

22. EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES

**Table 22-1. FEDERAL RESOURCES IN SUPPORT OF EDUCATION,
TRAINING, EMPLOYMENT, AND SOCIAL SERVICES**

(In millions of dollars)

Function 500	1998 Actual	Estimate					
		1999	2000	2001	2002	2003	2004
Spending:							
Discretionary Budget Authority	46,700	46,595	52,138	54,152	54,160	54,108	54,025
Mandatory Outlays:							
Existing law	12,418	14,031	14,876	13,905	13,090	15,113	16,088
Proposed legislation		-9	-1,716	-101	-342	-636	-397
Credit Activity:							
Direct loan disbursements	12,145	16,118	16,015	N/A	N/A	N/A	N/A
Guaranteed loans	21,966	23,171	24,557	N/A	N/A	N/A	N/A
Tax Expenditures:							
Existing law	29,885	37,580	40,035	42,025	43,975	45,885	49,035
Proposed legislation		165	1,577	3,656	2,674	2,527	2,550

N/A = Not available

A wide variety of Federal programs assist States and localities in providing essential education, training, employment and social services. These programs educate young people; offer training and employment services to all Americans, especially the low-skilled and jobless; assist youth and adults to overcome financial barriers to postsecondary education and training; provide essential assistance to poor Americans; and work with employers and employees to maintain safe and stable workplaces.

The Government spends over \$65 billion a year on: grants to States and localities; grants, loans, and scholarships to individuals; direct Federal program administration; and subsidies leveraging nearly \$41 billion in loans to individuals. It also allocates about \$42 billion a year in tax incentives for individuals.

Education Department

Elementary and Secondary Education: Federal spending for elementary and secondary education targets important national

needs, such as equal opportunity and the use of challenging academic standards to improve student achievement. Most low-performing children in high priority schools receive extra educational assistance through Title I-Education for the Disadvantaged. Other programs provide related support for children with disabilities and limited English proficient children; support teacher and administrator training; help finance and encourage State, school, and system reforms; help reduce class size; and support research and technical assistance. The Administration's long-term goal is to help all children, especially low-income and minority children, make steady educational achievement gains over time.

The Federal focus began to change in 1994 from supporting individual programs to emphasizing school-wide and school system reforms, through the President's Goals 2000 Educate America Act and his Improving America's Schools Act, of which Title I is a part. These laws support State and local standards-based reform efforts and speed the expansion of the use of technology in education

to help raise learning gains. These new approaches freed States and schools from unnecessary Federal process restrictions, providing greater flexibility while requiring more accountability for results. Early results show that the new approaches are having a significant impact: for example, in the 1997–98 school year, all but one State had content standards in at least reading and math. About seven percent of schools based reading and math curricula on challenging academic standards, and 17 States had tests tied to challenging academic standards. Before Goals 2000, only a handful of States had challenging academic standards and tests in place. Minority students have made substantial gains in science, math, and reading since the 1970s, narrowing the gap between minority and Caucasian student achievement by about a third.

Title I: Citing Title I, as well as Head Start and child nutrition programs, a 1994 RAND study found that “the most plausible” way to explain big education gains of low-income and minority children in the past 30 years is “some combination of increased public investment in education and social programs and changed social policies aimed at equalizing educational opportunities.” The budget provides \$8.78 billion for Title I including \$8 billion for grants to local education agencies.

As described in Chapter 3, “Investing in Education and Training,” the 1994 reauthorization of Title I set in motion a series of new requirements on States for improving educational results for disadvantaged children, as a condition for receipt of Title I funds. Implementation has been uneven. For 2000, the Administration proposes a stronger emphasis on accountability for improved education results in Title I, financed with \$200 million for a new Accountability Fund and will reinforce this approach with its 1999 reauthorization proposal for the Elementary and Secondary Education Act. States and districts will identify their worst performing schools (establishing a baseline for measurement), and take specific actions to improve those schools, while providing immediate extra educational assistance to the children in those schools.

- In 2000, Title I grants to school districts will provide educational services to over 12 million students in high poverty communities, 500,000 more children than in 1999.

