



Monday, March 11, 2019

I. President's FY 2020 education budget

- **Administration's budget materials are posted online –**
 - **The Office of Management and Budget (OMB)** has posted the narrative part of the President's fiscal year (FY) 2020 budget [online here](#). It contains the budget message, highlights for each agency ([the Department of Education \(ED\) chapter starts on page 29](#)), and summary tables that show proposals for changes in mandatory spending and revenue, but not detail on discretionary programmatic funding levels (ED is on page 115).
 - **ED budget material** is online [here](#). It includes a book with a short summary of programs that the budget funds, a separate section describing the 29 programs the budget eliminates, and at the end links to excel tables that list funding for each program. Unfortunately, the links do not include the usual PDF table listing all the programs; instead, the first excel table has a separate tab for each account. The more detailed congressional justifications will not be released until next Monday, March 18.
- **Notes about CEF's funding table (attached)** – CEF's attached funding table shows programs that are cut in red, those increased in blue, and programs that are held at the 2019 level in black. The press about the President's budget includes differing reports of the size of the education cut, and that's because some reflect the rescission of previously appropriated Pell Grant funds in both 2019 and 2020 and some do not, and because ED is now no longer counting as discretionary funding the \$350 million that was appropriated for 2018 and for 2019 to support the Public Service Loan Forgiveness (PSLF) program. The President's 2020 budgets now counts that appropriations as mandatory funding, which then lowers the FY 2019 discretionary ED total by \$350 million, and thus makes the cut to FY 2020 appear to be \$350 million less.
- **How big is the ED cut?** – As it always has, the CEF table reflects all Pell Grant rescissions in the years they are enacted, as they have the effect of lowering resources available. If you don't count the rescission, you understate the effect of the President's budget (an example: if you got 20 of something last year, and then you got 15 this year but I also took back 2 from last year, the effect is cutting your available resources by 7, not just 5). I am also still showing the \$350 million for PSLF as discretionary. Using these consistent concepts, the President's budget cuts ED resources by \$8.8 billion (12.5 percent). The OMB budget volume lists an \$8.5 billion cut because it is not counting the \$350 million of PSFL funding in 2019.

II. Main take-aways about the ED budget

- **Big cuts for teachers, reading programs, and student aid** – The budget has cuts in almost every area, but many are concentrated on programs that help teachers and school leaders, improve literacy, and provide support to students and institutions to make college more affordable. There are many ways to categorize programs, but the table below shows the cut of \$2.2 billion (92%) to key programs that help train and hire teachers and school leaders.

	2015	2016	2017	2018	2019	2020 President's Request	2020 +/- 2019	% change vs 2019
Teacher and school leader programs								
Title II - Supporting effective instruction state grants	2.350	2.256	2.056	2.056	2.056	0.000	-2.056	-100.0%
Teacher and school leader incentive grants (previously TIF)	0.230	0.230	0.200	0.200	0.200	0.200	0.000	0.0%
Supporting effective educator development (SEED)		0.094	0.065	0.075	0.075	0.000	-0.075	-100.0%
School leader recruitment and support	0.016	0.016	0.015	0.000				
Teacher quality partnerships	0.041	0.043	0.043	0.043	0.043	0.000	-0.043	-100.0%
International education and foreign language studies	0.072	0.072	0.072	0.072	0.072	0.000	-0.072	-100.0%
	2.709	2.711	2.451	2.446	2.446	0.200	-2.246	-91.8%

Programs that focus primarily on teaching literacy are also dramatically cut:

	2015	2016	2017	2018	2019	2020 President's request	2020 +/- 2019	% change vs 2019
Reading programs								
Comprehensive literacy development grants (previously striving readers)	0.160	0.190	0.190	0.190	0.190	0.000	-0.190	-100.0%
Innovative approaches to literacy (in FIE in 2015)	0.025	0.027	0.027	0.027	0.027	0.000	-0.027	-100.0%
Adult education	0.583	0.596	0.596	0.631	0.656	0.560	-0.096	-14.7%
	0.768	0.813	0.813	0.848	0.873	0.560	-0.313	-35.9%

Student aid, including student loan programs, are slashed. The budget:

