Executive Summary

President Bush is helping to expand opportunities for American students and workers. His proposals will help more Americans graduate from high school prepared for college or the workforce, access post-secondary education, and get the job training and skills to compete in a changing and dynamic economy and fill jobs in emerging industries.

Students who fall behind in reading have a greater chance of dropping out of high school altogether. Nationally, of 100 ninth-graders, only 68 will graduate from high school on time, only 38 will directly enter college, only 26 are still enrolled their sophomore year, and only 18 will end up graduating from college. The rates for minority students are even lower. Only one-third of America’s workforce has any post-secondary education, yet 60% of new jobs in the 21st century require post-secondary education.

The President has set a new national goal: to ensure that every high school student graduates and is ready for the workplace or college.

High School Education: Through No Child Left Behind, President Bush has already made the commitment to make a real difference in America’s schools. While No Child Left Behind will prepare a new generation of students with the knowledge they need to succeed, more can be done to improve our Nation’s high schools to meet the needs of the 21st Century workforce. President Bush has proposed initiatives to ensure that every student graduates from high school prepared to enter college or the workforce with the skills needed to succeed, including:

- **Striving Readers:** The Striving Readers Initiative will provide competitive grants to schools to give extra help to middle and high school students who fall behind in reading. The President’s FY 2005 budget provides $100 million for the Striving Readers Initiative.
- **Mathematics and Science Partnership Program:** Increased funding for the Mathematics and Science Partnership Program authorized in No Child Left Behind will provide extra help to middle and high school students who fall behind in math. The President’s FY 2005 budget provides an additional $120 million for this Department of Education program.
- **Expanding AP for Low-Income Schools:** Expansion of Advanced Placement (AP) programs in low-income schools will open the path to college for more Americans. The President’s FY 2005 budget provides an increase of $28 million for the expansion of AP programs.
- **Math and Science Teachers:** Creation of a $40 million incentive program will draw more math, science, and other professionals from the private sector to teach part-time in our high schools. The President’s FY 2005 budget also includes $227 million in loan forgiveness for math, science, and special education teachers in low-income schools.
- **State Scholars:** Increased funding for the State Scholars program, which requires 4 years of English, 3 years of math and science, and 3½ years of social studies, will help make it available nationwide. State Scholars encourages high school students to take more rigorous courses to prepare them for college and the workplace.
- **Secondary and Technical Education:** The Perkins Vocational Education program will be redirected into the new Secondary and Technical Education program (Sec Tech), which requires that schools participating in the program offer 4 years of English, 3 years of math and science, and 3½ years of social studies as part of their vocational education curriculum, and will prepare students for careers and technical education fields.
- **High School Accountability:** States will be called upon to participate in the National Assessment of Educational Progress (NAEP) for 12th graders to ensure that students graduating from high school have the skills they need to succeed in post-secondary education or careers.
Higher Education: Many of the fastest-growing occupations require strong math and science preparation and training beyond the high school level. Unfortunately, not enough high school students are receiving the skills they need to succeed in higher education and for the best jobs. Building off the high school initiatives, President Bush’s higher education proposals will ensure college students are better prepared, provided greater access to college, and are more successful in completing a post-secondary education. His proposals include:

- **Enhanced Pell Grants and Help for Low-Income Students:** The President’s Fiscal Year 2005 budget proposes to increase funding for the Pell Grant program, which provides grants to low-income undergraduate students, by $4.1 billion, or 47%, since 2001. In addition, the number of Pell Grant recipients has risen by approximately one million since 2001, and the maximum Pell Grant has risen from $3,750 in 2001 to $4,050 in the President’s FY 2005 budget. Larger Pell Grants, up to an additional $1,000 per year for the first two years, will be made available for students who prepare for college with demanding courses in high school – the State Scholars curriculum. This will give low-income high school students the preparation they need to be successful in college.

- **Presidential Math and Science Scholars Fund:** The President proposes establishing a new public-private partnership to provide $100 million in grants to low-income students who study math or science beginning in 2006. Under this plan, approximately 20,000 low-income undergraduate students would receive up to $5,000 each to study math or science.

- **Loan Forgiveness for Teachers:** Since entering office, President Bush has also proposed to increase loan forgiveness from $5,000 to $17,500 for highly qualified math, science, and special education teachers who serve low-income communities.