The National Assessment of Education Progress (NAEP) will continue to be one of the data bases that indicates whether Title I is helping students catch up with their more advantaged peers. NAEP measures progress toward achieving the goal that rising percentages of all students will meet or exceed basic, proficient, and advanced performance levels in national and State assessments of reading, math, and other core subjects, and the goal that students in high-poverty schools will show improvement gains comparable to those for all students.

Improving Accountability: The budget provides \$200 million to help accelerate States’ implementation of accountability provisions in the Title I program.

- In 2000, States will identify their lowest performing schools, begin intervening with effective strategies to improve student outcomes, and begin periodic reporting on their results.

21st Century Community Learning Centers/Ending Social Promotion: The budget proposes to triple this program to \$600 million, as part of a comprehensive approach to fix failing schools and help end social promotion the way successful schools do it—without harming the children. School districts will have a competitive advantage for these new funds if they combine before and after school and summer school programs with other resources that support State and school commitments to high educational standards, more qualified teachers, smaller classes that enhance learning, and accept accountability for increased student achievement.

- In 2000, 7,500 schools will receive 21st Century Community Learning Center grants. Most of these districts will have made commitments to use these funds as part of a comprehensive effort to improve learning in low performing schools. In future years, grantees will report their progress and receive continuation grants if they meet program terms.

America Reads: A student's most basic skill to master is reading. Although reading problems are particularly severe for disadvantaged students, students with reading difficulties represent a cross-section of American children. In 1994, only 30 percent of 4th graders scored at the proficient level in reading on NAEP, while only 59 percent scored at basic level. In 1998, the President launched the America Reads Challenge to provide extra help to meet the goal that every child will read well and independently by the end of the third grade, and obtained enactment of new legislation that will begin funding local programs on July 1, 1999. The budget provides \$286 million for America Reads.

- In 2000, America Reads will continue to help increase the percentages of fourth-graders who meet basic, proficient, and advanced levels in reading on the 4th grade NAEP (administered in 1998 and every two years thereafter).
- By 2002, 68 percent of fourth grade public school students will score at or above the basic level of proficiency on the NAEP.

Education Technology: The Administration's education technology programs serve to make modern computers and technologies accessible to all students; connect classrooms to one another and to the outside world; make high-quality educational software an integral part of the curriculum; and enable teachers to effectively integrate technology into their instruction. The budget provides \$801 million for education technology.

- The percentage of public schools with access to the Internet will increase to 95 percent by 2000, compared to 65 percent in 1996.
- In Fall 1996, 20 percent of public school teachers used advanced telecommunications for teaching. In 1994, 40 percent of the fourth graders and 17 percent of the eighth graders had teachers reporting use of computers to teach reading. In 1996, about 75 percent of fourth grade students and 46 percent of eighth grade students had teachers reporting use of computers for math instruction. In 2000, a higher percentage of teachers will inte-

grate high-quality technology-based instruction into their curriculum.

Special Education: Under the Individuals with Disabilities Education Act (IDEA), the Education Department works with States to ensure that children with disabilities benefit from the Act's requirement for a "free appropriate public education" and are part of all accountability systems. As of July 1, 1998, all States were required to have performance goals and strategies in place for children with disabilities aged three to 21, and will report their progress toward meeting those goals on a biennial basis. The budget provides \$5.45 billion for IDEA.

- In 2000, all States will include children with disabilities in State and district-wide regular assessments or provide alternate assessments to measure educational performance.

Bilingual Education: Federal funds help children and adults learn English while progressing in school, and help States train teachers to educate individuals who are limited English proficient. The budget provides \$415 million for Bilingual Education with special emphasis on expanding teacher training.

- In 1999, Federal funds supported the training of 4,000 teachers. In 2000, funds will support training of 6,000 teachers to specialize in teaching limited English-proficient children.

Class Size Reduction: The budget proposes \$4.1 billion, an increase of \$200 million over 1999, as the second installment of the President's plan to help schools recruit, hire, and train 100,000 new teachers by 2005 and reduce class size in the early grades.

- States will annually reduce the average class size in grades one through three so that by 2005, the average class size nationally in the targeted grades is 18 students per classroom. In 1993-94, the average number of students in a grade one to three classroom was 22.

Public School Choice: The budget includes several initiatives to expand the availability of choice in public schools, including funding for private sector and school partnerships to create "Worksite Schools" in the more inte-

grated setting of the workplace, and funding for inter-district Magnet Schools. The largest public school choice program is Charter Schools.