- **Cuts \$207 billion over ten years from student loan programs** – These are mandatory spending proposals, not part of the annual discretionary ED budget described above. The budget includes proposals that:
 - **Cut \$129 billion over ten years from income-driven repayment programs** – The budget consolidates current programs into one new one that caps a borrower's monthly payment at 12.5 percent of discretionary income and for undergraduates, forgives the remaining balance after 15 years of repayment (graduate student debt is forgiven if any remains after 30 years of repayment).
 - **Eliminate Public Service Loan Forgiveness** – Eliminating this repayment forgiveness program saves the government \$53 billion over ten years – costs that are shifted to the borrowers.
 - **Eliminate subsidized loans** – Eliminating this program saves the government \$24 billion over ten years.
- **Cuts discretionary student aid deeply in 2020** – The budget cuts discretionary student aid programs in addition to the student loan cuts described above. The major cuts are listed below in Part III.

- **New support for K-12 school choice, including private schools** – Secretary DeVos and other ED officials highlight that the budget’s new tax credit of \$50 billion over ten years to support private or public school choice is not paid for by cutting funding for public schools, but that’s a technical distinction that is meaningless. The tax credit is a Treasury Department revenue issue, while ED provides mandatory and discretionary funding, but all impact the federal government’s bottom line. ED’s funding is cut in 2020 by more than the \$5 billion annual size of the new tax credit. The proposal is for a new federal tax credit for individual or corporate donations to state-authorized scholarship-granting organizations to be used for private school tuition, afterschool tutoring, extra courses, and certain public school expenses. In addition, the budget provides \$50 million in discretionary funding for a new competitive grant program for Local Educational Agencies to consolidate federal, state, and local funds to follow students who change schools. It also provides a \$60 million increase for charter schools.
- **President’s education budget is unlikely to be enacted** – Many of the major cuts in the budget are ones that Congress refused to make last year, and the year before. The Democratic appropriations leaders in the House have already said they would not support the deep cuts in the President’s budget, and are actively working to raise the sequester-level cap on non-defense discretionary (NDD) funding to allow for increased investments – such as education investments – in FY 2020.

III. The biggest cuts

- **Eliminates 29 ED programs, cutting \$6.7 billion** – The biggest programs eliminated are:
 - Title II - Supporting Effective Instruction state grants (currently funded at \$2.1 billion)
 - 21st Century Community Learning Centers (\$1.2 billion)
 - Title IV-A – Student Support and Academic Enrichment Grants (\$1.2 billion)
 - Supplemental Educational Opportunity Grants (\$840 million)
 - GEAR UP (\$360 million)
 - The discretionary support for PSFL (\$350 million)
 - Comprehensive literacy development grants (\$190 million)
 - Aid for Hispanic Institutions (\$138 million, replaced by a formula grant program)
 - Strengthening Institutions (\$100 million).
- **\$2 billion rescission of Pell Grant funding** – The \$2 billion rescission of Pell Grant funding is the largest cut. The Pell Grant program currently has a reserve, or surplus, of \$6.6 billion from funding that has not yet been used, according to Congressional Budget Office (CBO) estimates. That total is \$2.5 billion less than in 2016 because Congress has rescinded \$1.9 billion (\$1.3 billion in FY 2017 and \$600 million in FY 2019) and has drawn down the account when it expanded benefits without providing a corresponding increase in new funding. CBO estimates that program costs will increase by \$490 million in FY 2020 if Congress does not increase the maximum grant (the President’s budget does not propose an increase in the maximum grant, but does propose allowing Pell Grants to be used for short-term training). The combination of a \$2 billion rescission and the increase in the program cost would reduce the surplus to \$4.1 billion if Congress provides the same amount of new funding for FY 2020 as it has for the last five years. The surplus would go down further if Congress

increases the maximum Pell Grant or makes any other benefit expansions. While the proposed rescission does not impact the Pell Grant benefits students would receive next year, using the Pell Grant surplus to in essence offset other spending is not a long-term solution and jeopardizes the program's sustainability, and could lead to calls to cut benefits when the surplus is gone.

- **Other big cuts** – Many programs are cut substantially. Among the largest are:
 - Federal Work Study (cut \$640 million, or 56%)
 - TRIO programs (cut \$110 million, or 10%)
 - Adult education (cut \$96 million, or 15%)

I am sure we'll have more analysis as we dig further into the details!