- **Increased Student Financial Aid:** The President’s Fiscal Year 2005 budget would expand overall student financial aid available to $73.1 billion, an increase of $25.9 billion or 55% over the 2001 level. The number of recipients of grant, loan, and work-study assistance would grow by 426,000 to 10 million students and parents.

- **Making College More Affordable:** In addition, President Bush’s FY 2005 budget includes a package of student loan program proposals to make college more affordable for students and their families and to strengthen the financial stability of the student loan programs, such as reduced interest rates for student loans, increased student loan limits, and expanded repayment options.

- **National Service:** Coupled with an increase in the overall number of AmeriCorps members, more American youth than ever before will have the opportunity to pay for their education through public service.

Better Training for Better Jobs: President Bush has proposed community-based job training grants and significant reforms to Federal worker training programs to double the number of workers receiving job training, to ensure those programs work better for America’s workers, and to close the skills gap so we fill every high-growth job with a well-trained American worker, including:

- **Less Red Tape and More Help for Workers:** Under the President’s plan, the Federal government would provide $4 billion in job training funds to the Nation’s Governors with less Federal red tape and more flexibility;

- **Increased Flexibility and More Accountability:** Under the President’s plan, Governors would be given more flexibility to design their own workforce training programs but would be required to set clear goals and outcomes focused on the number of workers placed in jobs, the duration of job placement, and earnings on the job;

- **Innovation Training Accounts (ITAs):** Under the President’s plan, workers would have more choices about their job training by increasing the use of personal job training accounts, which would be called Innovation Training Accounts (ITAs), to pay for job training in high-growth job fields;
- **Jobs for the 21st Century Initiative:** The President seeks to strengthen the role of community colleges in worker training by proposing $250 million in new competitive community-based job training grants that would be used for training in community and technical colleges; and
- **More Job Training:** The President’s proposed reforms, including community-based job training grants and ITAs, would provide training to an additional 200,000 people for high-growth jobs through programs run by community colleges, unions, and businesses.
President Bush Supports America’s High Schools

The First Step: The No Child Left Behind Act of 2001

- To help the youngest Americans receive a quality education and learn the basic skills they need to succeed in the future, President Bush proposed and signed into law the No Child Left Behind Act of 2001. All skills begin with the basics of reading and math, which should be learned in the early grades in our schools. Yet for too long, for too many children, those skills were never mastered. With the bipartisan No Child Left Behind Act, we are making progress toward educational excellence for every child.

  - Requiring states to set clear standards for what every child should learn – and taking steps to help each child learn.
  - Holding schools accountable for student progress by annually testing in the fundamental subjects of reading and math.
  - Reporting results to parents and ensuring they have better information and, if needed, options when schools are not performing.
  - Providing more funding – for 2005, a 49% increase in Federal support for elementary and secondary education since 2001.

Helping Young Americans to Get the Skills They Need to Succeed

- These reforms are already beginning to show results in elementary reading and math scores, but President Bush also wants to ensure that all high school students will be better prepared to enter higher education or the workforce. Unfortunately, recent results from the National Assessment of Educational Progress (NAEP) demonstrate that, while achievement for our Nation’s fourth- and eighth-graders is on the rise, scores for twelfth-graders have declined in both reading and mathematics. In addition, today’s middle and high school students did not have the chance to benefit from the reforms of the No Child Left Behind Act in elementary school, and many of these students need additional help to graduate from high school and enter college or the workforce prepared to succeed.

  ✔ Students who fall behind in reading have a greater chance of dropping out of high school altogether. Nationally, of 100 ninth-graders, only 68 will graduate from high school on time, only 38 will directly enter college, only 26 are still enrolled in college their sophomore year, and only 18 will end up graduating from college. The rates for minority students are even lower. Of 100 African-American ninth-graders, only 49 will graduate from high school on time, only 27 will directly enter college, and only 9 will end up graduating from college.

  ✔ Only 24 states require at least three years of math to graduate from high school, and only 21 states require at least three years of science.

  ✔ According to the College Board, only 60% of high schools offer at least one Advanced Placement course.

