare reform, developing flexible ways of continuing to provide academic and

occupational skills needed by adults and young people alike.

As called for by the Truman Commission a half-century ago, community colleges are, indeed, driven by their inextricable links with the communities that they serve. Whether it is a young woman studying to become an aerospace technician with NASA, a mid-career computer programmer taking night courses on JAVA or some other computer language, or an aspiring teacher taking credits in calculus, chemistry and literature that he or she will transfer to a nearby university -- community colleges are engines of community growth. Our investments in the nation's community colleges and their students will come back to us exponentially in the form of continued growth and prosperity for future generations of Americans.

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Table 1

	Public 2-Year Institutions Estimated 1998-99 Tuition and Fees and HOPE Scholarship Tax Credit		
	Estimated 1998-99 Average Tuition and Fees	Maximum HOPE Scholarship Tax Credit	Maximum HOPE Scholarship Tax Credit as % of Tuition and Fees
Alabama	1,030	1,015	99%
Alaska	$2,040	$1,500	74%
Arizona	860	860	100%
Arkansas	1,030	1,015	99%
California	400	400	100%
Colorado	1,370	1,185	86%
Connecticut	1,900	1,450	76%
Delaware	1,470	1,235	84%
District of Columbia	N/A	N/A	N/A
Florida	1,190	1,095	92%
Georgia	1,200	1,100	92%
Hawaii	870	870	100%
Idaho	1,170	1,085	93%
Illinois	1,390	1,195	86%
Indiana	2,540	1,500	59%
Iowa	2,030	1,500	74%
Kansas	1,980	1,190	86%
Kentucky	1,230	1,115	91%
Louisiana	870	870	100%
Maine	2,970	1,500	51%
Maryland	2,330	1,500	64%
Massachusetts	2,580	1,500	58%
Michigan	1,730	1,365	79%
Minnesota	2,350	1,500	64%
Mississippi	1,050	1,025	98%
Missouri	1,410	1,205	85%
Montana	1,660	1,330	80%
Nebraska	1,330	1,165	88%
Nevada	1,090	1,045	96%
New Hampshire	3,060	1,500	49%
New Jersey	2,150	1,500	70%
New Mexico	670	670	100%
New York	2,750	1,500	55%
North Carolina	640	640	100%
North Dakota	1,930	1,465	76%
Ohio	2,450	1,500	61%
Oklahoma	1,210	1,105	91%
Oregon	1,700	1,350	79%
Pennsylvania	2,190	1,500	68%
Rhode Island	1,920	1,460	76%
South Carolina	1,220	1,110	91%
South Dakota	2,880	1,500	52%
Tennessee	1,080	1,040	96%
Texas	840	840	100%
Utah	1,530	1,265	83%
Vermont	2,780	1,500	54%
Virginia	1,610	1,305	81%
Washington	1,610	1,305	81%
West Virginia	1,380	1,190	86%
Wisconsin	2,160	1,500	69%
Wyoming	1,150	1,075	93%
Outlying Areas	1,800	N/A	N/A
US Totals	$1,320	$1,160	88%

Source: Education Department estimates based on data from the 1996-97 Integrated Postsecondary Education Data System early release file, adjusted for estimated increases in tuition and fees and weighted by the unduplicated headcount of all students enrolled in public 2-year institutions.

District of Columbia does not have a public 2-year institution.

Outlying areas are not covered by the HOPE scholarship tax credit.

Table 2

	Public 2-Year Institutions Estimated 1998-99 Pell Grants		
	Recipients	Dollars (In Thousands)	Average Award
Alabama	33,000	55,114	1,670
Alaska	300	$637	$1,480
Arizona	30,700	55,574	1,810
Arkansas	12,500	23,171	1,850
California	195,900	384,075	1,960
Colorado	16,500	29,838	1,800
Connecticut	9,700	16,197	1,670
Delaware	2,800	4,300	1,560
District of Columbia	N/A	N/A	N/A
Florida	97,200	181,479	1,870
Georgia	40,000	53,032	1,330
Hawaii	4,100	7,514	1,830
Idaho	3,500	6,772	1,950
Illinois	59,900	101,298	1,690
Indiana	18,400	31,987	1,740
Iowa	20,800	37,403	1,800
Kansas	15,500	27,237	1,760
Kentucky	19,300	36,622	1,890
Louisiana	17,100	30,619	1,800
Maine	2,100	4,010	1,910
Maryland	22,800	38,823	1,700
Massachusetts	25,000	46,257	1,850
Michigan	47,900	78,394	1,640
Minnesota	30,000	52,375	1,750
Mississippi	25,600	50,426	1,970
Missouri	22,100	38,288	1,730
Montana	5,000	10,070	2,020
Nebraska	9,000	13,866	1,540
Nevada	3,300	5,114	1,570
New Hampshire	2,600	4,778	1,830
New Jersey	30,800	58,159	1,890
New Mexico	9,800	17,251	1,760
New York	125,700	251,128	2,000
North Carolina	37,200	63,058	1,700
North Dakota	3,600	6,913	1,920
Ohio	44,300	77,048	1,740
Oklahoma	26,100	48,175	1,850
Oregon	16,800	29,984	1,780
Pennsylvania	35,600	63,866	1,790
Rhode Island	4,000	6,573	1,650
South Carolina	22,200	33,954	1,530
South Dakota	2,700	5,276	1,950
Tennessee	23,900	43,222	1,810
Texas	117,900	209,530	1,780
Utah	7,800	13,291	1,710
Vermont	2,800	4,056	1,470
Virginia	28,700	50,876	1,770
Washington	38,700	74,143	1,920
West Virginia	4,500	9,150	2,030
Wisconsin	22,900	41,063	1,790
Wyoming	4,300	8,166	1,880
Outlying Areas	21,600	45,270	2,090
US Totals	1,424,500	$2,585,425	$1,810

Source: Education Department estimates based on the President's fiscal year 1998 budget policy, adjusted for mid-session review re-estimates.

District of Columbia does not have a public 2-year institution.

Table 3
Distribution of Higher Education Tuition Tax Benefits and Pell Grants by Student's State of Legal Residence

	Number of Beneficiaries (in thousands)			Dollar Amounts of Benefits (in millions)			Pell Grants	
	HOPE Scholarship	20% Credit for Lifetime Learning	Total	HOPE Scholarship	20% Credit for Lifetime Learning	Total	Number of Beneficiaries (in thousands)	Dollar Amount of Benefits (in millions)
Alabama	90	109	199	$80.6	$60.1	$140.7	80	$148.6
Alaska	12	15	28	11.1	8.4	19.5	5	8.9
Arizona	112	138	250	100.7	75.6	176.3	74	140.0
Arkansas	37	44	81	32.8	24.2	57.0	40	78.7
California	761	934	1,695	682.4	513.2	1,195.6	438	900.4
Colorado	101	124	224	90.2	68.0	158.2	54	101.2
Connecticut	69	85	153	61.4	46.5	107.9	27	48.6
Delaware	19	24	43	17.2	13.1	30.3	6	10.8
District of Columbia	34	42	76	30.3	23.0	53.3	11	20.4
Florida	255	311	565	228.3	170.8	399.0	192	369.4
Georgia	122	149	272	109.8	82.0	191.8	100	174.0
Hawaii	28	35	63	25.3	19.2	44.5	8	14.9
Idaho	24	29	52	21.2	15.8	37.0	21	42.1
Illinois	308	379	687	276.0	208.1	484.1	152	283.5
Indiana	119	146	266	107.0	80.3	187.3	79	143.2
Iowa	69	84	154	62.0	46.4	108.4	53	95.9
Kansas	70	85	155	62.5	46.9	109.3	46	84.8
Kentucky	71	86	157	63.8	47.4	111.2	66	129.5
Louisiana	76	92	169	68.6	50.7	119.3	87	181.3
Maine	23	28	51	20.7	15.6	36.3	15	29.0
Maryland	112	138	250	100.3	75.6	176.0	56	102.0
Massachusetts	176	217	393	157.7	119.0	276.7	83	157.8
Michigan	227	278	505	203.3	152.7	355.9	141	256.3
Minnesota	119	146	264	106.4	79.9	186.4	75	132.9
Mississippi	45	54	98	40.1	29.5	69.6	56	114.8
Missouri	119	146	266	107.1	80.3	187.4	82	150.9
Montana	15	18	33	13.4	9.9	23.3	18	35.3
Nebraska	48	58	106	42.7	32.1	74.8	30	52.0
Nevada	28	34	62	24.9	18.9	43.8	9	16.4
New Hampshire	26	32	59	23.7	17.8	41.5	13	24.2
New Jersey	140	172	311	125.3	94.3	219.6	77	149.9
New Mexico	40	49	89	36.1	26.9	63.0	34	66.6
New York	414	503	916	370.9	276.1	647.0	375	767.3
North Carolina	153	188	342	137.5	103.4	240.9	87	162.2
North Dakota	16	19	34	13.9	10.3	24.2	15	29.3
Ohio	222	271	493	198.8	148.8	347.6	161	297.2
Oklahoma	72	87	159	64.3	47.8	112.2	69	133.7
Oregon	68	83	151	60.8	45.7	106.5	41	77.1
Pennsylvania	251	307	558	224.8	168.8	393.6	159	303.7
Rhode Island	31	38	69	27.7	20.8	48.5	18	33.2
South Carolina	69	84	154	62.0	46.4	108.4	54	97.2
South Dakota	14	17	31	12.7	9.4	22.1	16	30.8
Tennessee	98	119	217	87.4	65.4	152.8	74	141.0
Texas	387	473	860	347.0	260.0	607.1	270	510.8
Utah	58	71	129	52.2	39.0	91.2	47	84.6
Vermont	14	18	32	13.0	9.7	22.7	9	16.7
Virginia	148	181	329	132.3	99.6	232.0	81	148.2
Washington	117	144	262	105.3	79.2	184.5	71	136.8
West Virginia	35	42	76	30.9	23.1	54.0	30	61.0
Wisconsin	127	157	284	114.2	86.1	200.3	65	119.3
Wyoming	12	15	28	11.1	8.3	19.5	9	16.6
Outlying Areas	N/A	N/A	N/A	N/A	N/A	N/A	189	437.4
US Totals	5,800	7,100	12,900	$5,200.0	$3,900.0	$9,100.0	4,065	$7,868.0

Source: Education Department estimates based on State-level enrollment, Pell Grant recipient data, and the President's fiscal year 1998 budget policy, adjusted for mid-session review re-estimates.

The number of beneficiaries and amount of benefits for the tax credits were calculated for FY 1998 and FY 1999, respectively.
"Outlying Areas" are not covered by the tax credits.

Impact of Alternative Minimum Tax on Education Tax Cuts

Q: ISN'T IT TRUE THAT MANY AMERICANS WILL NOT GET THE EDUCATION TAX CUTS AS ADVERTISED BECAUSE OF THE ALTERNATIVE MINIMUM TAX?

A: **The overwhelming share of families will be unaffected by the AMT. The AMT will affect only a small fraction of taxpayers.** The balanced budget delivered a HOPE Scholarship to 5.8 million students and 7.1 million students will qualify for a Lifetime Learning Tax Credit. Additionally, it included a child tax credit for 27 million families. Out of these many millions of taxpayers, a very small fraction, (about 200,000) will be affected by the AMT in 1998 because of these tax cuts. [Absent the tax cut bill an estimated 1 million people would be affected by the AMT in 1998. The new tax cuts will add 200,000 people in 1998 and about 500,000 in 1999]

- This is not a big issue now but the number of taxpayers affected by the AMT will grow over time, making it a significant issue down the road. It therefore should be studied and that is what the Treasury Department is doing. [By 2007, about 11 million people will be affected by the AMT -- of which 2.4 million will be affected by the AMT because of the new tax cut law]

Rising College Costs

Q: On Wednesday, the College Board released the Annual Survey of Colleges, 1997-98, that indicates that undergraduates at American colleges will pay, on average, approximately 5 percent more this year than last in tuition and fees at four-year institutions, and from 2 to 4 percent more at two-year institutions. How do these increase relate to the Administration's policies? Specifically, will the availability of the increased aid - both the tax credits and Pell Grant increases - fuel the increases in college costs?

A: The report by the College Board reinforces our reason for being at a community college. Nearly half -- 46 percent -- of undergraduates are attending community colleges. The College Board, in the report released on Wednesday, estimated that tuition and fees increased by only 2 percent at these institutions between 1996-97 and 1997-98. This is below the general rate of inflation and reflects the commitment that these institutions have made to keeping higher education affordable for all students.

Historically, tuition has not increased at a faster rate when federal aid has increased significantly.

We are concerned that some institutions might raise tuition and fees so that they can garner additional revenues. We will carefully monitor the tuition and fees charged by colleges and universities as the tax credits are implemented and will work to actively encourage institutions to keep tuition and fee increases to a minimum.

New Welfare Law and Community Colleges

Question: In the past, welfare recipients often went to community college to prepare themselves for the workforce. What is the impact of the new law's work requirements on these individuals? Doesn't the law force them to drop out of college to work?

Answer: The welfare reform law that President Clinton signed last year emphasizes work and personal responsibility. Under the new TANF program, people on welfare can combine required work activities with additional education.

Although it is not easy to raise children, work in a job, and go to school at the same time, many Americans do so each year. Most undergraduate students, whether or not they are raising a child, work while attending college.

The Administration has clarified that it will recognize work performed in the federal College Work Study program as counting toward the law's work participation requirements, provided the required number of hours of work are performed. We are also encouraging colleges to work with state and local officials to explore other ways to accommodate college attendance with the requirements of welfare reform. Under the TANF program, states have the authority to use an array of services and activities, including education and training, to prepare welfare recipients for work and self-sufficiency.

Pell Grants and HOPE Scholarships

Q: Do some people receive both Pell Grants and HOPE Scholarships? How do the two benefits interact?

A: Some will get both, depending on tuition, income, and financial aid levels. Pell Grants are the foundation of aid for low-income students and families. The poorest students receive the maximum grant ($3,000 next year). A student's Pell Grant eligibility decreases as family income increases. If a Pell Grant (or other scholarship) does not fully cover tuition and fees, then the student would be eligible for a HOPE Scholarship to cover the remainder. (However, the lowest-income students would not be able to benefit from HOPE because they do not have tax liability and therefore cannot use a tax credit.)

Pell Grants for Independent Students

Q: Why did the Administration propose the additional Pell Grants for adult students?

A: Because without the President's policy change, these students would not benefit enough under either HOPE or Pell. Under HOPE, they are so poor that they do not have sufficient tax liability to benefit fully. But under the formula for Pell Grants, they are not considered poor enough for aid. The change would acknowledge that they should receive Pell Grants.

Tuition Inflation

Q: Won't HOPE Scholarship and the other new and expanded financial aid programs lead to tuition inflation?

A: Any program to boost higher education has the *potential* to put upward pressure on tuition. But the evidence suggests that Federal aid does not have much effect on tuition costs. In the 1980's, when tuition rose most rapidly, real Federal aid fell -- by about 1 percent per year, according to data from the College Board and the Department of Education. During the 1970's, on the other hand, real Federal aid rose by 7 percent per year -- while real tuition levels remained flat.

Nonetheless, because of some of the concerns that were raised earlier this year, we have taken two actions. First, the design of the HOPE Scholarship was changed so that while the first $1000 of tuition and fees are eligible for the tax credit on a dollar-for-dollar basis, any amount over $1,000 is eligible for only a 50 percent credit. Tuition increases, therefore, would be felt even by HOPE recipients. Second, the President signed legislation creating a Commission on College Costs, which will be reporting back to Congress and the Secretary of Education early next year.

Other points on tuition inflation:

- One reason that Federal aid does not seem to affect tuition increases substantially is competition in the higher education marketplace. As even a critic of HOPE noted: "...pricey but run-of-the-mill colleges are feeling competitive pressures. . . [N]umerous private colleges have cut their tuition in order to compete with nearby state schools. . . And some more selective colleges are getting price-conscious."

- Community college tuition is generally set on a per-course basis. Many students attend part-time, and therefore are not eligible for the dollar-for-dollar HOPE Scholarship (to get HOPE, students must be at least half-time). Many would be eligible for the 20% Lifetime Learning Tax Credit, so these students would feel 80 percent of any tuition increase.

- Even Tom Kane of Harvard, who was critical of the Administration's education plan because he supported an even larger expansion in the Pell grant program, wrote that: *"Despite fears of some of the plan's critics...I do not believe that the proposal will lead to rampant tuition inflation."* ["Beyond Tax Relief: Long-Term Challenges in Financing Higher Education," page 8.]

- While it is not an exact parallel, it should be noted that after Georgia introduced its HOPE Scholarship, tuition there rose less than the national average. (After Georgia's HOPE Scholarship was introduced in 1993, tuition costs at public 2-year community colleges rose 13 percent -- from $937 to $1,062 -- between the 1992-3 academic year, and the 1995-6 academic year. In the nation as a whole, tuition rose 21 percent -- from $1,026 to $1,245.)

FILLING THE STUDENT AID GAP:
Pell Grants for Independent Students without Children

What is the problem? Under the current student aid formula, some adult students (those who are over 24 or veterans, and are either single or married without dependent children) can be quite poor but still not eligible for a Pell Grant. A formula enacted in 1992 protects only a small amount of a single independent student's income (known as the Income Protection Allowance, or IPA) before assuming that a substantial portion can be used for college expenses. Under the current formula, even with a $3,000 maximum grant:

- A single, minimum wage worker ($11,000/year), age 26, receives **no** Pell Grant.
- A married student whose family income is only $14,000 receives **no** Pell Grant.

How many people are affected? The low IPAs for these categories of students both result in lower Pell Grants for some of the poorest students, and no Pell Grant at all for many others (like the above examples). More than half a million students are short-changed by the current policy (395,000 students who would receive a partial grant under the current formula, and 223,000 more independent students who would become newly eligible under the Administration's proposal, for a total of 618,000).

But won't they receive the HOPE Scholarship? They will be eligible for little or no HOPE Scholarship because their income is so low that they do not pay enough taxes to be able to benefit substantially from a tax credit.

Why fix it now? The historic education tax cuts and increases in Pell Grants open the doors of college to virtually all lower and middle income individuals . . . *except to this group.* The Administration recognized this problem, proposed to fix it, and fought to include it in the Budget Agreement. ***This is a major category of students who will not be able to enjoy a significant benefit from either HOPE or Pell.*** The goal of the Administration's plan is to ensure that all low-income students, through HOPE, Pell, or a combination of both, would be eligible for at least $1,500. The job of opening the doors of college to all must be finished by ensuring that the needs of a whole category of students are not ignored.

FAMILIES' GUIDE TO THE 1997 TAX CUTS FOR EDUCATION

Many new tax benefits for adults who want to return to school and for parents who are sending or planning to send their children to college will be available due to the balanced budget signed into law in August, 1997. These tax cuts effectively make the first two years of college universally available, and they will give many more working Americans the financial means to go back to school if they want to choose a new career or upgrade their skills. When fully phased in, 12.9 million students are expected to benefit -- 5.8 million under the "HOPE Scholarship" tax credit, and 7.1 million under the Lifetime Learning tax credit.

- **Up to a $1,500 "HOPE Scholarship" tax credit for students starting college**

The "HOPE Scholarship" tax credit helps make the first two years of college or vocational school universally available. Students will receive a 100% tax credit for the first $1,000 of tuition and required fees and a 50% credit on the second $1,000. This credit is available for tuition and required fees less grants, scholarships, and other tax-free educational assistance and will be available for payments made after December 31, 1997 for college enrollment after that date. A high school senior going into his or her freshman year of college in September, 1998, for example, could be eligible for as much as a $1,500 HOPE tax credit.

This credit is phased out for joint filers who have between $80,000 and $100,000 of adjusted gross income, and for single filers who have between $40,000 and $50,000 of adjusted gross income. The credit can be claimed in two years for students who are in their first two years of college or vocational school and who are enrolled on at least a half-time basis in a degree or certificate program for any portion of the year. The taxpayer can claim a credit for his own tuition expense or for the expenses of his or her spouse or dependent children.

A married couple with an adjusted gross income of $60,000 has two children in college at least half-time*, one at a community college with a tuition of $2,000 and the other a sophomore at a private college with tuition of $11,000. Using the HOPE Scholarship tax credit, this couple would have their taxes cut by as much as $3,000.*

- **The Lifetime Learning tax credit**

This tax credit is targeted to adults who want to go back to school, change careers, or take a course or two to upgrade their skills and to college juniors, seniors, graduate and professional degree students. A family will receive a 20% tax credit for the first $5,000 of tuition and required fees paid each year through 2002, and for the first $10,000 thereafter. Just like the "HOPE Scholarship" tax credit, the Lifetime Learning tax credit is available for tuition and required fees less grants, scholarships, and other tax-free educational assistance; families may claim the credit for amounts paid on or after July 1, 1998 for college or vocational school enrollment beginning on or after July 1, 1998. The maximum credit is determined on a per-taxpayer (family) basis, regardless of the number of post-secondary students in the family, and is phased out at the same income levels as the "HOPE Scholarship" tax credit. Families will be able to claim the Lifetime Learning tax credit for some members of their family and the "HOPE Scholarship" tax credit for others who qualify in the same year.

