

**U.S. DEPARTMENT OF EDUCATION**



**Fiscal Year 2021  
Budget Summary**



U.S. DEPARTMENT OF EDUCATION  
FISCAL YEAR 2021 BUDGET SUMMARY

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*“Now is the time to fight for the forgotten child, and that’s what we’re doing with respect to education. ... In my Administration, these children are forgotten no longer. ... We believe that every parent should have educational freedom for their children. Earlier this year, I asked Congress to pass a federal tax credit to support state-based scholarship programs, so we can provide over 1 million more students with school choice. People want school choice. They want to have their child go to a school that they want to have their child go to. It’s very simple.”*

*-President Donald J. Trump*

## **I. SUMMARY OF THE 2021 BUDGET REQUEST**

The fiscal year 2021 President’s Budget Request marks a significant expansion of President Trump’s effort to transform the Federal role in education. In addition to renewing his Education Freedom Scholarship (EFS) tax-credit proposal, which would provide a Federal tax credit of up to \$5 billion a year for donations to scholarship programs for families of elementary and secondary students who are seeking State-defined public or private education options, the fiscal year 2021 Request would consolidate most Federal elementary and secondary education programs into a flexible block grant that would allow States to decide how best to use Federal funds to meet the needs of their students, improve workforce preparation through a significant increase for career and technical education, and consider a proposal to evaluate the Office of Federal Student Aid (FSA) as a separate organization, with reformed governance, that would significantly increase FSA’s ability to better serve students and taxpayers alike.

Overall, the President’s fiscal year 2021 Budget includes \$66.6 billion in new discretionary budget authority for the Department of Education, a \$6.1 billion, or 8.4 percent reduction below the fiscal year 2020 appropriation.

The fiscal year 2021 Request includes the following key initiatives:

### **Education Freedom Scholarships**

President Trump’s most transformative education proposal is to establish a Federal tax credit for voluntary donations to State-designed scholarship programs for elementary and secondary students, capped at \$5.0 billion per year. This tax credit would be available to individuals and domestic businesses that make donations to State-identified scholarship granting organizations that offer scholarships that can be used on a wide range of public and private educational activities, such as career and technical education, special education services, or tuition for private school. This proposal would dramatically expand the choices available to families and make tremendous strides toward the goal of providing all students with the opportunity to receive a high-quality education. States, not the Federal government, will determine family eligibility requirements and allowable uses of scholarship funds, and because it is funded by private donations, the proposal would not divert a single dollar away from public schools or teachers.

## **Elementary and Secondary Education for the Disadvantaged Block Grant**

The fiscal year 2021 Request also proposes to consolidate most formula and competitive grant programs authorized by the Elementary and Secondary Act, as amended (ESEA), as well as several related programs, into an Elementary and Secondary Education for the Disadvantaged Block Grant (ESED Block Grant). This proposal builds on the 2015 Every Student Succeeds Act, which reauthorized the ESEA and sought to restore State and local control over education by significantly reducing the mandates from Washington accompanying Federal education funds. The ESED Block Grant would further right-size the Federal role in education and allow States and school districts to decide how best to use ESEA and related funds to meet the needs of their students, parents, teachers, and schools. The Request would consolidate nearly 30 Federal elementary and secondary education programs into a single \$19.4 billion formula grant program, with funds allocated through the same formulas used by the Title I Grants to Local Educational Agencies program. States and local districts would have discretion to use those funds for any authorized purpose of the consolidated programs, while also continuing to meet key accountability and reporting requirements aimed at protecting students, supporting meaningful school improvement efforts, and giving parents the information they need to support a high-quality education for their children. In addition to helping to eliminate Federal overreach and empower States and local school districts to choose the evidence-based strategies and interventions most likely to improve student outcomes, the consolidation of most ESEA programs into a single formula grant would allow the Department to significantly reduce staffing and administrative costs over time.

## **Career and Technical Education**

The fiscal year 2021 Request increases support for Career and Technical Education (CTE) programs by nearly \$900 million to support the Administration's goal of ensuring every high school in America has access to CTE programs that provide multiple high-quality pathways to high-paying, in-demand jobs. The total includes an increase of \$680 million, or 53 percent, for Career and Technical Education (CTE) State Grants, which supports high-quality CTE programs in high schools and postsecondary institutions. In addition, the Budget renews the President's proposal to double the American Competitiveness and Workforce Improvement Act fee for the H-1B visa program, which would generate an estimated \$117 million in additional funding for the CTE State Grants program. The Request also provides \$90 million for CTE National Programs, an increase of \$83 million, to support the development and implementation of innovative, evidence-based, high-quality CTE programs in STEM, including computer science.

## **Postsecondary Student Aid**

Today, the Office of Federal Student Aid (FSA) manages the servicing of one of the largest consumer loan portfolios in the world. In addition, FSA provides oversight for more than 6,000 institutions of higher education that participate in the Higher Education Act (HEA) Title IV programs; develops and implements the Free Application for Student Aid (FAFSA) process; and secures the data of the over 40 million Americans with Federal Student Loans. Recognizing the significant growth in the scope and complexity of FSA's responsibilities since its establishment as a performance-based organization more than 20 years ago, the President's Budget proposes the evaluation of FSA as a separate organization, with reformed governance. An updated governance model could significantly increase FSA's ability to serve students and taxpayers by improving its management, oversight, and administration of the Federal student aid programs.

The Budget would also rethink and modernize all aspects of how students pay for and afford college, including sensible steps to address excessive student debt, promote multiple pathways, modernize and

simplify the student aid process, and better position the Federal Government to deliver world-class service to students and their families as they finance higher education. To accomplish these goals, the fiscal year 2021 Request includes proposals to simplify the Federal student loan programs and student loan repayment, establish reasonable annual and lifetime loan limits for all Federal student loans and provide higher education institutions more flexibility to help students avoid borrowing more than they will be able to repay. The Request also includes proposals to expand Pell Grant eligibility to students enrolled in high-quality short-term programs offered by institutions that provide students with a credential, certification, or license in a high-demand field. The Budget also makes Pell Grants available to certain incarcerated students to improve employment outcomes, reduce recidivism, and facilitate their successful reentry to society.