- Sarah



President's Requested FY 2020 Funding for Selected Department of Education & Related Programs
Discretionary Dollars in Billions

	2015	2016	2017	2018	2019	2020 President's Request	2020 +/- 2019	% change vs 2019
(Increases shown in blue, cuts shown in red)								
Department of Education, selected discretionary programs								
Title I, Education for the Disadvantaged								
Grants to local educational agencies: Title I	14.410	14.910	15.460	15.760	15.860	15.860	0.000	0.0%
Proposed: Student-centered funding incentive grants.....						0.050	0.050	100.0%
School improvement grants (struck by P.L. 114-95)	0.506	0.450						
Comprehensive literacy development grants (previously striving readers)	0.160	0.190	0.190	0.190	0.190	0.000	-0.190	-100.0%
Innovative approaches to literacy (in FIE in 2015)	0.025	0.027	0.027	0.027	0.027	0.000	-0.027	-100.0%
State agency programs:								
Migrant	0.375	0.375	0.375	0.375	0.375	0.375	0.000	0.0%
Neglected and delinquent	0.048	0.048	0.048	0.048	0.048	0.048	0.000	0.0%
Special programs for migrant students (HEP/CAMP)	0.037	0.045	0.045	0.045	0.045	0.045	0.000	0.0%
Total, Appropriation	15.537	16.044	16.144	16.444	16.544	16.377	-0.167	-1.0%
Impact Aid	1.289	1.306	1.329	1.414	1.446	1.372	-0.074	-5.1%
School Improvement Programs								
Title II - Supporting effective instruction state grants	2.350	2.256	2.056	2.056	2.056	0.000	-2.056	-100.0%
Mathematics and science partnerships (eliminated by ESSA)	0.153	0.153						
21st century community learning centers	1.152	1.167	1.192	1.212	1.222	0.000	-1.222	-100.0%
State assessments	0.378	0.378	0.369	0.378	0.378	0.378	0.000	0.0%
Education for homeless children and youths	0.065	0.070	0.077	0.085	0.094	0.094	0.000	0.0%
Native Hawaiian education	0.032	0.033	0.033	0.036	0.036	0.000	-0.036	-100.0%
Alaska Native education	0.031	0.032	0.032	0.035	0.035	0.000	-0.035	-100.0%
Training and advisory services	0.007	0.007	0.007	0.007	0.007	0.007	0.000	0.0%
Rural education	0.170	0.176	0.176	0.181	0.181	0.181	0.000	0.0%
Supplemental education grants (Compact of Free Association Act)	0.017	0.017	0.017	0.017	0.017	0.017	0.000	0.0%
Comprehensive centers	0.048	0.051	0.050	0.052	0.052	0.000	-0.052	-100.0%
Title IV-A - Student Support and Academic Enrichment Grants			0.400	1.100	1.170	0.000	-1.170	-100.0%
Total, including advance funding	4.403	4.340	4.409	5.158	5.247	0.676	-4.571	-87.1%
Safe Schools and Citizenship Education								
School safety national activities	0.070	0.075	0.068	0.090	0.095	0.200	0.105	110.5%
Elementary and secondary school counseling (eliminated by ESSA)	0.053	0.050						
Physical education program (eliminated by ESSA)	0.044	0.047						



President's Requested FY 2020 Funding for Selected Department of Education & Related Programs
Discretionary Dollars in Billions