A homemaker*, whose family has an adjusted gross income of $70,000, wants to attend a graduate teacher training program at a public university ($3,500 tuition) after being out of college for 20 years. Using the Lifetime Learning credit, her family's income taxes would be cut by as much as $700.*

A married couple has an adjusted gross income of $32,000. The husband who is working as an ***automobile mechanic*** *decides to go back to a local technical college to take some computer classes in the hope of getting a better job. He will pay a tuition of $1,200. Using the Lifetime Learning credit, this family would have their taxes cut by as much as $240.*

- **Parents and grandparents can create education IRAs and make penalty-free withdrawals from other IRAs**

Beginning January 1, 1998, taxpayers may withdraw funds from an IRA, without penalty, for their own higher education expenses or those of their spouse, child, or even grandchild. In addition, for each child under age 18, families may deposit $500 per year into an Education IRA in the child's name. Earnings in the Education IRA will accumulate tax-free and no taxes will be due upon withdrawal if the money is used to pay for post-secondary tuition and required fees (less grants, scholarships, and other tax-free educational assistance), books, equipment, and eligible room and board expenses. Once the child reaches age 30, his or her Education IRA must be closed or transferred to a younger member of the family.

A taxpayer's ability to contribute to an Education IRA is phased out when the taxpayer is a joint filer with an adjusted gross income between $150,000 and $160,000, or a single filer with an adjusted gross income between $95,000 and $110,000. There are a few restrictions. A student, for example, who receives the tax-free distributions from an Education IRA may not, in the same year, benefit from the "HOPE Scholarship" or Lifetime Learning tax credits.

- **Greater flexibility for families saving in qualified State tuition plans**

When a family uses a qualified State-sponsored tuition plan to save for college, no tax is due in connection with the plan until the time of withdrawal as a result of a law passed last year. This year's change in law allows families to use these plans to save not only for tuition but also for certain room and board expenses for students who attend on at least a half-time basis. Tuition and required fees paid with withdrawals from a qualified State tuition plan are eligible for the "HOPE Scholarship" tax credit and Lifetime Learning tax credit. These benefits are available on January 1, 1998.

- **Paying back student loans at a lower cost**

For many college graduates, one of their first financial obligations is to repay their student loans, which average about $13,500 per student. The new student loan interest deduction will reduce the burden of the repayment obligation by allowing students or their families to take a tax deduction for interest paid in the first 60 months of repayment on student loans. The deduction is available even if an individual does not itemize other deductions.

The maximum deduction is $1,000 in 1998, $1,500 in 1999, $2,000 in 2000, and $2,500 in 2001 and beyond. It is phased out for joint filers with adjusted gross income between $60,000 and $75,000, and single filers with adjusted gross income between $40,000 and $55,000. The deduction is available for all educational loans, including loans made to students, parents, guaranteed student loans, and loans from private lenders, made before August of 1997 when the new student loan interest deduction became law but only to the extent that the loan is within the first 60 months of repayment.

A senior graduates from college and finds a job paying $25,000 a year (and has no other income). The student has a total student debt of $12,000 and is in the 15% federal income tax bracket. The monthly payment for this student's loans is $148. The total amounts of payments for the first year is $1,776, over half of which is interest ($960) which can be deducted under the new law. The student's maximum tax benefit can be calculated by multiplying $960 by 15%: for a tax savings of $144.

- **Going to school while you work**

The new tax law extends Section 127 of the tax code for three years. Section 127 allows workers to exclude up to $5,250 of employer-provided education benefits from their income. The assistance must be for undergraduate courses beginning prior to June 1, 2000. This provision will enable many Americans to pursue their goals of lifelong learning.

- **Community service loan forgiveness**

This provision excludes from income student loan amounts forgiven by non-profit, tax-exempt charitable or educational institutions for borrowers who take community-service jobs that address unmet community needs. For example, a recent graduate who takes a low-paying job in a rural school will not owe any additional income tax if in recognition of this service her college or another charity forgives a loan it made to her to help pay her college costs. This provision applies to loans forgiven after August 5, 1997.

The balanced budget bills signed by President Clinton include many other provisions that will help all of the young people in America grow and learn and help families navigate through these changing times. The new tax law includes a provision to encourage computer donations to schools. The balanced budget agreement protects and advances President Clinton's top domestic priorities, such as expansion of Head Start, and an increase in the maximum Pell grant for college to $3,000. All of these benefits and tax cuts have one goal: to give parents the support they need to give their children a first class education and hope for the future.

For information on additional student aid programs that will help meet the costs of college and lifelong learning for you, your children and grandchildren, please call 1-800-4FED-AID. For information on the importance of getting ready for college early, especially middle school students, call 1-800-USA-LEARN.

(This is an informational guide produced by the Department of Education; for detailed tax information and instruction please consult your IRS tax forms and publications to see if you qualify.)

Investing in Quality, Affordable Education for All Americans:

A New Look at Community Colleges

Investing in Quality, Affordable Education for All Americans: A New Look at Community Colleges

"I believe America ought to work the way the community colleges in America work. I believe they are the ultimate democratic institution, small "d": open to everybody, where everybody has a chance; results-oriented; flexible, not bureaucratic; working in partnership with the private sector; guaranteeing opportunity for everybody who is responsible enough to seek it."
-- President Bill Clinton, September 6, 1996, at Gulf Coast Community College, Panama City, FL

Fifty years ago, a panel convened by President Truman challenged the nation to develop a network of low-cost community colleges whose "dominant feature is its intimate relations to the life of the community it serves." The vision of that Presidential Commission has been more than realized. Today, the American community college is the most popular type of institution in the premier system of higher education in the world.

Since the opening of the first campus in Joliet, Illinois, in 1901, the community college has grown to become an institution at the economic and educational core of hundreds of American cities and towns. More than 5.3 million credit-earning students study at more than 1,200 community colleges. The enrollment figure represents almost half of the national undergraduate student body; nearly the same number are enrolled in non-credit programs.

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Community colleges look like and serve all of America. As an institution with a strong local focus, the community college is a vital hub for the development of human resources to support local business and industry. The typical community college curriculum is driven by academic and occupational programs and support services that target local economic and workforce development needs. In recent years, community colleges have broadened their mission to work more closely with K-12 school districts in an effort to promote higher academic standards in elementary and secondary classrooms.

The community college's increasingly vital role in serving America's educational and economic needs was one of the catalysts behind the largest new investment in student financial aid since the GI Bill.

The Taxpayer Relief Act that President Clinton signed into law in August included a new form of assistance designed to make the first two years of college as universally available as the first 12 grades. The HOPE Scholarship provides a tax credit of up to $1,500 per year for students in middle-income families for the first two years of college. With an average community college tuition of $1,320 projected for the 1998-99 academic year, the HOPE Scholarship will make the first two years of college affordable for any student who works hard and makes the grade.

With an average community college tuition of $1,320 projected for the 1998-99 academic year, the HOPE Scholarship will pay for, on average, 88 percent of an eligible student's tuition at a two-year institution.

The legislation also created the Lifetime Learning Tax Credit -- a 20 percent tax credit for the first $5,000 in tuition and fees for juniors, seniors, graduate students, or adults who take a course to advance their career prospects (after the year 2002, the credit is available on the first $10,000 in tuition and fees). We live in an age in which everyone must learn throughout their lifetime in order to remain competitive in the job market. Adult learners, minority and immigrant students, traditional-aged high school graduates, and workers of all ages across America are looking for ways to enhance their job skills to navigate these changing times. For lower- and middle-income families, the Lifetime Learning Tax Credit and the affordability of community colleges offer a formula for getting ahead.

President Clinton's tax breaks for college will help Americans invest more than $35 billion in education over the next five years. When combined with larger Pell Grants for the nation's neediest students, the tax breaks for college will enable two-year colleges to open their classrooms to more and more Americans -- a development that will yield two primary benefits.

First, education beyond high school instills a higher regard for good citizenship and the democratic process, a priceless commodity in our increasingly mobile and diverse society. Second, postsecondary education offers the best path to economic self-sufficiency and a better quality of life. Recent studies of the ties between educational achievement and economic well-being indicate an American worker with two years of college earns, on average, almost $1.1 million over the course of his or her lifetime. By contrast, the average American with only a high school diploma will earn about $250,000 less.

President Clinton's dozen visits to community college campuses thus far during his Administration symbolizes his firm belief that community colleges are engines of community growth. This report offers a snapshot of the community college and its central role in academic and occupational skill development, life-long learning and the promotion of America's economic and social progress.

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A Profile of the 21st Century Community College Student

As recently as the mid-1980s, most community college students were recent high school graduates who attended as full-time students. Since that time, however, the profile of the community college student body has changed dramatically. With an average age of 29, today's community college students need an educational program that enables them to balance schoolwork with the time demands of jobs and families.

For these students, flexibility is essential, and community colleges have responded. Almost two-thirds of community college students attend part-time, which means that they need classes at a time and place that is convenient with their work schedule. The typical community college offers a full range of day, evening, and weekend courses to accommodate virtually any student's working hours. Satellite campuses provide options in close proximity to a student's home or workplace. Ancillary

services, such as child care and tutorial programs, respond to family needs in a way that helps students manage their commitments. The list of options continues to grow as advancements in technology make courses available via television and other "distance learning" media.

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The expanding range of choices is essential to keep up with the increasing demand for postsecondary education. As Secretary Riley noted in a recent report, the Baby Boom Echo is driving up enrollment to record levels in our K-12 system. This year, more than 52.2 million students entered the nation's public and private elementary and secondary schools. That figure is an all-time record, and it is expected to be eclipsed every year for the coming decade before leveling off at the new plateau.

As these students grow older, the demand for all types of higher education will grow as well. Because of their extensive ties to local high schools, community colleges will feel the wave first among institutions of higher education. The growth in the 18-to-24 age group is foremost among several factors expected to drive up community college enrollment by 11 percent over the coming decade. Workers returning to school and employers in search of training for their employees will also drive enrollment growth.

More specifically, the community college serves a range of educational needs that span the socioeconomic spectrum. One out of 10 community college students already possesses a bachelor's degree. These students turn to a community college for technical or occupationally related course work, such as foreign language training, enhanced computer skills, or emergency medical technician certification. In these and dozens of other areas, the community college offers the right subject, at the right time and place, and at the right price.

Community colleges are often key players in efforts to help people make the transition from the welfare rolls to payrolls. For example, last year community colleges in California served more than 125,000 students

who were on public assistance, preparing for work. Many community colleges are now intensifying their efforts to forge links with state and local welfare offices and design strategies to help students make the transition from welfare to work.

> The growth in the 18-to-24 age group is one of several factors expected to drive up community college enrollment by 11 percent over the coming decade.

More than one-fifth of community college students will transfer directly into a four-year baccalaureate program. These students lay the groundwork to earn their bachelor's degree while attending the community college. About one-fourth of America's college students enroll alternately or simultaneously in both a two-year college and a four-year college to craft an educational program that meets their learning needs, cost considerations, and personal or career schedules. Studies of the educational achievement levels of these students find that community college transfer students perform as well during their junior and senior years of study as the students who began their college education in four-year institutions.

For another third of the community college student body, the goal of their studies is to complete a certificate or degree program that qualifies them for a specific line of work. Community colleges train large segments of the workforce in nursing and allied health fields, computer-related fields, the hospitality industry, agricultural support industries, and the array of positions in automotive and manufacturing technology.

Community colleges appeal to diverse groups of Americans for a host of reasons. Employers are eager to send their employees to community colleges because of their accessibility, low cost, and the proven ability of these institutions to meet the needs of local business and industry. Students like the same features, as well as the flexibility of the course offerings and the personal atmosphere created by manageable class sizes.

Serving 21st Century Learners in a Fast-Changing Economy

The pace of change in today's workplace is dizzying, and growing faster with each new day. Consider this: Today's high-end desktop PC offers

more computing power than the first spaceship that landed on the Moon. With technological advancements emerging at such a furious pace, American workers must continually renew and expand their skills base to keep up with the changing times.

The need for such up-to-the-minute education and training goes to the heart of the community college's mission. By building and maintaining alliances with employers in their region, community colleges keep close tabs on the labor demands in the local job market. Such public/private partnerships serve the needs of employers, as well as the needs of current and prospective employees.

> One out of 10 community college students already possesses a bachelor's degree. These students turn to a community college for technical or occupationally related course work.

This philosophy has put community colleges in the forefront of several areas related to education, training, and economic growth:

Workforce development -- Two-year colleges are leaders in providing trained manpower for traditional fields and newly emerging employment areas. They are extremely effective in supporting local economic development efforts, as well as training the local workforce for both specific tasks (e.g., statistical processing controls) and widely marketable skills (e.g., technical writing). Community colleges train the bulk of nursing and credentialed allied health service workers in the United States -- 85 percent of the training in ophthalmic technology, 71 percent in medical imaging, 69 percent in respiratory technology.

> Community colleges train the bulk of nursing and credentialed allied health service workers in the United States -- 85 percent of the training in ophthalmic technology, 71 percent in medical imaging, 69 percent in respiratory technology.

Working with business and industry, community colleges provide the bulk of the skilled manpower in computer technologies, manufacturing and other evolving industries that demand high-skilled labor. For

example, San Jacinto Community College in the Houston suburb of Pasadena, Texas, provides training and technical staff for the aerospace industry. San Jacinto College addresses the training needs of this industry through a formalized program of study for prospective employees and more specialized programs for experienced employees.

Distance Learning and the Internet -- For nearly two decades, community colleges have made greater and greater use of distance learning and computer-assisted instruction. By overcoming boundaries of time and place, distance learning is ideally suited for working adults and residents of rural areas removed from community college campuses.

The full range of video technologies -- including broadcast and cable TV, satellite communication, and compressed video systems -- are the backbone of many community college programs. For example, the Los Angeles Community College District enrolls nearly 1,500 students who are pursuing their education entirely via "tele-courses" and interactive video. Community colleges were among the first users of "tele-courses" on global economics and world geography developed jointly by the Annenberg Foundation and the Corporation for Public Broadcasting. The willingness to embrace new approaches to curriculum and instruction is indicative of the commitment of community colleges to serve their students with contemporary material.

As "courseware" moves onto the World Wide Web, community colleges are building tele-courses and developing larger "virtual classrooms" that students can access through a personal computer. These students are already well-accustomed to using computers in their classes. According to the 1996 report of the Campus Computing Project, 31 percent of courses in community colleges use computer-based classrooms or labs. About one course in six uses computer-based simulations.

One example of the advanced use of technology can be found at New Hampshire Technical College, which converted a biotechnology technician course to a virtual classroom. The program emerged from the college's partnership with a company that is geographically isolated from other technical training programs in northern New England. This capability is ideal for training in an economy in which mid-level technical jobs have become pivotal. It requires significant network capacity, as well as faculty who know how to create interactive

curriculum materials.

To enhance and expand their distance learning capabilities, community colleges are building larger on-campus computer networks. These burgeoning systems are designed with an emphasis on greater support for instructional labs, and the training of faculty in electronic techniques that facilitate learning. These colleges are committed to continually upgrading their computer and telecommunications capacity. During a recent World Bank symposium on the promise and challenges associated with distance learning, representatives of Hewlett-Packard, Lucent Technologies, and Sun Microsystems, among others, agreed that community colleges were more responsive to the challenges of providing technical training in technical fields than other postsecondary institutions.

Under-served populations -- Two-year colleges provide low-cost access to education for two economically vulnerable groups -- high school dropouts who want to earn a General Equivalency Degree (GED), and non-English speaking citizens who need an English-as-a-Second Language (ESL) course. The Los Angeles Community College District, for example, delivers ESL training to students from 80 different language groups. Research shows that high school dropouts and non-English-speaking students felt most comfortable in the community college environment.

Math and Science Education -- It may surprise some to learn that community colleges are major incubators of future scientists, engineers and other technical professionals. One in six bachelor's degree recipients in engineering, engineering technology and architecture started in a community college. And one in ten graduating Ph.D.s in math and electrical engineering last year began in a community college.

One in six bachelor's degree recipients in engineering, engineering technology and architecture started in a community college. And one in ten graduating Ph.Ds in math and electrical engineering last year began in a community college.

Community colleges are increasingly supporting the American economy through close ties to businesses and industries that rely on a workforce

that is proficient in math and science. As institutions that focus on teaching and instruction rather than research, community colleges have faculty members with business and industry experience who can demystify math- and science-related careers.

Community colleges also benefit from the significant support of federal agencies. The National Science Foundation has recognized and increased its emphasis on community college math and science instruction.

Teaching and Learning -- Community colleges provide significant leadership at all levels of education. In the K-12 arena, community colleges are major sponsors of Tech-Prep and School-to-Work programs. Students at two-year colleges are active in the campaigns to improve the reading skills of American students. Almost 200 community colleges have signed up to participate in the "America Reads Challenge," including the commitment of some of their College Work-Study positions to reading tutors who work in the local schools. Community colleges are the primary source for the development of para-professionals in the teaching fields and for recruitment of potential teaching forces in urban and rural areas. This role will increase in the next few years as the national need for new teachers continues to increase.

Remedial Educational Opportunities -- For students lacking the basic skills needed to pursue college-level coursework, community colleges are the nation's primary providers of skill-strengthening assistance. Over 56 percent of the postsecondary enrollments in remedial reading, 80 percent in pre-algebra mathematics, and 61 percent in pre-college algebra are found in the local community college.

Opening the Doors to College: How the New Federal Investments in Higher Education Will Make a Difference

The tax breaks for college included in the Taxpayer Relief Act fulfilled two of President Clinton's educational goals for the nation:

- Making the first two years of college universally accessible to all learners; and,
- Encouraging people to pursue learning throughout their lifetime.

The new tax cuts extend federal student financial assistance in a variety

of ways. These investments will benefit large portions of the nation's community college student body.

The Hope Scholarship will provide virtually tuition-free access for the first two years of college, as well as one- and two-year certificate programs. The Hope Scholarship provides a 100 percent tax credit on the first $1,000 dollars of tuition and fees, and 50 percent of the second $1,000. As Table I shows, the Hope Scholarship will cover, on average, 88 percent of tuition and fees for community college students in the 1998-99 academic year. Students in seven states -- including California and Texas -- who are eligible for the maximum HOPE credit will have their tuition and fees covered entirely.

For those who wish to continue their education beyond the first two years of college, the Lifetime Learning Tax Credit provides a 20 percent credit for the first $5,000 of tuition and fees through the year 2002, and 20 percent of the first $10,000 thereafter.

These tax breaks for college will ease the pressure brought to bear on lower- and middle-income families by rising tuition, building and supplementing the foundation of federal student aid programs.

Both houses of Congress have embraced the President's call to increase the maximum Pell Grant -- the bedrock form of support for the nation's most needy students -- to $3,000. This $300 increase over the current maximum will provide the biggest one-year boost in Pell investment ever, and it will make an additional 130,000 students eligible for the grants.

As more students opt for the low-cost option of a community college, a larger proportion of Pell Grant funds are benefiting community college students. In 1985, community college students received about 18 percent of all Pell dollars. By 1994, the community college share grew to 30 percent, and it is expected to climb even higher as more students embrace the concept of lifelong learning and enroll in community colleges. In academic 1998-99, 1.4 million community college students will receive almost $2.6 billion in Pell Grants.

Further, expansion of the federal College Work-Study program will allow more students to earn part of the cost of their education. In 1996, one-

sixth of College Work-Study funds supported community college students. President Clinton aims to broaden this commitment to support one million Work-Study positions by the year 2000.

The collective impact of these investments is to make all colleges more accessible financially, but this is especially true for community colleges. For eligible middle-income students, the Hope Scholarship will cover all or almost all of their tuition. On average, the maximum Hope Scholarship will pay for 88 percent of tuition for a community college student. For students with the greatest financial need, the combined support of the Hope Scholarship, Pell Grants, College Work-Study and other forms of assistance will help to cover tuition and fees, and many additional expenses as well.

Implications for the Future

At the dawn of the new millennium, community colleges are well-positioned to serve as key providers of academic and occupational education for adult learners of all ages. Community colleges are adaptive organizations that fulfill an array of needs directly related to the future growth and prosperity of their region. The current and future expectations of these institutions will only expand as they develop and strengthen alliances throughout the economy.

That said, community colleges face some significant challenges in the coming years in order to continue playing this pivotal role. They are preparing to meet the educational and personal needs of increasingly diverse populations. They are extending their role as leaders in workforce training development -- an area that now includes Tech-Prep and School-to-Work initiatives, as well as means of comprehensive assessment that judge students on what they know and not just on how long they have been sitting in a classroom. They are playing a leading role in the national movement to improve K-12 education -- contributing to the recruitment, retention and ongoing training of the new cadre of two million teachers needed for America's schools in the coming decade. They are extending their role as centers for comprehensive community development programs. And they are at the heart of the nation's response to the challenge of welfare reform, developing flexible ways of continuing to provide academic and

occupational skills needed by adults and young people alike.