Charter schools introduce innovation and choice into public schools. In 1992, there was one charter school in operation, funded locally. In 1998, approximately 1,000 charter schools are operating around the nation, of which about 950 received Federal funding. The budget provides \$130 million for charter schools.

- In 2000, nearly 2,000 charter schools will be operating, continuing progress toward the President's goal of 3,000 charter schools by 2002.

Safe and Drug-Free Schools and Communities: Since 1993, this program has provided a total of \$3.7 billion to help 97 percent of all school districts implement anti-drug and anti-violence programs. The budget proposes \$591 million, including \$90 million in competitive grants for projects that use proven program designs in high-need areas; \$50 million for the newly established School Drug Prevention Coordinators program to ensure that half of all middle schools have a director of drug and violence prevention programs to monitor local programs and link school-based programs to community-based programs; and \$12 million for SERVE, a resource for responding to school violence incidents. In 1997, rates of alcohol use in schools were five percent for 8th graders and eight percent for 10th and 12th graders; 1997 rates of marijuana use in school were five percent, 11 percent and 10 percent for eighth, 10th and 12th graders respectively.

- By 2001, rates of annual alcohol use in schools will decline to four percent for eighth graders and seven percent for 10th and 12th graders; rates of annual marijuana use in school for the same time period will decline to three percent, 10 percent and nine percent for eighth, 10th, and 12th graders respectively.

Title VI Education Block Grant: This program provides general resources for education. It does not have clear, measurable goals and is not designed in law to produce specific results in terms of student achievement gains. Evaluations of the program show that school

districts generally use the funds for routine activities that do not necessarily improve teaching and learning. As a result, the budget eliminates funding for this program in order to support other programs, such as Title I, for which there are stronger indicators of results in terms of student achievement gains.

Postsecondary Education: The economic returns to a college education are dramatic. Males working full time who are over 25 years old and have at least a bachelor's degree earned 89 percent more in 1993 than comparable workers with just a high school degree. Moreover, the benefits of college extend beyond the college graduates themselves. The resulting higher socioeconomic status of parents with college degrees leads to greater educational achievement by their children.

Since the GI Bill was enacted following World War II, the Federal Government has played a growing role in helping Americans go to college. From 1964 to 1993, Federal postsecondary programs have helped nearly triple college enrollment, increasing by a third the share of high school graduates who attended college, and raise college enrollment rates for minority high school graduates by nearly two-thirds.

- In 2000, the Education Department will provide financial aid to an estimated nine million students.

Hope Scholarships and Lifetime Learning Tax Credits: These tax benefits for postsecondary education were proposed by President Clinton in 1996 and enacted in 1997. They have helped make college more affordable for many American families.

- In 2000, 5.5 million students will receive over \$4 billion in Hope tax credits, and 7.2 million students will receive almost \$3 billion in Lifetime Learning tax credits.

College Completion Challenge Grants: This initiative will award \$35 million in 2000 to colleges that submit high quality applications demonstrating how they will close the difference in the rates at which disadvantaged and other students complete college. Grants will be used to strengthen counseling, mentoring and related services, increase grant aid, or help finance summer programs. The gap between the persistence rates of low-income and

at-risk students receiving services under this program and of students who do not receive need-based aid will decrease at school receiving grants.

Pell Grants: When President Clinton took office in 1993, the Pell Grant maximum award was \$2,300—the same as it was when President Bush took office in 1989. Over the next five years, from 1994 to 1999, the maximum award increased 36 percent to \$3,125. Currently 76 percent of Pell Grant funds go to students below 150 percent of the poverty level. The budget provides \$7.5 billion for Pell Grants.

- An estimated 3.9 million needy students will receive Pell Grants in 2000, for which the budget proposes a maximum award of \$3,250, an increase of \$125 over 1999.

Work-Study: The Work-Study program helps needy undergraduate and graduate students finance postsecondary education through part-time employment. In 1996, the President set a goal of supporting one million work-study students each year by 2000. The budget includes \$934 million, an increase of \$64 million over 1999.

- In 2000, Work-Study will add 56,000 students and reach the President's goal of supporting one million students.