	2015	2016	2017	2018	2019	2020 President's Request	2020 +/- 2019	% change vs 2019
(Increases shown in blue, cuts shown in red)								
Promise neighborhoods	0.057	0.073	0.073	0.078	0.078	0.000	-0.078	-100.0%
Full-service community schools	0.010	0.010	0.010	0.018	0.018	0.000	-0.018	-100.0%
Total	0.223	0.255	0.151	0.186	0.191	0.200	0.009	4.8%
Indian Education	0.124	0.144	0.165	0.180	0.180	0.176	-0.004	-2.2%
Innovation and Improvement								
Education innovation and research	0.120	0.120	0.100	0.120	0.130	0.300	0.170	130.8%
Teacher and school leader incentive grants (previously TIF)	0.230	0.230	0.200	0.200	0.200	0.200	0.000	0.0%
American history and civics academies and national activities		0.002	0.004	0.004	0.005	0.000	-0.005	-100.0%
Supporting effective educator development (SEED)		0.094	0.065	0.075	0.075	0.000	-0.075	-100.0%
School leader recruitment and support	0.016	0.016	0.015	0.000				
Charter schools grants	0.253	0.333	0.342	0.400	0.440	0.500	0.060	13.6%
Magnet schools assistance	0.092	0.097	0.098	0.105	0.107	0.107	0.000	0.0%
Ready to learn programming	0.026	0.026	0.026	0.028	0.028	0.000	-0.028	-100.0%
Advanced placement (eliminated by ESSA)	0.028	0.028	0.000					
Fund for the Improvement of Education (FIE): *	0.323	0.292	0.000					
Arts in education (funded in FIE until 2017)	0.025	0.027	0.027	0.029	0.029	0.000	-0.029	-100.0%
Javits gifted and talented students (funded in FIE until 2017)	0.010	0.012	0.012	0.012	0.012	0.000	-0.012	-100.0%
Statewide family engagement centers	0.000	0.000	0.000	0.010	0.010	0.000	-0.010	-100.0%
Total	1.102	0.988	0.888	0.982	1.036	1.107	0.071	6.9%
English Language Acquisition	0.737	0.737	0.737	0.737	0.737	0.737	0.000	0.0%
Special Education (Individuals with Disabilities Education Act)								
State grants:								
Grants to States	11.498	11.913	12.003	12.278	12.364	12.364	0.000	0.0%
Preschool grants	0.353	0.368	0.368	0.381	0.391	0.391	0.000	0.0%
Grants for infants and families	0.439	0.459	0.459	0.470	0.470	0.470	0.000	0.0%
Subtotal, State grants	12.290	12.740	12.830	13.129	13.225	13.225	0.000	0.0%
State personnel development	0.042	0.042	0.039	0.039	0.039	0.039	0.000	0.0%
Technical assistance and dissemination	0.052	0.044	0.044	0.044	0.044	0.044	0.000	0.0%
Special Olympics education programs	0.000	0.010	0.013	0.016	0.018	0.000	-0.018	-100.0%
Personnel preparation	0.084	0.084	0.084	0.084	0.087	0.087	0.000	0.0%
Parent information centers	0.027	0.027	0.027	0.027	0.027	0.027	0.000	0.0%
Educational technology, media, and materials	0.028	0.030	0.028	0.028	0.028	0.028	0.000	0.0%
Total, Appropriation	12.522	12.959	13.064	13.366	13.469	13.451	-0.018	-0.1%



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	2015	2016	2017	2018	2019	2020 President's Request	2020 +/- 2019	% change vs 2019
(Increases shown in blue, cuts shown in red)								
Career and technical education								
State grants	1.118	1.118	1.118	1.193	1.263	1.263	0.000	0.0%
National programs	0.007	0.007	0.007	0.007	0.007	0.020	0.013	169.5%
Adult education	0.583	0.596	0.596	0.631	0.656	0.560	-0.096	-14.7%
Postsecondary education								
Discretionary Pell grants	22.475	22.475	22.475	22.475	22.475	22.475	0.000	0.0%
Rescission of previously appropriated Pell Grant funding			-1.310		-0.600	-2.000	-1.400	233.3%
Maximum grant, total (in actual dollars)	\$ 5,775	\$ 5,815	\$ 5,920	\$ 6,095	\$ 6,195	\$ 6,195	0.000	0.0%
Campus-based programs:								
Federal supplemental educational opportunity grants (SEOG)	0.733	0.733	0.733	0.840	0.840	0.000	-0.840	-100.0%
Federal work-study	0.990	0.990	0.990	1.130	1.130	0.500	-0.630	-55.8%
Federal Direct Student Loan account (help for Public Service Loan Forgiveness).....				0.350	0.350	0.000	-0.350	-100.0%
Aid for institutional development:								
Strengthening institutions	0.080	0.087	0.087	0.099	0.100	0.000	-0.100	-100.0%
Strengthening tribally controlled colleges and universities	0.026	0.028	0.028	0.032	0.032	0.028	-0.004	-13.4%
Strengthening Alaska Native & Native Hawaiian-serving institutions	0.013	0.014	0.014	0.016	0.016	0.000	-0.016	-100.0%
Strengthening HBCUs	0.228	0.245	0.245	0.280	0.282	0.282	0.000	0.0%
Strengthening historically black graduate institutions	0.059	0.063	0.063	0.072	0.073	0.073	0.000	0.0%
Strengthening HBCU masters programs			0.008	0.009	0.009	0.009	0.000	0.0%
Strengthening predominantly black institutions	0.009	0.010	0.010	0.011	0.011	0.000	-0.011	-100.0%
Strgthng Asian American- & Native Am. Pcfic Islndr-serving insts.	0.003	0.003	0.003	0.004	0.004	0.000	-0.004	-100.0%
Strengthening Native American-serving nontribal institutions	0.003	0.003	0.003	0.004	0.004	0.000	-0.004	-100.0%
Minority science and engineering improvement	0.009	0.010	0.010	0.011	0.011	0.010	-0.002	-13.8%
Aid for Hispanic-serving institutions	0.109	0.117	0.117	0.134	0.136	0.000	-0.136	-100.0%
Proposed: consolidated Minority-Serving Institutions formula grant						0.148	0.148	100.0%
Other aid for institutions:								
International education and foreign language studies	0.072	0.072	0.072	0.072	0.072	0.000	-0.072	-100.0%
Transition programs for students with intellectual disabilities	0.012	0.012	0.012	0.012	0.012	0.012	0.000	0.0%
Tribally controlled postsecondary career & technical institutions	0.008	0.008	0.008	0.009	0.010	0.008	-0.001	-13.2%
Assistance for students:								
Federal TRIO programs	0.840	0.900	0.950	1.010	1.060	0.950	-0.110	-10.4%



