



## **U.S. DEPARTMENT OF EDUCATION**

The President's 2016 Budget is designed to bring middle class economics into the 21st Century. This Budget shows what we can do if we invest in America's future and commit to an economy that rewards hard work, generates rising incomes, and allows everyone to share in the prosperity of a growing America. It lays out a strategy to strengthen our middle class and help America's hard-working families get ahead in a time of relentless economic and technological change. And it makes the critical investments needed to accelerate and sustain economic growth in the long run, including in research, education, training, and infrastructure.

These proposals will help working families feel more secure with paychecks that go further, help American workers upgrade their skills so they can compete for higher-paying jobs, and help create the conditions for our businesses to keep generating good new jobs for our workers to fill, while also fulfilling our most basic responsibility to keep Americans safe. We will make these investments, and end the harmful spending cuts known as sequestration, by cutting inefficient spending and reforming our broken tax code to make sure everyone pays their fair share. We can do all this while also putting our Nation on a more sustainable fiscal path. The Budget achieves about \$1.8 trillion in deficit reduction, primarily from reforms to health programs, our tax code, and immigration.

The U.S. Department of Education promotes student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access to educational opportunity. To support this mission, the Budget provides \$70.7 billion in discretionary funding for the Department of Education in 2016, an increase of \$3.6 billion, or 5.4 percent, over the 2015 level. The Budget also proposes \$145 billion in new mandatory spending and reforms over the next decade to fund early learning, support teachers, and reform postsecondary education.

While investing in education in all domains, the Budget places particular emphasis in four areas: (1) increasing equity; (2) expanding access to high-quality early learning; (3) increasing support for teachers; and (4) expanding college opportunity and quality. In addition, the Budget makes a cross-cutting commitment to using and developing evidence in order to maximize results for taxpayers and students. In recent years, the Department has pioneered several evidence-based programs and introduced priorities for the use of evidence into existing initiatives. By investing in what works, learning more about what works, and sharing what we learn, we can help more students succeed.

**Funding Highlights:**

- The President’s 2016 Budget provides \$70.7 billion in discretionary funding and \$145 billion in new mandatory funding for the U.S. Department of Education. This includes:
  - An increase of \$1 billion for Title I Grants to LEAs to support efforts to provide equitable access to high-quality education for all students, for a total of \$15.4 billion.
  - \$1.3 billion in mandatory funding in 2016 and \$75 billion over 10 years for the President’s landmark Preschool for All proposal to ensure four-year-olds across the Nation have access to high-quality preschool programs.
  - \$750 million to significantly extend the reach of the Preschool Development Grants program, which is paving the way for Preschool for All by supporting State efforts to develop and expand high-quality preschool programs in targeted communities.
  - \$1 billion in mandatory funding, and \$5 billion over five years for the new Teaching for Tomorrow program to support transformations in how States recruit and prepare new teachers, and in how States and districts develop, support and compensate teachers already in the classroom.
  - Investing in what works in K-12 and postsecondary education with \$300 million for Investing in Innovation and \$200 million for the First in the World initiative for college opportunity and completion.
  - Two years of free community college for responsible students through a \$60.3 billion mandatory investment in America’s College Promise over the next ten years and \$200 million for the American Technical Training Fund to provide accelerated training in high-demand fields.
  - A \$29.7 billion mandatory investment over 10 years to continue indexing Pell Grants to inflation after 2017.

**Reforms:**

- Simplifying the FAFSA to make it easier for families to access critical resources to help pay for college and also helping borrowers manage their debt by streamlining and better targeting income-driven repayment.
- Promoting greater use of evidence and evaluation across the Department’s programs to identify what works best to support student success throughout the education pipeline.

## **Increasing Equity**

The outcomes of our education system continue to reflect unacceptable inequities in the distribution of resources, including money, high-quality teaching and challenging coursework. Schools with many poor students are likelier to be under-resourced schools. In addition, students of color have less access to rigorous coursework. Only 57 percent of black students and two-thirds of Hispanic students attend a high school where the full range of college prep coursework is offered. For this reason, the 2016 Budget invests in achieving equity by providing:

- \$2.7 billion for increased spending on programs authorized by the Elementary and Secondary Education Act (ESEA), including a \$1 billion increase for Title I Grants to Local Educational Agencies (LEAs)—the cornerstone of Federal efforts to ensure that all students, including poor and minority students, students with disabilities, and English Learners, graduate from high school prepared for college and careers. The Budget requests \$15.4 billion for Title I.
- \$11.7 billion, an increase of \$175 million over the 2015 enacted level for Grants to States under the Individuals with Disabilities Education Act (IDEA) to support special education and related services and assist States and LEAs to focus on improving results for children with disabilities.
- \$773 million, an increase of \$36 million over the 2015 enacted level for English Language Acquisition grants for English Learners.
- An Equity and Outcomes Pilot for up to 10 school districts to encourage more equitable distribution of State and local education resources while also promoting more effective uses of funds. Districts that demonstrate fairness in the distribution of real dollars across schools would receive relief from fiscal and reporting requirements that can impede innovation in improving student outcomes.
- The new \$100 million Leveraging What Works competition would create an incentive for LEAs to rethink their use of Federal formula grant funds, in combination with State and local resources, to support the innovative use of comprehensive, evidence-based strategies to improve student outcomes.
- \$131 million, an increase of \$31 million over the 2015 enacted level for more vigorous enforcement of our Nation's civil rights laws by the Department's Office for Civil Rights, which ensures equal access to education, from preschool through higher education. The additional funding provides 200 new full-time employees to help successfully respond to complaints of discrimination and to ensure Federal grantees follow civil rights laws.
- A significant expansion of the new Native Youth Community Projects, from \$3 million enacted in 2015 to \$53 million, which will support community-driven, comprehensive strategies to improve the college and career-readiness of Native youth.