The Request also continues to support the multi-year Next Generation (Next Gen) student aid platform, which includes building the technology and operational components that support the Federal student aid programs that make up more than a third of the Department's discretionary appropriation. Key improvements will include the development and implementation of a new loan servicing platform to improve service for all Federal student loan borrowers and the consolidation of all customer-facing websites into a single, user-friendly hub to complement a new mobile platform and give students, parents, and borrowers a seamless experience from application through repayment.

## **Other Critical Investments**

In addition to the initiatives described above, the fiscal year 2021 Request would continue to provide strong support for students with disabilities, invest in Historically Black Colleges and Universities (HBCUs) and other minority-serving institutions (MSIs), and restructure key higher education programs to streamline and reduce administrative costs while increasing flexibility for grantees.

### Special Education Programs

The overall Request for programs in the Special Education account, which primarily funds programs authorized by the Individuals with Disabilities Education Act (IDEA), is \$14.0 billion, an increase of \$100 million over the 2020 enacted level. Highlights include:

- \$12.9 billion for IDEA Grants to States, an increase of \$100 million over the fiscal year 2020 enacted level to support special education and early intervention services for more than 7 million children with disabilities;
- \$394 million for IDEA Preschool Grants, the same as the fiscal year 2020 enacted level, to help States make a free appropriate public education available to all children with disabilities ages 3 through 5;
- \$477 million for IDEA Grants for Infants and Families, the same as the fiscal year 2020 enacted level, to help States implement statewide systems of early intervention services for infants and toddlers with disabilities;
- \$250 million for IDEA National Activities and Special Olympics education programs, the same as the fiscal year 2020 enacted levels.

### HBCU/MSI STEM Opportunity Zones Initiative

The fiscal year 2021 Request includes \$150 million, an increase of \$137.4 million, for the Minority Science and Engineering Improvement Program (MSEIP) to fund STEM activities led by HBCUs and MSIs located in Opportunity Zones. Funds could be used by these institutions to bolster STEM academic pipelines

aligned with the local business community; improve public-private STEM partnerships; launch STEM entrepreneurship incubators; and incentivize or complement investment from Opportunity Funds for STEM-focused capital projects (e.g., facilities for incubators) that will help prepare the future generation of STEM professionals. The expanded MSEIP would target \$50 million to HBCUs, \$50 million to Hispanic-Serving Institutions (HSIs), and \$50 million to all other MSIs.

#### Historically Black Colleges and Universities

The fiscal year 2021 Request is consistent with the President's Executive Order on HBCUs, which calls for efforts to strengthen the capacity of HBCUs to provide the highest-quality education and to provide opportunities for HBCU participation in Federal programs. HBCU programs, including Howard University, would receive a total of \$749.2 million, an increase of \$44 million over the fiscal year 2020 enacted level (including the \$50 million HBCU share of MSEIP funds proposed for fiscal year 2021). In addition, the recent enactment of the FUTURE Act would provide \$85 million in mandatory funding for HBCUs, bringing the total amount of Department of Education support for HBCU programs in fiscal year 2021 to \$834.2 million.

#### Minority-Serving Institutions

The fiscal year 2021 Request also would expand support for MSIs, which serve high proportions of minority students, often in communities otherwise underserved by other institutions of higher education. The Request provides a total of \$343 million for MSIs, an increase of \$87.4 million, or 34 percent, over the fiscal year 2020 enacted level. New funds in fiscal year 2021 would be dedicated to the MSI share of the HBCU/MSI STEM Opportunity Zones initiative described above.

In addition, the Request includes \$336.3 million in combined discretionary and mandatory funding for an expansion of the Consolidated MSI Grant proposal included in the 2020 President's Budget. The 2021 proposal would streamline grantmaking by consolidating a total of 11 discretionary and mandatory MSI program authorities, including the HEA Title V Aid for Hispanic-Serving Institutions programs, that have similar purposes and activities, into a single institutional formula grant program, providing funds more institutions can count on, yielding program management efficiencies, and targeting funds to institutions that serve their students well. The \$196.3 million discretionary Request is the same as the 2020 appropriation for the discretionary MSI and HSI programs that would be included in the consolidated formula grant.

#### TRIO Student Supports Block Grant

The fiscal year 2021 Request continues to call for the transformation of the Federal TRIO programs from a complex and difficult to administer set of Federal competitive grant programs to a single formula grant to States that would support activities—including current TRIO activities and those authorized under Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) and the College Assistance Migrant Program (CAMP)—to help low-income and other disadvantaged students progress through the academic pipeline from middle school through postsecondary education. The proposed TRIO Student Supports Block Grant is part of an overall Administration strategy—also reflected in the Elementary and Secondary Education for the Disadvantaged Block Grant initiative—to restore authority and responsibility over education from the Federal Government to the States, recognize the need for fiscal responsibility in light of the limited Federal role in education, and reduce the size and cost of the Federal bureaucracy. The Request for the TRIO Student Supports Block Grant is \$950 million, the same as the fiscal year 2020 President's Budget.

## II. THE 2021 EDUCATION BUDGET BY PROGRAM AREA

### A. ELEMENTARY AND SECONDARY EDUCATION

#### OVERVIEW

The Elementary and Secondary Education Act (ESEA), as reauthorized by the Every Student Succeeds Act (ESSA), recognized that the primary responsibility for creating, improving, and sustaining public education systems lies with States and local school districts. The law built on State and local reform efforts in recent years that help to ensure educational opportunity for all students and included the following key provisions:

- Holding all students to high academic standards that prepare them for success in college and careers;
- Annual reporting on key information about students and schools, including data on achievement and graduation rates; measures of school climate, quality, and safety; the professional qualifications of teachers; and per-pupil expenditures for each school and district;
- Requiring that, when students and schools fall behind, steps are taken to help them improve, with a particular focus on the lowest-performing 5 percent of Title I schools, high schools with low graduation rates, and schools where subgroups, including students from low-income families, English learners, students with disabilities, and students of color, are falling behind; and
- Empowering State and local decision makers to continue to refine their own systems for school improvement.

The ESSA reauthorized the ESEA through fiscal year 2020, and the 2021 Request opens the debate over the future shape of the ESEA by proposing to consolidate most ESEA programs and several related programs into a single formula grant called the Elementary and Secondary Education for the Disadvantaged Block Grant (ESED Block Grant).

The Administration's proposal recognizes that most ESEA funds already flow to States and school districts through separately authorized formula grant programs that are administered primarily through Consolidated ESEA State Plans. The ESED Block Grant would take the next logical step and consolidate all the funding supporting those State Plans into a single State and local formula grant. As a result, the Department of Education would wind down its labor-intensive discretionary grant competitions and national activities.