As called for by the Truman Commission a half-century ago, community colleges are, indeed, driven by their inextricable links with the communities that they serve. Whether it is a young woman studying to become an aerospace technician with NASA, a mid-career computer programmer taking night courses on JAVA or some other computer language, or an aspiring teacher taking credits in calculus, chemistry and literature that he or she will transfer to a nearby university -- community colleges are engines of community growth. Our investments in the nation's community colleges and their students will come back to us exponentially in the form of continued growth and prosperity for future generations of Americans.

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Table 1

	Public 2-Year Institutions Estimated 1998-99 Tuition and Fees and HOPE Scholarship Tax Credit		
	Estimated 1998-99 Average Tuition and Fees	Maximum HOPE Scholarship Tax Credit	Maximum HOPE Scholarship Tax Credit as % of Tuition and Fees
Alabama	1,030	1,015	99%
Alaska	$2,040	$1,500	74%
Arizona	860	860	100%
Arkansas	1,030	1,015	99%
California	400	400	100%
Colorado	1,370	1,185	86%
Connecticut	1,900	1,450	76%
Delaware	1,470	1,235	84%
District of Columbia	N/A	N/A	N/A
Florida	1,190	1,095	92%
Georgia	1,200	1,100	92%
Hawaii	870	870	100%
Idaho	1,170	1,085	93%
Illinois	1,390	1,195	86%
Indiana	2,540	1,500	59%
Iowa	2,030	1,500	74%
Kansas	1,380	1,190	86%
Kentucky	1,230	1,115	91%
Louisiana	870	870	100%
Maine	2,970	1,500	51%
Maryland	2,330	1,500	64%
Massachusetts	2,580	1,500	58%
Michigan	1,730	1,365	79%
Minnesota	2,350	1,500	64%
Mississippi	1,050	1,025	98%
Missouri	1,410	1,205	85%
Montana	1,660	1,330	80%
Nebraska	1,330	1,165	88%
Nevada	1,090	1,045	96%
New Hampshire	3,060	1,500	49%
New Jersey	2,150	1,500	70%
New Mexico	670	670	100%
New York	2,750	1,500	55%
North Carolina	640	640	100%
North Dakota	1,930	1,465	76%
Ohio	2,450	1,500	61%
Oklahoma	1,210	1,105	91%
Oregon	1,700	1,350	79%
Pennsylvania	2,190	1,500	68%
Rhode Island	1,920	1,460	76%
South Carolina	1,220	1,110	91%
South Dakota	2,880	1,500	52%
Tennessee	1,080	1,040	96%
Texas	840	840	100%
Utah	1,530	1,265	83%
Vermont	2,780	1,500	54%
Virginia	1,610	1,305	81%
Washington	1,610	1,305	81%
West Virginia	1,380	1,190	86%
Wisconsin	2,160	1,500	69%
Wyoming	1,150	1,075	93%
Outlying Areas	1,800	N/A	N/A
US Totals	$1,320	$1,160	88%

Source: Education Department estimates based on data from the 1996-97 Integrated Postsecondary Education Data System early release file, adjusted for estimated increases in tuition and fees and weighted by the unduplicated headcount of all students enrolled in public 2-year institutions.

District of Columbia does not have a public 2-year institution.

Outlying areas are not covered by the HOPE scholarship tax credit.

Table 2

	Public 2-Year Institutions Estimated 1998-99 Pell Grants		
	Recipients	Dollars (In Thousands)	Average Award
Alabama	33,000	55,114	1,670
Alaska	300	$637	$1,480
Arizona	30,700	55,574	1,810
Arkansas	12,500	23,171	1,850
California	195,900	384,075	1,960
Colorado	16,500	29,838	1,800
Connecticut	9,700	16,197	1,670
Delaware	2,800	4,300	1,560
District of Columbia	N/A	N/A	N/A
Florida	97,200	181,479	1,870
Georgia	40,000	53,032	1,330
Hawaii	4,100	7,514	1,830
Idaho	3,500	6,772	1,950
Illinois	59,900	101,298	1,690
Indiana	18,400	31,987	1,740
Iowa	20,800	37,403	1,800
Kansas	15,500	27,237	1,760
Kentucky	19,300	36,622	1,890
Louisiana	17,100	30,619	1,800
Maine	2,100	4,010	1,910
Maryland	22,800	38,823	1,700
Massachusetts	25,000	46,257	1,850
Michigan	47,900	78,394	1,640
Minnesota	30,000	52,375	1,750
Mississippi	25,600	50,426	1,970
Missouri	22,100	38,288	1,730
Montana	5,000	10,070	2,020
Nebraska	9,000	13,866	1,540
Nevada	3,300	5,114	1,570
New Hampshire	2,600	4,778	1,830
New Jersey	30,800	58,159	1,890
New Mexico	9,800	17,251	1,760
New York	125,700	251,128	2,000
North Carolina	37,200	63,058	1,700
North Dakota	3,600	6,913	1,920
Ohio	44,300	77,048	1,740
Oklahoma	26,100	48,175	1,850
Oregon	16,800	29,984	1,780
Pennsylvania	35,600	63,866	1,790
Rhode Island	4,000	6,573	1,650
South Carolina	22,200	33,954	1,530
South Dakota	2,700	5,276	1,950
Tennessee	23,900	43,222	1,810
Texas	117,900	209,530	1,780
Utah	7,800	13,291	1,710
Vermont	2,800	4,056	1,470
Virginia	28,700	50,876	1,770
Washington	38,700	74,143	1,920
West Virginia	4,500	9,150	2,030
Wisconsin	22,900	41,063	1,790
Wyoming	4,300	8,166	1,880
Outlying Areas	21,600	45,270	2,090
US Totals	1,424,500	$2,585,425	$1,810

Source: Education Department estimates based on the President's fiscal year 1998 budget policy, adjusted for mid-session review re-estimates.

District of Columbia does not have a public 2-year institution.

Table 3
Distribution of Higher Education Tuition Tax Benefits and Pell Grants by Student's State of Legal Residence

	Number of Beneficiaries (in thousands)			Dollar Amounts of Benefits (in millions)			Pell Grants	
	HOPE Scholarship	20% Credit for Lifetime Learning	Total	HOPE Scholarship	20% Credit for Lifetime Learning	Total	Number of Beneficiaries (in thousands)	Dollar Amount of Benefits (in millions)
Alabama	90	109	199	$80.6	$60.1	$140.7	80	$148.6
Alaska	12	15	28	11.1	8.4	19.5	5	8.9
Arizona	112	138	250	100.7	75.6	176.3	74	140.0
Arkansas	37	44	81	32.8	24.2	57.0	40	78.7
California	761	934	1,695	682.4	513.2	1,195.6	438	900.4
Colorado	101	124	224	90.2	68.0	158.2	54	101.2
Connecticut	69	85	153	61.4	46.5	107.9	27	48.6
Delaware	19	24	43	17.2	13.1	30.3	6	10.8
District of Columbia	34	42	76	30.3	23.0	53.3	11	20.4
Florida	255	311	565	228.3	170.8	399.0	192	369.4
Georgia	122	149	272	109.8	82.0	191.8	100	174.0
Hawaii	28	35	63	25.3	19.2	44.5	8	14.9
Idaho	24	29	52	21.2	15.8	37.0	21	42.1
Illinois	308	379	687	276.0	208.1	484.1	152	283.5
Indiana	119	146	266	107.0	80.3	187.3	79	143.2
Iowa	69	84	154	62.0	46.4	108.4	53	95.9
Kansas	70	85	155	62.5	46.9	109.3	46	84.8
Kentucky	71	86	157	63.8	47.4	111.2	66	129.5
Louisiana	76	92	169	68.6	50.7	119.3	87	181.3
Maine	23	28	51	20.7	15.6	36.3	15	29.0
Maryland	112	138	250	100.3	75.6	176.0	56	102.0
Massachusetts	176	217	393	157.7	119.0	276.7	83	157.8
Michigan	227	278	505	203.3	152.7	355.9	141	256.3
Minnesota	119	146	264	106.4	79.9	186.4	75	132.9
Mississippi	45	54	98	40.1	29.5	69.6	56	114.8
Missouri	119	146	266	107.1	80.3	187.4	82	150.9
Montana	15	18	33	13.4	9.9	23.3	18	35.3
Nebraska	48	58	106	42.7	32.1	74.8	30	52.0
Nevada	28	34	62	24.9	18.9	43.8	9	16.4
New Hampshire	26	32	59	23.7	17.8	41.5	13	24.2
New Jersey	140	172	311	125.3	94.3	219.6	77	149.9
New Mexico	40	49	89	36.1	26.9	63.0	34	66.6
New York	414	503	916	370.9	276.1	647.0	375	767.3
North Carolina	153	188	342	137.5	103.4	240.9	87	162.2
North Dakota	16	19	34	13.9	10.3	24.2	15	29.3
Ohio	222	271	493	198.8	148.8	347.6	161	297.2
Oklahoma	72	87	159	64.3	47.8	112.2	69	133.7
Oregon	68	83	151	60.8	45.7	106.5	41	77.1
Pennsylvania	251	307	558	224.8	168.8	393.6	159	303.7
Rhode Island	31	38	69	27.7	20.8	48.5	18	33.2
South Carolina	69	84	154	62.0	46.4	108.4	54	97.2
South Dakota	14	17	31	12.7	9.4	22.1	16	30.8
Tennessee	98	119	217	87.4	65.4	152.8	74	141.0
Texas	387	473	860	347.0	260.0	607.1	270	510.8
Utah	58	71	129	52.2	39.0	91.2	47	84.6
Vermont	14	18	32	13.0	9.7	22.7	9	16.7
Virginia	148	181	329	132.3	99.6	232.0	81	148.2
Washington	117	144	262	105.3	79.2	184.5	71	136.8
West Virginia	35	42	76	30.9	23.1	54.0	30	61.0
Wisconsin	127	157	284	114.2	86.1	200.3	65	119.3
Wyoming	12	15	28	11.1	8.3	19.5	9	16.6
Outlying Areas	N/A	N/A	N/A	N/A	N/A	N/A	189	437.4
US Totals	5,800	7,100	12,900	$5,200.0	$3,900.0	$9,100.0	4,065	$7,868.0

Source: Education Department estimates based on State-level enrollment, Pell Grant recipient data, and the President's fiscal year 1998 budget policy, adjusted for mid-session review re-estimates.

The number of beneficiaries and amount of benefits for the tax credits were calculated for FY 1998 and FY 1999, respectively.
"Outlying Areas" are not covered by the tax credits.

September 25, 1997

COMMUNITY COLLEGE EVENT

DATE:	September 26, 1997
LOCATION:	San Jacinto Community College
EVENT TIME:	2:00 pm - 3:00 pm
FROM:	Bruce Reed

I. PURPOSE

To highlight the significance of the HOPE Scholarship and the Lifetime Learning Tax Credit in making two years of college available and affordable. You will announce the release of a Department of Education Report which identifies how these two items in the balanced budget help students in community colleges, and highlights how community colleges are providing a high-quality education that prepares millions of Americans to participate in the new economy.

II. BACKGROUND

You will be addressing approximately 2,000 students and administrators from community colleges in the Houston area at the San Jacinto Community College in Pasadena, Texas. The school's three campuses serve a total of 19,500 students, ranging from recent high school graduates to professional adults with college degrees seeking additional training. The average student is 27 years old. San Jacinto is a comprehensive two-year community college that offers degrees in applied science, arts, and a certificate of technology. The school has partnerships with local companies -- such as petroleum companies, automobile manufacturers, and NASA -- to teach students the skills they need to enter directly into the work force and to train them on the most up-to-date technology. Tuition, fees, and books for the average San Jacinto student is $662 a semester and classes average about 25 students per instructor.

You will be announcing the release of the Department of Education Report on Community Colleges, which describes how these institutions provide a high quality education to a diverse array of students and underscores that they are now remakably affordable -- the average cost next fall is expected to be $1,300. The report includes the following new projections for the 1998-1999 school year:

- **HOPE SCHOLORASHIP: The HOPE Scholarship will cover up to 88% of the national average full-time ~~costs~~ tuition & fees of community colleges**. In seven States, including Texas, HOPE will cover **up to 100 percent** of community college tuition and fees.

In 35 States, HOPE will cover up to 75 percent or more of tuition and fees. 5.8 million students are expected to benefit from the HOPE Scholarship for all types of higher education.

- **PELL GRANTS: 1.4 million community college students are estimated to receive Pell grants averaging $1,810.** Pell Grants are available on a sliding scale based on income, and can be used to cover tuition and fees as well as college living expenses. The Balanced Budget includes your proposal for the largest increase in pell grants in two decades, to a maximum of $3,000.

- **7.1 Million Will Benefit from Lifetime Learning Tax Credit.** For students beyond their first two years of college, including those who are returning to school full or part-time, the Taxpayers Relief Act offers a 20 percent tax credit for the first $5,000 of tuition and fees paid by a student. It is expected that 7.1 million students will take advantage of the credit to help pay for postsecondary education.

As you know, some adult students (those who are over 24 or veterans, and are either single or married without dependent children) can be quite poor, but still not eligible for a Pell Grant. And these students cannot get the full HOPE Scholarship because they do not have sufficient tax liability. Therefore, it is critical that Congress adopt your budget request to increase this group's eligibility for Pell Grants -- as required by the Balanced Budget Agreement. Currently, the House has included a partial fix, but it would require further legislation, and the Senate has not provided any funds to address this "independent" student problem. This continues to be one of our top priorities in the continuing negotations over the Labor-HHS Appropriations Bill.

III. PARTICIPANTS

- Representative Ken Bentsen
- Chancellor James Horton, San Jacinto Community College
- Esmeralda Hernandez, Student, San Jacinto Community College

*She is a mother of three who in 1993, at age 38, decided to complete her undergraduate degree by enrolling part-time at San Jacinto Community College. She works full-time for Bank United.

IV. PRESS PLAN

Open Press.

V. SEQUENCE OF EVENTS

- You will be announced onto the stage accompanied by Representative Ken Bentsen, Chancellor James Horton, and Student Esmeralda Hernandez.
- Chacellor James Horton will make welcoming remarks and introduce Rep. Ken Bentsen.
- Rep. Ken Bentsen will make remarks and introduce student Esmeralda Hernandez.
- Student Esmeralda Hernandez will make remarks and introduce you.
- You will make remarks, work a ropeline, and then depart.

VI. REMARKS

Remarks provided by Speechwriting.

UNITED STATES DEPARTMENT OF EDUCATION
WASHINGTON, D.C. 20202-____

Facsimile Cover Sheet

Policy, Planning, and Innovation
POLICY,BUDGET, AND ANALYSIS STAFF

600 Independence Avenue, SW, Room 4050, Building ROB-3
Washington, DC 20202/5121
Telephone Number: (202) 708-9069 *FAX Number: (202) 708-9107*
*Sally Kirkgasler, Director*____
*Rose Fletcher, Program Assistant*____
*Rochelle Nicholson, Clerk*____

DATE: 9/25/97 **Number of Pages, Including Cover Page:** 4

TO: Bill Kincaid **FAX Number:**( ) 456-5581

Policy and Budget Development Unit		*Forecasting and Policy Analysis Unit*	
David Bergeron Unit Chief		**Daniel Madzelan** Unit Chief	
Karen Wenk Education Program Specialist		**Steve Carter** Program Analyst	
Ellen Sealey Program Analyst		**Joseph Mike** Program Analyst	
Donald Conner Management/Program Analyst		**Charles Masten** Economist	
Maria Rojtman Management/Program Analyst		**Mary Miller** Management/Program Analyst	
Deborah Santiago Program Analyst		**Adam Ochlis** Management Analyst	
Jennifer Kron Program Analyst		**Julie Laurel** Statistician	
Diana Hayman Program Analyst		**Elaine Zimmerman** Managemnet/Program Analyst	

Remarks: See attached

Table 3
Distribution of Higher Education Tuition Tax Benefits and Pell Grants by Student's State of Legal Residence

	Number of Beneficiaries (in thousands)			Dollar Amounts of Benefits (in millions)			Pell Grants	
	HOPE Scholarship	20% Credit for Lifetime Learning	Total	HOPE Scholarship	20% Credit for Lifetime Learning	Total	Number of Beneficiaries (in thousands)	Dollar Amount of Benefits (in millions)
Alabama	90	109	199	$80.6	$60.1	$140.7	80	$148.6
Alaska	12	15	28	11.1	8.4	19.5	5	8.9
Arizona	112	138	250	100.7	75.6	176.3	74	140.0
Arkansas	37	44	81	32.8	24.2	57.0	40	78.7
California	761	934	1,695	682.4	513.2	1,195.6	438	900.4
Colorado	101	124	224	90.2	68.0	158.2	54	101.2
Connecticut	69	85	153	61.4	46.5	107.9	27	48.6
Delaware	19	24	43	17.2	13.1	30.3	6	10.8
District of Columbia	34	42	76	30.3	23.0	53.3	11	20.4
Florida	255	311	565	228.3	170.8	399.0	192	369.4
Georgia	122	149	272	109.8	82.0	191.8	100	174.0
Hawaii	28	35	63	25.3	19.2	44.5	8	14.9
Idaho	24	29	52	21.2	15.8	37.0	21	42.1
Illinois	308	379	687	276.0	208.1	484.1	152	283.5
Indiana	119	146	266	107.0	80.3	187.3	79	143.2
Iowa	69	84	154	62.0	46.4	108.4	53	95.9
Kansas	70	85	155	62.5	46.9	109.3	46	84.8
Kentucky	71	86	157	63.8	47.4	111.2	66	129.5
Louisiana	76	92	169	68.6	50.7	119.3	87	181.3
Maine	23	28	51	20.7	15.6	36.3	15	29.0
Maryland	112	138	250	100.3	75.6	176.0	56	102.0
Massachusetts	176	217	393	157.7	119.0	276.7	83	157.8
Michigan	227	278	505	203.3	152.7	355.9	141	256.3
Minnesota	119	146	264	106.4	79.9	186.4	75	132.9
Mississippi	45	54	98	40.1	29.5	69.6	56	114.8
Missouri	119	146	266	107.1	80.3	187.4	82	150.9
Montana	15	18	33	13.4	9.9	23.3	18	35.3
Nebraska	48	58	106	42.7	32.1	74.8	30	52.0
Nevada	28	34	62	24.9	18.9	43.8	9	16.4
New Hampshire	26	32	59	23.7	17.8	41.5	13	24.2
New Jersey	140	172	311	125.3	94.3	219.6	77	149.9
New Mexico	40	49	89	36.1	26.9	63.0	34	66.6
New York	414	503	916	370.9	276.1	647.0	375	767.3
North Carolina	153	188	342	137.5	103.4	240.9	87	162.2
North Dakota	16	19	34	13.9	10.3	24.2	15	29.3
Ohio	222	271	493	198.8	148.8	347.6	161	297.2
Oklahoma	72	87	159	64.3	47.8	112.2	69	133.7
Oregon	68	83	151	60.8	45.7	106.5	41	77.1
Pennsylvania	251	307	558	224.8	168.8	393.6	159	303.7
Rhode Island	31	38	69	27.7	20.8	48.5	18	33.2
South Carolina	69	84	154	62.0	46.4	108.4	54	97.2
South Dakota	14	17	31	12.7	9.4	22.1	16	30.8
Tennessee	98	119	217	87.4	65.4	152.8	74	141.0
Texas	387	473	860	347.0	260.0	607.1	270	510.8
Utah	58	71	129	52.2	39.0	91.2	47	84.6
Vermont	14	18	32	13.0	9.7	22.7	9	16.7
Virginia	148	181	329	132.3	99.6	232.0	81	148.2
Washington	117	144	262	105.3	79.2	184.5	71	136.8
West Virginia	35	42	76	30.9	23.1	54.0	30	61.0
Wisconsin	127	157	284	114.2	86.1	200.3	65	119.3
Wyoming	12	15	28	11.1	8.3	19.5	9	16.6
Outlying Areas	N/A	N/A	N/A	N/A	N/A	N/A	189	437.4
US Totals	5,800	7,100	12,900	$5,200.0	$3,900.0	$9,100.0	4,065	$7,868.0

Source: Education Department estimates based on State-level enrollment, Pell Grant recipient data, and the President's fiscal year 1998 budget policy, adjusted for mid-session review re-estimates.

The number of beneficiaries and amount of benefits for the tax credits were calculated for FY 1998 and FY 1999, respectively.
"Outlying Areas" are not covered by the tax credits.

