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Pell Grants for Kids Q&A

What is it? An annual \$500 federal scholarship that would follow every middle- and low-income child in America to the school or other approved academic program of his or her parents' choice.

Who is eligible? About 30 million or 60 percent of school age children - all those who attend kindergarten through the twelfth grade and who come from families whose income is below the state median family income. As an example, the national median family income for a family of four is \$63,278.

Why call it Pell Grant? Because its model is the Pell Grant for college students, the federal scholarship program that has helped make American colleges the best in the world. This year \$13 billion in Pell grants and work study and \$42 billion in federal student loans follow about 60 percent of American college students to the institutions of their choice.

Why do it? (1) To use the same idea that helped create the best colleges - letting money follow students to institutions of their choice - to help create the best schools; (2) To reduce inequality in educational opportunity by giving middle- and low- income children more of the same opportunities that wealthier families already have; (3) to provide more federal funds with fewer federal strings and more local control that may be used to implement the requirements of No Child Left Behind.

Why focus on middle- and local-income? Between 1996 and 2000, poor students fell further behind their wealthier peers in seven out of nine key indicators - including reading, math and science. This especially affects minority children. By the 12th grade, only one in six black students and one in five Hispanic students are reading at their grade level.

How does it work? By June 1 of each year, parents would sign up to spend their child's \$500 with a lawfully operating public, charter, or accredited private elementary and secondary school or other approved academic program of their choice. On August 1, the U.S. Department of Education would transfer funds to the schools or academic programs for use during the coming school year.

How would families apply? By using the one page form now used to apply for reduced and free lunches at school. Those already eligible for free lunches would be automatically eligible for Pell Grants for Kids, reducing paperwork.

How is it funded? With all new federal money. No program would be cut. Congress would substantially increase the amount of money it now spends for Title I (\$12.3 billion this year), and use that new funding to create Pell Grants for Kids.

What happens to the \$12.3 Billion now being appropriated for Title I? It continues to be appropriated and spent the way it is now.

Is this a new entitlement program? No. Congress would appropriate each year what it could afford.

How would this affect programs for children with disabilities? Not at all. Congress would continue to provide increases for programs for children with disabilities.

So, what would Pell Grants for Kids cost in the first year? In the first year, Congress would appropriate \$2.5 billion new dollars for Pell Grants for Kids, enough to provide every kindergartener and first grader with a \$500 scholarship. Title I would continue at \$12.3 billion. Other education programs would increase as Congress deems appropriate.

How long will it take to fully fund Grants in all grades? In his first four years, President George W. Bush asked for \$4 billion new dollars for Title I, which would have been enough to create Pell Grants for kindergarten through the third grade. Since President George H.W. Bush left office in 1992, Congress has appropriated \$10 billion new dollars for K-12 (excluding funding for children with disabilities), enough to provide scholarships for kindergarten through eighth grade.

What is the cost of full funding? It would cost \$15 billion per year to provide scholarships to the every one of the 30 million middle and low income K-12 students in America today.

What is an approved academic program? Programs which states have approved for supplementary education services under No Child Left Behind.

Are home-schoolers eligible? Yes, as long as the money is spent for approved academic services.

Is \$500 enough to create real choices? 500 parents at a middle school each armed with \$500 should be able to command the schools attention. With that \$250,000 the school could provide new English teachers, after school programs, advanced math programs or fix the roof. Or the parent may use the money at another approved academic program for English or music lessons or after school care. At Puente Learning Center in South Los Angeles, Sister Jennie Lechtenberg teaches students of all ages English and clerical skills at an average cost of \$500 per year.

Isn't this a voucher? Yes. But the GI Bill for Veterans, Pell grants and student loans for college students are all vouchers. So are the \$8 billion in day care certificates that Congress provides to millions of mothers this year, all of whom may choose their child care facilities. These vouchers are enormously successful. There is every reason to believe the Pell Grants for Kids would be too.

Why not just give the new Title I money directly to schools? We've tried that, but our schools are not as good as they need to be. Now we want to transform the way we spend federal dollars for schools, by spending more in the same way we spend it for colleges - by giving consumers choices.

Won't this hurt public schools? Pell grants for colleges helped make our system of higher education the best in the world; Pell grants for kids should do the same for schools by providing new money for programs and involving parents more. Eighty percent of Pell grants for college students are spent at public institutions. Most Pell Grants for Kids monies are likely to be spent at public schools.

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