

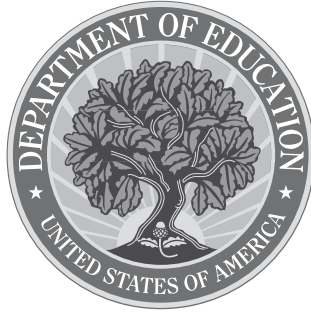


**A BUDGET FOR A**

# **Better America**

**PROMISES KEPT. TAXPAYERS FIRST.**

**FISCAL YEAR 2020  
BUDGET OF THE U.S. GOVERNMENT**



## DEPARTMENT OF EDUCATION

### Funding Highlights:

- The Department of Education focuses its mission on supporting States and school districts in their efforts to provide high-quality education to the Nation's most vulnerable students, on streamlining and simplifying funding for college, and on expanding access to new postsecondary options.
- The Budget demonstrates fiscal discipline while maintaining funding for key K-12 education formula grants and making targeted investments in school safety, workforce development, teacher quality, and school choice.
- The Budget devotes an unprecedented level of resources to promoting school choice by proposing a Federal tax credit of up to \$50 billion over 10 years for donations to scholarship programs for families of elementary and secondary students who are seeking State-defined public or private education options.
- The Budget ensures students can successfully pursue various pathways of postsecondary education and training by investing in career and technical education, streamlining and improving student loan repayment, increasing institutional accountability, and offering the opportunity to use Pell Grants for high-quality, short-term training.
- The Budget requests \$62.0 billion for the Department of Education, an \$8.5 billion or 12.0-percent decrease compared to the 2019 enacted level (including cancellations of Pell Grant unobligated balances). Excluding cancellations, the Budget requests a program level of \$64.0 billion for the Department of Education, a \$7.1 billion or 10.0-percent decrease compared to the 2019 enacted level.

### The President's 2020 Budget:

The President's Budget achieves two equally important goals: fiscal discipline in discretionary spending and support for priorities that would improve the Nation's schools and make the United States stronger by preparing the workforce for the jobs of the 21<sup>st</sup> Century. The Budget reduces the Federal role in education, and prioritizes targeted investments in school safety, teacher quality, school choice, and workforce development. By modernizing U.S. education and training programs, the Budget would increase competition and transparency, reduce student debt, and ensure that what students are learning matches the needs of emerging industries. By increasing accountability for institutions of higher education and helping students complete postsecondary education more quickly, the Budget would help make higher education more affordable and protects both students

and taxpayers. In addition, the Budget includes a Federal school choice tax credit to provide scholarships for both private schools and qualifying public education expenses. These policies would initiate tremendous strides toward the Administration's goal of providing all students with the opportunity to receive a high-quality education and achieve future success.

### ***K-12 Education***

The Budget request for elementary and secondary education reflects this Administration's continued commitment to providing States and school districts with the resources and flexibility to ensure that all children receive an excellent education. In addition, the Budget builds on the Administration's efforts to give families more choices for their children's education and to ensure that all students learn in safe and secure schools.

*"Parents have the greatest stake in the outcome of their child's education. Accordingly, they should also have the power to make sure their child is getting the right education."*

Betsy DeVos  
Secretary  
March 13, 2018

#### **Ensures Families Have the Resources and Choices to Provide the Best Education for Their Children.**

Families should be empowered to decide which schools and academic supports are best for their children. That is why the Budget makes a first-of-its-kind proposal to equip families with the financial resources necessary to choose the education that best serves their children. The Budget proposes to make available annually \$5 billion worth of tax credits for individual and corporate donations to State-authorized nonprofit education scholarship-granting organizations (SGOs). SGOs would use donated funds to provide families with scholarships or additional educational resources

that can be used on a range of educational activities such as career and technical dual-enrollment programs, afterschool tutoring programs, tuition for private schools, courses not available in their assigned schools, special education services, and additional qualifying public education expenses. States would determine family eligibility requirements and allowable uses of scholarship funds. In addition to this historic Federal tax-credit scholarship proposal, the Budget provides over \$650 million to support public school choice. The Budget requests \$500 million to fund the opening and expansion of high-quality public charter schools and the financing of charter school facilities. The Budget also requests \$107 million to expand magnet schools, which offer specialized curricula and instructional programming. In addition, the Budget invests \$50 million in funding for districts participating in the Title I student-centered funding pilot. The pilot program would help districts transition to more transparent funding systems that enable Federal, State, and local funding to follow the student to the public school of his or her choice.