Table 2

	Public 2-Year Institutions Estimated 1998-99 Pell Grants		
	Recipients	Dollars (In Thousands)	Average Award
Alabama	33,000	55,114	1,670
Alaska	300	$637	$1,480
Arizona	30,700	55,574	1,810
Arkansas	12,500	23,171	1,850
California	195,900	384,075	1,960
Colorado	16,500	29,838	1,800
Connecticut	9,700	16,197	1,670
Delaware	2,800	4,300	1,560
District of Columbia	N/A	N/A	N/A
Florida	97,200	181,479	1,870
Georgia	40,000	53,032	1,330
Hawaii	4,100	7,514	1,830
Idaho	3,500	6,772	1,950
Illinois	59,900	101,298	1,690
Indiana	18,400	31,987	1,740
Iowa	20,800	37,403	1,800
Kansas	15,500	27,237	1,760
Kentucky	19,300	36,622	1,890
Louisiana	17,100	30,619	1,800
Maine	2,100	4,010	1,910
Maryland	22,800	38,823	1,700
Massachusetts	25,000	46,257	1,850
Michigan	47,900	78,394	1,640
Minnesota	30,000	52,375	1,750
Mississippi	25,600	50,426	1,970
Missouri	22,100	38,288	1,730
Montana	5,000	10,070	2,020
Nebraska	9,000	13,866	1,540
Nevada	3,300	5,114	1,570
New Hampshire	2,600	4,778	1,830
New Jersey	30,800	58,159	1,890
New Mexico	9,800	17,251	1,760
New York	125,700	251,128	2,000
North Carolina	37,200	63,058	1,700
North Dakota	3,600	6,913	1,920
Ohio	44,300	77,048	1,740
Oklahoma	26,100	48,175	1,850
Oregon	16,800	29,984	1,780
Pennsylvania	35,600	63,866	1,790
Rhode Island	4,000	6,573	1,650
South Carolina	22,200	33,954	1,530
South Dakota	2,700	5,276	1,950
Tennessee	23,900	43,222	1,810
Texas	117,900	209,530	1,780
Utah	7,800	13,291	1,710
Vermont	2,800	4,056	1,470
Virginia	28,700	50,876	1,770
Washington	38,700	74,143	1,920
West Virginia	4,500	9,150	2,030
Wisconsin	22,900	41,063	1,790
Wyoming	4,300	8,166	1,880
Outlying Areas	21,600	45,270	2,090
US Totals	1,424,500	$2,585,425	$1,810

Source: Education Department estimates based on the President's fiscal year 1998 budget policy, adjusted for mid-session review re-estimates.

District of Columbia does not have a public 2-year institution.

Table 1

	Public 2-Year Institutions Estimated 1998-99 Tuition and Fees and HOPE Scholarship Tax Credit		
	Estimated 1998-99 Average Tuition and Fees	Maximum HOPE Scholarship Tax Credit	Maximum HOPE Scholarship Tax Credit as % of Tuition and Fees
Alabama	1,030	1,015	99%
Alaska	$2,040	$1,500	74%
Arizona	860	860	100%
Arkansas	1,030	1,015	99%
California	400	400	100%
Colorado	1,370	1,185	86%
Connecticut	1,900	1,450	76%
Delaware	1,470	1,235	84%
District of Columbia	N/A	N/A	N/A
Florida	1,190	1,095	92%
Georgia	1,200	1,100	92%
Hawaii	870	870	100%
Idaho	1,170	1,085	93%
Illinois	1,390	1,195	86%
Indiana	2,540	1,500	59%
Iowa	2,030	1,500	74%
Kansas	1,380	1,190	86%
Kentucky	1,230	1,115	91%
Louisiana	870	870	100%
Maine	2,970	1,500	51%
Maryland	2,330	1,500	64%
Massachusetts	2,580	1,500	58%
Michigan	1,730	1,365	79%
Minnesota	2,350	1,500	64%
Mississippi	1,050	1,025	98%
Missouri	1,410	1,205	85%
Montana	1,660	1,330	80%
Nebraska	1,330	1,165	88%
Nevada	1,090	1,045	96%
New Hampshire	3,060	1,500	49%
New Jersey	2,150	1,500	70%
New Mexico	670	670	100%
New York	2,750	1,500	55%
North Carolina	640	640	100%
North Dakota	1,930	1,465	76%
Ohio	2,450	1,500	61%
Oklahoma	1,210	1,105	91%
Oregon	1,700	1,350	79%
Pennsylvania	2,190	1,500	68%
Rhode Island	1,920	1,460	76%
South Carolina	1,220	1,110	91%
South Dakota	2,880	1,500	52%
Tennessee	1,080	1,040	96%
Texas	840	840	100%
Utah	1,530	1,265	83%
Vermont	2,780	1,500	54%
Virginia	1,610	1,305	81%
Washington	1,610	1,305	81%
West Virginia	1,380	1,190	86%
Wisconsin	2,160	1,500	69%
Wyoming	1,150	1,075	93%
Outlying Areas	1,800	N/A	N/A
US Totals	$1,320	$1,160	88%

Source: Education Department estimates based on data from the 1996-97 Integrated Postsecondary Education Data System early release file, adjusted for estimated increases in tuition and fees and weighted by the unduplicated headcount of all students enrolled in public 2-year institutions.

District of Columbia does not have a public 2-year institution.

Outlying areas are not covered by the HOPE scholarship tax credit.

press releases College Board

1997-98 Increases In College Tuition and Fees Average Five Percent; Student Financial Aid At Record High

Government, families, and colleges are urged to share in financing higher education; shift from grants to loans continues

In two studies released today, the College Board reported that college tuition and fees for 1997-98 continued to rise at the same rate as last year, and that financial aid was available to students at a record level-more than $55 billion.

According to the College Board's Annual Survey of Colleges, 1997-98, undergraduates at American colleges will pay, on average, approximately 5 percent more this year than last in tuition and fees at four-year institutions, and from 2 to 4 percent more at two-year institutions. Depending on the type of institution, that means students will pay from $36 more to $670 more than last year. Students can also expect to face charges of 3 to 5 percent more for room and board-slightly smaller increases than last year (see Exhibit 1).

The College Board's annual report, *Trends in Student Aid: 1987 to 1997*, indicates that more than $55 billion in total aid from federal, state, and institutional sources was available to students and their families in 1996-97 to assist with tuition, fees, and other expenses of attending college-an increase of 5.4 percent over the previous year, after adjusting for inflation. Most of this increase, however, was in the form of loans rather than grants, and most of the increased borrowing was unsubsidized.*

Acknowledging the anxiety of many families and the concern of policymakers about the affordability of attending college, College Board President Donald M. Stewart pointed out that "for most Americans, college is still accessible-especially in the light of financial aid currently available" (see full text of Mr. Stewart's remarks). He urged students and parents to keep college costs in perspective, noting that a majority of all students at four-year colleges and universities pay less than $4,000 per year for tuition and fees (see Exhibit 3).

"Focusing too much on the highest-priced institutions overstates the problem and unduly alarms the public," Mr. Stewart said. "Headlines that scream about the inflation of tuition and fees only serve to inflate the fears of American families. The United States continues to extend higher education opportunities to a larger percent of the population than any country in the world."

Keep college costs in perspective

The College Board's data show an increase in four-year college tuition and fees-on average about 5 percent-for the fifth year in a row.

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- at four-year private institutions, students are paying $670 more ($13,664 vs. $12,994, a 5% increase)
- at four-year public institutions, students are paying $136 more ($3,111 vs. $2,975, a 5% increase)
- at two-year private institutions, students are paying $242 more ($6,855 vs. $6,613, a 4% increase)
- at two-year public institutions, students are paying $36 more ($1,501 vs. $1,465, a 2% increase)

This year, tuition and fee surcharges for out-of-state or out-of-district students at public institutions average $2,980 at two-year colleges, and $4,987 at four-year colleges.

Saving for college

A review of additional data from the Annual Survey of Colleges, 1997-98, indicates that students living on campus will pay slightly higher costs in room and board, in the following amounts:

- at four-year private colleges, $5,549 vs. $5,363, or $186 more than in 1996-97 (3%);
- at four-year public colleges, $4,361 vs. $4,167, or $194 more than in 1996-97 (5%); and
- at two-year private institutions, $4,543 vs. $4,346, or $197 more than in 1996-97 (5%).

The U.S. Department of Education estimates that slightly more than one-quarter of full-time undergraduate students live on campus. (The number of students living in on-campus housing at two-year public institutions was too small to provide meaningful data.)

According to the survey, estimates for a sample budget range from $6,196 for a student who lives at home and commutes to a two-year public college, to $21,424 for a student in on-campus housing at a four-year private institution (see Exhibit 4). The College Board develops sample budgets for a year of education, based on average tuition and fees, plus institutional estimates of room and board, books and supplies, transportation, and personal expenses.

"Students and parents should consider the value of a college degree as a lifetime investment, not merely annual expenses incurred over a four- or five-year period," Mr. Stewart said. "As with any investment, financing a college education requires foresight, planning, prudent saving, and perhaps even some sacrifice-activities that all families must be encouraged to do."

John Joyce, manager of communication and training services at the College Scholarship Service (CSS), the financial aid arm of the College Board, pointed out that half of all students enrolled in postsecondary education receive some financial aid, often a combination of grants or scholarships, loans, and work-study from federal, state, and private programs.

"Focusing on 'sticker price' or allowing 'sticker shock' to influence college choice will limit opportunities that are out there for students," Mr. Joyce said.

Describing college financing as a "shared responsibility," Mr. Joyce advised that families who can save for their children's education should do so. "Parents should consider the importance of investing in their children's education," he stressed, suggesting that families who save will be better positioned to consider available options.

A 'sea change' in financing higher education

"The more than $55 billion in total aid available in 1996-97 is 70 percent higher than a decade ago after adjusting for inflation," said Lawrence Gladieux, executive director for policy analysis at the College Board's Washington Office. "However, the growing reliance on loan programs was responsible for two-thirds of this increase," he said. Mr. Gladieux noted that federal loan programs provided nearly $30 billion in aid to students in 1996-97 (see Exhibit 7).

For most of those loans, the federal government pays the interest while borrowers are enrolled in school. However, a growing share of student loans are now unsubsidized, adding in-school interest charges to the borrower's total cost. In total, the unsubsidized programs now account for about one-third of total loan volume and over one-third of all federal loans issued.

In contrast to loan aid, total federal grant support has grown only slightly over the past decade. However, grant aid per student has steadily declined during this period. Loans now comprise 60 percent of all aid, compared to just over 40 percent in 1980-81 (see Exhibit 11). Since 1987-88, institutional aid has more than doubled in constant dollar value, helping to compensate for the declining proportion of federal aid provided as grants.

"For the better part of 20 years, federal student aid has been drifting from a grant-based to a loan-based system, according to Mr. Gladieux. "The erosion of grant aid over time, combined with expanded federal loan capacity, has produced a sea change in the way many students and families finance college," he said.

The study shows that the purchasing power of the maximum Pell Grant, available to the neediest students, has declined steadily for the past 15 years. At its peak in the late 1970s, the maximum Pell Grant covered three-quarters of the average cost of attending a public, four-year college and one-third the cost of a private, four-year institution. Today, the maximum Pell Grant covers only one-third the average cost of attending a public, four-year college and one-seventh the cost of a private, four-year college (see Exhibit 12).

Grants for the most disadvantaged

Mr. Stewart noted that Congress has appointed a college cost commission to explore why annual tuition and fee increases continue to outpace inflation, and to propose some suggestions about how to control costs. He also pointed out that, across the country, public and private institutions are trying to hold down rising costs. Yet, he warned against "a more intrusive role for the government" as a solution to rising costs.

In fact, Mr. Stewart suggested that federal and state spending on higher education has fluctuated or even declined over the course of the past couple decades. "As states continue to spend more on prison construction as well as mandated social service programs, one can only imagine the squeeze on education funding yet to come."

Mr. Stewart pleaded that policymakers pay special attention to disadvantaged students so that they will continue to have access to educational opportunities. "It would be a national tragedy if the poor get priced out of their own future," he said.

"The clearest, simplest, most effective federal policy for increasing educational opportunity would be to restore the purchasing power of the Pell Grant," Mr. Stewart contended. "Since the mid-70s, the Pell Grant has lost ground both to inflation and to the rising cost of college-a 40 percent decrease over 20 years. And even with the additional $300 increase earmarked for Pell Grants this year, a substantial investment is needed to restore this lost value and fulfill the Pell Grant's promise of providing a consistent, substantial federal scholarship for low-income students."

Mr. Stewart announced that the College Board will sponsor a November 13-14 conference in Washington, D.C., to celebrate the 25th anniversary of the Pell Grant program. "The best way to honor Senator Pell, the program that bears his name, and all students of today and the future would be to restore the full purchasing power of the grants," he said.

Complete Listing of Exhibits

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* The College Board's Annual Survey of Colleges, 1997-98 reports tuition and fees for the current academic year, 1997-98. *Trends in Student Aid: 1987 to 1997* provides the most complete data available on federal, state, and institutional aid to students for the academic years 1986-87 through the most recently completed academic year, 1996-97. *Trends in Student Aid* does not include projections of aid to students in 1997-98.

Since it is impossible to forecast future inflation rates or the price of college tuition and fees, the College Board does not participate in the projection of any such figures.

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press releases College Board

EXHIBIT 1						
Average Fixed Charges for Undergraduates, 1997-98 (weighted)						
	Tuition and Fees			Room and Board		
Sector	1997-98	1996-97	% Change	1997-98	1996-97	% Change
Two-Year Public	1,501	1,465	2%	*	*	*
Two-Year Private	6,855	6,613	4%	4,543	4,346	5%
Four-Year Public	3,111	2,975	5%	4,361	4,167	5%
Four-Year Private	13,664	12,994	5%	5,549	5,363	3%

*Sample too small to provide meaningful information.

*These are **enrollment-weighted averages**, intended to reflect the average costs that students face in various types of institutions. Public tuition and fees are based on in-state rates.*

NOTE $ values are different. Data for respondents only -- in College Board members.

EXHIBIT 2

Average Expenses in Nonfixed Budget Components, 1997-98 (weighted)

	All Students	Resident Students		Commuter Students		
Sector	Books/Supplies	Trans.	Other	Board Only	Trans.	Other
Two-Year Public	610	*	*	1,881	978	1,226
Two-Year Private	617	610	1,072	1,910	919	1,165
Four-Year Public	634	573	1,390	1,963	960	1,465
Four-Year Private	628	537	1,043	1,913	854	1,201

*Sample too small to provide meaningful information.

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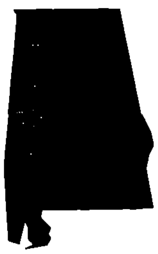
ALABAMA STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE — UP TO 99% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997



The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Alabama student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 90,000 Alabama students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Alabama community college students, the average tuition and fees per student are estimated to be $1,030, making the HOPE scholarship amount worth up to a 99% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 109,000 Alabama students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 199,000 Alabama students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $140.7 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 80,000 Alabama students will receive an estimated $148.6 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Alabama will be $1,670. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

199,000 Alabama Students to Benefit from the President's Education Tax Cuts

ALASKA STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE
— UP TO 74% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Alaska student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 12,000 Alaska students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Alaska community college students, the average tuition and fees per student are estimated to be $2,040, making the HOPE scholarship amount worth up to a 74% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 15,000 Alaska students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 28,000 Alaska students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $19.5 million for postsecondary education in FY 1999.

• Pell Grants

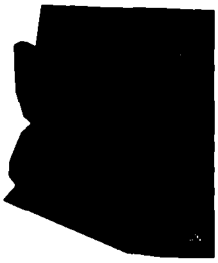
In addition to the tax benefits, approximately 5,000 Alaska students will receive an estimated $8.9 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Alaska will be $1,480. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

28,000 Alaska Students to Benefit from the President's Education Tax Cuts

ARIZONA STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE — UP TO 100% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997



The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Arizona student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 112,000 Arizona students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Arizona community college students, the average tuition and fees per student are estimated to be $860, making the HOPE scholarship amount worth up to a 100% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 138,000 Arizona students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 250,000 Arizona students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $176.3 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 74,000 Arizona students will receive an estimated $140.0 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Arizona will be $1,810. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

250,000 Arizona Students to Benefit from the President's Education Tax Cuts

ARKANSAS STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE — UP TO 99% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Arkansas student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 37,000 Arkansas students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Arkansas community college students, the average tuition and fees per student are estimated to be $1,030, making the HOPE scholarship amount worth up to a 99% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 44,000 Arkansas students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 81,000 Arkansas students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $57.0 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 40,000 Arkansas students will receive an estimated $78.7 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Arkansas will be $1,850. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

81,000 Arkansas Students to Benefit from the President's Education Tax Cuts

CALIFORNIA STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE — UP TO 100% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any California student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 761,000 California students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for California community college students, the average tuition and fees per student are estimated to be $400, making the HOPE scholarship amount worth up to a 100% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 934,000 California students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 1,695,000 California students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $1.19 billion for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 438,000 California students will receive an estimated $900.4 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in California will be $1,960. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

1,695,000 California Students to Benefit from the President's Education Tax Cuts

CONNECTICUT STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE — UP TO 76% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Connecticut student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 69,000 Connecticut students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Connecticut community college students, the average tuition and fees per student are estimated to be $1,900, making the HOPE scholarship amount worth up to a 76% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 85,000 Connecticut students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 153,000 Connecticut students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $107.9 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 27,000 Connecticut students will receive an estimated $48.6 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Connecticut will be $1,670. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

153,000 Connecticut Students to Benefit from the President's Education Tax Cuts

DELAWARE STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE
— UP TO 84% FOR COMMUNITY COLLEGE STUDENTS —

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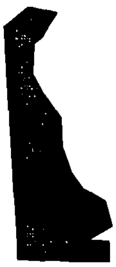
— President Clinton
State of the Union Address, 1997



The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Delaware student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 19,000 Delaware students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Delaware community college students, the average tuition and fees per student are estimated to be $1,470, making the HOPE scholarship amount worth up to a 84% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 24,000 Delaware students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 43,000 Delaware students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $30.3 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 6,000 Delaware students will receive an estimated $10.8 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Delaware will be $1,560. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

43,000 Delaware Students to Benefit from the President's Education Tax Cuts

FLORIDA STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE — UP TO 92% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Florida student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 255,000 Florida students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Florida community college students, the average tuition and fees per student are estimated to be $1,190, making the HOPE scholarship amount worth up to a 92% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 311,000 Florida students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 565,000 Florida students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $399.0 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 192,000 Florida students will receive an estimated $369.4 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Florida will be $1,870. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

565,000 Florida Students to Benefit from the President's Education Tax Cuts

GEORGIA STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE — UP TO 92% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Georgia student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 122,000 Georgia students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Georgia community college students, the average tuition and fees per student are estimated to be $1,200, making the HOPE scholarship amount worth up to a 92% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 149,000 Georgia students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 272,000 Georgia students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $191.8 million for postsecondary education in FY 1999.

• Pell Grants

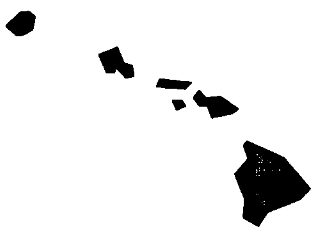
In addition to the tax benefits, approximately 100,000 Georgia students will receive an estimated $174.0 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Georgia will be $1,330. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

272,000 Georgia Students to Benefit from the President's Education Tax Cuts

HAWAII STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE
— UP TO 100% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997



The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Hawaii student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 28,000 Hawaii students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Hawaii community college students, the average tuition and fees per student are estimated to be $870, making the HOPE scholarship amount worth up to a 100% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 35,000 Hawaii students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 63,000 Hawaii students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $44.5 million for postsecondary education in FY 1999.

• Pell Grants

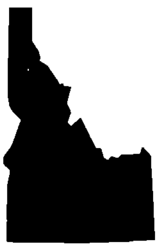
In addition to the tax benefits, approximately 8,000 Hawaii students will receive an estimated $14.9 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Hawaii will be $1,830. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

63,000 Hawaii Students to Benefit from the President's Education Tax Cuts

IDAHO STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE
— UP TO 93% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997



The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Idaho student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 24,000 Idaho students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Idaho community college students, the average tuition and fees per student are estimated to be $1,170, making the HOPE scholarship amount worth up to a 93% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 29,000 Idaho students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 52,000 Idaho students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $37.0 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 21,000 Idaho students will receive an estimated $42.1 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Idaho will be $1,950. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

52,000 Idaho Students to Benefit from the President's Education Tax Cuts

ILLINOIS STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE — UP TO 86% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Illinois student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 308,000 Illinois students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Illinois community college students, the average tuition and fees per student are estimated to be $1,390, making the HOPE scholarship amount worth up to a 86% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 379,000 Illinois students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 687,000 Illinois students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $484.1 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 152,000 Illinois students will receive an estimated $283.5 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Illinois will be $1,690. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

687,000 Illinois Students to Benefit from the President's Education Tax Cuts

INDIANA STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE
— UP TO 59% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Indiana student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 119,000 Indiana students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Indiana community college students, the average tuition and fees per student are estimated to be $2,540, making the HOPE scholarship amount worth up to a 59% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 146,000 Indiana students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 266,000 Indiana students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $187.3 million for postsecondary education in FY 1999.