The Request includes \$19.4 billion for the ESED Block Grant. In comparison to the funding of the consolidated components in fiscal year 2020, it represents a reduction of \$4.7 billion, which reflects the Administration's commitment to better align the limited Federal role in education with the fiscal restraint needed to increase funding for national defense and public safety.

The Request would maintain separate funding for State Assessments, which underpins ESEA-mandated State-determined testing and accountability systems, Training and Advisory Services authorized by Title IV of the Civil Rights Act, Supplemental Education Grants required by the Compact of Free Association Amendments Act of 2003, the Impact Aid programs that offset the loss of education revenue due to the Federal presence, and Indian Education programs.

## **ELEMENTARY AND SECONDARY EDUCATION FOR THE DISADVANTAGED BLOCK GRANT**

	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	—	—	\$19,363.4

The Elementary and Secondary Education for the Disadvantaged Block Grant would consolidate nearly all currently funded formula and competitive grant programs authorized by the Elementary and Secondary Education Act, as amended by the Every Student Succeeds Act, as well as several related programs, into a single State formula grant program.

The ESED Block Grant would empower State and local education leaders to determine how best to use Federal resources consistent with the purposes of the ESEA while recognizing local needs and context. The ESED Block Grant would minimize Federal intrusion in local schools while still enabling the Federal Government to fulfill its role of helping States improve educational outcomes for our most vulnerable children. States would continue to submit accountability plans that would set statewide performance goals and targets, identify and address achievement and attainment gaps for all ESEA subgroups, ensure continued reporting on achievement and other key metrics, and require rigorous interventions for the bottom 5 percent of schools, as well as those schools with the largest subgroup achievement and attainment gaps.

The ESED Block Grant consolidation proposal supports a number of the Administration's most important objectives in scaling back the Federal role in education, including shifting authority and responsibility from the Federal Government to the States, reducing the size and cost of the Federal bureaucracy, and maintaining the fiscal discipline necessary to support the President's goal of increasing support for national security and public safety while reducing the Federal budget deficit.

ESED Block Grant funds would be allocated by formula to State and local educational agencies (LEAs). LEAs would develop and submit to their States for approval plans consistent with those currently required by section 1112 of the ESEA, which includes provisions describing how the LEA will meet the needs of economically disadvantaged students, students from major racial and ethnic groups, students with disabilities, English learners, homeless children and youth, and neglected and delinquent students.

The Request would allow the Department to reserve sufficient funds during the initial implementation of the ESED Block Grant to pay continuation awards through the end of their approved project periods to existing grantees under competitive grant programs consolidated into the ESED Block Grant.

## **TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES**

	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$15,859.8	\$16,309.8	—

For fiscal year 2021, the Administration proposes to consolidate the Title I Grants to Local Educational Agencies program into the ESED Block Grant. Title I Grants to Local Educational Agencies provides supplemental education funding, especially in high-poverty areas, for local programs that provide extra academic support to help students in high-poverty schools meet challenging State academic standards. The program serves approximately 25 million students in nearly 60 percent of all public schools. Title I Grants to LEAs also provides the foundation for the accountability system under ESEA, which emphasizes State and local responsibilities in the areas of standards and assessments, measuring student academic progress,

reporting on performance, and supporting school improvement to provide all students equitable access to a high- quality education and close achievement gaps. State accountability and transparency systems under the Title I program would be retained under the ESED Block Grant proposal.

**MIGRANT EDUCATION**

	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$374.8	\$374.8	—

Migrant Education State Grants provide formula-based assistance in meeting the educational needs of children of migratory agricultural workers and fishers, including overcoming educational disruption and other challenges resulting from repeated moves, so that these students can meet the same academic standards expected of all children. The Request would consolidate Migrant Education activities into the ESED Block Grant, giving States and school districts additional flexibility and discretion to meet the needs of migrant students.

**NEGLECTED AND DELINQUENT EDUCATION**

	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$47.6	\$47.6	—

This program provides formula grants to States to support education services for neglected and delinquent children and youth in local and State-run institutions, attending community day programs, and in correctional facilities. The Request would consolidate this program into the ESED Block Grant, giving States and school districts additional flexibility and discretion to meet the needs of neglected and delinquent students.

**SUPPORTING EFFECTIVE INSTRUCTION STATE GRANTS**

	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$2,055.8	\$2,131.8	—

This program, authorized under ESEA’s Title II-A, provides formula grants to State educational agencies (SEAs), which then subgrant most funds to local educational agencies, to support activities designed to increase student achievement by improving the effectiveness of teachers, principals, and other school leaders; increase the number of teachers, principals, and other school leaders who are effective in improving student academic achievement in schools; provide low-income and minority students greater access to effective teachers, principals, and other school leaders; and reduce class size. The Request would consolidate the program into the ESED Block Grant, under which States and school districts would have discretion to support similar activities in response to local needs and circumstances.

## **21ST CENTURY COMMUNITY LEARNING CENTERS**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$1,221.7	\$1,249.7	—

This program enables States, through competitive subgrants to school districts or community-based organizations, to support centers that provide additional student learning opportunities through before- and after-school programs and summer school programs aimed at improving student academic outcomes. The Request would consolidate the program into the ESED Block Grant, under which States and school districts would have discretion to support similar activities in response to local needs and circumstances.

## **STUDENT SUPPORT AND ACADEMIC ENRICHMENT GRANTS**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$1,170.0	\$1,210.0	—

This program, authorized under ESEA's Title IV-A, provides formula grants to State educational agencies, which then subgrant most funds to local educational agencies, to support well-rounded educational opportunities, safe and healthy students, and the effective use of technology. The Request would consolidate Student Support and Academic Enrichment Grants into the ESED Block Grant, under which States and school districts would have discretion to support similar activities in response to local needs and circumstances.

## **ENGLISH LANGUAGE ACQUISITION**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$737.4	\$787.4	—

This program awards formula grants to States based on each State's share of the Nation's English learners (ELs) and recent immigrant students. States must develop, in meaningful consultation with geographically diverse districts, statewide entrance and exit procedures for EL status. States also must ensure that districts annually assess the English proficiency of the EL students they serve. Schools use this funding to implement effective language instruction educational programs designed to help ELs attain English language proficiency. The program also awards grants to schools operated predominantly for Native American and Alaska Native students and supports national activities, including professional development for teachers of ELs and a clearinghouse of research-based information about instructional methods, strategies, and programs for ELs. The Request would consolidate English Language Acquisition formula and competitive grant programs into the ESED Block Grant, giving States and school districts additional flexibility and discretion to meet the needs of English learners.