  ✔ According to the American Diploma Project, 73% of employers rate high school graduates’ writing, grammar, and spelling skills as “fair” or “poor”; 63% rate their basic math skills as “fair” or “poor.” College professors give very similar ratings.
President Bush has proposed the following initiatives to ensure that every student graduates from high school prepared to enter college or the workforce with the skills needed to succeed.

- **Striving Readers**: The Administration is proposing a new $100 million Striving Readers Initiative that would make available competitive grants to develop, implement, and evaluate effective reading interventions for middle or high school students reading significantly below grade level. This program would complement the Reading First State Grants program, which provides comprehensive reading instruction for children in kindergarten through third grade that is grounded in scientifically based reading research. The proposal would provide funds to approximately 50 to 100 school districts for reading intervention programs to help middle and high school students catch up to their peers in reading.

- **Math**: The Administration is proposing a $120 million increase for the Mathematics and Science Partnership program authorized in the No Child Left Behind Act. The increase would support direct Federal competitive grants to partnerships between secondary schools and colleges to increase achievement in mathematics for secondary students. The new 3-year competitive grants would support projects that have significant potential to accelerate the mathematics achievement of all secondary students, but especially for low-achieving students. The initiative would focus on ensuring that States and school districts implement professional development projects for mathematics teachers that are strongly grounded in research and that help mathematics teachers to strengthen their skills.

- **Advanced Placement**: Advanced Placement (AP) programs not only encourage the growth of Advanced Placement and International Baccalaureate (IB) courses, but also serve as a mechanism for upgrading the entire high school curriculum for all students. The Administration is proposing a $28 million increase for the Advanced Placement program authorized in the No Child Left Behind Act bringing spending to nearly $52 million a year. The increase in funds will ensure that teachers in low-income schools are well-trained to teach pre-AP, AP, and IB courses.

- **Adjunct Teacher Corps**: Many school districts need opportunities and the personnel to strengthen instruction in middle and high schools in the core academic subjects, especially mathematics and science. The Adjunct Teacher Corps would help alleviate this critical situation by bringing professionals with subject-matter knowledge and experience into the classroom. The Administration is proposing a new $40 million initiative to provide competitive grants to partnerships of school districts and public or private institutions to create opportunities for professionals to teach middle and high school courses in the core academic subjects, particularly in mathematics and science.

- **State Scholars**: The Administration proposes $12 million in funding for the State Scholars program to make grants available nationwide. In August 2002, President Bush announced the State Scholars Initiative to encourage high school students to take more rigorous high school courses. Under the State Scholars Initiative, 12 States have already received assistance in developing and promoting strong courses of study, as well as providing special incentives for students enrolled in these programs. To encourage high school students to take a rigorous curriculum, the Administration proposes a new program of Enhanced Pell Grants to provide up to an additional $1,000 per year to students in the first two years of college who complete the rigorous State Scholars curriculum in high school, enroll in college full time, and are Pell grant recipients. The Administration has requested $33 million for 2005 to launch this program.
- **Strengthening and Modernizing Support for Vocational Education**: President Bush proposes to drastically improve the Perkins Vocational Education program, the major Federal program for vocational education, to better serve the needs of the 21st century learner. The President’s proposal redirects $1 billion in annual funding from the Perkins Vocational Education program into a new Secondary and Technical Education program (Sec Tech) and requires that schools participating in the program offer 4 years of English, 3 years of math and science, and 3½ years of social studies as part of their vocational education curriculum.

- **Assessing Whether High Schools Are Producing Educated Graduates**: To ensure that students graduating from high school have the skills they need to succeed in post-secondary education or careers, the President’s plan would require states to participate in the National Assessment of Educational Progress (NAEP) for 12th graders. Currently, states are required to participate in the NAEP in 4th and 8th grades in reading and math every two years. Extending this requirement to 12th grade will enable educators to assess whether high schools are meeting the needs of students and, if they are not, to strengthen curricula to ensure improvement.
President Bush Supports Higher Education

Helping College Students to Get the Skills They Need to Succeed

- President Bush believes that additional help can be provided to ensure that our Nation’s colleges and universities are graduating students with the skills and knowledge they need to compete in the 21st century. Research proves that students who are academically prepared when they enter college are more likely to succeed and complete a degree, yet too many students are behind when they enter college and do not complete their postsecondary education. In addition, future jobs require an even stronger base of knowledge in math and science, but fewer students are taking these courses.