• Pell Grants

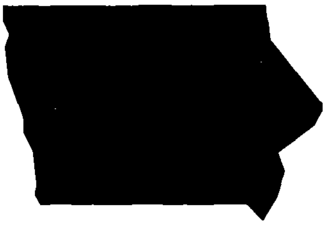
In addition to the tax benefits, approximately 79,000 Indiana students will receive an estimated $143.2 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Indiana will be $1,740. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

266,000 Indiana Students to Benefit from the President's Education Tax Cuts

IOWA STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE
— UP TO 74% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997



The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Iowa student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 69,000 Iowa students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Iowa community college students, the average tuition and fees per student are estimated to be $2,030, making the HOPE scholarship amount worth up to a 74% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 84,000 Iowa students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 154,000 Iowa students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $108.4 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 53,000 Iowa students will receive an estimated $95.9 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Iowa will be $1,800. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

154,000 Iowa Students to Benefit from the President's Education Tax Cuts

KANSAS STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE
— UP TO 86% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Kansas student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 70,000 Kansas students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Kansas community college students, the average tuition and fees per student are estimated to be $1,380, making the HOPE scholarship amount worth up to a 86% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 85,000 Kansas students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 155,000 Kansas students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $109.3 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 46,000 Kansas students will receive an estimated $84.8 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Kansas will be $1,760. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

155,000 Kansas Students to Benefit from the President's Education Tax Cuts

KENTUCKY STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE
— UP TO 91% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Kentucky student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 71,000 Kentucky students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Kentucky community college students, the average tuition and fees per student are estimated to be $1,230, making the HOPE scholarship amount worth up to a 91% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 86,000 Kentucky students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 157,000 Kentucky students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $111.2 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 66,000 Kentucky students will receive an estimated $129.5 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Kentucky will be $1,890. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

157,000 Kentucky Students to Benefit from the President's Education Tax Cuts

LOUISIANA STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE — UP TO 100% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Louisiana student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 76,000 Louisiana students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Louisiana community college students, the average tuition and fees per student are estimated to be $870, making the HOPE scholarship amount worth up to a 100% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 92,000 Louisiana students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 169,000 Louisiana students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $119.3 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 87,000 Louisiana students will receive an estimated $181.3 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Louisiana will be $1,800. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

169,000 Louisiana Students to Benefit from the President's Education Tax Cuts

MAINE STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE
— UP TO 51% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Maine student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 23,000 Maine students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Maine community college students, the average tuition and fees per student are estimated to be $2,970, making the HOPE scholarship amount worth up to a 51% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 28,000 Maine students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 51,000 Maine students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $36.3 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 15,000 Maine students will receive an estimated $29.0 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Maine will be $1,910. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

51,000 Maine Students to Benefit from the President's Education Tax Cuts

MARYLAND STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE
— UP TO 64% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Maryland student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 112,000 Maryland students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Maryland community college students, the average tuition and fees per student are estimated to be $2,330, making the HOPE scholarship amount worth up to a 64% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 138,000 Maryland students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 250,000 Maryland students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $176.0 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 56,000 Maryland students will receive an estimated $102.0 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Maryland will be $1,700. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

250,000 Maryland Students to Benefit from the President's Education Tax Cuts

MASSACHUSETTS STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE
— UP TO 58% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Massachusetts student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 176,000 Massachusetts students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Massachusetts community college students, the average tuition and fees per student are estimated to be $2,580, making the HOPE scholarship amount worth up to a 58% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 217,000 Massachusetts students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 393,000 Massachusetts students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $276.7 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 83,000 Massachusetts students will receive an estimated $157.8 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Massachusetts will be $1,850. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

393,000 Massachusetts Students to Benefit from the President's Education Tax Cuts

MICHIGAN STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE
— UP TO 79% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Michigan student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 227,000 Michigan students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Michigan community college students, the average tuition and fees per student are estimated to be $1,730, making the HOPE scholarship amount worth up to a 79% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 278,000 Michigan students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 505,000 Michigan students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $355.9 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 141,000 Michigan students will receive an estimated $256.3 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Michigan will be $1,640. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

505,000 Michigan Students to Benefit from the President's Education Tax Cuts

MINNESOTA STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE
— UP TO 64% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Minnesota student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 119,000 Minnesota students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Minnesota community college students, the average tuition and fees per student are estimated to be $2,350, making the HOPE scholarship amount worth up to a 64% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 146,000 Minnesota students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 264,000 Minnesota students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $186.4 million for postsecondary education in FY 1999.

• Pell Grants

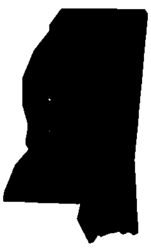
In addition to the tax benefits, approximately 75,000 Minnesota students will receive an estimated $132.9 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Minnesota will be $1,750. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

264,000 Minnesota Students to Benefit from the President's Education Tax Cuts

MISSISSIPPI STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE — UP TO 98% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997



The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Mississippi student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 45,000 Mississippi students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Mississippi community college students, the average tuition and fees per student are estimated to be $1,050, making the HOPE scholarship amount worth up to a 98% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 54,000 Mississippi students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 98,000 Mississippi students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $69.6 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 56,000 Mississippi students will receive an estimated $114.8 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Mississippi will be $1,970. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

98,000 Mississippi Students to Benefit from the President's Education Tax Cuts

MISSOURI STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE
— UP TO 85% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Missouri student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 119,000 Missouri students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Missouri community college students, the average tuition and fees per student are estimated to be $1,410, making the HOPE scholarship amount worth up to a 85% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 146,000 Missouri students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 266,000 Missouri students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $187.4 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 82,000 Missouri students will receive an estimated $150.9 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Missouri will be $1,730. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

266,000 Missouri Students to Benefit from the President's Education Tax Cuts

MONTANA STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE — UP TO 80% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Montana student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 15,000 Montana students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Montana community college students, the average tuition and fees per student are estimated to be $1,660, making the HOPE scholarship amount worth up to a 80% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 18,000 Montana students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 33,000 Montana students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $23.3 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 18,000 Montana students will receive an estimated $35.3 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Montana will be $2,020. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

33,000 Montana Students to Benefit from the President's Education Tax Cuts

NEBRASKA STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE
— UP TO 88% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Nebraska student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 48,000 Nebraska students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Nebraska community college students, the average tuition and fees per student are estimated to be $1,330, making the HOPE scholarship amount worth up to a 88% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 58,000 Nebraska students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 106,000 Nebraska students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $74.8 million for postsecondary education in FY 1999.

• Pell Grants

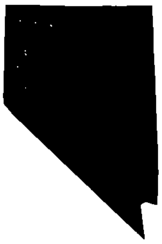
In addition to the tax benefits, approximately 30,000 Nebraska students will receive an estimated $52.0 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Nebraska will be $1,540. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

106,000 Nebraska Students to Benefit from the President's Education Tax Cuts

NEVADA STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE — UP TO 96% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997



The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any Nevada student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 28,000 Nevada students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for Nevada community college students, the average tuition and fees per student are estimated to be $1,090, making the HOPE scholarship amount worth up to a 96% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 34,000 Nevada students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 62,000 Nevada students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $43.8 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 9,000 Nevada students will receive an estimated $16.4 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in Nevada will be $1,570. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

62,000 Nevada Students to Benefit from the President's Education Tax Cuts

NEW HAMPSHIRE STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE
— UP TO 49% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any New Hampshire student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 26,000 New Hampshire students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for New Hampshire community college students, the average tuition and fees per student are estimated to be $3,060, making the HOPE scholarship amount worth up to a 49% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 32,000 New Hampshire students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 59,000 New Hampshire students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $41.5 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 13,000 New Hampshire students will receive an estimated $24.2 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in New Hampshire will be $1,830. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

59,000 New Hampshire Students to Benefit from the President's Education Tax Cuts

NEW JERSEY STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE — UP TO 70% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any New Jersey student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 140,000 New Jersey students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for New Jersey community college students, the average tuition and fees per student are estimated to be $2,150, making the HOPE scholarship amount worth up to a 70% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 172,000 New Jersey students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 311,000 New Jersey students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $219.6 million for postsecondary education in FY 1999.

• Pell Grants

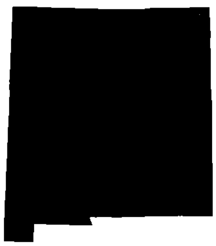
In addition to the tax benefits, approximately 77,000 New Jersey students will receive an estimated $149.9 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in New Jersey will be $1,890. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

311,000 New Jersey Students to Benefit from the President's Education Tax Cuts

NEW MEXICO STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE — UP TO 100% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997



The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any New Mexico student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 40,000 New Mexico students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for New Mexico community college students, the average tuition and fees per student are estimated to be $670, making the HOPE scholarship amount worth up to a 100% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 49,000 New Mexico students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 89,000 New Mexico students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $63.0 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 34,000 New Mexico students will receive an estimated $66.6 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in New Mexico will be $1,760. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

89,000 New Mexico Students to Benefit from the President's Education Tax Cuts

NEW YORK STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE — UP TO 55% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any New York student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 414,000 New York students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for New York community college students, the average tuition and fees per student are estimated to be $2,750, making the HOPE scholarship amount worth up to a 55% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 503,000 New York students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 916,000 New York students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $647.0 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 375,000 New York students will receive an estimated $767.3 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in New York will be $2,000. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

916,000 New York Students to Benefit from the President's Education Tax Cuts

NORTH CAROLINA STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE
— UP TO 100% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997

The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any North Carolina student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 153,000 North Carolina students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for North Carolina community college students, the average tuition and fees per student are estimated to be $640, making the HOPE scholarship amount worth up to a 100% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 188,000 North Carolina students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 342,000 North Carolina students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $240.9 million for postsecondary education in FY 1999.

• Pell Grants

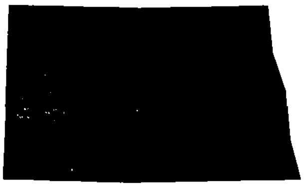
In addition to the tax benefits, approximately 87,000 North Carolina students will receive an estimated $162.2 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in North Carolina will be $1,700. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

342,000 North Carolina Students to Benefit from the President's Education Tax Cuts

NORTH DAKOTA STUDENTS TO RECEIVE TAX CUTS FOR COLLEGE — UP TO 76% FOR COMMUNITY COLLEGE STUDENTS —

"We must make the 13th and 14th years of education — at least two years of college — just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to all Americans."

— President Clinton
State of the Union Address, 1997



The President's HOPE Scholarship established by the Taxpayer Relief Act, together with proposed Pell Grant increases in the Bipartisan Balanced Budget Agreement, ensures that the first two years of a college education will be well within reach of any North Dakota student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st century economy.

• HOPE Scholarships

In 1998-99, an estimated 16,000 North Dakota students will receive a HOPE Scholarship tax credit to help pay for the first two years of college. Specifically, for North Dakota community college students, the average tuition and fees per student are estimated to be $1,930, making the HOPE scholarship amount worth up to a 76% discount for middle-income families.

• Lifetime Learning Tax Credit

An additional 19,000 North Dakota students are expected to take advantage of the 20% Lifetime Learning Tax Credit on up to the first $5,000 in tuition and fees through the year 2002 and up to $10,000 after 2002. Altogether, some 34,000 North Dakota students from working and middle class families are expected to take advantage of the new HOPE and Lifetime Learning tax cuts, saving $24.2 million for postsecondary education in FY 1999.

• Pell Grants

In addition to the tax benefits, approximately 15,000 North Dakota students will receive an estimated $29.3 million in Pell Grants in 1998-99. The maximum Pell Grant, which can also be used to help cover college-related living expenses, will be increased to $3,000 in 1998-99. The average grant for community college students in North Dakota will be $1,920. Some students will qualify for both a Pell Grant and tax credit (HOPE or Lifetime).

34,000 North Dakota Students to Benefit from the President's Education Tax Cuts

San Jacinto Community College
4624 Fairmont Parkway, Suite 201
Pasadena, TX
(281) 998-6100

Chancellor: James Horton

Three campuses, urban to surburban serving 19,500 students

Central campus: 25 % minority

Tuition: under $500 year for in-district student (about 65% of total student body)
location: 5 minutes from Ellington Field, 5 miles from Hobby airport, 20 miles from Intercontinental

Hot Programs: petrochemical, trucking, aerospace (major activity with NASA), allied health. Excellent placement rate directly into job market from academic/vocational program. Largest transfer rate in the state, highest overall grade point averages in the state

serves six school districts

average age of students: 28

President Clinton's Visits to Community Colleges

Visited by:	Institution	President	Address	City	State	Zip	Date of Visit
President Clinton	AACC	David R. Pierce	One Dupont Circle, N.W., Suite 410	Washington	D.C.	20036	April 1994
President Clinton	Carl Sandburg Community College	Donald Crist	P.O. Box 1407	Galesburg	IL	61402	Jan. 10, 1996
President Clinton	Central Piedmont Community College	Anthony Zeiss	P.O. Box 35009	Charlotte	NC	28235	July 10, 1996
President Clinton	Charles County Community College	John Sine	P.O. Box 910	LaPlata	MD	20646-0910	May 30, 1995
President Clinton	Cuyahoga Community College	Jerry Sue Thornton	700 Carnegie Avenue	Cleveland	OH	44115	October 21, 1996
President Clinton	Glendale Community College	John Davitt	1500 North Verdugo Road	Glendale	CA	91208-2894	June 11, 1996
President Clinton	North Iowa Area Community College	David L. Buettner	500 College Drive	Mason City	IA	50401	February 12, 1996
President Clinton	Northern Virginia Community College	Richard J. Ernst	4001 Wakefield Chapel Road	Annandale	VA	22003	Dec. 17, 1994
President Clinton	Portland Community College	Daniel Moriarty	P.O. Box 19000	Portland	OR	97280-0990	
President Clinton	Pueblo Community College	Joe D. May	900 West Orman Avenue	Pueblo	CO	81004	September 20, 1995
President Clinton	Southern Illinois University, Carbondale				IL		
Hillary Clinton	Valencia Community College	Paul Gianini	P.O. Box 3028	Orlando	FL	32802	June 1996

AACC	AACC Convention in Minneapolis
Carl Sandburg Community College	Workforce Development
Central Piedmont Community College	
Charles County Community College	School-to-Work Birthday
Cuyahoga Community College	World class education, college loans
Glendale Community College	"Hope Scholarship Tax Credit"
North Iowa Area Community College	Pell Grants, Senate-Passed Farm Bill, Work Study Program, G.I. Bill for America's Workers, minimum wage increase
Northern Virginia Community College	Clinton's weekly radio address
Portland Community College	Pacific Rim Economic Conference, discussion of NAFTA, the environment, human rights issues, quality of life, international trade
Pueblo Community College	Future of Education, Pell Grants, Direct Student Loan Program, School-to-Work, Tax cuts
Southern Illinois University, Carbondale	Financial Aid
Valencia Community College	"Hope Scholarship Tax Credit"

by: Flo Guyer

11/19/96

[Outline for State by State sheets]

TEXAS COMMUNITY COLLEGE STUDENTS WILL RECEIVE TUITION DISCOUNT OF UP TO 100% UNDER PRESIDENT'S NEW HOPE SCHOLARSHIP

[box] We must make the 13th and 14th years of education -- at least two years of college -- just as universal in America by the 21st century as a high school education is today, and we must open the doors of college to Americans.-- President Bill Clinton, State of the Union Address, 1997

The HOPE Scholarship established by the Taxpayers Relief Act, together with proposed Pell Grant increases, ensure that a 13th and 14th year of education will be well within reach of any Texas student willing to work for it. And with the new Lifetime Learning Tax Credit, students can continue their education or return to school later in life to increase their knowledge and skills for the 21st Century economy.

In 1998-99, an estimated 387,000 Texas students will receive a HOPE scholarship tax credit to help pay for the first two years of college. For a Texas community college student, the average tuition and fees are $840 annually, making the HOPE scholarship amount worth up to a 100% discount.

An additional 473,000 Texas students are expected to take advantage of the 20% tax credit for lifetime learning. Altogether, some 860,000 Texas students are expected to take advantage of these new provisions, saving $607 million for postsecondary education.

In addition to the tax benefits, approximately 270,000 Texas students will receive an estimated 510 million in Pell Grants. Of those, 117,900 Texas community college students will receive an average of award of $1,780.

Federal Pell Grants and tax benefits are supplemented by assistance provided by the state.

Laura K. Capps 09/24/97 06:25:49 PM

Record Type: Record

To: William R. Kincaid/OPD/EOP

cc:
Subject: Re: POTUS Quote

He said it a bunch in 1996 --- several places including Gulf Course Comm. College in Panama CIty, Florida (Sept.6th)

Exact: I believe America ought to work the way the community colleges in America work. I believe they are the ultimate democratic institution, small "d": open to everybody, where everybody has a chance; results oriented; flexible, not beaurocratic; working in partnership with the private sector; guarenteeing opportunity for everybody who is responsible enough to seek it.

AACC Facts About Community Colleges

National Community College Snapshot

National Charts

- Number of Community Colleges
- Community College Enrollment for Fall 1994
- Highest Degree Attained by Field: 1993
- Top 10 Community College Associate Degrees & Certificates
- 15 Fastest-Growing Occupations from 1994 to 2005
- Median Household Income for 1994
- Educational Attainment
- Mean Earnings by Educational Attainment / Demographics
- Mean Earnings by Educational Attainment / Historical Trend
- Community College Endowments

Significant Historical Events in the Development of the Public Community College

Here's some facts - I don't know how comfortable we feel citing this group - American Assoc. of Comm Colleges - Neera

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NATIONAL COMMUNITY COLLEGE SNAPSHOT

Updated March 25, 1997

- **Enrollment:**
  - 10.2 million students (5.2 million credit; 5 million non-credit)
  - 44% of all U.S. undergraduates
- **Number of Colleges:**
  - Public - 972
  - Independent - 141
- **Student Profile:**
  - 45% of all African American students
  - 52% of all Hispanic students
  - 44% of all Asian/Pacific Islander students
  - 56% of all Native American students
  - 46% of first-time freshman
  - 58 % female; 42% male
  - 63% part-time; 37% full-time (12 credit hours or more)
  - Average student age is 29 years
- **Students Receiving Financial Aid:**

- Any aid - 27.1%
- Pell Grants - 15.5%
- State aid - 6.7%
- Federal loans - 6.2%

- **Tuition & fees:**
  $1,492 annual average ← under the Hope scholarship

- **Degrees & Certificates:**
  - Over 466,390 associate of arts degrees
  - Nearly 200,000 1- and 2-year certificates annually

- **Revenue Sources:**
  - State funds -- 39.4%
  - Tuition and fees -- 19.9%
  - Local funds -- 17.9%
  - Federal funds -- 12.6%
  - Other -- 10.2%

- **Career Programs:**
  - 65% of beginning nurses and allied health care professionals are trained by community colleges.
  - Training for 8 of the next century's top 10 "hot" jobs -- as identified by Bureau of Labor Statistics -- is available at community colleges.

- **Graduate Income:**
  - Average expected lifetime earnings for a graduate with an associate's degree is more than $1 million, about $250,000 more than an individual with only a high school diploma.

Other useful community college information and statistics, including a breakdown and analysis for each state, are available from the *AACC 1996-97 Annual*. The *Annual* is available to AACC members for $14.95 and to nonmembers for $19.95. Click here for more information.

Return to the Facts about Community Colleges menu

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Your comments and suggestions are welcomed!

UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF THE SECRETARY

FAX TRANSMITTAL

TO: Bill Kincaid

ORGANIZATION:

FAX NUMBER: 456 - 7028

PHONE NUMBER:

FROM: Jill Riemer

PHONE NUMBER:

MESSAGE: (1) Truman Quote
(2) Chart (from TKP) on total enrollment #5
(3) ~~Associate~~ Types degrees conferred

CONFIDENTIALITY NOTICE

600 INDEPENDENCE AVE., S.W. WASHINGTON D.C. 20202

SEP. 24. 1997 1:46PM OFFICE OF SECRETARY NO. 3789 P. 2

Table 174.—Total fall enrollment in institutions of higher education, by level of enrollment, sex, attendance status, and type and control of institution: 1993 and 1994

Attendance status, and type and control of institution	Total			Undergraduate			First-professional			Graduate		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
1	2	3	4	5	6	7	8	9	10	11	12	13
						1993[1]						
Total	**14,304,803**	**6,427,450**	**7,877,353**	**12,323,959**	**5,483,682**	**6,840,277**	**292,431**	**172,788**	**119,643**	**1,688,413**	**770,980**	**917,433**
Full-time	8,127,618	3,890,571	4,237,047	7,179,482	3,381,997	3,797,485	259,764	153,873	105,891	688,372	354,701	333,671
Part-time	6,177,185	2,536,879	3,640,306	5,144,477	2,101,685	3,042,792	32,667	18,915	13,752	1,000,041	416,279	583,762
Total 4-year	8,738,936	4,081,991	4,656,945	6,758,398	3,138,286	3,620,112	292,431	172,788	119,643	1,688,107	770,917	917,190
Full-time	6,084,299	2,962,355	3,121,944	5,136,163	2,453,781	2,682,382	259,764	153,873	105,891	688,372	354,701	333,671
Part-time	2,654,637	1,119,636	1,535,001	1,622,235	684,505	937,730	32,667	18,915	13,752	999,735	416,216	583,519
Total 2-year	5,565,867	2,345,459	3,220,408	5,565,561	2,345,396	3,220,165	—	—	—	306	63	243
Full-time	2,043,319	928,216	1,115,103	2,043,319	928,216	1,115,103	—	—	—	—	—	—
Part-time	3,522,548	1,417,243	2,105,305	3,522,242	1,417,180	2,105,062	—	—	—	306	63	243
Public, total	11,189,088	4,984,511	6,204,577	10,011,787	4,447,266	5,564,521	113,654	63,973	49,681	1,063,647	473,272	590,375
Full-time	5,962,562	2,848,010	3,114,552	5,425,772	2,565,659	2,860,113	108,088	61,023	47,065	428,702	221,328	207,374
Part-time	5,226,526	2,136,501	3,090,025	4,586,015	1,881,607	2,704,408	5,566	2,950	2,616	634,945	251,944	383,001
Public 4-year	5,851,760	2,739,819	3,111,941	4,674,765	2,202,637	2,472,128	113,654	63,973	49,681	1,063,341	473,209	590,132
Full-time	4,074,055	1,989,410	2,084,645	3,537,265	1,707,059	1,830,206	108,088	61,023	47,065	428,702	221,328	207,374
Part-time	1,777,705	750,409	1,027,296	1,137,500	495,578	641,922	5,566	2,950	2,616	634,639	251,881	382,758
Public 2-year	5,337,328	2,244,692	3,092,636	5,337,022	2,244,629	3,092,393	—	—	—	306	63	243
Full-time	1,888,507	858,600	1,029,907	1,888,507	858,600	1,029,907	—	—	—	—	—	—
Part-time	3,448,821	1,386,092	2,062,729	3,448,515	1,386,029	2,062,486	—	—	—	306	63	243
Private, total	3,115,715	1,442,939	1,672,776	2,312,172	1,036,416	1,275,756	178,777	108,815	69,962	624,766	297,708	327,058
Full-time	2,165,056	1,042,561	1,122,495	1,753,710	816,338	937,372	151,676	92,850	58,826	259,670	133,373	126,297
Part-time	950,659	400,378	550,281	558,462	220,078	338,384	27,101	15,965	11,136	365,096	164,335	200,761
Private 4-year	2,887,176	1,342,172	1,545,004	2,083,633	935,649	1,147,984	178,777	108,815	69,962	624,766	297,708	327,058
Full-time	2,010,244	972,945	1,037,299	1,598,898	746,722	852,176	151,676	92,850	58,826	259,670	133,373	126,297
Part-time	876,932	369,227	507,705	484,735	188,927	295,808	27,101	15,965	11,136	365,096	164,335	200,761
Private 2-year	228,539	100,767	127,772	228,539	100,767	127,772	—	—	—	—	—	—
Full-time	154,812	69,616	85,196	154,812	69,616	85,196	—	—	—	—	—	—
Part-time	73,727	31,151	42,576	73,727	31,151	42,576	—	—	—	—	—	—
						1994[2]						
Total	**14,278,790**	**6,371,898**	**7,906,892**	**12,262,606**	**5,422,118**	**6,840,488**	**294,713**	**173,956**	**120,757**	**1,721,469**	**775,829**	**945,640**
Full-time	8,137,776	3,855,183	4,282,593	7,168,706	3,341,591	3,827,115	263,311	155,018	108,293	705,759	358,574	347,185
Part-time	6,141,014	2,516,715	3,624,299	5,093,902	2,080,522	3,013,380	31,402	18,938	12,464	1,015,710	417,255	598,455
Total 4-year	8,749,080	4,048,695	4,700,385	6,732,999	3,098,952	3,634,047	294,711	173,955	120,756	1,721,370	775,788	945,582
Full-time	6,106,062	2,943,593	3,162,469	5,136,993	2,430,002	2,706,991	263,311	155,018	108,293	705,758	358,573	347,185
Part-time	2,643,018	1,105,102	1,537,916	1,596,006	668,950	927,056	31,400	18,937	12,463	1,015,612	417,215	598,397
Total 2-year	5,529,710	2,323,203	3,206,507	5,529,609	2,323,161	3,206,448	2	1	1	99	41	58
Full-time	2,031,714	911,590	1,120,124	2,031,713	911,589	1,120,124	—	—	—	1	1	—
Part-time	3,497,996	1,411,613	2,086,383	3,497,896	1,411,572	2,086,324	2	1	1	98	40	58
Public, total	11,133,680	4,930,068	6,203,612	9,945,128	4,394,309	5,550,819	113,997	63,844	50,153	1,074,555	471,915	602,640
Full-time	5,950,820	2,813,226	3,137,594	5,408,741	2,531,506	2,875,235	109,245	61,225	48,020	434,834	220,495	214,339
Part-time	5,182,860	2,116,842	3,066,018	4,538,387	1,862,803	2,675,584	4,752	2,619	2,133	639,721	251,420	388,301
Public 4-year	5,826,213	2,703,415	3,121,798	4,636,762	2,167,698	2,469,064	113,995	63,843	50,152	1,074,456	471,874	602,582
Full-time	4,065,067	1,965,524	2,099,543	3,520,989	1,683,805	1,837,184	109,245	61,225	48,020	434,833	220,494	214,339
Part-time	1,760,146	737,891	1,022,255	1,115,773	483,893	631,880	4,750	2,618	2,132	639,623	251,380	388,243
Public 2-year	5,308,467	2,226,653	3,081,814	5,308,366	2,226,611	3,081,755	2	1	1	99	41	58
Full-time	1,885,753	847,702	1,038,051	1,885,752	847,701	1,038,051	—	—	—	1	1	—
Part-time	3,422,714	1,378,951	2,043,763	3,422,614	1,378,910	2,043,704	2	1	1	98	40	58
Private, total	3,145,110	1,441,830	1,703,280	2,317,480	1,027,804	1,289,676	180,716	110,112	70,604	646,914	303,914	343,000
Full-time	2,186,956	1,041,957	1,144,999	1,761,965	810,085	951,880	154,066	93,793	60,273	270,925	138,079	132,846
Part-time	958,154	399,873	558,281	555,515	217,719	337,796	26,650	16,319	10,331	375,989	165,835	210,154
Private 4-year	2,923,867	1,345,280	1,578,587	2,096,237	931,254	1,164,983	180,716	110,112	70,604	646,914	303,914	343,000
Full-time	2,040,995	978,069	1,062,926	1,616,004	746,197	869,807	154,066	93,793	60,273	270,925	138,079	132,846
Part-time	882,872	367,211	515,661	480,233	185,057	295,176	26,650	16,319	10,331	375,989	165,835	210,154
Private 2-year	221,243	96,550	124,693	221,243	96,550	124,693	—	—	—	—	—	—
Full-time	145,961	63,888	82,073	145,961	63,888	82,073	—	—	—	—	—	—
Part-time	75,282	32,662	42,620	75,282	32,662	42,620	—	—	—	—	—	—

[1] Revised from previously published data.
[2] Preliminary data.
—Not applicable.

SOURCE: U.S. Department of Education, National Center for Education Statistics. Integrated Postsecondary Education Data System (IPEDS), "Fall Enrollment" surveys. (This table was prepared December 1995.)

Public 2-yr. enrollment population is larger than the public 4 yr. enrollment

TRUMAN REPORT Quote

lic, would be extensions of secondary education, "closely articulated with the local high school." They would be locally controlled but partially funded by state and federal governments (pp. 67–70). These colleges would offer not simply the "first half of a four year degree," but a wide variety of terminal, semiprofessional, public service, and recreational programs to fulfill local needs and to serve citizens of every age, race, and social class.

The commission strongly recommended that these democratic colleges take special pains to serve victims of poverty and racism, believing that every American should be encouraged to explore his or her full potential:

> The American people should set as their ultimate goal an educational system in which at no level—high school, college, graduate school, or professional school—will a qualified individual in any part of the country encounter an insuperable economic barrier to the attainment of the kind of education suited to his aptitudes and interests (p. 36).

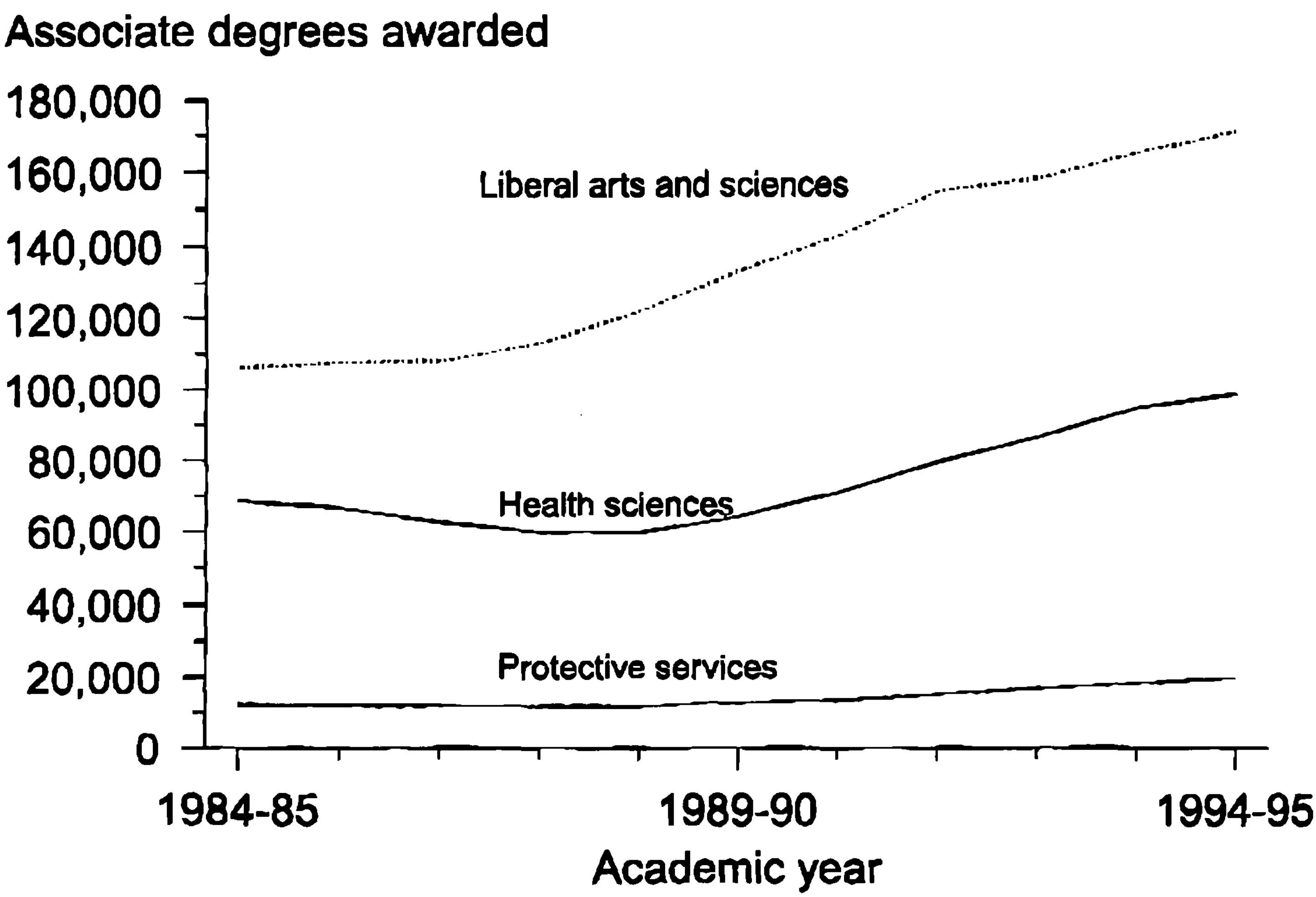
A New Family Name

The college envisioned by the Truman Commission would "fit into a comprehensive state-wide system of higher education" as a "community center of learning" (President's Commission on Higher Education, 1947, vol. 1, pp. 67–70).

> Hence the President's Commission suggests the name "community college" to be applied to the institution designed to serve chiefly local community educational needs. It may have various forms of organization and may have curricula of various lengths. Its dominant feature is its intimate relations to the life of the community it serves (vol. 3, p. 5).

The Truman Commission did not create the term *community college*, however; the term had been around since the mid-1930s. In 1944 a book published by the Educational Policies Commission of the National Education Association, *Education for All American Youth*, had made wide use of the term (Boyce, 1949, p. 445). There is no

Number of associate degrees awarded in selected fields of study: 1984-85 to 1994-95



SOURCE: U.S. Department of Education, National Center for Education Statistics, *Digest of Education Statistics, 1997* (forthcoming).

UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF THE SECRETARY

FAX TRANSMITTAL

TO: Bill Kincaid

ORGANIZATION:

FAX NUMBER:

PHONE NUMBER: 456 – 2857

FROM: Jill Riemer

PHONE NUMBER: 401 – 3598

MESSAGE: Here's some charts Jackie faxed me. Charts A & C have some appeal to me and provide some news – not BIG news – but some news. Let's talk.
Jill

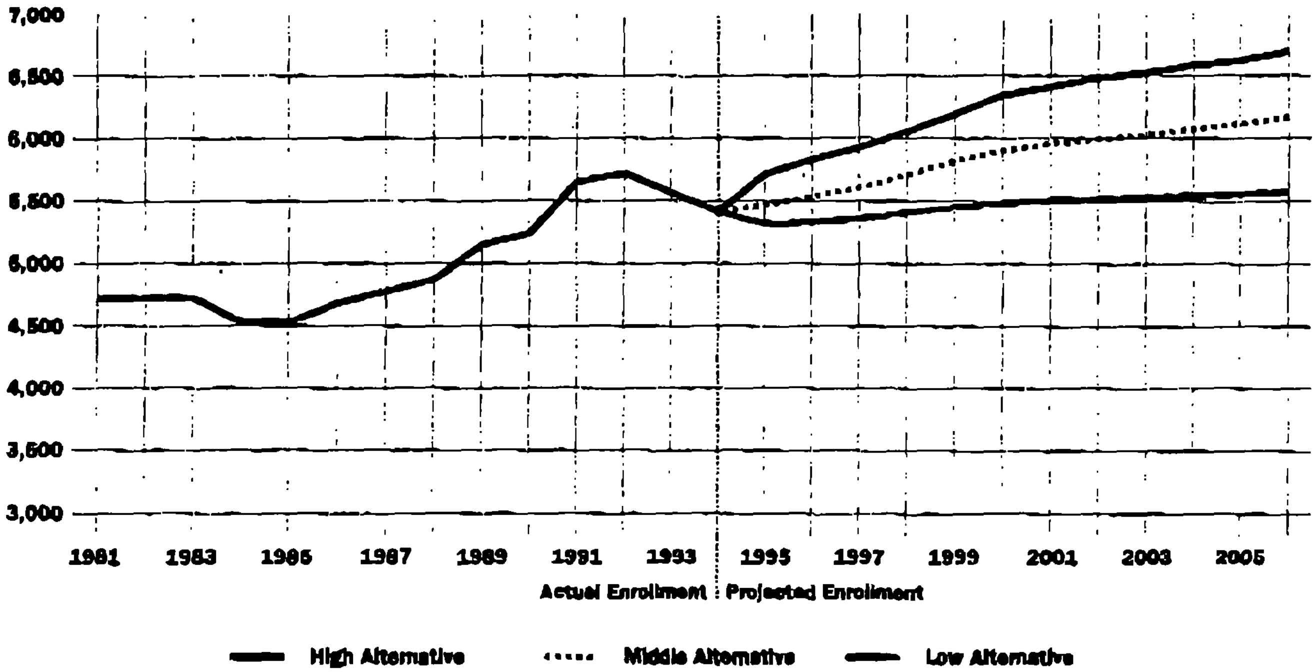
CONFIDENTIALITY NOTICE

A

C2.1 ■ Community College Enrollment [illegible] Projections: 1981–2006

(IN THOUSANDS)

■ Source: National Center for Education Statistics, Projections of Education Statistics to 2006



B

T3.5 ■ Community College Certificates and Degrees Conferred by Major Field of Study: 1993–94

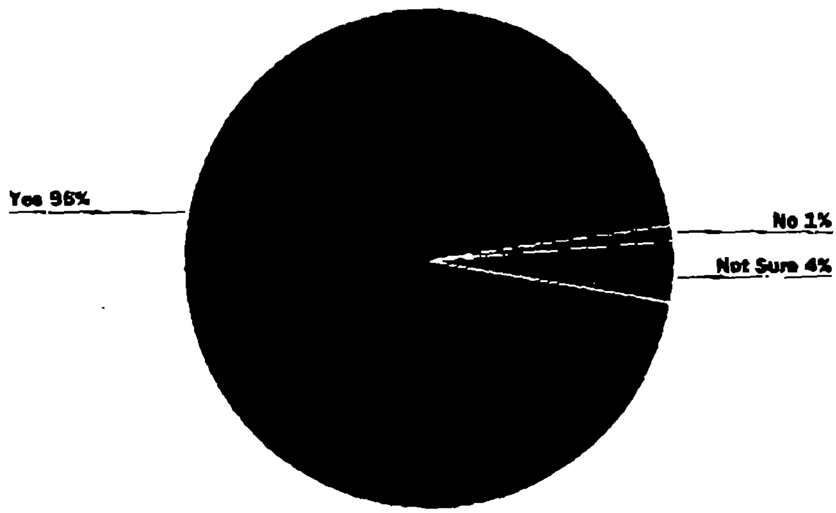
■ Source: National Center for Education Statistics, IPEDS data files

	Certificates				Associate Degrees	
Field of Study	Total	>1 Year	1–2 Years	<2 Years		
Institution Total	**176,219**	**82,535**	**101,771**	**11,913**	**Institution Total**	**466,390**
Health professions & related sciences	61,021	23,187	33,771	4,063	Liberal/general studies & humanities	149,019
Business management & admin. services	**29,231**	**8,242**	**19,855**	**1,334**	**Business management & admin. services**	**81,850**
Mechanics and repairers	16,581	3,149	11,719	1,713	Health professions & related sciences	79,009
Engineering-related technologies	**9,835**	**2,152**	**6,218**	**1,485**	**Engineering-related technologies**	**28,021**
Precision production trades	9,387	2,204	6,447	736	Protective services	17,641
Protective services	**8,163**	**6,610**	**1,386**	**167**	**Visual and performing arts**	**10,939**
Personal and miscellaneous services	7,014	1,089	5,690	235	Mechanics and repairers	10,475
Vocational home economics	**6,903**	**3,012**	**3,464**	**427**	**Education**	**8,213**
Transportation & material moving workers	5,976	5,518	413	45	Multi/interdisciplinary studies	8,099
Construction trades	**5,090**	**1,302**	**3,425**	**363**	**Computer and information sciences**	**7,925**
Marketing opers./market. & distribution	3,329	1,784	1,465	80	Law and legal studies	7,624
Computer and information sciences	**2,780**	**924**	**1,767**	**89**	**Precision production trades**	**7,592**
Visual and performing arts	2,140	306	1,423	411	Vocational home economics	6,141
Agricultural business and production	**1,844**	**720**	**1,038**	**86**	**Marketing opers./market. & distribution**	**5,540**
Law and legal studies	1.778	321	1,349	108	Social sciences and history	3,768
Education	**948**	**445**	**460**	**43**	**Public administration and services**	**2,983**
Liberal/general studies & humanities	734	145	489	100	Agricultural business and production	2,888
Communications	**575**	**420**	**143**	**12**	**Personal and miscellaneous services**	**2,751**
Public administration and services	527	182	318	27	Engineering	2,668
Communications technologies	**364**	**68**	**260**	**35**	**Communications technologies**	**2,609**
Area, ethnic and cultural studies	313	0	7	306	Biological sciences/life sciences	1,812
Multi/interdisciplinary studies	**313**	**277**	**35**	**1**	**Communications**	**1,722**
Conservation & renew. natural resources	204	61	137	6	Psychology	1,692
Parks, recreation, leisure & fitness	**160**	**39**	**114**	**7**	**Transportation & material moving workers**	**1,591**
Undesignated field/imputed	155	39	112	4	Construction trades	1,582
Undesignated field/imputed	**155**	**39**	**112**	**4**	**Physical sciences**	**1,579**
Library science	139	86	52	1	Undesignated field/imputed	1,337
Home economics	**105**	**24**	**81**	**0**	**Undesignated field/imputed**	**1,337**
Engineering	97	14	63	20	English language & literature/letters	1.311