**EDUCATION FOR HOMELESS CHILDREN AND YOUTHS**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$93.5	\$101.5	—

This program, which is authorized by the McKinney-Vento Homeless Assistance Act, as amended, provides formula grants to States, which then subgrant most funds to LEAs for services and activities that help homeless children enroll in, attend, and succeed in school, such as preschool programs, enriched supplemental instruction, before- and after-school programs, transportation, and health care referrals. The Request would consolidate this program into the ESED Block Grant, giving States and school districts additional flexibility and discretion to meet the needs of homeless students.

**RURAL EDUCATION**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$180.8	\$185.8	—

The Rural Education Achievement Program (REAP) supports two programs to help rural school districts carry out activities to improve the quality of teaching and learning in their schools. The Small, Rural School Achievement program provides formula funds to rural school districts that serve small numbers of students, and the Rural and Low-Income School program provides funds to rural school districts that serve concentrations of poor students, regardless of the district's size. The Request would consolidate the REAP grants into the ESED Block Grant, giving States and school districts additional flexibility and discretion to meet the needs of rural students and schools.

**COMPREHENSIVE LITERACY DEVELOPMENT GRANTS**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$190.0	\$192.0	—

This program provides competitive grants to SEAs that then award subgrants to eligible entities to support efforts to improve literacy instruction in high-need schools or early childhood education programs. The Request would consolidate the program into the ESED Block Grant, giving States and school districts flexibility to support similar activities in response to local needs and circumstances. The Department would reserve sufficient funds under the ESED Block Grant to pay continuation awards to existing grantees through the end of their approved project periods.

**INNOVATIVE APPROACHES TO LITERACY**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$27.0	\$27.0	—

The Innovative Approaches to Literacy program makes competitive grants to support projects that promote literacy through enhanced school library programs; early literacy services, including outreach to parents of young children to ensure that families have access to developmentally appropriate materials and are encouraged to read aloud to their young children; and the distribution of high-quality books. The Request would consolidate the program into the ESED Block Grant, giving States and school districts flexibility to support similar activities in response to local needs and circumstances. The Department would reserve sufficient funds under the ESED Block Grant to pay continuation awards to existing grantees through the end of their approved project periods.

**NATIVE HAWAIIAN EDUCATION**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$36.4	\$36.9	—

The Native Hawaiian Education program makes competitive awards to support supplemental education services to the Native Hawaiian population in such areas as teacher training, family-based education, gifted and talented education, early childhood education, special education, higher education, and community-based education learning centers. The Request would consolidate the program into the ESED Block Grant, giving States and school districts flexibility to support similar activities in response to local needs and circumstances. The Department would reserve sufficient funds under the ESED Block Grant to pay continuation awards to existing grantees through the end of their approved project periods.

**ALASKA NATIVE EDUCATION**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$35.5	\$36.0	—

This program makes competitive awards to support supplemental educational programs and services designed to improve educational outcomes for Alaska Natives, including activities to support the use and preservation of Alaska Native languages, professional development for educators, home instruction programs for Alaska Native preschool children, family literacy services, student enrichment programs in science and mathematics, and dropout prevention programs. The Request would consolidate the program into the ESED Block Grant, giving States and school districts flexibility to support similar activities in response to local needs and circumstances. The Department would reserve funds under the ESED Block Grant sufficient to pay continuation awards to existing grantees through the end of their approved project periods.

## **COMPREHENSIVE CENTERS**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$52.0	\$52.0	—

This program makes competitive awards to support a system of regional centers and content centers that provide training, technical assistance, and professional development to build State capacity to provide high-quality education for all students, particularly those in low-performing local educational agencies and schools. The Request would consolidate the program into the ESED Block Grant, giving States and school districts both resources and flexibility to pay directly for technical assistance and other support tailored to address local needs and circumstances. The Department would reserve funds under the ESED Block Grant sufficient to pay continuation awards to existing centers through the end of their approved project periods.

## **EDUCATION INNOVATION AND RESEARCH**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$130.0	\$190.0	—

The Education Innovation and Research (EIR) program supports the creation, development, implementation, replication, and scaling up of evidence-based innovations designed to improve student achievement and attainment for high-need students. The Request would consolidate the EIR program into the ESED Block Grant, giving States and school districts both resources and flexibility to support evidence-building activities in response to local needs and circumstances. The EIR program typically makes frontloaded awards that do not entail outyear costs, and the Department currently does not anticipate any need to reserve ESED Block Grant funds in fiscal year 2021 to pay continuation costs for current grantees.

## **TEACHER AND SCHOOL LEADER INCENTIVE GRANTS**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$200.0	\$200.0	—

The Teacher and School Leader Incentive Grants (TSL) program makes competitive awards to help develop, implement, improve, or expand human capital management systems or performance-based compensation systems. The Request would consolidate the TSL program into the ESED Block Grant, which would give States and school districts flexibility to support similar activities in response to local needs and circumstances. The Department would reserve sufficient funds under the ESED Block Grant to pay continuation awards to existing grantees through the end of their approved project periods.

## **AMERICAN HISTORY AND CIVICS EDUCATION**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$4.8	\$4.8	—

The American History and Civics Academies program supports efforts to improve the quality of American history and civics education by providing intensive workshops for teachers (Presidential Academies) and students (Congressional Academies) aimed at enhancing the teaching and understanding of these twin foundations of effective citizenship. The program also promotes evidence-based instructional methods and professional development programs in American history, civics and government, and geography. The Request would consolidate the program into the ESED Block Grant, giving States and school districts flexibility to support similar activities in response to local needs and circumstances. The Department would reserve funds under the ESED Block Grant sufficient to pay continuation awards to existing grantees through the end of their approved project periods.

