



U.S. DEPARTMENT OF EDUCATION

PRESIDENT CLINTON'S FY 2001 EDUCATION BUDGET PROPOSAL COMPARED TO SENATE ALLOWANCES

"During this period of economic prosperity and budget surplus, we should seize the opportunity to improve our nation's schools. Regrettably, misguided priorities and insufficient resources in the bills adopted today have led the Congress in a different direction. Unfortunately, these actions today invest too little in our schools and demand too little from them. The bill does not guarantee funding for critical education priorities such as school renovation and reducing class size. If a bill that fails to address these concerns were to come to me in its current form, I would have to veto it." President Clinton, May 10, 2000

June 30, 2000

(IN THOUSANDS OF DOLLARS)

Selected Discretionary Education Programs	FY 2000 APPROPRIATION	FY2001 REQUEST	SENATE	DIFFERENCE FROM THE PRESIDENT'S REQUEST	IMPACT STATEMENTS
ACCELERATING CHANGE					
<u>21st Century Community Learning Centers.</u> Funds after-school activities with community partners as part of a community school.	\$453,377	\$1,000,000	\$600,000	-\$400,000	Would mean that some 900 fewer communities would be able to establish 3,100 centers that would deny as many as 1.6 million children extended learning opportunities in safe, drug-free environments.
<u>Reducing Class Size.</u> Third installment in reducing class sizes in the early grades to a nationwide average of 18 to give children more personal attention and get them on the right track. (Senate instead funds block grant. See page six.)	\$1,300,000	\$1,750,000	-0-	-\$1,750,000	Would repeal the bipartisan agreement to hire 100,000 new teachers, jeopardizing the federal commitment to hire as many as 20,000 new teachers next year and to continue support for the 29,000 teachers already hired. As many as 2.9 million children could be denied the benefits of smaller classes.
<u>Comprehensive School Reform Demonstrations:</u> Helps schools develop or adapt, and implement, comprehensive school reform programs that are based on reliable research and effective practices. (Includes FIE funds.)	\$220,000	\$240,000	-0-	-\$240,000	Would deny new grants to approximately 2,250 schools and cut off continuation grants for 1,025 schools already using funds to carry out research-based school reforms that have demonstrated higher student achievement.
<u>Research, Development and Dissemination.</u> Helps build a knowledge base for improving educational practice.	\$168,567	\$198,567	\$178,567	-\$20,000	Would cut support for critical research activities, including interagency initiatives, designed to produce high-quality research-based information to improve student learning in reading, math, and science and to identify critical factors that influence the development of English-language literacy for students whose first language is Spanish.
<u>Small, Safe, and Successful High Schools.</u> Supports the restructuring of high schools to create smaller learning environments.	\$45,000	\$120,000	-0-	-\$120,000	Would deny as many as 700 high schools support to establish or expand smaller learning communities of no more than 600 students. Research has shown that, when students are a part of a smaller, more intimate learning community of no more than 600 students, they are more successful academically and socially.
<u>Charter Schools.</u> Stimulates comprehensive education reform and public school choice by supporting the planning and development, and initial implementation of public charter schools.	\$145,000	\$175,000	\$210,000	+\$35,000	Would expand grants to support planning and implementation of as many as 1,700 new charter schools towards the Administration's goal of creating 3,000 charter schools by 2002.
<u>OPTIONS – Opportunities to Improve Our Nation's Schools.</u> Stimulates public school reform and public school choice by supporting the planning, development, and implementation of innovative public school choice programs.	NEW	\$20,000	-0-	-\$20,000	Would deny grants to 40 SEAs and LEAs to develop, design, and implement high-quality public school choice programs that help promote school reform efforts.
<u>Recognition and Reward.</u> Supports grants to States that	NEW	\$50,000	-0-	-\$50,000	Would deny financial rewards to States that make significant statewide