- According to a recent study by the Manhattan Institute, 70% of all students in public high schools graduate, but only 32% of all students leave high school academically prepared to attend college. College readiness for minority students is even lower: 51% of all black students graduate, but only 20% leave high school college-ready; and 52% of all Hispanic students graduate, but only 16% leave high school college-ready.

- Sixty percent of the new jobs of the 21st century require postsecondary education held by one-third of America’s workforce.

- A recent report by the National Center for Education Statistics found that 42% of entering freshmen at public two-year colleges and 20% of entering freshmen at four-year public institutions enrolled in at least one remedial course in 2000. According to the Institute for Higher Education Policy, approximately $2 billion is spent annually by colleges and universities on remediation of students.

- Of beginning postsecondary students who entered college in 1995-96 who had the goal of obtaining a bachelor’s degree, only 58% had received a degree within six years.

- The bachelor’s degree completion rate within 6 years is 67% for white students, 46% for black students, and 47% for Hispanic students.

The President’s Solution

- Building off of the high school initiatives, President Bush’s higher education proposals will ensure that college students are better prepared, are provided greater access, and are more successful in completing a postsecondary education.

  - **Enhanced Pell Grants:** The Bush Administration proposes to establish a $33 million program to enhance Pell Grants to reward low-income students who participate in the State Scholars Program by taking a rigorous high school curriculum. This program would provide up to an additional $1,000 per year to students in the first two years of college who complete the rigorous State Scholars curriculum in high school, enroll in college full time, and are Pell Grant recipients. Next year, approximately 36,000 low-income graduating high school seniors would be eligible to receive an enhanced Pell Grant under this proposal.

  - **Presidential Math and Science Scholars Fund:** To ensure that America remains the world leader in the innovation economy – and to ensure that America’s graduates have the training they need to compete for the best jobs of the 21st century – President Bush wants to expand opportunities for math and science education in colleges and universities. The President proposes establishing a new public-private partnership to provide $100 million in grants, beginning in 2006, to low-income undergraduate students who study math or science. Under this plan, approximately 20,000 low-income students would receive up
to $5,000 each to study math or science. Students would have to be eligible for Pell Grants to receive this additional $5,000.

- The cost of this new initiative would be offset by an important reform to the Pell Grant program. Currently, there is no limit on the number of years an individual can receive a Pell Grant to help pay for an undergraduate degree. The Administration proposes an 8-year equivalent time limit for a 4-year equivalent degree and a 4-year equivalent time limit for a 2-year equivalent degree. This reform would encourage students to finish sooner and eliminate abuse of the program.

  - **Increased Pell Grant Funding:** If the President’s Fiscal Year 2005 budget is enacted, funding for the Pell Grant program, which provides grants to needy undergraduate students, will have increased $4.1 billion, or 47%, since 2001. In addition, the number of Pell Grant recipients has risen by approximately one million since 2001, and the maximum Pell Grant has risen from $3,750 in 2001 to $4,050 in the President’s FY 2005 budget.

  - **Loan Forgiveness for Teachers:** President Bush has also consistently proposed increased loan forgiveness, from $5,000 to $17,500, for highly qualified math, science, and special education teachers serving low-income communities.

  - **Increased Student Financial Aid:** The President’s Fiscal Year 2005 budget would expand overall student financial aid available to $73.1 billion, an increase of $4.4 billion or 6% over the 2004 level. The number of recipients of grant, loan, and work-study assistance would grow by 426,000 to 10 million students and parents.

  - **Other Student Financial Aid Reforms:** The Administration proposes to modernize the Federal student aid programs to help millions of students and families realize their dreams through higher education. To help students meet rising tuition costs, the Administration proposes to increase loan limits for first-year students, extend the favorable interest rate framework currently available to students, and ease and expand repayment options so millions of students can manage higher debts. In total, the President’s budget would provide $7.4 billion in additional benefits to students over the next 10 years. These costs are offset by proposals that help strengthen the financial stability of the student loan programs.