## **SUPPORTING EFFECTIVE EDUCATOR DEVELOPMENT (SEED)**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$75.0	\$80.0	—

The SEED program provides competitive grants to institutions of higher education, national nonprofit entities, and the Bureau of Indian Education to support evidence-based professional development activities, including those leading to an advanced credential, as well as non-traditional preparation and certification pathways that allow teachers, principals, or other school leaders to obtain employment in traditionally underserved local educational agencies. The Request would consolidate the program into the ESED Block Grant, giving States and school districts flexibility to support similar activities in response to local needs and circumstances. The Department would reserve funds under the ESED Block Grant sufficient to pay continuation awards to existing grantees through the end of their approved project periods.

## **CHARTER SCHOOLS GRANTS**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$427.9	\$440.0	—

Through grants to State entities, charter school developers, and charter school management organizations, Charter Schools Grants support the startup of new charter schools and the replication and expansion of high-quality charter schools serving students in prekindergarten through grade 12. Funds also support grants to improve charter schools' access to facilities and information dissemination and evaluation activities. The Request would consolidate the Charter Schools Grants program into the ESED Block Grant, which would give States and school districts flexibility to support similar activities in response to local needs and circumstances. The Department would reserve sufficient funds under the ESED Block Grant to pay continuation awards to existing Charter Schools grantees through the end of their approved project periods.

**MAGNET SCHOOLS ASSISTANCE**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$113.7	\$107.0	—

Under this program, the Department makes competitive 5-year grants to support high-quality magnet schools in LEAs implementing a desegregation plan and to increase educational options for parents and families. The Request would consolidate Magnet Schools into the ESED Block Grant, which would give States and school districts flexibility to support similar activities in response to local needs and circumstances. The Department would reserve sufficient funds under the ESED Block Grant to pay continuation awards to existing grantees through the end of their approved project periods.

**READY TO LEARN PROGRAMMING (RTL)**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$27.7	\$29.0	—

The RTL program makes awards to public telecommunications entities that support the development and distribution of educational video programming for preschool and elementary school children and their parents, caregivers, and teachers, as well accompanying support materials and services that can be used to promote the effective use of such programming. Funds also are used to develop digital content, such as applications and online educational games, that is specifically designed for nationwide distribution over public television stations' digital broadcasting channels and the Internet. The Request would consolidate RTL into the ESED Block Grant, giving States and school districts flexibility to support similar activities in response to local needs and circumstances. The Department would reserve funds under the ESED Block Grant sufficient to pay continuation awards to existing grantees through the end of their approved project periods.

**ARTS IN EDUCATION**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$29.0	\$30.0	—

This program promotes arts education for students, including disadvantaged students and students who are children with disabilities, through professional development for arts educators, development and dissemination of accessible instructional materials and arts-based educational programming, and community outreach activities that strengthen partnerships among schools and arts organizations. The Request would consolidate the Arts in Education program into the ESED Block Grant, giving States and school districts flexibility to support similar activities in response to local needs and circumstances. The Department would reserve funds under the ESED Block Grant sufficient to pay continuation awards to existing grantees through the end of their approved project periods.

## **JAVITS GIFTED AND TALENTED EDUCATION**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$12.0	\$13.0	—

The Javits program supports research, demonstration projects, innovative strategies, and other activities to build and enhance the capacity of elementary and secondary schools to identify gifted and talented students and meet their special educational needs. Funds also may be used to establish and operate gifted and talented education programs, which may include innovative methods and strategies for identifying and teaching students traditionally underserved in such programs. The Request would consolidate the Javits program into the ESED Block Grant, giving States and school districts flexibility to support similar activities in response to local needs and circumstances. The Department would reserve funds under the ESED Block Grant sufficient to pay continuation awards to existing grantees through the end of their approved project periods.

## **STATEWIDE FAMILY ENGAGEMENT CENTERS**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$15.4	\$10.0	—

This program provides funding to statewide organizations, or consortia of such organizations, to establish statewide centers that promote parent and family engagement in education or provide comprehensive training and technical assistance to SEAs, LEAs, schools, and organizations that support partnerships between families and schools. The Request would consolidate the program into the ESED Block Grant, giving States and school districts flexibility to support similar activities in response to local needs and circumstances. The Department would reserve funds under the ESED Block Grant sufficient to pay continuation awards to existing grantees through the end of their approved project periods.

## **SCHOOL SAFETY NATIONAL ACTIVITIES**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$95.0	\$105.0	—

This program authorizes activities to improve students' safety and well-being. The Request would consolidate the School Safety National Activities program into the ESED Block Grant, and the Department would reserve funds under the ESED Block Grant sufficient to pay continuation awards to existing grantees through the end of their approved project periods. States and school districts would have discretion to use block grant funds for any ESEA-authorized purpose, including activities currently supported by School Safety National Activities, such as improving school climate and safety, expanding access to counseling and mental health services, and preventing drug abuse, including mitigating the effects of the opioids crisis. Project SERV (School Emergency Response to Violence), which supports services to local educational agencies and institutions of higher education in which the learning environment has been disrupted due to a violent or traumatic incident, would continue to be funded through a separate reservation under the ESED Block Grant.

## **PROMISE NEIGHBORHOODS**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$78.3	\$80.0	—

This program provides competitive grants to support distressed communities in improving the academic and developmental outcomes for children, youth, and their families from birth through college. Funded activities are focused on “pipeline services,” which include high-quality early childhood programs; high-quality in-school and out-of-school programs; transition support for students at all levels of education and workforce preparation; family and community engagement support; job training, internships, and career counseling; and social, health, nutrition, and mental health services. The Request would consolidate the program into the ESED Block Grant, giving States and school districts flexibility to support similar activities in response to local needs and circumstances. The Department would reserve funds under the ESED Block Grant sufficient to pay continuation awards to existing grantees through the end of their approved project periods.

## **FULL-SERVICE COMMUNITY SCHOOLS (FSCS)**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$17.5	\$25.0	—

FSCS makes competitive 5-year grants to school districts—in partnership with community-based organizations, nonprofit organizations, or other public or private entities—to provide comprehensive academic, social, and health services for students, students’ family members, and community members in school settings by integrating existing school and community programs and implementing coordinated strategies that can impact neighborhoods with high rates of poverty, childhood obesity, academic failure, and involvement of community members in the justice system. The Request would consolidate FSCS program into the ESED Block Grant, giving States and school districts flexibility to support similar activities in response to local needs and circumstances. The Department would reserve funds under the ESED Block Grant sufficient to pay continuation awards to existing grantees through the end of their approved project periods.