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(Increases shown in blue, cuts shown in red)								
Gaining early awareness & readiness for undergrad programs (GEAR UP)	0.302	0.323	0.340	0.350	0.360	0.000	-0.360	-100.0%
Graduate assistance in areas of national need	0.029	0.029	0.028	0.023	0.023	0.000	-0.023	-100.0%
Child care access means parents in school	0.015	0.015	0.015	0.050	0.050	0.015	-0.035	-69.8%
Fund for the Improvement of Postsecondary Education	0.068	0.000	0.000	0.006	0.005	0.000	-0.005	-100.0%
Teacher quality partnerships	0.041	0.043	0.043	0.043	0.043	0.000	-0.043	-100.0%
Institute of Education Sciences								
Research and statistics:								
Research, development, and dissemination	0.180	0.195	0.188	0.193	0.193	0.188	-0.005	-2.7%
Statistics	0.103	0.112	0.110	0.110	0.110	0.113	0.003	2.7%
Regional educational laboratories	0.054	0.054	0.054	0.055	0.055	0.000	-0.055	-100.0%
Assessment	0.137	0.157	0.157	0.157	0.159	0.157	-0.002	-1.3%
Research in special education	0.054	0.054	0.054	0.056	0.056	0.054	-0.002	-3.6%
Statewide longitudinal data systems	0.035	0.035	0.032	0.032	0.032	0.000	-0.032	-100.0%
Special education studies and evaluations	0.011	0.011	0.011	0.011	0.011	0.011	0.000	0.0%
Total	0.574	0.618	0.605	0.613	0.615	0.522	-0.094	-15.3%
Program Administration	0.411	0.432	0.432	0.430	0.430	0.447	0.017	4.0%
Student Aid Administration	1.397	1.552	1.577	1.679	1.679	1.812	0.133	7.9%
Office for Civil Rights	0.100	0.107	0.109	0.117	0.125	0.125	0.000	0.0%
DISCRETIONARY APPROPRIATION**	67.136	68.306	**66.929	70.867	**70.848	**62.006	-8.843	-12.5%
DISCRETIONARY TOTAL EXCLUDING PELL GRANTS	44.660	45.581	45.764	48.392	48.973	41.531	-7.442	-15.2%
Other related programs, not in the Department of Education								
Head Start, including Early Head Start	8.598	9.168	9.253	9.863	10.063	10.063	0.000	0.0%
Child Care and Development Block Grant	1.435	2.761	2.856	5.226	5.276	5.276	0.000	0.0%
Library Services Technology Act***	0.181	0.183	0.184	0.189	0.189	0.000	-0.189	-100.0%
Museum Services Act ***	0.029	0.030	0.030	0.032	0.032	0.000	-0.032	-100.0%

* \$250 million for Preschool development grants (in 2016 in FIE, in 2017 & 2018 in HHS, eliminated in 2020) not in totals above.

** 2017, 2019, and 2020 request totals reflect rescissions of previously appropriated funding for Pell Grants.

*** The 2020 request is based on reliable but unofficial information because the official budget materials have not been published yet. There is additional museum funding under the African American History and Culture Act.