Selected Discretionary Education Programs	FY 2000 APPROPRIATION	FY2001 REQUEST	SENATE	DIFFERENCE FROM THE PRESIDENT'S REQUEST	IMPACT STATEMENTS
demonstrate significant statewide achievement gains and narrow the achievement gap between high- and low-performing students.					achievement gains and narrow the achievement gap between high- and low-performing students in mathematics between 1996 and 2000, as measured by NAEP. The amount requested would support approximately 10 awards.
<u>CLOSING ACHIEVEMENT GAPS</u>					
<u>Title I Accountability Grants</u> : Helps States and districts turn-around low-performing schools.	\$134,000	\$250,000	-0-	-\$250,000	Would dramatically curtail State and local efforts, begun with a \$134 million appropriation in FY 2000, to improve the lowest performing schools and ensure that no student is trapped in a failing school. Would deny extra assistance to at least 80 percent of the more than 7,000 schools currently identified for improvement or corrective action under Title I.
<u>Extra Help in the Basics (Title I LEA Grants)</u> . Helps disadvantaged students learn the basics and achieve to high standards. (Excludes funds for Title I Accountability Grants. See above).	\$7,807,397	\$8,107,500	\$8,335,800	+\$228,300	Would serve 360,000 more educationally disadvantaged students.
<u>Reading Excellence Act</u> . Helps children learn to read well and independently by the end of the third grade.	\$260,000	\$286,000	\$286,000	--	Would provide funding for services to help 1.1 million children become successful readers.
<u>Special Education Grants to States</u> . Helps schools & States provide special education services.	\$4,989,685	\$5,279,685	\$6,279,685	+\$1,000,000	Would provide about 15 percent of APPE for 6.4 million children with disabilities.
<u>Indian Education</u> . Supplements the efforts of State and local educational agencies, and Indian tribes, to improve educational opportunities for Indian children.	\$67,000	\$100,500	\$100,500	--	Would increase the per-pupil average from \$134 to \$200 to give local districts increased funds to expand existing programs, initiate new programs, or provide other services to address the needs of their Indian students.
<u>Indian Education – American Indian Teacher Corps</u> . Supports the training of Indian teachers to take positions in schools that serve concentrations of Indian children.	\$10,000	\$10,000	\$10,000	--	Would train 1,000 Indian teachers over a five-year period to take positions in schools in areas that serve high concentrations of Indian children.
<u>Indian Education – American Indian Administrator Corps</u> . Helps train and recruit school principals and administrators for areas with high concentrations of American Indian and Alaska Native students.	NEW	\$5,000	\$5,000	--	Would recruit and train 200 Indian principals and school administrators to work in Native American communities by funding program costs at tribal colleges and other postsecondary institutions and supporting in-service training for principals and administrators already employed in Indian schools.
<u>Safe and Drug-Free Schools</u> . Helps schools become safe, drug-free learning environments.	\$600,000	\$650,000	\$642,000	-\$8,000	Would provide a small increase for State grants, but would fund several fewer new Safe Schools/Healthy Students projects to develop comprehensive, community-wide strategies for creating safe and drug-free schools and promoting healthy childhood development; and would exclude funding for Project SERV to provide emergency assistance to schools affected by serious violence or other traumatic crises.
<u>IMPROVING TEACHER QUALITY</u>					
<u>Bilingual Education</u> . Helps meet the critical shortage of trained bilingual and English as a second language teachers.	\$248,000	\$296,000	\$279,000	-\$17,000	Would eliminate 75 grants to institutions of higher education to prepare teachers to teach limited English proficient students.
<u>Teacher Quality Enhancement (HEA Title II)</u> . Helps recruit and prepare excellent and diverse teachers for America's classrooms.	\$98,000	\$98,000	\$98,000	--	Would support 28 grants to help recruit new teachers for high-poverty urban and rural areas, strengthen 30 partnerships between schools and universities to give the teachers the best preparation possible, and help 30 States improve the quality of their teaching force through reform activities such as teacher licensing and certification.