## **STATE ASSESSMENTS**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions			
State Assessment Grants	\$369.1	\$369.1	\$369.1
Competitive Assessment Grants	8.9	8.9	—
<b>Total</b>	<b>378.0</b>	<b>378.0</b>	<b>369.1</b>

The Request would help States continue to administer aligned assessment systems as part of their ongoing implementation of the Every Student Succeeds Act. Annual, high-quality, statewide assessments aligned to

challenging State academic standards are a critical element of the statewide accountability systems that each State must establish under the Act, providing parents and educators with information they need to enable students to be successful and make progress towards attainment of State-determined college- and career-ready academic standards. State assessments also help identify schools that are succeeding and schools where challenges remain in improving academic achievement and closing achievement gaps. Competitive Assessment Grants would be eliminated, consistent with Administration policy on ESEA competitive grant programs under the ESED Block Grant proposal.

## **INDIAN EDUCATION**

	<u>2019</u>	<u>2020</u>	<u>2021 Request</u>
BA in millions			
Grants to Local Educational Agencies	\$105.4	\$105.4	\$105.4
Special Programs for Indian Children	68.0	68.0	68.0
National Activities	6.9	7.4	7.4
<b>Total</b>	<b>180.2</b>	<b>180.7</b>	<b>180.7</b>

Note: Amounts may not add due to rounding.

Indian Education programs supplement the efforts of States, LEAs, and Indian tribes to improve educational opportunities for Indian children. The programs link these efforts to broader educational reforms underway in States and localities to help ensure that these reforms benefit Indian students, enabling them to master the same challenging academic standards as other students by better meeting their educational and cultural needs.

Grants to Local Educational Agencies provide formula grants to LEAs and to schools operated by the Department of the Interior’s Bureau of Indian Education for activities to improve the educational achievement of Indian students. Funds would support supplemental educational services to a disadvantaged population that is heavily affected by poverty and low educational attainment, providing an average estimated per-pupil payment of \$232 for nearly 460,000 eligible American Indian and Alaska Native elementary and secondary students nationwide.

The Request for Special Programs for Indian Children includes support for competitive awards for projects to improve the college- and career-readiness of Native youth, as well as professional development grants for training Native American teachers and administrators for employment in schools with high proportions of Indian students.

The Request also supports National Activities, which fund grants to support Native language immersion programs; State-Tribal Education Partnership grants to create and build the capacity of Tribal educational agencies; and research, evaluation, and data collection activities designed to provide critical information on the educational status and needs of Indian students and to identify effective practices in the education of Indian students.

## IMPACT AID

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions			
Payments for Federally Connected Children:			
Basic Support Payments	\$1,301.2	\$1,340.2	\$1,340.2
Payments for Children with Disabilities	48.3	48.3	48.3
Facilities Maintenance	4.8	4.8	4.8
Construction	17.4	17.4	17.4
Payments for Federal Property	74.3	75.3	—
<b>Total</b>	<b>1,446.1</b>	<b>1,486.1</b>	<b>1,410.8</b>

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Note: Amounts may not add due to rounding.

The Impact Aid program provides financial assistance to school districts affected by Federal activities. The presence of certain children living on Federal property across the country can place a financial burden on the LEAs that educate them because such property is exempt from local property taxes, denying LEAs access to a key source of revenue used by most communities to finance education. Impact Aid helps replace the lost local revenue that would otherwise be available to LEAs to pay for the education of these children.

The Request would provide significant support for the education of almost 800,000 federally connected children in over 1,000 school districts while maintaining the fiscal discipline required to meet the President's overall goal of increasing support for national security and public safety without adding to the Federal budget deficit.

Basic Support Payments support federally connected children through both regular Basic Support Payments and Basic Support Payments for Heavily Impacted LEAs.

The Request for Payments for Children with Disabilities would support formula grants to help eligible districts meet their obligations under the Individuals with Disabilities Education Act to provide a free appropriate public education for federally connected children with disabilities.

The Request for Facilities Maintenance would fund essential repair and maintenance of the nine school facilities serving large numbers of military dependents that are owned and operated by the Department of Education, while also supporting the transfer of these schools to local school districts.

The Request for Construction would be used for competitive grants to the LEAs with the greatest need and would provide sufficient assistance to enable those LEAs to make major repairs and renovations.

The Administration requests no funds for Payments for Federal Property because these payments compensate LEAs for lost property tax revenue due to the presence of Federal lands without regard to whether those districts educate any federally connected children.

**TRAINING AND ADVISORY SERVICES**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$6.6	\$6.6	\$6.6

This program supports four regional Equity Assistance Centers, selected competitively, that provide services to school districts on issues related to discrimination based on race, gender, national origin, and religion. Typical activities include disseminating information on successful practices and legal requirements related to nondiscrimination; providing training to educators to develop their skills in specific areas, such as in the identification of bias in instructional materials; and technical assistance on selection of instructional programs. The Request would support a new Equity Assistance Center competition, as well as the administration and analysis of a final customer satisfaction survey for current grantees.

**SUPPLEMENTAL EDUCATION GRANTS**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$16.7	\$16.7	\$16.7

The Request would maintain support for Supplemental Education Grants to the Federated States of Micronesia (FSM) and the Republic of the Marshall Islands (RMI), as authorized by the Compact of Free Association Amendments Act of 2003 (P.L. 108-188). Under this program, the Department transfers funds and provides recommendations on the uses of those funds to the Department of the Interior, which makes grants to the FSM and the RMI for educational services that augment the general operations of the educational systems of the two entities.

## **B. SPECIAL EDUCATION AND REHABILITATION SERVICES**

### **OVERVIEW**

The Administration is committed to providing Americans with disabilities the opportunities and services they need to succeed in school, in the workplace, and in the community. The 2021 President's Budget supports a wide range of programs that can improve educational, employment, and independent living outcomes for people with disabilities.

The \$14.0 billion Request for Special Education programs focuses on improving educational and developmental outcomes for children with disabilities. For the Grants to States program, the Administration is requesting \$12.9 billion, an increase of \$100 million over the 2020 enacted level, to help maintain the Federal contribution toward meeting the excess cost of special education. Grants would cover 13 percent of the national average per pupil expenditure and provide an estimated average of \$1,739 per child for about 7.4 million children ages 3 through 21. This funding would support States and local educational agencies (LEAs) as they work to improve results for children with disabilities. Funding for the Grants for Infants and Families and Preschool Grants programs would be maintained at the 2020 enacted level.