GEAR-UP: The budget proposes doubling funding for GEAR-UP, the early intervention program based on the President's High Hopes proposal, to \$240 million in 2000. GEAR-UP provides funds for States and local partnerships to help students in high-poverty schools prepare for and attend college.

- Program participants will successfully complete college preparatory curricula at higher rates than comparable non-participants.
- Program participants will enroll in postsecondary education programs at higher rates than comparable non-participants.

Initial data should be available in 2001.

Teacher Quality: A new teacher recruitment program will provide grants to partnerships of high-need school districts and institutions of higher education to provide scholarships to college students who commit to teach-

ing in high-poverty communities upon graduation. The President proposes \$115 million for teacher quality enhancement grants, including \$35 million for teacher recruitment in 2000.

- In districts with grantees, the percentage of individuals who teach in low-income communities who satisfy all State licensure requirements will increase each year. Baseline data will be collected in 2000.

Modernization of the Student Aid Delivery System: The Education Department manages the delivery of student aid benefits to nearly nine million students in approximately 6,200 postsecondary schools, and oversees the direct and guaranteed loan systems affecting 37 million individuals, 4,100 lenders, and 36 guarantee agencies. The Department has made modernization of student financial aid management one of its highest priorities. Through the Higher Education Amendments of 1998, the Administration and Congress authorized the Department to establish the Government's first ever Performance-Based Organization (PBO). This new organization will have unprecedented flexibility in procurement, operations and management of Federal student financial assistance programs. Major parts of the effort include improving customer service at lower cost through better contracting practices and using new information technology. For example, students can now apply for student financial aid electronically and access their direct student loan information over the Internet. The PBO is one of the Vice President's High Impact Agencies (see Section IV, "Improving Performance Through Better Management"). Among its goals are:

- By October 2000, increase the annual number of students applying for Federal aid electronically to three million, up from 1.9 million in 1997 and 2.3 million in 1998.
- By October 2000, enable students and families applying for Federal aid electronically to have their eligibility determined in four days, cutting in half the current processing time;
- By December 1999, make the Department's website the most comprehensive and efficient source of information on Federal student aid and program require-

ments, reducing hard copies of materials that now must be printed and mailed by at least a third;

- By July 2000, test a multi-year promissory note for student loans to streamline application procedures, minimize delays in receiving funds, and provide better consumer information for borrowers; and
- By December 1999, establish, with its partners in the financial aid community, mutually agreed upon industry-wide standards for data exchanges needed in administering student aid.

Student Loan Defaults: In recent years, the Education Department has made great progress in reducing defaults and increasing collections from defaulters. The national student loan cohort default rate used for institutional eligibility dropped for the sixth straight year to 9.6 percent for 1996, down from 10.4 percent for 1995 and from 22.4 percent in 1990. This dramatic reduction is due, in large part, to the Education Department's improved institutional oversight that has led to the removal of 1700 schools from all student aid programs and 300 additional schools from only the loan programs. In addition, the department has implemented rigorous recertification standards for institutions to participate in the student aid programs. As a result, it has rejected about a third of initial applications to participate in the student aid programs over the last three years—twice the rate in 1990.

- In 2000, the default rate will remain below 10 percent.

Student Aid Income Verification: In 1999, in accordance with the Higher Education Amendments of 1998, the Secretary of Education and the Secretary of Treasury will begin development of methods by which Education can reduce fraud and improve eligibility determinations through access to IRS data. In addition, the 2000 budget proposes a new debt collection initiative through use of the New Hire Data Base (in HHS) that will increase collections by approximately \$1 billion over five years.

Direct Loan Consolidations: By relying more on performance-based contracting, the Education Department is ensuring the availability of this option to borrowers in repay-

ment to consolidate multiple loans into single loans at lower interest rates and with greatly reduced paperwork. The Department is also improving the loan consolidation process by improving the accuracy of its data, strengthening managerial controls through better tracking and reporting, increasing the number and expertise of consolidation contractor staff, and speeding up the loan certification process. As a result of new procedures, the department now averages just under 60 days to complete a loan consolidation application.

- In 2000, the average time to complete a loan consolidation application will continue to be no more than 60 days.
- In 2000, surveys of borrowers will show that the majority of applicants for loan consolidation are highly satisfied with the timeliness and accuracy of the loan consolidation process. In 1998, 60 percent of applicants were highly satisfied.