**Supports High-Need Students through Essential Formula Grant Programs.** The Budget invests \$15.9 billion in Title I grants, maintaining a historic level of funding for a program that provides critically-important support to students in high-poverty schools. Title I serves approximately 25 million students in nearly 60 percent of all public schools, and is the foundation for the State-developed accountability systems under the Elementary and Secondary Education Act (ESEA). The Budget also proposes \$1.4 billion for Impact Aid programs that support school districts that educate federally-connected children, such as those living on military bases and Indian lands. The Budget continues to maintain the Federal investment in the Individuals with Disabilities Education Act (IDEA) formula and discretionary grant programs. The Budget invests \$13.2 billion for IDEA formula grants to States to support special education and early intervention services for more than seven million children with disabilities, and requests \$226 million for discretionary grants to support research, demonstrations, technical assistance and dissemination, and personnel preparation and development.

**Protects Students and Secures Schools.** The Administration is committed to ensuring that students are able to learn in a safe and secure educational environment. After the tragedy in Parkland, Florida, the President established the Federal Commission on School Safety to assess and develop Federal, State, and local policy recommendations to help prevent violence in schools. The recommendations were published in December 2018. The Budget provides approximately \$700 million, an increase of \$354 million compared to the 2019 Budget, in Departments of Education, Justice, and Health and Human Services grants to give States and school districts resources to implement the Commission’s recommendations, such as expanding access to mental healthcare, developing threat assessments, and improving school climate. At the Department of Education, the Budget requests \$200 million for School Safety National Activities, which provide grants to States and school districts to develop school emergency operation plans, offer counseling and emotional support in schools with pervasive violence, and implement evidence-based practices for improving behavioral outcomes.

**Invests in Innovation to Elevate the Teaching Profession.** The Administration is committed to ensuring teachers have access to high-quality professional development opportunities that meet their individual needs. The Budget proposes \$200 million for the Teacher and School Leader Incentive grant program to improve teacher induction and recognize and reward teaching excellence. The program would support performance-based compensation systems and human capital management systems that include either high-quality mentoring of novice teachers or increased compensation for effective teachers, particularly in high-need subjects such as science, technology, engineering, and mathematics (STEM) and coding. The Budget also includes \$300 million for Education Innovation and Research to support a rigorously evaluated demonstration of empowering teachers to choose the individualized continuing education and training that contributes to their own professional growth and improved student outcomes. Within the program, the Budget proposes to pilot vouchers for teachers, enabling them to select training opportunities that are tailored to their unique needs.

### ***Higher Education***

The Budget continues support for Federal programs that: help prepare low-income and minority students for postsecondary education; target student financial aid to help students and families pay rising college costs; promote multiple pathways to obtaining family-sustaining careers; and strengthen postsecondary institutions serving large proportions of minority students. The Budget also includes proposals that would address student debt by simplifying student loan repayment and redirecting inefficiencies in the student loan program to prioritize debt relief for undergraduate borrowers. These proposals would support congressional efforts to modernize and reauthorize the Higher Education Act to be responsive to the needs of both students and employers. The Budget also addresses student debt and higher education costs while reducing the complexity of student financial aid.

**Increases Institutional Accountability.** Investing in higher education generally provides strong value for students and taxpayers. However, some postsecondary programs fail to deliver a quality education that enables students to repay Federal student loans—leaving borrowers and taxpayers holding the bill. A better system would require postsecondary institutions accepting taxpayer funds to share a portion of the financial responsibility associated with student loans. The Administration plans to work with the Congress to address these issues.

*“If the Federal Government is going to subsidize student loans, it has a right to expect that colleges work hard to control costs and invest their resources in their students. If colleges refuse to take this responsibility seriously, they will be held accountable ... And we must hold all schools equally accountable for their performance.”*

President Donald J. Trump  
as Presidential Candidate  
October 13, 2016

**Reforms Student Loan Programs.** In recent years, income-driven repayment (IDR) plans, which offer student borrowers the option of making affordable monthly payments based on factors such as income and family size, have grown in popularity. However, the numerous IDR plans currently offered to borrowers overly complicate choosing and enrolling in the right repayment plan. The Budget proposes to streamline student loan repayment by consolidating multiple IDR plans into a single plan. The Single IDR plan would cap a borrower's monthly payment at 12.5 percent of discretionary income. For undergraduate borrowers, any balance remaining after 180 months of repayment would be forgiven. For borrowers with any graduate debt, any balance remaining after 30 years of repayment would be forgiven.

To support this generous pathway to debt relief for all undergraduate borrowers, the Budget eliminates the Public Service Loan Forgiveness program, establishes reforms to guarantee that all borrowers in IDR pay an equitable share of their income, and eliminates subsidized loans. To further improve and simplify loan repayment, the Budget proposes auto-enrolling severely delinquent borrowers and instituting a process for borrowers to consent to share income data for multiple years. To facilitate these program improvements and to reduce improper payments, the Budget proposes to streamline the Department of Education's ability to verify applicants' income data held by the Internal Revenue Service. These reforms would reduce inefficiencies and waste in the student loan program, and focus assistance on needy undergraduate student borrowers. All student loan proposals would apply to loans originating on or after July 1, 2020, except those provided to borrowers to finish their current course of study.