  - **National Service:** AmeriCorps is on track to support 75,000 members this year. Upon successful completion of the program, all full-time AmeriCorps members receive an Education Award of $4,725, which can be used to pay for college, graduate school, or to pay back school loans within a seven year time frame. Additionally, some colleges and universities are matching the Education Award as a way to attract AmeriCorps members to their schools.
President Bush Supports Better Training for Better Jobs

America’s Economy is Changing

- This is a time of historic economic change. We are living in an innovation economy – an economy where technology is transforming the way just about every job gets done – and some workers need new skills to succeed. Post-secondary education and training have become an essential requirement for a steadily increasing percentage of jobs. Two-thirds of America's economic growth in the 1990s resulted from the introduction of new technologies – and 60% of the new jobs of the 21st century require post-secondary education held by only one-third of America’s workforce. We need to close the skills gap in America. Not enough workers are being trained quickly enough to take advantage of many of the new jobs that are being created. The Federal Government provides state and local governments over $4 billion to train workers through the Workforce Investment Act (WIA). Yet, less than half of those who use the system, 206,000 adults, actually received training through these programs last year.

The President’s Solution

- President Bush has proposed community-based job training grants and significant reforms to Federal worker training programs to double the number of workers receiving job training, to ensure those programs work better for America’s workers, and to close the skills gap so we fill every high-growth job with a well-trained American worker. The President’s plan includes:

  o **Community-based Job Training Grants**: Because they are so adaptable and accessible, community colleges are increasingly critical providers of job training, both for degree-seekers and for workers seeking to retool, refine, and broaden their skills. Building on the successes of the President’s High-Growth Job Training Initiative, a strategic program that has provided $71 million to 38 partnerships nationwide between community colleges, public workforce agencies, and local high-growth industries, the President has proposed $250 million in 2005 to strengthen the role of community colleges in workforce development. These grants were proposed as part of the President’s Jobs for the 21st Century Initiative.

    ✓ These new competitive community-based job training grants would be used to train 100,000 additional workers at community and technical colleges for the industries that are creating the most new jobs.

  o **Workforce Investment Act Reform**: Currently, the Federal government spends almost $23 billion for more than 30 programs spread across 9 departments and agencies. The result is a confusing array of programs, some of which have remained fundamentally unchanged for decades, and administrative costs that prevent too many dollars from getting to the workers who need training the most. The Federal government sends more than $4 billion each year to states and localities for job training and other employment services through four major Workforce Investment Act (WIA) grant programs. Yet, less than half of those who use the system, 206,000 adults, actually received training through these programs last year.

    ✓ By providing this $4 billion to the Nation’s Governors with less Federal red tape and more flexibility and by putting strict limits on overhead to ensure tax dollars support training for workers who need it – we can reduce unnecessary costs by $300 million and train 100,000 additional workers.
President Bush seeks to improve the Workforce Investment Act (WIA) to make Federal job training work better for America’s workers. The President’s proposal would address the following challenges:

- **Less Red Tape and More Help for Workers:** Although many good people work in the job training system, the programs in place to train workers are overlapping and sometimes ineffective. Too often, red tape and administrative costs eat up job training money before it even gets to workers. For example, the Department of Labor found that several local areas had not trained a single participant. President Bush believes that every dollar spent on unnecessary bureaucracy is a dollar taken out of the pocket of a worker who needs job training. To reduce red tape, the President’s plan consolidates 4 major training and employment grant programs totaling $4 billion into a single grant to Governors, eliminating unnecessary overhead costs and making Federal support more effective and efficient in order to train more American workers as quickly as possible.

- **Increased Flexibility:** Job training programs are set up with so many rules that many workers, potential employers, and local community colleges do not participate. For example, 30 states have been granted temporary relief from these requirements so they do not lose their link with community colleges. However, there are limits to what we can do under the current Federal law. Under the President’s plan, Governors would be given more flexibility to design their own workforce training programs.

- **Better Performance Measures:** Currently, there is no clear standard or benchmark to measure the effectiveness of Federal job training programs. Federal grants to states for job training have 17 measurements of accountability. President Bush proposes to refocus these programs on the end results that matter most to America’s workers – Did you get a job? How long did you keep it? And how much are you being paid?

- **Increased Innovation Training Accounts (ITAs):** Many job training programs do not provide the skills that are most in demand by employers in the worker’s community. Instead, workers are cycled through the system without developing the skills they need for success over the long term. President Bush believes we should increase the use of individual training accounts, which he calls “Innovation Training Accounts,” to provide workers with more flexible and responsive training in sectors of the economy that are most likely to grow.