The \$229.6 million Request for Special Education National Activities would maintain support for technical assistance, dissemination, training, and other activities that assist States, LEAs, parents, and others in improving results for children with disabilities. In addition, the Request includes \$20.1 million for Special Olympics Education programs, the same as the 2020 enacted level.

For Rehabilitation Services, the Administration requests a total of \$3.8 billion in mandatory and discretionary funds to support comprehensive and coordinated vocational rehabilitation services for individuals with disabilities through training, demonstration, and technical assistance, as well as other direct service programs to help individuals with disabilities to live more independently in their communities. The Request includes \$3.7 billion in mandatory funds for the Vocational Rehabilitation (VR) State Grants program, an increase of \$57.8 million over the fiscal year 2020 level consistent with the inflation increase specified in the authorizing statute. The Administration continues to propose elimination of the Supported Employment State Grants program because it duplicates support available through the VR State Grants program. Consequently, terminating the program would reduce unnecessary administrative burden and streamline program administration at the Federal and State levels, with minimal loss of services due to the increased funding proposed for VR State Grants. Funding for the remaining programs in the Rehabilitation Services account, including the Helen Keller National Center, would be maintained at the 2020 enacted level.

The 2021 Request also would level fund the American Printing House for the Blind, the National Technical Institute for the Deaf, and Gallaudet University. Total funding for these institutions would be \$249.3 million, up \$32.6 million, or 15 percent, since President Trump took office in 2017.

## **i. SPECIAL EDUCATION**

### **GRANTS TO STATES**

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	<u>2019</u>	<u>2020</u>	<u>2021 Request</u>
BA in millions	\$12,364.4	\$12,764.4	\$12,864.4

The Grants to States program, which is authorized under the Individuals with Disabilities Education Act (IDEA), makes formula grants that help States pay the additional costs of providing special education and related services to children with disabilities aged 3 through 21 years. The increased level proposed for fiscal year 2021 would support an estimated average per-child award of \$1,739 for roughly 7.4 million children with disabilities, setting the Federal contribution to about 13 percent of the national average per pupil expenditure.

Under the IDEA, States are required to provide a free appropriate public education to all children with disabilities. Services are provided in accordance with individualized education programs that are developed by teams that include the child's parents, a special educator, a representative of the LEA, and a regular educator, if appropriate. In addition, services must be provided, to the maximum extent appropriate and in the least restrictive environment, which for most children means in classes with children without disabilities. Students with disabilities also must be included in general State and district-wide assessments, including the assessments required under ESEA, and States must appropriately accommodate children with disabilities so they can participate in these assessments, or alternate assessments for those children with the most significant cognitive disabilities who cannot participate in regular assessments.

### **PRESCHOOL GRANTS**

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	<u>2019</u>	<u>2020</u>	<u>2021 Request</u>
BA in millions	\$391.1	\$394.1	\$394.1

This program provides formula grants to help States make a free appropriate public education available to all children with disabilities ages 3 through 5. The Request would provide an estimated \$484 per child for approximately 815,000 children to supplement funds provided under the Grants to States program and help to ensure that young children with disabilities are ready to learn when they enter school.

### **GRANTS FOR INFANTS AND FAMILIES**

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	<u>2019</u>	<u>2020</u>	<u>2021 Request</u>
BA in millions	\$470.0	\$477.0	\$477.0

This program provides formula grants to help States implement statewide systems of early intervention services for infants and toddlers with disabilities and their families so that State and local agencies identify and serve children with disabilities early in life, when interventions can be most effective in improving educational outcomes. The Request would enable States to provide high-quality early intervention services to approximately 410,000 infants and toddlers with disabilities and their families.

**STATE PERSONNEL DEVELOPMENT**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$38.6	\$38.6	\$38.6

This program provides competitive grants to help States reform and enhance their systems for personnel preparation and professional development in the areas of early intervention, educational, and transition services in order to improve outcomes for children with disabilities. The Request would cover the cost of continuation awards to State educational agencies to improve the knowledge and skills of special education and regular education teachers serving children with disabilities. It would also help recruit and retain personnel who are qualified to provide services to children with disabilities.

**TECHNICAL ASSISTANCE AND DISSEMINATION**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$44.3	\$44.3	\$44.3

This program funds competitive grants for technical assistance and dissemination of materials based on knowledge gained through research and practice. The Request would support continuations costs for projects initiated in previous years and approximately \$6.1 million in new awards.

**PERSONNEL PREPARATION**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$87.2	\$89.7	\$89.7

This program helps ensure that there are adequate numbers of personnel with the skills and knowledge necessary to help children with disabilities succeed educationally. Program activities focus both on meeting the demand for personnel to serve children with disabilities and improving the qualifications of these personnel, with particular emphasis on incorporating knowledge gained from research and practice into training programs. The Department uses requested funds to support (1) training for leadership personnel and personnel who work with children with low-incidence disabilities, (2) at least one activity in the broadly defined area of personnel development, and (3) enhanced support for beginning special educators.

**PARENT INFORMATION CENTERS**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$27.4	\$27.4	\$27.4

These funds support centers that provide parents with the training and information they need to work with professionals to meet the early intervention and special education needs of their children with disabilities. The Request would support awards for about 94 centers as well as approximately 5 awards to provide technical assistance to the centers.

## **EDUCATIONAL TECHNOLOGY, MEDIA, AND MATERIALS**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$28.0	\$29.5	\$29.5

This program makes competitive awards for research, development, and other activities that promote the use of technology, including universal design features, in providing special education and related services. Funds also support media-related activities, such as providing video description and captioning of films and television for use in classrooms for individuals with visual and hearing impairments and increasing the availability of books in accessible formats for individuals with visual impairments and other print disabilities.

## **SPECIAL OLYMPICS EDUCATION PROGRAM**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$17.6	\$20.1	\$20.1

This program funds the non-profit Special Olympics organization to support activities to promote the expansion of Special Olympics, including activities to increase the participation of individuals with intellectual disabilities within the United States. Funds also support the design and implementation of Special Olympics education programs, including character education and volunteer programs that support the purposes of the Special Olympics Sport and Empowerment Act of 2004, that can be integrated into classroom instruction and are consistent with academic content standards.

