COMMITTEE FOR EDUCATION FUNDING

July 19, 2011

Dear Senator:

The Committee for Education Funding (CEF), a coalition of more than 85 education associations and institutions from preschool to postgraduate education, is writing to express our strong opposition to S.J. Res.10 and S.J. Res. 23, proposed constitutional amendments requiring a balanced federal budget. CEF opposes all balanced budget constitutional amendments.

Both of these amendments would require draconian cuts in funding for education and other domestic programs thereby undermining economic growth, job development and global competitiveness.

They could result in a balanced federal budget as early as Fiscal Year (FY) 2018 and limit overall federal outlays to no more than 18 percent of Gross Domestic Product (GDP). The last time overall federal spending was 18 percent of GDP was FY 1966, before funding of the Elementary and Secondary Education Act of 1965, the Higher Education Act of 1965 and the Individuals with Disabilities Education Act (originally enacted in 1975). In reality, since the amendments base the outlay cap on the previous year’s GDP, the actual cap would be below 17 percent of actual GDP, a level not seen since 1956.

Even the House-passed Budget Resolution does not achieve a balanced budget until sometime after FY 2030 nor limit overall federal spending to 18 percent of GDP until after FY 2040.

Thus, S.J. Res. 10 and S.J. Res. 23 would require far deeper and more harmful cuts to education and other programs than the House-passed Budget, which would reduce funding for education and related programs by more than 25 percent or $250 billion over ten years. The House-passed Budget Resolution also slashes Pell grants for college students by cutting the maximum Pell grant award by $2,510 (-45 percent), adversely affecting over nine million low- and middle-income students.

The most likely outcome would be similar to that proposed in the Republican Study Committee (RSC) budget which would achieve balance in FY 2020 and slashes nondefense discretionary outlays by 70 percent compared to the CBO baseline for FY 2020.

1640 Rhode Island Ave. NW, Ste. 600, Washington, DC 20036
Phone (202) 383-0083 Fax (202) 463-4803
www.cef.org; www.twitter.com/edfunding

Cuts of this magnitude to early childhood, elementary and secondary, career and technical, adult, and higher education programs would completely reverse progress on improving student achievement, closing achievement gaps and increasing high school graduation, postsecondary education attendance and college completion rates. They will also jeopardize America's global competitiveness and economic future.

Failure to raise the debt ceiling will have immediate and catastrophic consequences for schools, students and colleges. Just in the month of August 2011, over $22 billion of pending Education Department payments for Pell grants, student loans, Title I , IDEA and other programs would be eliminated, jeopardizing college access and the start of the 2011-12 school year for tens of millions of students.

Students, schools and colleges are struggling with significant state and local budget cuts which are causing large numbers of educator layoffs and major cuts and eliminations in a range of critical education programs. In the past two years, local governments have eliminated 207,000 educator jobs. A recent report from the Center on Education Policy found that "the already grim situation for school funding is expected to worsen in the coming school year with a large majority of all school districts, about 70 percent, experiencing funding cuts in school year 2010-11 and an even greater proportion of districts, about 84 percent, anticipating funding cuts in the upcoming school year."

These cuts are compounded by the loss of ARRA education funds and the $1.25 billion in education cuts enacted in the final FY 11 Continuing Resolution. At the same time enrollments are increasing and schools and colleges are serving more students with special needs.

One of the proven ways to create jobs and improve our economy and global competitiveness is through investments in education. In May 2011 individuals with less than a high school diploma had an unemployment rate more than three times that of those with a bachelor's degree or higher (14.6% v. 4.5%).

The report of the National Commission on Fiscal Responsibility and Reform stated, "…we must invest in education, infrastructure, and high-value research and development to help our economy grow, keep us globally competitive, and make it easier for businesses to create jobs."

Results from 13 different public opinion polls since January make clear that the American public overwhelmingly opposes cutting federal spending for education programs for both K-12 and higher education.

For the sake of our students, schools and colleges, as well as America's future, we strongly urge you to vote against these harmful balanced budget constitutional amendments.

Sincerely,

Abigail C. Evans | Joel Packer

Abigail Evans
President

Joel Packer
Executive Director