**Continues Investment in the NextGen Servicing and Processing Environment.** The Budget invests \$1.8 billion in Student Aid Administration at Federal Student Aid (FSA), which has 42 million customers and manages one of the largest consumer loan portfolios in the United States. Nearly 6,000 institutions of higher education participate in the Federal student aid programs. FSA's customers deserve a world-class experience, but they do not consistently receive one today. Currently, when customers apply for, receive, and repay Federal student aid, they interface with multiple brands and vendors. FSA is investing in best-in-class financial services technologies to deploy a mobile-first, mobile-complete digital customer experience. This transformation will provide better outcomes for customers, streamline processes and procedures for FSA employees, and improve value for American taxpayers.

**Expands Pell Grant Eligibility for Short-Term Programs.** There are many paths to a successful career in addition to a four-year degree. The Budget expands Pell Grant eligibility to include high-quality short-term programs. This would help more Americans access education and training programs that can equip them with skills to secure well-paying jobs in high-demand fields more quickly than traditional two-year or four-year degree programs.

**Advances Grantmaking and Supports for Minority-Serving Institutions (MSIs) and Historically Black Colleges and Universities (HBCUs).** The Budget supports important investments in the academic quality, institutional management and capacity, infrastructure, and student support services for MSIs and HBCUs. In particular, the Budget proposes to improve grantmaking by consolidating six MSI programs into a \$148 million formula grant, providing funds more institutions can count on and yielding program management efficiencies. The Budget also continues to recognize the extraordinary contributions of HBCUs and requests more than \$404 million to maintain funding for HBCU formula and competitive grant programs that strengthen their capacity to provide the highest quality education.

**Empowers States to Deliver Evidence-Based Postsecondary Preparation Programs.** The Budget proposes to restructure and streamline the TRIO and GEAR UP programs by consolidating



them into a \$950 million State formula grant. These grants would support evidence-based postsecondary preparation programs designed to help low-income students progress through the pipeline from middle school to postsecondary opportunities. Given the statutory prohibition limiting the Department's ability to evaluate overall TRIO program effectiveness using the most rigorous methodologies, as well as budget constraints, the Budget supports a restructuring of the programs that leverages evidence-based activities and allows States more flexibility in meeting the unique needs of their students.

### ***Workforce***

In today's rapidly changing economy, it is more important than ever to prepare workers to fill both existing and future jobs. The Administration has placed a priority on science, technology, and computer science skills, devoting a minimum of \$200 million annually to prepare students, especially girls and minorities who are underrepresented in these industries, for the growing role technology is playing in driving the American economy. These skills open the door to jobs and drive solutions to complex problems across industries. The U.S. education system must provide access to affordable and quality education and training that includes in-demand career and vocational tracks as well as opportunities for work-based and experiential learning. The Budget supports programs that help students obtain the skills necessary to secure high-paying jobs in today's workforce and contribute to the Nation's economy.

**Invests in Career and Technical Education (CTE).** As part of the Administration's commitment to ensuring the Nation's students have the knowledge and skills to succeed in today's competitive economy, the Budget includes \$1.3 billion for CTE State grants. The recently reauthorized program helps ensure students have access to technical education, including work-based learning during high school and a wide array of post-secondary options including certificate programs, community colleges, and apprenticeships. The Budget also includes \$20 million for CTE National Programs to support quality STEM and coding-focused CTE programs. In addition, the Budget proposes to double the American Competitiveness and Workforce Improvement Act fee for the H-1B visa program and direct 15 percent of the revenues to the CTE State grants.

**Refocuses Federal Work Study to Emphasize Workforce Development.** The Budget proposes to reform the Federal Work Study program to support workforce and career-oriented training opportunities for low-income undergraduate students, not just subsidized employment as a means of financial aid, in order to create more available pathways to high-paying jobs. The program would allocate funds to schools based in part on enrollment of Pell recipients. Schools could fund individual students through subsidized employment, paid internships, or other designs, as long as the placements were career or academically relevant. Schools could also serve groups of students through programs and initiatives that expose students to or build their preparedness for careers.

**Reduces Waste: Eliminates Ineffective or Redundant Programs.** The Budget eliminates funding for 29 discretionary programs that do not address national needs, duplicate other programs, are ineffective, are poorly targeted, or are more appropriately supported by State, local, or private funds. These eliminations would decrease taxpayer costs by \$6.7 billion and include the Supporting Effective Instruction State Grants, 21st Century Community Learning Centers, and Federal Supplemental Educational Opportunity Grants.