Adult Education: Federal adult education programs assist adults to become literate and obtain the knowledge and skills necessary to attain employment and self-sufficiency, to be better parents, and to complete their secondary education. The new Adult Education and Family Literacy Act places a strong emphasis on performance and accountability, and States must now establish annual performance targets for the educational achievement of participating adults. States that meet or exceed their targets in adult education and other Federal workforce development programs are eligible to receive special incentive grants. The budget proposes \$575 million for adult education, an increase of \$190 million over 1999.

- By 2000, 40 percent of the adults in beginning level adult basic education, adult secondary education, and English as a second language (ESL) programs will achieve basic skill proficiency, earn a diploma or General Educational Development (GED) credential, or achieve basic English proficiency. In 1998, 28 percent of the adults in basic education, 38 percent of those in secondary education, and 27 percent of those in ESL programs achieved basic skill proficiency, earned a diploma or GED, or achieved basic English proficiency.

- By 2000, 300,000 participating adults will enroll in further academic education and/or vocational training compared with 175,000 in 1998. Also by 2000, 300,000 participating adults will get a job or retain or advance in their current job, compared with 268,000 in 1998.

Vocational Rehabilitation Services: The Vocational Rehabilitation program provides funds to States to help individuals with disabilities prepare for and obtain gainful employment. In 1997, the program helped to rehabilitate 211,520 individuals with disabilities. The program has not had consistent performance goals and measures of progress. The budget includes \$2.7 billion for Vocational Rehabilitation. Starting in 1999, as a result of the program's reauthorization in 1998, all States will develop challenging State-specific goals based on a comprehensive assessment of the vocational rehabilitation needs of individuals with disabilities in the State, describe the strategies it will use to address those needs, and report on progress made towards those goals. State agencies will begin reporting progress toward achieving those goals in 2000.

- In 2000, about 750,000 individuals will be served, approximately the same number as in 1999.

Labor Department

Elementary, secondary, and postsecondary investments enable Americans to acquire the skills to get good jobs in an increasingly competitive global economy. In addition, most workers acquire more skills on the job or through billions of dollars that employers spend each year to enhance worker skills and productivity. However, some workers also need special, targeted assistance. In addition to Pell Grants, student loans, and tax credits, the Federal Government spends nearly \$7 billion a year through Department of Labor (DOL) programs that finance job training and related services. Workers who want to learn about job openings can use the State Employment Service and One-Stop Career Center System and DOL's popular America's Job Bank (AJB) website, which lists over 900,000 job vacancies every day and has over six million job searches each month.

The Workforce Investment Act (WIA) of 1998: The WIA takes full effect on July 1, 2000 as the Job Training Partnership Act is repealed and all States will be implementing the requirements of the WIA. The WIA reflects the principles the President sought in his GI Bill for America's Workers proposal including: the streamlining of services; empowering individuals with the information and resources they need to choose the training that is right for them; providing universal access to a core set of employment services such as job search assistance; increasing accountability; ensuring a strong role for the private sector and the local boards who develop and over-see programs; facilitating State and local flexibility; and improving the quality of youth job training services.

DOL has launched several longitudinal evaluations of its job training programs over the past two decades, including major impact evaluations of the Job Corps and Dislocated Worker Assistance programs. Past studies have found mixed, but generally positive results.

While impact evaluations are the best measure of program effectiveness, DOL also sets annual performance goals for its major job training programs. Performance goals for 2000 will continue to emphasize placement in unsubsidized employment, employment retention, and earnings levels.

Reemployment Services: This budget includes funding for new initiatives to ensure that (1) every displaced worker would receive training he or she want and need; (2) every person who lost his or her job due to no fault of his or her own could get the re-employment services; and (3) every American would have access to One-Stop Career Centers.

WIA's Dislocated Worker Employment and Training Activities: This program will provide training and employment services to about 840,000 displaced workers in 2000. The budget proposes \$1.6 billion for dislocated workers, an increase of \$190 million over 1999.

- In 2000, about 74 percent of those who receive services will be working three months after leaving the program, earning an average hourly wage that represents

93 percent of the wage in their previous job.