Field of Study	Certificates: Total	>1 Year	1–2 Years	<2 Years	Associate Degrees	
Biological sciences/life sciences	88	2	86	0	Conservation & renew. natural resources	1,093
Agricultural sciences	84	52	30	2	Science technologies	821
English language & literature/letters	80	65	12	3	Mathematics	749
Social sciences and history	74	40	30	4	Parks, recreation, leisure & fitness	729
Science technologies	60	21	37	2	Agricultural sciences	640
Architecture and related programs	47	10	26	11	Home economics	537
Foreign languages and literatures	32	3	28	1	Foreign languages and literatures	386
Physical sciences	25	7	17	1	Military technologies	263
Psychology	16	10	4	2	Architecture and related programs	233
Theological studies/religious vocations	4	1	0	3	Library science	107
Mathematics	3	3	0	0	Area, ethnic and cultural studies	50
Military technologies	0	0	0	0	Philosophy	46
Philosophy	0	0	0	0	Theological studies/religious vocations	20

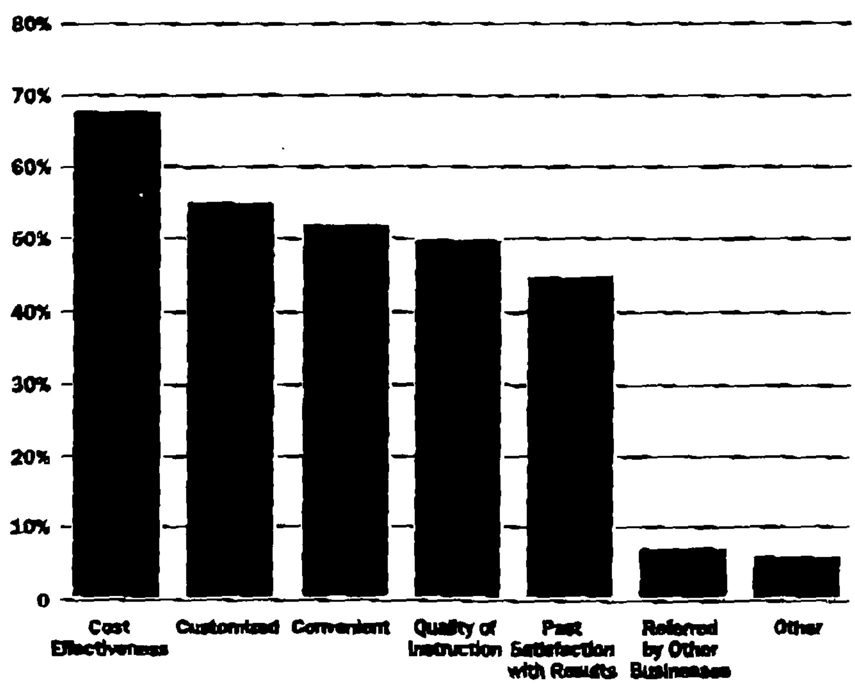
C3.3 ■ Employers Who Would Recommend Community Colleges for Workforce Training

■ Source: Developing the World's Best Workforce, 1997



C3.4 ■ Reasons for Businesses Choosing Community Colleges for Workforce Education Training

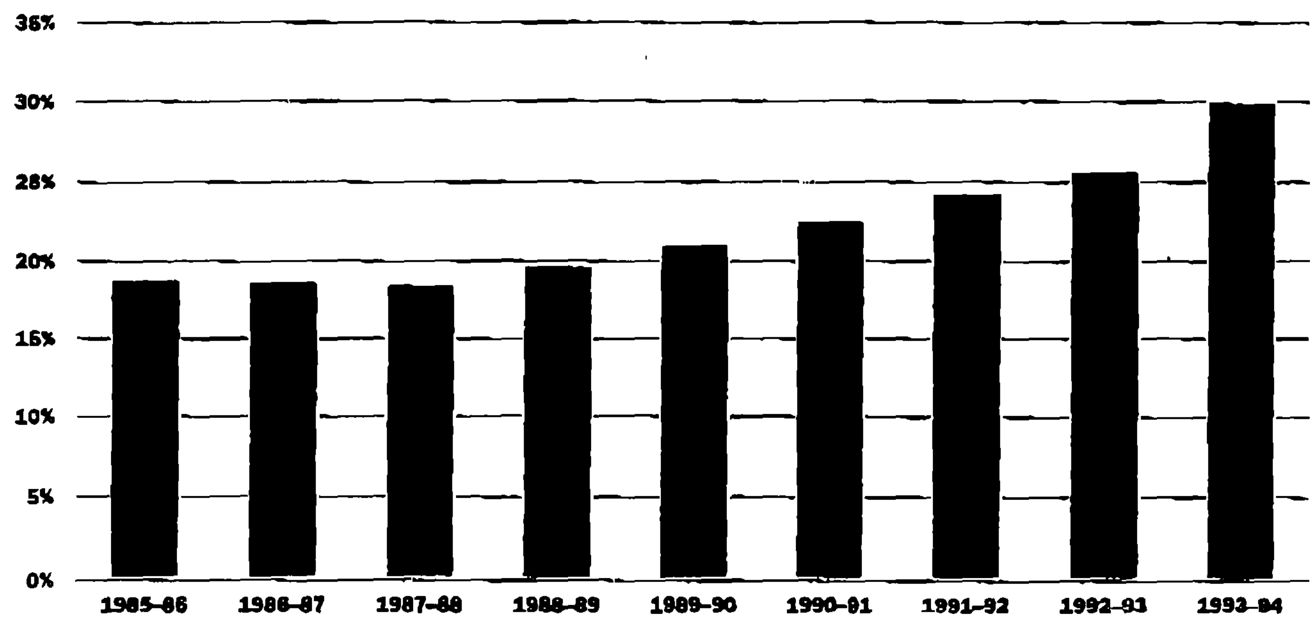
■ Source: National Center for Education Statistics, IPEDS data files



7

C4.1 ■ PUBLIC COMMUNITY COLLEGE SHARE OF PELL GRANT DOLLARS: 1985–86 TO 1993–94

■ Source: The College Board, Trends in Student Financial Aid, 1985–1994



William R. Kincaid
09/24/97 12:21:40 PM

Record Type: Record

To: See the distribution list at the bottom of this message

cc:
Subject: Breakout nominees

Sorry for the delay. Following up on our conference call earlier this morning, here are my candidates for breakout items, what they would look like, and who I think should have primary responsibility for nailing down the facts, refining language, and submitting a first cut of the graphic if necessary. Unless I hear otherwise from folks, please e-mail your submission back to Jim Zook, Bob Shireman, and me, and anyone else who should see it to insure accuracy. Please try to pull together by 2:00 p.m. so Jim has time to incorporate and get to me in time for 4 pm. meeting. And if you get additional ideas, or different ways of presenthing the ones I've listed, please write them up, but let's at least get these done so I can have a product at 4 pm. Thanks.

A. POTUS quote on 13th and 14th years of education

Bill -- will pull from State of the Union

B. Truman Commission Report

Jaquie -- finding a quote. Once she finds, let's see if its a possiblity, but my guess is that we already have enough other breakouts for the intro, so we'll just use for the text.

I. A Community College Education Increases Lifetime Earnings

Jim -- Please prepare, taking your pick of a simple text box or bar chart based on the Dept. of Labor 2-page brief that I faxed to you last night.

2. Community Colleges Serve More than 5.3 Million Credit-Earning Students--More Than Half the Nation's Undergraduates. [A Similar Number are Strengthening Their Skills in Non-Credit Programs] .

Jill -- This should be a text box; I believe you were looking into data that Terry mentioned that would indicate that the "more than half" figure is a recent development. Please work with Jackie and Maureen to see if we can nail this down; if we can, then adjust the box accordingly.

3. "Truly Reflecting the Diversity of America..."

Jim -- Please put in a box

3A. Vignette on somone coming back to school mid-career to improve skills and get a better job.

Jacquie -- Please develop.

4. Community Colleges Provide More Credit Hours Than Any Other Type of Postecondary Institution.

Jill -- This could be a text box, but if you can show as a bar graph (compared with 4-year institutions) than that could be even more interesting. Please work with Maureen and Jacquie on numbers.

4A. Vignette on someone taking credits with intention of transferring to 4-year institution.

5. One in six bachelor's degree recipients in engineering, engineering technology, and architecture...one in ten phD's...

Jim -- Please put in text box.

6. Community Colleges Are on the Forefront of Preparing Workers for Key Fields in the 21st Century Economy. For example, they prepare the bulk of nursing and allied health service workers in the U.S. , providing 85% of the training in ophtalmic technology, 71% in medical imaging, and 69% in respiratory technology.

Jim -- Please reword and put in a box.

Jaquie -- Please assemble a file with backup for this and all other data that we cite.

6A. Growth in associates degrees provided in key fields.

Jacquie -- Please keep working on this data and prepare a bar graph that shows 2 or 3 points in time for 1 to 3 key emerging fields, as discussed. Might use instead of the Allied Health figure.

7. Vignette about a student recently out of high school in a high-tech program -- maybe following up on a tech-prep program, aerospace industry, etc.indicating

8. For Fall 1998, the Average Cost of Attending Community College is Expected to be Just Over $1,300 -- And Considerably Less Than That in Many States.

Jim -- Please play with wording and include in box.

Bill -- text box based on data from Maureen and co.

9. The President's Hope Scholarship Cuts Tuition and Fee Costs at Community Colleges by 88%.

Jim -- Please put into text box.

9A. In 1998--99, 1.4 Million Community College Students Will Receive an Average Pell Grant of $1,810.

Jim -- Please put into a text box.

Maureen -- Does this look o.k?

Message Sent To: ______________________________

Robert M. Shireman/OPD/EOP
Jacqueline_Woods @ ed.gov @ inet
Maureen_McLaughlin @ ed.gov @ inet
Jill_Riemer @ ed.gov @ inet
Beverly_Blondell @ ed.gov @ inet
Beverley_Blondell @ ed.gov @ inet
James_Zook @ ed.gov @ inet
Terry_Peterson @ ed.gov @ inet

Christa Robinson
09/23/97 03:28:17 PM

Record Type: Record

To: Michael Cohen/OPD/EOP, William R. Kincaid/OPD/EOP

cc:
Subject: Texas Education Event Update

The President will get a 10 minute briefing in a classroom before the event of all of the partnerships the school has with NASA, private sector, etc. to highlight how the school prepares its students for the work force. The President will then make his speech to an auditorium of 2,000. Other speakers include: Rep. Bentsen, the Chancellor, and an adult student. That's it for now. There's a message meeting in Ann's office tomorrow at 3pm. See ya.

James_Zook @ ed.gov
09/24/97 09:12:00 AM

Record Type: Record

To: William R. Kincaid

cc:

Subject: Infobox nominees

CANDIDATES FOR BREAKOUT BOXES -- THESE ITEMS WERE PULLED VERBATIM FROM JACKIE'S ORIGINAL DRAFT.

BY THE WAY, DID I HEAR THAT YOU ARE COMING FOR THE FRIDAY EVENT?

* The Dallas County, Texas, Community College District, one among dozens of community colleges across the country with strong collaborations with their K-12 districts, has placed a special emphasis on working with its local school districts to recruit and prepare first generation, ethnic minority students for teaching careers, to help our nation obtain the two million new teachers this country will need in the next ten years.

* Truly reflecting the diversity of America, 30% of community college students are from ethnic minority groups, 50% are 25 years or older, 15% are over the age of forty, 57% are women and 71% of all students with disabilities who are in public postsecondary institutions are in community colleges.

James_Zook @ ed.gov
09/24/97 10:31:00 AM

Record Type: Record

To: William R. Kincaid

cc:
Subject: A couple of items

1) MORE INFO FOR THE DIVERSITY BREAKOUT BOX

At least one of the ten will be over forty years of age. Almost six of the ten will be women, and 4 of the ten will be from a minority group.

2) The Call to Action does not seem to offer a good quote about community colleges specifically. I'm sure there is something from either the State of the Union, or from an address at a community college to this effect. Can you get someone working on that in your office?

3) Another item that needs to be chased down is the number of community college visits that POTUS has made during the last four-plus years. I know that someone keeps up with that -- if you don't know, I will write Jackie Woods to see if she knows.

10:30 pm Draft

PRESIDENT WILLIAM J. CLINTON
REMARKS TO SAN JACINTO COMMUNITY COLLEGE
Friday, September 27th, 1997

Acknowledgments:

I'm proud to be at San Jacinto Community College and proud to be with all of you on this beautiful Friday afternoon. As you are just beginning your first month of the fall term, I can feel your spirit of optimism of what lies ahead. It is an optimism we share, and one I believe we share as a nation.

Just as you are moving forward in your academic interests, your careers, your job training programs, America is moving forward in the same methodical fashion. We are one nation, planning out our course of action -- our course work for the future -- to prepare ourselves for the 21st century.

Six years ago, when I announced my candidacy for President, I said that I had a vital mission for America in the 21st Century: to keep the American Dream alive for every person responsible enough to work for it . . to keep America the world's strongest force for peace, freedom and prosperity. . . and to bring our people together across all the lines that divide us, into one America. America's oldest and most incandescent ideals -- opportunity for all, responsibility from all, a community of all -- had to illuminate our path as we strode forward to address the challenges of a new time.

We put in place a bold new economic strategy to shrink the deficit, invest in our people, and lower unfair trade barriers to our goods. The philosophy was solid and simple: remove the impediments that have restrained the American people and give them the tools and training to help them race ahead. By removing the massive deficits, we could free our people of the dead weight that slowed their every step from the early 80's. By investing in their education and health, we would enable them to run fast and strong over the long run. By reducing trade barriers, we would knock down the unfairly high hurdles that we have had to leap over for far too long, and build bridges to new democracies with growing economies to ensure our leadership fro peace and freedom well into the next century.

The strategy worked: nearly 13 million new jobs since 1993; inflation remaining low and stable; unemployment below 5%; violent crime has dropped dramatically fr year now. We have seen the largest drop in welfare roles in history and many of our poorest urban and rural communities are in a springtime of renewal.

In late July, America reached a new milestone when I signed into law the first balanced budget in a generation. It is a budget that is in balance with our values and one we can all be proud of. The budget embodies the single largest increase in aid to education since 1965. The budget has $1 billion more for Head Start; more money to help our schools achieve excellence; the America Reads program to mobilize a million volunteers. With new HOPE Scholarship and tuition tax credits for college and skills training, a 10% increase in Pell Grants, our budget includes the biggest increase in aid to help people get to where you are today.

50 years after the Truman Commission Report called for a nationwide network of public community colleges, I am proud to say that we have surpassed that call. We are making 2 years of college as universal as 4 years of high school. Today I am releasing a report from the Department of Education which demonstrates how central these schools are to the vitality of our communities and the progression of the new economy. I am here today because I believe that America ought to work the way that America's community colleges are working.

America's higher education system is premier throughout the world and within that system community colleges are the option nearly half of our students choose. There is good reason that institutions, like San Jacinto Community College, are so popular.

Nearly everywhere you look, you can find a community college -- the 1,200 campuses are strategically located within 25 miles of nearly the entire population base [95%] of this country. [need to confirm].

Nearly every kind of learning takes place at America's community colleges. By providing a high quality education to a diverse array of Americans at various stages in their lives and careers, they offer something for everyone. And our country as a whole benefits. More and more adults are returning to college to enhance their knowledge and skills. More and more companies are tapping community colleges to provide the training that their workforce requires. Here at San Jacinto, students take advantage of the Aerospace technology program, the petrochemical program, and the 100's of partnerships with manufacturers and local hospitals. Community colleges have long served as important transitions from high school to four year universities. Now they have become the engines for the economic development of the communities they serve. [The state of Texas has gotten smart by reimbursing community colleges for non-credit or continuing education courses that are work related.]

And every American is welcome. Today's report announces that the average cost is expected to run just over $1,300 next fall. That means that the maximum HOPE scholarship will cover 88 percent of the national average full-time tuition and fees. In 7 states, including Texas, HOPE will cover 100 percent of community college tuition and fees. Thanks to the bipartisan congressional support of HOPE scholarships, 5.8 million Americans are expected to benefit from these scholarships at all types of higher education institutions.

Our new economy demands the knowledge and skills provided by America's community colleges. 90% of the jobs created in our new economy require education beyond high school. And people who complete 2 years of college can expect to earn a million dollars over the course of thier lives.

More than ever, community colleges are the place where our community comes together. And more than ever, community colleges embody the spirit of America.

We must continue our fight to open the doors as wide as we possibly can. There are those in the Congress who say no to every effort to expand educational opportunity -- those who failed to close down the Department of Education, but would still like to see much of it cut; those who would reduce our commitment to scholarships and grants and shut down completely innovative initiatives, like America Reads, national standards and charter schools. As those who participate in San Jacinto's Project Start Trek know full well, we need to do all that we can to prepare our children for college. We need to challenge our eigthgraders to develop their potential and make college the focal point for their future.

It is hard to believe that there are those who stand in the way of expanding access to education. 218,000 students -- many of them adults eager to continue their education -- will not be able to benefit fully from HOPE Scholarships or Pell grants unless Congress agrees to adopt the Pell Grant program that was agreed upon in the Balanced Budget. This program is currently being debated in ~~committee~~ Congress and there are those who would like to see it stopped. If they get their way, college may slip out of reach for many of the low income students who need the assistance most.

We must press on to make opportunity available for all of our people. Equal opportunity is our central value, but one that is up for debate here in Houston.

Standing here, so close to the battlefield where Texas first won its independence, I am reminded that the man who led Texas' army to victory, General Sam Houston, was himself once a teacher. He called his time in the classroom "the most satisfying time of my life." And that from a man who was was wounded in battle, served as Governor of Tennessee, who lived with the Cherokee as one of their own, who led the Texas Army of Independence, was later President of Texas, Governor of Texas and US Senator from Texas. And <u>he</u> said his most satisfying days were spent in the classroom.

I think General Houston would be awfully proud of what you're doing today on the sacred ground of San Jacinto.

But did you know that there's a living piece of Texas history right here with us today? <u>Bob Lanier</u>. Long before he was mayor, long before he was powerful, long before he was wealthy, Bob Lanier played a part in Texas history -- as a teacher.

A half-century ago, as part of the practice of segregation, African-Americans were denied admission to the University of Texas Law School. Back when Thurgood Marshall was fighting in the courts to win that basic right, Bob Lanier was a law student. And he volunteered to go over to the tiny, one-room classroom that had been set up for black law students in a basement several blocks from the law school and teach constitutional law to students who had been unconstitutionally barred from the University. One of the students Mayor Lanier helped was <u>Heman Sweatt</u>, (HEE-min swett) who went on to become the first African-American admitted to the University of Texas. And the case of Sweatt v. Painter is today studied in constitutional law classes all across America.

Mayor Lanier understands that America works best when America works together. He understands that we haven't got a person to waste. That's why his policy of reaching out to the entire community of Houston has been so successful. Businesses run by minorities and women that were once shut out of City Hall, just as Heman Sweatt was shut out of the law school, now have an opportunity to compete. I certainly hope you don't turn back the clock on a program of progress that has been so successful.

That is why the work of Houston Together is so important. With leaders like Congresswoman Sheila Jackson Lee, working side by side with business leaders like Phil Carroll of Shell and Ken Lay of Enron, I have faith that Houston will keep a good thing going. By drawing on the strength of your diversity, Houston is on the right track for the 21st Century. Don't let anyone derail you with division. Don't let anyone try to pit one American against another. Don't let anyone scare you or fool you.

I don't believe in telling anyone how to vote on a local referendum, but Houston has taken the right steps to mend affirmative action. I'd hate to see you take the wrong steps to end it.

From the day I took office I have been working on a simple idea: when my child is my age I want our country to be a place where every person who works hard has a chance to live our his or her God-given abilities and dreams. With the affordable educational opportunities provided by our budget and America's community colleges, we have taken a large step toward that goal.

This fall, let's continue moving forward.

UNITED STATES
DEPARTMENT OF EDUCATION NEWS

Contact: Rick Miller — (202) 401-3026

108,000 FEWER ALABAMA STUDENTS WOULD BENEFIT UNDER CONGRESSIONAL TUITION TAX CREDIT PROPOSALS THAN UNDER THE PRESIDENT'S PLAN

The Clinton Administration's HOPE and life-long learning tuition tax credits will help more than twice as many Americans pay for college as the tuition tax credits currently under consideration in Congress. The President's plan would help an estimated 12.6 million Americans pursue college or graduate education or workforce training to enhance employment — some 7 million more students than would benefit from the tuition tax credits currently under consideration in the U.S. Congress.

In fiscal year 1998, 195,000 students in Alabama would benefit under the Administration's version of the higher education tax cuts specified by the bipartisan budget agreement — 108,000 more than under current congressional versions.

"I am disappointed that the majority in Congress has failed to address the importance of helping families pay for the junior and senior years of college and learn for a lifetime, and chose not to include the incentives for people to continue to learn that were specified in the bipartisan budget agreement. This is a glaring omission, but it can be fixed. The bipartisan budget agreement promised $35 billion for the President's HOPE scholarship and life-long learning tuition tax proposals. By leaving out the life-long learning tax credit, the House and Senate versions violate the spirit of that agreement and ignore the needs of hard-pressed working and middle-class families. The Administration will continue to press for a better deal for America's families.