## **Expanding Access to High-Quality Early Learning**

Too many children, especially those from low-income families, continue to lack access to the high-quality preschool needed to ensure that they arrive in kindergarten ready to learn. The United States has fallen behind many countries in providing a quality education for our 4-year-olds, currently ranking just 25<sup>th</sup> in the world. The Budget includes the following investments in early learning:

- President Obama's Preschool for All proposal, which invests \$1.3 billion in mandatory funding in 2016 and \$75 billion over 10 years to provide universal high-quality preschool programs for all 4-year-olds from low- and moderate-income families. The proposal also creates an incentive

for States to expand access to high-quality preschool for middle-class families, and promote access to full-day kindergarten.

- \$750 million for Preschool Development Grants, a \$500 million increase over the 2015 enacted level, to significantly expand the reach of the program, which was launched in fiscal year 2014 with awards to 18 States. These grants increase the quality of preschool programs and give more children access to their benefits.
- Preschool and early intervention services for children with disabilities through IDEA Preschool Grants and the IDEA Infants and Families program, which together receive a \$115 million increase over the 2015 enacted level. These funds include \$15 million for Pay for Success pilots to expand early screening and early intervention services for infants and toddlers.
- To further support this goal, the Budget also includes significant new investments in the Department of Health and Human Service's Budget for child care, Early Head Start (including through Early Head Start-Child Care Partnerships), Head Start, and evidence-based home visiting.

### **Increasing Support for Educators**

Teaching is one of the most important and challenging careers, and of all the school-related factors that impact student academic performance, great teachers matter most. Yet teachers today too often do not have the preparation, support, opportunities for leadership, or autonomy they need to succeed. Great teachers and principals matter enormously to the learning and the lives of children. Every parent knows it, and study after study proves it. It is imperative that we support these professionals with the resources they need to succeed. Investments in this area include:

- A new mandatory Teaching for Tomorrow program, with \$5 billion over 5 years, to provide funds to States or districts willing to make fundamental changes—based on proven or promising models—in how they recruit and prepare new teachers for the profession or their approaches to developing and supporting teachers throughout their careers. This large-scale new investment in broad-based reform in the teaching profession is based on proven models, from the District of Columbia to Finland and Singapore.
- \$350 million for Excellent Educators Grants, an expansion of the Teacher Incentive Fund, which will focus support on helping States and school districts implement comprehensive human capital systems that develop, support, reward, and advance teachers and principals based on meaningful information from teacher and principal evaluations, with multiple measures including student learning.
- \$139 million for the proposed Teacher and Principal Pathways program for grants to institutions of higher education and nonprofit organizations, working closely with school districts, to improve teacher and principal preparation.
- \$200 million for an improved Education Technology State Grants program to support high-needs districts implement exemplary models for using technology to help teachers and school leaders improve instruction and personalize learning.

### **Expanding College Opportunity and Quality**

In today's economy, an education beyond high school is critical for entering the middle class. An estimated two-thirds of job openings will require some postsecondary education and training by 2020. To provide more access to higher education, the Obama Administration has increased total aid available

to students by over \$50 billion from 2008 to 2016, and selected tax benefits by over \$12 billion, which has helped our Nation ensure more students are graduating college than ever before. However, there is much more to do so that all Americans have the opportunity to gain the knowledge and skills needed to meet the demands of a growing global economy and to ensure a strong middle class. While half of all people from high-income families have a bachelor's degree by age 25, just one in 10 people from low-income families do. College should not be a luxury reserved solely for those who can afford it, but available to all students—our Nation's economic well-being depends on it. The Budget therefore includes:

- \$60.3 billion in mandatory funding over the next decade for America's College Promise, which would create a new partnership with States to make two years of community college free for responsible students, letting students earn the first half of a bachelor's degree and earn skills needed in the workforce at no cost.
- Simplifying the FAFSA by eliminating burdensome and unnecessarily complex questions to make it easier for students and families to access federal student aid and afford a postsecondary education.
- Improving and streamlining income-driven repayment and creating a single, simple, and better targeted plan for borrowers, while helping them manage their debt.
- Full funding for the Pell Grant maximum award (\$5,775 in 2015/16, with an inflationary adjustment in 2016/17) and continuing to index the grant to inflation beyond 2017 with mandatory funding to protect and sustain its value for future generations.
- \$200 million for the American Technical Training Fund to expand innovative, high quality technical training programs that use evidence-based practices, have strong employer partnerships, include work-based learning opportunities, provide accelerated training, and are scheduled to accommodate part-time work to help low-income individuals gain the skills for employment in growing fields. This initiative will be jointly administered by ED and the Department of Labor (DOL)
- Increased investment in the First in The World fund at \$200 million, to support implementation and rigorous evaluation of promising and evidenced-based strategies that can support student success at large scale, such as across postsecondary systems, consortia, States, regions, or the country.
- Rewarding colleges that successfully enroll and graduate a significant number of low- and moderate-income students on time and encourage all institutions to improve their performance through the College Opportunity and Graduation Bonus program.