Employment Service/One-Stop Career Centers: The Employment Service provides a free labor exchange for all workers and job seekers, and is growing more effective through implementation of One-Stop Career Centers. The budget proposes \$1.048 billion for these activities.

- In 2000, continue to expand the One-Stop Career Center System to include 60 percent of all local employment service and WIA offices, compared to 16 percent in 1997, and to increase the number of employers listing jobs with the American Job Bank (AJB) website by 19 percent over the 1998 level while expanding the basic One-Stop concept. The new concept for 2000 will include access through a toll-free number, access to AJB for the blind, mobile One-Stops, and on-line job information made available at Community-Based Organizations.

Work Incentive Assistance Grants: In order to enhance the prospects of employment for individuals with disabilities, the budget includes \$50 million for competitive grants to partnerships or consortia in each State to provide new services and information sources for people with disabilities who want to return to work. These partnerships would work with the One-Stop system to augment its capabilities to provide timely and accurate information that people with disabilities need to get jobs and to learn about the benefits available to them when they return to work. In addition, the partnerships would help improve local service delivery by coordinating the various State and local agencies and disability organizations which help ensure persons with disabilities are prepared to enter or reenter the workforce. Performance goals and measures will be developed with the grantees.

WIA's Adult Employment and Training Activities: This program currently helps about 380,000 low-income individuals get training, support services, and job placement assistance. The budget proposes \$955 million for adult programs.

- In 2000, about 64.8 percent of those who receive services will be working three months after leaving the program, with weekly earnings averaging \$361.

Right Track Partnership: The budget includes \$100 million for this new initiative designed to prevent youth from dropping out of school and encourage those who already have to return to school and complete their high school education.

- In 2000, the Right Track Partnership program will provide grants to serve 100,000 economically disadvantaged and Limited English Proficiency youth ages 14–21. From baseline data developed for each grantee, RTP will increase the rate at which these youth reenter, complete, and excel in high school through integrated Federal, State, local, public and private sector efforts.

Youth Opportunity Grants: The Youth Opportunity Grants initiative addresses the special problems of out-of-school youth, especially in inner-cities and other areas where unemployment rates are high. The budget provides \$250 million for this program.

- The Department will develop with each successful applicant a goal for a substantial increase in the rate of employment for youth in the program area, as well as improvement in the rate at which participants return to high school, go on to college, receive vocational training that leads to a good job, or go in to the military.

Job Corps: The Corps provides skill training, academic and social education, and support services in a structured, residential setting to approximately 70,000 very disadvantaged youth a year at 121 centers:

- In 2000, about 85 percent of graduates will get jobs or pursue further education. This compares with 75 percent in 1999. In addition, 70 percent of those students will still have a job or will be pursuing education 90 days after their initial placement date.

School-to-Work: All States are implementing school-to-work systems, using the five-year Federal venture capital grants to devise new collaborations between schools and the private sector. By June 1997, over 805,000 students

in 2,200 high schools throughout the nation, as well as 200,000 employers, participated in School-to-Work systems.

- In 2000, the final year of school-to-work funding, all States will have completed the portion of their Statewide systems financed with Federal funds. Two million youth will be actively engaged in school-to-work activities, 500,000 more than in 1999, and 40 percent of high schools will offer key school-to-work components, an increase of five percent over 1999.

Workplace Protections: DOL regulates compliance with various laws that give workers certain workplace protections—a minimum wage for virtually all workers, prevailing wages and equal employment opportunity for workers on government contracts, overtime pay, restrictions on child labor, and time off for family illness or childbirth. In these areas, the Federal Government is working to increase industry's compliance with labor protections through voluntary compliance initiatives (coupled with continued strong enforcement), outreach to new and small business, and targeted enforcement in specific industries, with specific measurable goals.

- In 2000, increase compliance by five percent (compared to baseline) among employers who were previously violators and the subject of repeat investigations in targeted health care, garment, and identified agricultural commodities.

International Child Labor: The budget proposes \$52 million in additional funding to continue the Administration's commitment to increasing opportunity to improving work conditions for children and raising international labor standards.

- Increase the implementation of core labor standards in five countries in 2000.