Selected Discretionary Education Programs	FY 2000 APPROPRIATION	FY2001 REQUEST	SENATE	DIFFERENCE FROM THE PRESIDENT'S REQUEST	IMPACT STATEMENTS
<u>INITIATIVES TO IMPROVE TEACHER QUALITY: \$1 BILLION*</u>					
<u>Teaching to High Standards</u> – Helps States and school districts implement the next generation of standards-based reform, including standards-based assessments, curricula, and professional development.	NEW	\$690,000	-0-**	-\$690,000	Would deny funding for standards-based reform efforts, including standards-based assessments, curricula, and particularly professional development.
<u>Hometown Teachers</u> . Provides funds to school districts to encourage high school students to become teachers and to support them in their undergraduate teacher training and their first years in the classroom. Also supports efforts to retain and meet the needs of current teachers.	NEW	\$75,000	-0-	-\$75,000	Would deny approximately 100 high-poverty school districts support for developing a comprehensive approach to teacher recruitment and retention, including both long- and short-term strategies to expand and maintain their teaching staffs.
<u>Higher Standards, Higher Pay for Teachers</u> . Provides funds to high-poverty school districts to establish teacher peer review programs.	NEW	\$50,000	-0-	-\$50,000	Would deny grants to approximately 10 to 12 high-poverty school districts (with an average of about 800 teachers per school district) to help them attract and retain high-quality teachers and principals through better pay.
<u>Teacher Quality Rewards</u> . Provides reward funds to school districts that have significantly increased the percentage of fully certified and licensed teachers and that have significantly reduced the percentage of secondary teachers teaching out-of-field.	NEW	\$50,000	-0-	-\$50,000	Would deny approximately 200 high-poverty school districts reward money for demonstrating significant progress in improving teacher quality against two criteria – increasing the percentage of certified teachers and decreasing the percentage of secondary teachers who are teaching out-of-field.
<u>Transition to Teaching</u> . Supports the Troops to Teachers program and additional efforts to recruit, prepare, and support career-changing professionals as teachers.	NEW	\$25,000	-0-	-\$25,000	Would deny high-poverty school districts the opportunity to hire mid-career professionals who have received support through this program for teaching professions. This program would provide grants to institutions of higher education, public agencies, and nonprofit organizations to recruit, prepare, place, and support mid-career professionals who promise to teach in high-poverty school districts.
<u>Early Childhood Educator Professional Development</u> . Provides professional development opportunities for early childhood educators and caregivers who work with young children in high-poverty communities.	NEW	\$30,000	-0-	-\$30,000	Would deny professional development to help improve children's language and literacy skills for approximately 15,000 early childhood educators and caregivers working in high-poverty communities.
<u>School Leadership Initiative</u> . Helps school districts, particularly high-poverty and low-performing districts, to recruit and train superintendents, principals, and other school administrators.	NEW	\$40,000	-0-	-\$40,000	Would deny the creation of some 20 State or regional centers, training an estimated 10,000 current or prospective school administrators.
<u>MODERNIZING OUR SCHOOLS</u>					
<u>School Renovation Loan and Grant Program</u> . Leverages support for short-term emergency projects through loans and grants. (Complements tax-credit bond proposal under the Department of Treasury) (Senate instead funds block grant. See page six.)	NEW	\$1,300,000	-0-	-\$1,300,000	Does not include funding for a new program that would provide funds to leverage about \$6.7 billion in grants and loans to fund approximately 8,300 renovation projects in 5,000 schools in high-need school districts with little or no capacity to fund urgent repairs.
<u>Technology Literacy Challenge Fund</u> . Helps provide students and teachers with computers, educational software, telecommunications, and technology training	\$425,000	\$450,000	\$425,000	-\$25,000	Would deny an additional 196 high-poverty districts grants to improve the capacity of teachers in low-performing schools to use technology effectively in their classrooms to improve student achievement.

* The President proposed \$1 billion for Teaching to High Standards replaces Goals 2000 (\$458,000) and Eisenhower Professional Development State Grants (\$335,000)

** The Senate bill only funds \$435 million for teacher quality within the Eisenhower Professional Development State Grants compared to the President's \$1 billion proposal for teacher quality.

