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June 22, 1992

PRESIDENT BUSH'S GI BILL FOR CHILDREN

"Forty-eight years ago, the original GI Bill opened educational doors for our war vets by giving them dollars to spend at any school they choose -- public, private or religious. And now its time that we give families the same consumer power for choice in precollege schools."

-- President George Bush
June 23, 1992

Summary: Helping Parents Choose Schools and Hold Them Accountable for Results

- o President Bush has conceived a new way to give parents the power to send their children to the school of their choice. His "G.I. Bill for Children" will put \$1,000 directly into parents' hands, in the form of a scholarship, to cover the costs of public, private, or religious schools.
- o The President's initiative will create new opportunities for parents to hold schools accountable for results. Because parents will now have a choice where to send their children to school and the means to pay for it, schools will have to compete for the best students and provide the best education.
- o President Bush has set the agenda to revitalize America's schools, first getting the Nation's Governors to agree to six National Education Goals, then designing a strategy -- America 2000 -- to achieve the Goals. America 2000 is giving parents and teachers the tools to get the job done. Now the President's "G.I. Bill for Children" will make choice real for millions of parents by removing as a barrier to private or religious school education the cost of that education.
- o President Bush has challenged local communities, parents, and teachers to strive for excellence by putting America 2000 ideas to work in their schools and communities. A significant step in this process is to give parents the consumer power to create the best system of schools in the world for our children by putting federal dollars directly into parents hands to spend at the school of their choice.

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President Bush's GI Bill: Opening New Opportunities for Children

- o Forty-eight years ago President Roosevelt signed the original GI Bill for Veterans. Through this historic legislation, the federal government gave veterans scholarships to use at any college of their choice. The resulting consumer power and competition for students created the best system of higher education in the world.
- o Just as the World War II GI Bill made colleges compete for the best students and improve their quality of instruction, so too, the President's "GI Bill for Children" will force elementary and secondary schools compete to excel. The same invigorating competition that makes American businesses and universities first in the world will revitalize American schools.
- o The President's "GI Bill for Children" will give the children of working Americans new opportunities to attend good schools, just as the GI Bill after World War II gave veterans a chance to attend the college of their choice -- public, private, or religious.

Putting Money Directly into Parents' Hands

- o The President's \$1,000 scholarships will go directly to parents -- not to schools or state education bureaucracies.
 - The \$1,000 scholarships will go to parents to help pay the educational expenses (tuition, fees, etc.) of the school the parents choose for their child.
 - Up to \$500 of the \$1,000 scholarship can be spent for additional instruction from other academic programs, such as an after-school program at another school or a program on Saturdays or during the summer.
- o The President has authorized \$500 million in new federal dollars in fiscal year 1993 to help states and communities award \$1,000 scholarships. While no school will lose funds as a result of the President's proposal, those public schools that participate will keep at least \$500 for each child they enroll, providing new incentives and funds to public schools to invest in better supplies and equipment.
- o The \$500 million in this program is enough money to fund scholarships for all middle- and low-income children in 50 cities the size of Trenton, New Jersey -- or 25 cities the size of Little Rock, Arkansas.

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What the "GI Bill for Children" Provides

The "Federal Grants for State and Local 'GI Bills' for Children" includes the following basic elements:

- o Authorized Program -- The Department of Education would make competitive four-year grants to states and localities for scholarships to children from middle- and low-income families. Scholarships would be in the amount of \$1,000, plus any additional support available from non-Federal sources. Families would use these scholarships to send their children to any lawfully operating school -- public, private, or religious. The could also use up to \$500 of the Federal assistance to obtain supplementary academic services for their children.
- o Eligibility -- Once Congress enacts President Bush's proposal for this competitive four-year grant program, any state or locality can apply for enough federal funds to give each child of a middle-or low-income family a \$1,000 annual scholarship. The governmental unit would have to : 1) take significant steps to provide a choice of schools to families with school children in the area; 2) permit families to spend the \$1,000 federal scholarships at a wide variety of public and private schools; 3) allow all lawfully operating schools in the area -- public, private, and religious -- to participate if they choose.
- o Project Selection -- The Secretary of Education would select grantees on the basis of : 1) the number and variety of choices made available to families; 2) the extent to which the applicant has provided educational choices to all children, including children who are not eligible for scholarships; 3) the proportion of children who will participate who are from low-income families; and 4) the applicant's financial support (including private support) for the project.
- o Eligible Students -- The maximum family income for eligible children would be determined by the grantee, but it could not exceed the higher of state or national median income, adjusted for family size. (For example, in 1989 the national median family income for a family of four was roughly \$40,000.)
- o Student Selection -- All eligible children in the project area would receive scholarships, so long as sufficient funds are available. If all eligible children cannot participate, the grantee would provide scholarships to those with the lowest family incomes. Students would continue to receive scholarships over the four-year life of a project unless they leave school, move out of the area, or no longer meet the income criteria.

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- o Anti-discrimination provisions -- This bill provides aid to families, not institutions. However, as a condition of participating in this program, a school must comply with the federal anti-discrimination provisions of: Section 601 of the Title VI of the Civil Rights Act of 1964 (race), Section 901 of Title IX of the Education Amendments of 1972 (gender), and Section 504 of the Rehabilitation Act of 1973 (disability).
- o Supplementary academic services -- Up to \$500 of the scholarships may be used for other academic programs for children before and after school, on Saturdays, or in the summer.
- o Amount of Grant -- The Secretary would determine the amount of each grant on the basis of the availability of funds, the number and quality of applications, and other appropriate information.
- o National Evaluation -- The Department of Education would conduct a comprehensive evaluation of these demonstration projects. The evaluation would assess the impact of the program in such areas as educational outcomes and parents' involvement in and satisfaction with their children's education.

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