Welfare-to-Work: Moving people from welfare to work is a primary goal of Federal welfare policy. In addition to the \$16.5 billion per year provided through the Temporary Assistance for Needy Children Program, the President obtained \$3 billion to help achieve this goal through Welfare-to-Work (WtW) grants in fiscal years 1998 and 1999. These grants provide welfare recipients with the job placement services, transitional employment, and job re-

tention and support services they need to achieve economic self-sufficiency. The budget includes \$1 billion to extend WtW in 2000.

- In 2000, an estimated 56 percent of participants will be placed in unsubsidized employment.

Department of Health and Human Services

Head Start: Head Start gives low-income children a comprehensive approach to child development, stressing language and cognitive development, health, nutrition, and social competency. Head Start is administered by the Administration for Children and Families (ACF) in the Department of Health and Human Services. ACF is one of the Vice President's High Impact Agencies (see Section IV). The 2000 budget provides \$5.3 billion for Head Start, a \$607 million increase over the 1999 level.

- In 2000, Head Start will serve an additional 42,000 children, for a total of 877,000 children. The Head Start program goal established by the President is to serve one million children annually by 2002.
- Within the overall total of children served, in 2000 an additional 7,000 children under age three will participate in the Early Head Start component, for a total of nearly 45,000. The President established the goal of doubling the number of children below age three served in Head Start by 2002, within the goal of one million total children.

National evaluation studies of both the regular Head Start program and the Early Head Start component are under way to increase outcomes for Head Start families, including child growth and development. Preliminary results are expected in late 1999 for the regular Head Start program and in 2001 for the early Head Start component.

Foster Care and Adoption Assistance: The Administration for Children and Families (ACF), a high impact agency (see Section IV), administers a number of programs that focus on preventing maltreatment of children, protecting children from abuse and neglect, and finding permanent placements for children who cannot safely return to their homes. The

budget proposes a \$265 million initiative to support the transition from foster care to independent living in addition to the new Foster Care Medical benefits described in Chapter 3. As part of the comprehensive effort to develop performance measures for the child welfare system, ACF is developing specific performance goals for the Independent Living Program that will establish goals for increasing the proportion of children that have graduated from high school, or received a GED within one year of aging out of foster care.

- In 2000, the Foster Care, Adoption Assistance and Independent Living Programs will support over 600,000 youth monthly at an annual cost of \$5.5 billion.

Aging Services Programs: The Administration on Aging (AoA) administers information and assistance, home and community-based support services for older people and support programs that protect the rights of vulnerable, at-risk older people. In 2000, the budget proposes \$1 billion for AoA programs. The budget includes \$125 million for a new state grant program that will assist families who are caring for frail elderly relatives. The goal of this National Family Care Giver Support Program is to help sustain the efforts of family care givers by providing information, education and counseling, and respite services. AoA will develop performance measures for activities supported through the program's formula and competitive grants. The budget includes \$147 million, an increase of \$35 million, 30 percent, for the Home-Delivered Meals Program.

- In 2000, AoA will increase the number of meals served under the Home-Delivered Meals Program to 146 million, compared to 119 million meals in 1996.

National Service

The Corporation for National and Community Service supports programs providing service opportunities Nation-wide for Americans of all ages and backgrounds. Through Corporation-supported projects, over 1.5 million participants work to address the Nation's unmet, critical needs. The Corporation organizes its programs into three streams of service, with various annual performance goals.

AmeriCorps: In 1999, there were 53,000 participants in AmeriCorps.

- In 2000, AmeriCorps will engage 69,000 Americans of all ages and backgrounds in community service, and provide education awards in return for such service with a goal of 100,000 participants in AmeriCorps by 2002.
- In 2000, AmeriCorps participants will recruit and organize 53,000 community volunteers to serve in elementary school reading programs.

Learn and Serve America: This program provides opportunities for students to improve their academic learning while participating in service-learning projects in schools, universities, and communities.

- In 2000, 20,000 high school students who have provided outstanding community service will receive Presidential Service Scholarships—compared with 15,000 students in 1999.

National Senior Service Corps: The Corps, comprising over 500,000 people age 55 and older, encourages seniors to use their experience, skills and talents while serving as Foster Grandparents, Senior Companions, and the Retired and Senior Volunteers.

- In 2000, Foster Grandparents and Senior Companions will serve 160,000 special needs youth and frail elderly, while 9,375 retired senior volunteers and volunteer leaders will work in furtherance of the goals of America's Promise and the America Reads Challenge.

