



December 19, 2008



# COALITION ON HUMAN NEEDS

## ***Towards a Shared Recovery: Boosting the Economy by Supporting Quality Education***

### ***The Need: Investing in Education to Create Jobs Today and Prepare Tomorrow's Workforce***

Many American families have been hit hard by the recession. Quality education and job training will be crucial to their ability to find new and better jobs. But for years, Congress has severely under-funded job training, basic education, and financial aid for adult education. Nearly half the U.S. workforce has a high school education at best. Some 25 million workers lack even a high school diploma or GED, while another 52 million adults have no postsecondary education. Congress has also cut funding for Head Start cut by 13 percent between FY2002 and FY2008 and allowed child care funding to fall far behind the rising costs of child care. These are programs that help parents work and prepare children to be productive adults. According to a recent survey by the National Head Start Association, 62 percent of Head Start programs have reduced operations, including fewer hours or days of service. To make matters worse, to balance their budgets at least 18 states have cut funding for K-12 education and at least 24 have cut funding for higher education. For our economy to recover we need a skilled workforce. We call on Congress to reverse years of neglect and make major contributions to these programs.

### ***Our Proposal: Investments in Education Will Generate New Jobs Now and In the Future***

***Head Start:*** Head Start and Early Head Start need an increase of \$4.3 billion. An increase of \$3 billion in operating costs would allow the program to serve more than 160,000 more children and pregnant women. Funds would also be invested in teacher quality by helping teachers to meet the new baccalaureate degree requirement, and building an appropriate teacher compensation schedule. The funding could also be used to provide transportation to homeless children and those living in rural areas that need these vital services.

***Child Care:*** Funding for CCDBG should increase by \$3 billion annually to allow states to provide child care assistance for more than 164,000 children in low-income working families who have been hit by the financial crisis, which will also create new child care jobs.

***School Repairs and Jobs:*** The Economic Policy Institute (EPI) has pointed to more than \$100 billion in needed repairs to U.S. public schools – well-defined projects that can be quickly implemented. EPI estimates that \$20 billion in such infrastructure repairs would create 280,000 jobs, while giving children schools where they can focus and learn. School repair, maintenance and retrofitting projects should be funded at \$10 billion, and another \$750 million in grants and loans should be provided through the Energy Independence and Security Act of 2007, which has yet to receive funding.

***Higher Education:*** Increasing worker skills is essential for America's competitiveness and new jobs in higher education will boost the economy. Congress should increase funding in the following areas:

- College and work study programs should receive an additional \$250 million to help low-income college students pay for education.
- Education and training for the unemployed should be increased by \$2 billion, including \$1.25 billion for Workforce Investment Act adult, youth and dislocated worker programs.
- Pell Grants should be increased by \$500, to a maximum grant of \$5,231 a year, for a one-year cost of \$5.4 billion.