Increasingly, a high school diploma is not enough if Americans are to succeed in today's and tomorrow's economy. The Administration's tax cut plan demonstrates a commitment to life-long learning where students and workers can enhance their education and skills to stay ahead in a changing economy."

— U.S. Secretary of Education Richard W. Riley

All three proposals encourage savings and provide some financial relief from college costs, but only the President's plan includes a tuition tax credit to help pay for the junior and senior year of college and life-long learning opportunities. The Administration's plan offers a HOPE Scholarship, a maximum $1,500 tax credit for the first two years of postsecondary education. And for those students who are beyond the first two years of college, a 20 percent tax credit would be available on the first $5,000 of tuition and fees through the year 2000 and on the first $10,000 of tuition and fees thereafter. The 20 percent tax credit would primarily benefit undergraduates in their third and fourth years, graduate students, and working people going to school part-time to improve or acquire job skills. It would also help reduce debt students are carrying as they come out of college.

The House and Senate proposals disproportionately benefit high-income families who can afford to save large amounts for their children's college education, and they offer no immediate tax relief for working and middle-income students trying to pay out of their earnings for education beyond the first two years of postsecondary education.

Alabama	President	House	Senate
Number of students benefiting*	195,000	87,000	87,000
Dollar amounts of benefits	$111.6 million	$78.2 million	$72.3 million
Difference between the President's proposal and the Congress'		$33.4 million	$39.3 million

NOTE: Chart above includes HOPE Scholarship and the President's 20 percent tax credit for lifelong learning. Calculations do not include interest deductions and tax benefits that could be received in outyears from savings incentives in all three plans.

* The number of beneficiaries the same under the House and Senate plans, though the amounts of benefits differ.

SOURCE: Education Department estimates based on state-level enrollment and Pell Grant recipient data.

UNITED STATES
DEPARTMENT OF EDUCATION NEWS

Contact: Rick Miller — (202) 401-3026

7 MILLION FEWER STUDENTS WOULD BENEFIT UNDER CONGRESSIONAL TUITION TAX CREDIT PROPOSALS THAN UNDER THE PRESIDENT'S PLAN

The Clinton Administration's HOPE and life-long learning tuition tax credits will help more than twice as many Americans pay for college as the tuition tax credits currently under consideration in Congress. The President's plan would help an estimated 12.6 million Americans pursue college or graduate education or workforce training to enhance employment — some 7 million more students than would benefit from the tuition tax credits currently under consideration by Congress.

> *"I am disappointed that the majority in Congress has failed to address the importance of helping families pay for the junior and senior years of college and learn for a lifetime, and chose not to include the incentives for people to continue to learn that were specified in the bipartisan budget agreement. This is a glaring omission, but it can be fixed. The bipartisan budget agreement promised $35 billion for the President's HOPE scholarship and life-long learning tuition tax proposals. By leaving out the life-long learning tax credit, the House and Senate versions violate the spirit of that agreement and ignore the needs of hard-pressed working and middle-class families. The Administration will continue to press for a better deal for America's families.*
>
> *Increasingly, a high school diploma is not enough if Americans are to succeed in today's and tomorrow's economy. The Administration's tax cut plan demonstrates a commitment to life-long learning where students and workers can enhance their education and skills to stay ahead in a changing economy."*
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All three proposals encourage savings and provide some financial relief from college costs, but only the President's plan includes a tuition tax credit to help pay for the junior and senior year of college and life-long learning opportunities. The Administration's plan offers a HOPE Scholarship, a maximum $1,500 tax credit for the first two years of postsecondary education. And for those students who are beyond the first two years of college, a 20 percent tax credit would be available on the first $5,000 of tuition and fees through the year 2000 and on the first $10,000 of tuition and fees thereafter. The 20 percent tax credit would primarily benefit undergraduates in their third and fourth years, graduate students, and working people going to school part-time to improve or acquire job skills. It would also help reduce debt students are carrying as they come out of college.

The House and Senate proposals disproportionately benefit high-income families who can afford to save large amounts for their children's college education, and they offer no immediate tax relief for working and middle-income students trying to pay out of their earnings for education beyond the first two years of postsecondary education.

US Totals	President	House	Senate
Number of students benefiting*	12.6 million	5.6 million	5.6 million
Dollar amounts of benefits	$7.2 billion	$5.0 billion	$4.6 billion
Difference between the President's proposal and the Congress'		$2.2 billion	$2.6 billion

NOTE: Chart above includes HOPE Scholarship and the President's 20 percent tax credit for lifelong learning. Calculations do not include interest deductions and tax benefits that could be received in outyears from savings incentives in all three plans.

* The number of beneficiaries the same under the House and Senate plans, though the amounts of benefits differ.

SOURCE: Education Department estimates based on state-level enrollment and Pell Grant recipient data.

(Beneficiary Calculations FY 1998/Dollar Amounts FY 1999)

William R. Kincaid
09/23/97 07:44:19 PM

Record Type: Record

To: Laura K. Capps/WHO/EOP

cc: Robert M. Shireman/OPD/EOP
Subject: speech blurb on report

See if this works as a placeholder; I'm copying Bob Shireman who will review and maybe tinker with this language from home. I'm heading to a meeting in my neighborhood, but you can page me if necessary. Thanks. Bill

This year, 50 years after the Truman Commission Report called for a nationwide network of public community colleges, and nearly 100 years since the founding of the very first community college in Joliet, Illinois in 1901, its time to take a fresh look at these vital institutions and the contributions that they make to our national life. Today I am releasing a report by the Department of Education that highlights the remarkable role being played by community colleges as we near the 21st Century. The report describes how these institutions provide a high quality education to a diverse array of Americans at various stages in their lives, whether its a young woman studying to become an aerospace technician with NASA, a mid-career computer programmer taking night courses in JAVA, or an aspiring math teacher taking credits in calculus, chemistry and literature that he will transfer to a nearby university.

The report also underscores that these institutions are remarkably affordable, with an average cost expected to run just over $1,300 next fall. This is an incredible bargain when you consider that Americans completing a two-year associate's degree can expect to earn over a million dollars over the course of their lifetime. Moreover, this report shows that our new Hope Scholarship tax credit will cover nearly 90% of tuition and fees for the average community college student, and that in California, Texas, and many other states, tuition becomes virtually free. Especially taking into account the new Lifelong Learning tax credit, a major increase in Pell Grants, and a large expansion in college work study funds that we secured in our historic balanced budget agreement, this report makes it crystal clear that the doors to a 13th and 14th year of education are wide open to every American willing to work for it.

The San Jacinto College District

MEDIA RELATIONS OFFICE

release

San Jacinto College: A Partner in Aerospace Training

San Jacinto College addresses the training needs of this nation's aerospace industry both through a formalized program of study which prepares graduates for the industry and through specialized programs that help train existing employees.

The programs represent examples of how education, government and private business are working together to meet advanced workforce training needs of American industry.

In 1992, San Jacinto College initiated its Aerospace Technology program, the result of a unique collaborative effort with other area colleges, all of which joined with NASA and its contractors to form the Consortium for Aerospace Technical Education (CATE). San Jacinto's associate's degree program offers two options—Data Management and Telecommunications—in preparing technicians to work with the space station and shuttle flights. Already, graduates of this program are making their mark in the field.

Graduate Leslie Cooper, a procedures coordinator with United Space Alliance, was was in Russia last fall to train Russian counterparts on the use of a computer system used for the management of crew procedures for the Space Station. Rebecca Aubin, also now with United Space Alliance, wrote a manual used in training astronauts prior to even graduating the program as an intern.

In any industry, continual training is a necessity, and the aerospace industry has turned to San Jacinto College as a resource.

To efficiently and efficiently serve the common needs of area aerospace companies, the college is bringing them together as a consortium. Along with San Jacinto College, participants in that program are NASA, NASA corporate partners and the University of Houston-Clear Lake. In Phase I of the program, which has recently begun, the college is collecting information regarding the types of training needed by the aerospace community.

The second phase of this endeavor will be an advanced manufacturing associate degree program, which will be designed by NASA and key aerospace businesses. It will be

more...

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designed in direct accordance with industry-quality standards and will incorporate effectiveness measurement components.

The entire project is being funded through support from the Texas Department of Commerce and the Texas Workforce Commission.

Two recent grants from the Texas Skills Development Fund are serving aerospace companies via San Jacinto College. One grant will help Barrios Technology complete the Information Systems Analysis and Integration Team Contract for the space station by upgrading employees' computer skills. Johnson Engineering, an astronaut training facility, will benefit from training in several areas, ranging from scuba training to general safety.

But the relationship with the aerospace industry has not developed overnight. San Jacinto College has stood ready to provide specialized training in this highly technological field for the past several years. For NASA alone, the college has provided a myriad of training. In addition to computer-related instruction, the college has provided training in technical report writing, records management, medical operations and several other areas. Some 20 aerospace companies have taken advantage of San Jacinto College as a training resource.

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The San Jacinto College District

MEDIA RELATIONS OFFICE

release

San Jacinto College: Keeping Students in Mind

Find us on the Web at sjcd.cc.tx.us.com.

San Jacinto College is a comprehensive two-year community college that has served east Harris County since 1960. "Keeping students in mind" has been the philosophy of this college, which has grown from abandoned store fronts in Pasadena to three campuses and an average semester enrollment of 19,000 students.

San Jacinto College awards the associate of applied science and associate of arts degrees, as well as the certificate of technology. The college offers some 100 programs of study, about 60 of which are technical programs.

Low costs, accessibility and personalized instruction are the hallmarks of San Jacinto College. Tuition, fees and books for a student taking a 16-hour load is estimated at $662 a semester, quite a bargain by anyone's standards and a smart investment in the future.

An open door policy allows the college to serve a diverse clientele, ranging from traditional recent high school graduates to degreed professionals seeking retraining, from homemakers who have raised families to high school dropouts who have earned their GED. Small classes, averaging fewer than 25 students per instructor, assure personalized instruction.

Many study options await San Jacinto College's diverse student population. These include the traditional weekday and weeknight classes, weekend classes, televised classes and classes on the Internet.

With an average student age of 27, San Jacinto College realizes that services outside the classroom are in order. Those include child care centers, job placement offices, tutoring, and help for students with disabilities.

Whether students are laying the foundation for their four-year degree or are looking for a fast-track career, San Jacinto College is the place to begin. Academic courses prepare students for transfer to any university, and unique transfer agreements with those

more...

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universities assure that the transition is a smooth one. Real-world training for an increasingly sophisticated workforce can be found in San Jacinto's technical programs, which address this need through a combination of classroom instruction, hands-on laboratory work and on-the-job training.

Realizing the need for lifelong learning, the college offers hundreds of continuing education classes, as well as contract classes specifically designed for area business and industry.

San Jacinto College is also busy proving that the words innovation and community college can be synonymous. Whether it be in chemical process technology, a chemistry lab or in medical radiology, students are training on the equipment that they will be using as professionals.

And lastly, San Jacinto College is a good neighbor, making its facilities available to community events, ranging from concerts to July 4th festivities to chamber of commerce meetings.

San Jacinto College is indeed a comprehensive community college, and is your key to the future, whatever door you decide to open.

San Jacinto College: Partnerships That Work

How does a community college like San Jacinto College actually become the community's college? Here are just a few examples of the many partnerships that have touched virtually every facet of the community this college serves.

- **Project Start Trek** brings some 7,000 eighth-graders from throughout the college district to a San Jacinto College campus each year to visit classrooms, labs and instructors in order to explore face-to-face their many college and career opportunities, thus providing a focal point for their vision, and a reason to stay in school, to go to college and to develop their potential.
- Some 400 **Tech Prep articulation agreements** with the college district's high schools allow students to get started on their career pathway and actually earn college credit while in high school, giving them a headstart on their chosen career when they transfer to San Jacinto College.
- San Jacinto College's **Associate's Degree Aerospace Technology Program**, developed as part of a consortium with other area colleges in support of NASA, is providing highly skilled technicians to control the data management systems and telecommunications for space station and shuttle programs. Imagine playing a vital role in space exploration after two years of college.
- **Training partnerships with manufacturers**—including General Motors, Ford and Toyota—assure that San Jacinto College instructors and their students learn technology as fast as these companies produce it. These cooperative programs also assure graduates jobs once they graduate from these associate degree programs.
- In the last year, San Jacinto College has received **more than $1.3 million in grants from the Texas Skills Development Fund grants** to provide skills training to 1,700 employees of 10 area companies, allowing those companies to expand and increase their contributions to this area's economic vitality.
- To efficiently serve the common needs of area aerospace companies, particularly in the area of computer technology, the college is bringing those companies together as a consortium to **apply for a training grant from the Texas Department of Economic Development.**
- **The college has more than 100 affiliation agreements with area hospitals and other healthcare providers** to provide hands-on training in this critical profession. These partnerships result in a highly skilled labor force for Houston's internationally known Medical Center and other facilities throughout the state.

Robert M. Shireman
09/22/97 02:47:02 PM

Record Type: Record

To: Barry J. Toiv/WHO/EOP
cc: Michael Cohen/OPD/EOP, William R. Kincaid/OPD/EOP, Jake Siewert/OPD/EOP
bcc:
Subject: Re: Houston

Two differences:

1. If all goes well, it will match up HOPE (and possibly Pell Grants) with tuitions on a state-by-state basis, so we'll be able to say how much of a discount people are getting. "New tax law provides 80% discount on community college tuition."

2. New report on the role of community colleges, their role in the economy, esp. their role in preparing people for key careers (high tech, medical, etc.).

Is that news?

Barry J. Toiv

Barry J. Toiv

09/22/97 01:16:57 PM

Record Type: Record

To: Michael Cohen/OPD/EOP, William R. Kincaid/OPD/EOP, Robert M. Shireman/OPD/EOP

cc:
Subject: Houston

When can we see what's being released in Houston? Is it essentially a repeat of the state-by-state we did after the BBA? Is it a subset of that state-by-state perhaps? If not, how is it different?

7TH STORY of Level 1 printed in FULL format.

SEPTEMBER 13, 1997, SATURDAY

SECTION: MAJOR LEADER SPECIAL TRANSCRIPT

LENGTH: 1509 words

HEADLINE: GOP RESPONSE TO PRESIDENT CLINTON'S WEEKLY RADIO ADDRESS
BY: RESENTATIVE FRANK RIGGS (R-CA)
SEPTEMBER 13, 1997

BODY:

REP. RIGGS: Hello, I'm Congressman Frank Riggs from the First District of California. Before I begin my talk with you today, I'd like to join with my colleagues and the rest of the nation in honoring Mother Teresa as she is laid to rest. Mother Teresa's life is an example for all of us.

Today I want to spend a few minutes talking to America's parents and teachers about fresh ideas for our nation's schools and students. As a former school board member in my home town of Windsor, California, and now as congressman and chairman of the House Subcommittee on K-12 Education, I am very concerned about education. But I am even more concerned as the parent of three children. And I always remember my most important title is "Dad," not "Congressman."

The new school year has just started for our nation's chil ren, and ing sense it has just started for Congress as welp. House Reica quens have a practical and far-sighted education agenda for all Americans that I want to share with you today. Parents and educators nationwide have told us that they seek common-sense solutions that respect state and local authority in education, while providing new opportunities for all students.

What are these solutions? First of all, we want to cut the red tape and drive more dollars directly to the classroom. We want to strengthen basic academics. We want to increase parental involvement and choice in education. And we want to find ways to help parents save for the high cost of a college education. That's what we stand for.

Republicans support higher academic standards, accountability and new opportunities. But we are against quick-fix education answers and tational tes amthat are hastily developed by Washington bureaucrats. We agree though that politics should stop at the schoolhouse door. That's why we want to be very careful about Washington's role in our local schools.

Just this year alone House Republicans have already passed legislation to help educate disabled children, and to train men and women for better paying jobs. We worked very hard to make college more affordable through the new Hope Scholarships and education savings accounts. We created a new commission to explore ways to keep college costs down, and we passed a juvenile delinquency prevention bill that will make our schools and communities safer. That's what Republicans want -- better schools, smarter kids, safer streets.

At each step of the way we've sought to cut governmental red tape and to listen to the concerns of real Americans -- teachers,
parents and children. These are our education achievements. But that's just where we've been. Listen to where we're headed.

In the coming months we will work to pass a measure that will send a greater percentage of federal education dollars directly to the classroom. We will explore ways of helping our children succeed at reading. And we'll increase federal aid for college students of all ages, while cleaning up the bureaucratic mess in the president's direct student loan program.

We want to expand new innovations, such as charter schools, and give options for parents who want a greater say in how and where their children are educated. Parents nationwide are telling us -- and even demanding -- that the federal government help them move their children to better schools. Simply put, they want a choice. And a new Gallup poll shows that support for parental choice in education is building rapidly. Recent studies of parental choice programs for low-income families in Milwaukee and Cleveland show that test scores there are up; and so is parental satisfaction.

Low-income families in particular are telling us that they must have a choice in education. They're right. There's no excuse for keeping children in failing ancondsafe schools. As Sandra Feldman (sp), the tew presidenn de qtioAmerican Federation of Teachers, said recently, and I quote, "We must not try to perpetuate schools to which we would not send our own children." She's so right, but quite wrong to lead her union in opposition to providing a way out for such entrapped parents and their children T a his year House Republicans will try very hard e help thesstituc lies. Our proposals are simple. The first is A-plus accounts, which will permit parents to save up to $2,000 a year per child for K-12 education tax-free. Another proposal aims specifically at helping children in our nation's capital escape from poor schools. We hope to give those children scholarships so that they can attend better public, private or parochial schools.

For children in other American communities, Congressman J.C. Watts of Oklahoma, Jim Talent of Missouri and Floyd Flake of New York City, have developed a bipartisan scholarship proposal to help low- income children move to better schools. When schools are accountable to parents who have the freedom to choose where their children are educated, they will become good schools. The public school system will reform itself only when parents are able to choose the schools that they think are best able to educate their children.

Federal support for parental choice in education is nothing new though. For many years federal dollars have been spent sending young children to early childhood programs in churches and other private facilities. There has long been choice at the other end of the education spectrum. We have the best system of higher education in the world, thanks to federal scholarships, grants and loans, and
even the GI Bill, which is how I went to college. And students who receive such aid can take it where they want -- to public universities or private religious schools, such as some of the most prestigious universities in the country like Notre Dame, Baylor, Georgetown, or even Pacific Union College in my congressional district.

Americans want choice in education. The public education bureaucracy and the White House don't. But these special interests and the White House need to ask themselves why they're really against providing poor children and those most at risk with choice. We cannot afford to right off another generation of our schoolchildren. Common-sense education solutions espectghtmericans is where we began and where we will go. With more dollars to the classroom, the application of basic academics to the core subjects, and empowering parents to choose their children's education.

On this early fall weekend, I wish success to every American student and tsisti" AmNothing is more important for our future than building a nation of learners and achievers. Nothing is more important to our country than the education of our children, and with your help and support we'll make sure that every American child receives a high quality education. Thank you, and add wishes. Oh, and children, remember to do your homework trahweekend --and that means you too, Sarah Ann Riggs. Thank you.

LANGUAGE: ENGLISH

LOAD-DATE: September 14, 1997

Copy to Shireman

Author: Leslie Thornton at WDCB01
Date: 9/9/97 10:59 AM
Priority: Normal
TO: Iva Smith
Subject: POTUS trip to Texas

------------------------------------ Message Contents ------------------------------------

FYI

Forward Header

Subject: POTUS trip to Texas
Author: Jacqueline Woods at WDCC04
Date: 9/9/97 10:18 AM

For specific recommendations to Dallas, I indicated in my memo of last week that the Jan LeCroy Telecommunications Center and the Bill J. Priest Institute of Economic Development (800 students) should be visited. The chief executive there is Glen Bounds. The phone number is (214) 860-5801. Also Brookhaven College(student pop. 8600) has a good ethnic mixture of students and programs with a new comprehensive computer lab. Brookhaven is currently with an acting president (Dr. Jack Stone - phone number (972) 860-4809.) Excellent facility.

For Houston, I suggest the following:

1. The colleges in the Houston district are schools without walls. No facilities capable of housing an event.

2. North Harris College in the North Harris Montgomery Community College district is the best of the lot there. Adjacent to the Bush Airport. Best ethnic mixture of the area. Has 7,700 students. Joint high school program with minority high school on common campus grounds has significantly increased college going rates of students in that area. Programs of note- nursing, engineering design, CNC manufacturing program (relatively new but with lots of business/industry equipment), bilingual vocational program for job market requiring bilingual individuals. President is Dr. Sandy Shugart. He is from North CArolina - good person and nationally active. Phone number is (281) 443-5400.

Don't hesitate to call me should you need additional information or contacts in the area.

cc: Kinkaid
Stenberg
Cohen