Cultural Agencies

The Smithsonian Institution and other Cultural Agencies: The Smithsonian Institution, the National Gallery of Art, the U.S. Holocaust Memorial Museum, and the John F. Kennedy Center for the Performing Arts all have advancement of knowledge and sharing that knowledge with the American public as part of their mission. In order to accomplish their missions, each institution must maintain its physical infrastructure and provide access to its unique assets.

- In 2000, each agency will provide new and updated exhibits and performances, in-

cluding the conservation of the Star Spangled Banner in a special laboratory at the Smithsonian's National Museum of American History; the National Gallery of Art's exhibit entitled "Art Nouveau: Sources and Cities, 1890–1914"; the implementation of a state-of-the-art memorial interpretation program at the John F. Kennedy (JFK) Center; and the "Flight and Rescue" exhibit at the U.S. Holocaust Memorial Museum.

- In 2000, each agency will protect its unique assets through implementing its comprehensive plans for repair and renovation, including continuation of capital renovation at the Smithsonian's National Museum of Natural History; analysis and preliminary design work to repair or replace the National Gallery of Art's mechanical, electrical, and plumbing systems; a building-wide sprinkler system and new fire alarm system at the JFK Center; and completion of the security bollards project at the U.S. Holocaust Memorial Museum.

The National Endowment for the Arts and the National Endowment for the Humanities: The budget proposes \$150 million, each, for the National Endowment for the Arts and the National Endowment for the Humanities to provide support for important cultural, educational and artistic programs for communities across America. The budget also proposes \$188.5 million for the Institute of Museum and Library Services (IMLS) to support museums and libraries. In 2000, the Endowments and IMLS will fund education and lifelong learning as well as projects designed to increase public access to performances, exhibitions, and our Nation's cultural treasures held by museums, libraries, archives, and historical organizations. Special attention will be afforded underserved areas and to the use of the arts and humanities to strengthen community and family life.

- In 2000, NEA, through its new Challenge America program, will award more than 1,200 grants through direct grants or in partnerships with the States, to communities across America to address Arts Education, Access to the Arts, Youth-at-Risk, Cultural Heritage and Preservation, and Community Arts Partnerships.

- In 2000, NEH will help improve the quality of humanities education offered to hundreds of thousands of American school children and college students; provide opportunities for citizens from all walks of life to engage in a lifetime of learning about the Nation's history and culture; preserve and democratize access to millions of brittle books and other important cultural and intellectual resources; and dramatically expand access to humanities programming for millions of citizens in rural areas, communities, and cities across America.
- In 2000, IMLS will promote access to learning and information resources held by museums and libraries through electronic linkages, helping all 55 State library agencies expand materials available electronically and increase Internet access. IMLS will help museums develop and support regional electronic networks, providing technical support to thousands of museums in putting collection information online, and supporting after-school programs located in museums.

Tax Incentives

The Federal Government helps individuals, families, and employers (on behalf of their employees) plan for and buy education and training through numerous tax benefits, which will cost an estimated \$42 billion in 2000. Along with the Hope Scholarship and Lifetime Learning tax credits for college costs, the tax code provides other ways to pay for education and training. State and local governments, for instance, can issue tax-exempt debt to finance student loans or to build the facilities of non-profit educational institutions. Interest from certain U.S. Savings Bonds is tax-free if the bonds go solely to pay for education. Many employers provide education benefits that do not count as income. Starting in 1998, many taxpayers can deduct the interest on student loans. Finally, the tax code gives employers a Work Opportunity Tax Credit and a Welfare-to-Work Tax Credit, letting them claim a tax credit for part of the wages they pay to certain hard-to-employ people who work for them for a minimum period.

New tax provisions for education in the President's budget include proposals to modify the current exclusion for employer-provided educational assistance by extending it for another year and including graduate as well as undergraduate courses; to eliminate the 60-month limit on the student loan interest deduction to provide longer-term relief to low-and middle-income taxpayers with large

educational debt; to eliminate the tax owed when certain student loans are forgiven after 25 years of repayment; and to provide a tax credit for employer-provided workplace literacy and basic education programs. In addition, the budget proposes exclusion from income for repayment or cancellation of a student loan under the AmeriCorps Education Award Program.