Selected Discretionary Education Programs	FY 2000 APPROPRIATION	FY2001 REQUEST	SENATE	DIFFERENCE FROM THE PRESIDENT'S REQUEST	IMPACT STATEMENTS
<u>Preparing Tomorrow's Teachers to Use Technology.</u> Helps train new teachers to use technology in the classroom.	\$75,000	\$150,000	\$125,000	-\$25,000	Would deny over 45,000 teachers training to become proficient in the use of modern learning technologies.
<u>Community Technology Centers.</u> Funds technology learning centers in low-income communities.	\$32,500	\$100,000	\$65,000	-\$35,000	Would deny grants to 343 new centers in 137 communities, denying access to computers and technology, particularly educational technology, for thousands of adults and children residing in economically distressed, high poverty areas.
<u>REACHING AND COMPLETING COLLEGE</u>					
<u>GEAR UP.</u> Gives disadvantaged students and their families pathways to college through partnerships of middle and high schools, colleges and universities and through state-administered programs.	\$200,000	\$325,000	\$225,000	-\$100,000	Would deny approximately 407,000 low-income middle and high school students early college preparation and awareness activities including mentoring, tutoring, academic and career counseling, exposure to college campuses, and financial aid information.
<u>TRIO Programs.</u> Provides education outreach and student support services designed to encourage disadvantaged individuals to enter and complete college.	\$645,000	\$725,000	\$736,500	+\$11,500	Would help approximately 12,000 more disadvantaged students prepare for and persist in postsecondary education. It would provide academic and career counseling, admissions and financial aid information, and tutoring services to middle and high school students; provide support services for and encourage postsecondary students to complete college and pursue graduate studies; and encourage adults to go back to school and pursue postsecondary education.
<u>College Completion Challenge Grants.</u> Funds scholarships and intensive summer programs for college students in their first and second years.	NEW	(\$35,000) NON-ADD	-0-	(-\$35,000) NON-ADD	Would deny help to postsecondary institutions to increase the persistence rate of an additional 17,500 disadvantaged students who are at-risk of dropping out by augmenting student aid awards, financing intensive summer programs, and strengthening student support services.
<u>Dual Degree Programs for Minority-Serving Institutions.</u> Helps students at minority-serving institutions earn dual degrees in five years. Typically, participants would spend 3 years as undergraduates at the minority-serving institution(s) and 2 years at a partner institution, such as a major research university.	NEW	\$40,000	-0-	-\$40,000	Would deny funding for a new program that would serve over 3,000 students. Funds would have helped participating institutions develop dual degree programs and provided scholarships to students when they attend the partner institution.
<u>Advanced Placement Incentives:</u> Provides grants to States to enable them to expand the pool of students to enroll in advanced placement (AP) courses, to cover part or all of the AP test fees of low-income students, and to prepare teachers to teach AP to interested students in the 9 th and 10 th grades.	\$15,000	\$20,000	\$20,000	--	Would fund an estimated 13 additional discretionary grants to States to support activities designed to increase the availability of advanced placement classes in high-poverty schools.
<u>Vocational Education State Grants.</u> Provides formula grants that States, local education agencies, and postsecondary institutions can use to improve vocational education programs and to ensure that individuals with special needs have full access to those programs.	\$1,055,650	\$855,650	\$1,071,000	+\$215,350	Would increase formula grants to States, local school systems, and postsecondary institutions to help redesign vocational education to develop students' academic and vocational skills, but denies funds for the administration's proposed increase for Tech-Prep.
<u>Tech Prep Education.</u> Provides grants to States, which provide subgrants to consortia of local educational agencies and postsecondary institutions, to develop links between secondary and postsecondary institutions, integrate academic and vocational education, and better prepare students to make the transition from high school to college and from college to careers.	\$106,000	\$306,000	\$106,000	-\$200,000	Would deny States additional funds to expand the number of Tech-Prep consortia to improve connections to 4-year postsecondary institutions and courses of study, make effective use of educational technology and distance learning, and integrate work-based learning opportunities into local Tech-Prep programs.

Selected Discretionary Education Programs	FY 2000 APPROPRIATION	FY2001 REQUEST	SENATE	DIFFERENCE FROM THE PRESIDENT'S REQUEST	IMPACT STATEMENTS
<u>Strengthening Tribally Controlled Institutions (HEA Title III).</u> Supports higher education institutions that serve Native Americans.	\$6,000	\$9,000	\$15,000	+\$6,000	Would support the Administration's strong commitment to ensuring access to high quality postsecondary education by providing funds for strengthening 16 more Tribally Controlled Institutions through academic program development and improved administrative management.
<u>Strengthening Historically Black Colleges and Universities (HBCUs) and Graduate Institutions (HBGIs) (HEA Title III)</u> Helps provide equal opportunity and strong academic programs.	\$179,750	\$209,000	\$209,000	--	Would support the Administration's strong commitment to ensuring access to high quality postsecondary education by increasing funds to each eligible HBCU and HBGIs for strengthening academic program development and improved administrative management.
<u>Developing Hispanic-Serving Institutions.</u> Helps strengthen colleges with large Hispanic populations.	\$42,250	\$62,500	\$62,500	--	Would support the Administration's strong commitment to improving postsecondary opportunities for Hispanic students by helping expand and enhance the academic offerings, program development, and institutional stability of institutions that award a large percentage of undergraduate degrees to Hispanics.
<u>Learning Anytime Anywhere Partnerships.</u> Supports access to quality postsecondary education for underserved populations through the use of technology.	\$23,269	\$30,000	\$30,000	--	Would provide funding for 86 partnership awards, including 45 new partnership awards that improve technology-based learning opportunities for individuals, such as the disabled, dislocated workers, those making the transition from welfare to work, and others who do not have easy access to traditional campus-based postsecondary education.
<u>MAKING COLLEGE MORE AFFORDABLE</u>					
<u>Pell Grants.</u> Provides grant assistance to low-income undergraduate students.	\$7,639,717 Max Grant \$3,300	\$8,356,000 Max Grant \$3,500	\$8,692,000 Max Grant \$3,650	+\$336,000 Max Grant +\$150	Would help over 3.9 million financially needy students attend college and increase the maximum grant award by \$350 from \$3,300 to \$3,650 as compared to FY2000. The Senate assumes the use of an additional \$130 million in surplus above the Department's current estimate; this would result in a funding shortfall.
<u>Supplemental Educational Opportunity Grants (SEOGs).</u> Provides grant assistance to low-income undergraduate students.	\$631,000 ¹	\$691,000	\$691,000	--	Would provide need-based grant aid to an estimated 1.2 million undergraduate students, especially enabling low-income undergraduates to pursue a baccalaureate degree.
<u>Work-Study.</u> Helps undergraduate and graduate students pay for college through part-time work assistance.	\$934,000	\$1,011,000	\$1,011,000	--	Would provide over \$1.2 billion in aid available, an increase of \$93 million over FY2000, to maintain the opportunity for a total of 1 million students to work their way through college.
<u>Leveraging Educational Assistance Partnership (LEAP).</u> Provides Federal matching funds for States to support need-based postsecondary student grant assistance.	\$40,000	\$40,000	\$70,000	+\$30,000	Would provide approximately \$180 million in available grant and work-study assistance to an estimated 240,000 needy postsecondary students.
<u>Javits Fellowships.</u> Provides merit-based fellowships to doctoral students in the arts, humanities, and social sciences.	\$20,000	\$10,000	\$11,000	+\$1,000	Would provide funding for 420 fellows for the 2002-2003 academic year, including 133 new fellows. The FY2000 appropriation provided \$10 million for Javits Fellowships for academic year 2000-2001 and \$10 million for academic year 2001-2002.

¹ Includes \$10 million for victims of Hurricane Floyd.

Selected Discretionary Education Programs	FY 2000 APPROPRIATION	FY2001 REQUEST	SENATE	DIFFERENCE FROM THE PRESIDENT'S REQUEST	IMPACT STATEMENTS
<u>Perkins Loan Cancellations</u> . Provides Federal funds to reimburse institutions for loan cancellations granted to borrowers in exchange for certain public services activities.	\$30,000	\$60,000	\$75,000	+\$15,000	Would support the Administration's efforts to keep pace with institutional reimbursement obligations for loan cancellations granted to eligible borrowers.
<u>Graduate Assistance in Areas of National Need</u> . Provides merit-based fellowships to financially needy graduate students studying in areas of national need.	\$31,000	\$31,000	\$33,000	+\$2,000	Would support 642 new fellows for a total of 1,278 fellows.
<u>Adult Education and Literacy State Grants</u> . Provides adult and family literacy, English as a second language, and other educational programs.	\$450,000	\$460,000	\$470,000	+\$10,000	Would help an additional 708,000 adults become literate, strengthen their basic skills, and obtain good jobs.
SENATE BLOCK GRANT					
<u>Innovative Education Program Strategies State Grant (Title VI)</u>	\$365,750	-0-	\$3,100,000	+\$3,100,000	Creates a block grant under Title VI by taking proposed class size reduction monies and proposed school construction monies and adding them to the existing Title VI program. Up to \$2.7 billion may be used for class size reduction and school construction activities, however, they are not guaranteed funding. The Senate's proposed block grant would be \$316 million less than the amount required to fully fund the President's requests for class size reduction (\$1.750 billion) and school construction (\$1.3 billion), and to maintain Title VI at its FY 2000 level.

The Senate and the House Have Not Adopted the President's Major Tax Cut Proposals

Major Education Tax Proposals	FY2001 REQUEST	HOUSE AND SENATE	
<u>School Modernization Bonds</u> . Provides new bonds with interest paid by Federal tax credits to help local communities go much further in renovating and building needed schools and address overcrowding.	\$2.4 billion over five years	--	Would deny nearly \$25 billion in additional subsidized bonds to build and modernize 6,000 public schools to accommodate record enrollments and overcrowding and repair crumbling school facilities. Federal tax credits would pay the interest on two types of bonds: School Modernization Bonds (new) and Qualified Zone Academy Bonds (current law).
<u>College Opportunity Tax Cut</u> . Would cover up to \$5,000 of education expenses in 2001 and 2002 and up to \$10,000 in 2003 and beyond to help make college more affordable for millions of American families.	\$30 billion over ten years	--	Would deny funding for this credit which would augment the existing Lifetime Learning Tax Credit, extending the credit percentage from 20 percent to 28 percent, giving families the choice of taking a credit or a deduction, and increasing the income phase-out ranges to make the benefit available to a wider range of families. The tax cut would phase out at incomes between \$50,000 and \$60,000 for individuals and between \$100,000 and \$120,000 for joint filers.

These proposals are under the jurisdiction of the Finance Committee.