## **ii. REHABILITATION SERVICES**

### **VOCATIONAL REHABILITATION STATE GRANTS**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
Mandatory BA in millions	\$3,303.6	\$3,397.0	\$3,667.8

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Note: Pursuant to the Budget Control Act of 2011 (P.L. 112-25), the amount shown for fiscal year 2019 reflects the 6.2 percent reduction that went into effect on October 1, 2018, and the amount shown for fiscal year 2020 reflects the 5.9 percent reduction that went into effect on October 1, 2019.

This program provides formula grants to State Vocational Rehabilitation (VR) agencies to help individuals with disabilities become gainfully employed. These agencies provide a wide range of services to nearly one million individuals with disabilities annually. Services include vocational evaluation, counseling and guidance, work adjustment, diagnosis and treatment of physical and mental impairments, education and vocational training, job placement, and post-employment assistance. States that are unable to serve all eligible individuals with disabilities who apply must give priority to individuals with the most significant disabilities.

The Administration’s Request would also assist States and Tribal governments to increase the participation of individuals with disabilities in the workforce. Giving workers with disabilities the support and the opportunity to acquire the skills they need to pursue in-demand jobs and careers is critical to growing our economy. The requested increase (\$57.8 million over the fiscal year 2020 mandatory level) is consistent with the inflation adjustment specified in the authorizing statute (1.6 percent for 2021). In 2019, the VR program helped approximately 143,500 individuals with disabilities—94 percent with significant disabilities—achieve employment outcomes. Of the amount requested for VR State grants in 2021, \$45.3 million would be set aside to support approximately 87 grants, including 73 continuation tribal grants, 13 new tribal awards, and a technical assistance training grant under the American Indian VR Services program.

**CLIENT ASSISTANCE STATE GRANTS**

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	<u>2019</u>	<u>2020</u>	<u>2021 Request</u>
BA in millions	\$13.0	\$13.0	\$13.0

This program makes formula grants to States for activities to inform and advise clients of the benefits available to them under the Rehabilitation Act, to assist them in their relationships with service providers, and to ensure the protection of their rights under the Act. The Request would support advocacy services for approximately 34,700 individuals with disabilities.

**TRAINING**

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	<u>2019</u>	<u>2020</u>	<u>2021 Request</u>
BA in millions	\$29.4	\$29.4	\$29.4

The Training program makes competitive grants to State and other public or nonprofit agencies and organizations, including institutions of higher education, to help ensure that personnel with adequate skills are available to provide rehabilitation services to persons with disabilities.

**DEMONSTRATION AND TRAINING**

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	<u>2019</u>	<u>2020</u>	<u>2021 Request</u>
BA in millions	\$5.8	\$5.8	\$5.8

This program supports competitive grants and contracts to expand and improve services in promoting the employment and independence of individuals with disabilities in the community. Most funds support parent centers that provide training and information to individuals with disabilities and their parents, family members, guardians, advocates, or authorized representatives.

**INDEPENDENT LIVING SERVICES FOR OLDER BLIND INDIVIDUALS**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$33.3	\$33.3	\$33.3

The Independent Living Services for Older Blind Individuals program assists individuals aged 55 or older whose severe visual impairments make competitive employment difficult to obtain. Funds are provided under a formula to State VR agencies to provide services designed to help eligible individuals to adjust to their blindness by increasing their ability to care for their individual needs. In fiscal year 2018, the program served approximately 55,831 individuals with severe visual impairments.

**PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$17.7	\$17.7	\$17.7

The Protection and Advocacy of Individual Rights (PAIR) formula grant program funds systems in each State to protect and advocate for the legal and human rights of individuals with disabilities, helping them to pursue legal and administrative remedies to secure their rights under Federal law. The PAIR systems also provide information on, and referrals to, programs and services for individuals with disabilities. The Request would support advocacy services to approximately 46,000 individuals with disabilities.

**HELEN KELLER NATIONAL CENTER FOR DEAF-BLIND YOUTHS AND ADULTS**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$13.5	\$16.0	\$16.0

This program serves individuals who are deaf-blind, their families, and service providers through a national headquarters center with a residential training and rehabilitation facility and a network of 10 regional offices that provide referral, counseling, training, and technical assistance services. The funds requested would serve an estimated 2,200 consumers, 650 families, and 1,500 agencies and organizations through its regional offices, and provide direct services for approximately 65 consumers at the Center's residential training and rehabilitation program.

**SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES**

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	<u>2019</u>	<u>2020</u>	<u>2021 Request</u>
BA in millions			
American Printing House for the Blind	\$30.4	\$32.4	\$32.4
National Technical Institute for the Deaf	77.5	79.5	79.5
Gallaudet University	134.4	137.4	137.4
<b>Total</b>	<b>242.3</b>	<b>249.3</b>	<b>249.3</b>

For fiscal year 2021, the Administration requests \$249.3 million for Special Institutions, the same as the 2020 enacted level and an increase of \$32.6 million, or 15 percent, since President Trump took office in 2017.

**AMERICAN PRINTING HOUSE FOR THE BLIND**

The American Printing House for the Blind (APH) manufactures and distributes specially adapted educational materials for students who are visually impaired, offers advisory services for consumers and educational agencies, and conducts applied research related to the development of new products.

**NATIONAL TECHNICAL INSTITUTE FOR THE DEAF**

The National Technical Institute for the Deaf (NTID) provides postsecondary technical education and training for students who are deaf or hard of hearing, as well as graduate education and interpreter training programs. NTID also conducts research and provides training related to the education and employment of individuals who are deaf or hard of hearing. The Department maintains a contract with the Rochester Institute of Technology in Rochester, New York, for the operation of NTID. The Request provides support for operations, including funds that may be used for the Federal Endowment Grant program.

**GALLAUDET UNIVERSITY**

Gallaudet University (University) offers bilingual (i.e., American Sign Language and English) undergraduate, graduate, and continuing education programs for individuals who are deaf or hard of hearing, and for hearing students wishing to pursue careers in fields related to deafness. The University also operates the Laurent Clerc National Deaf Education Center (Clerc Center), which includes two accredited demonstration schools serving deaf and hard of hearing elementary and secondary students: the Kendall Demonstration Elementary School and the Model Secondary School for the Deaf. Through its National Mission programs, the Clerc Center is responsible for conducting research related to deaf education and for the provision of training and technical assistance to professionals and families around the country. The Request provides support for operations of the University and the Clerc Center, including funds that may be used for the Federal Endowment Grant program.

## **C. CAREER, TECHNICAL AND ADULT EDUCATION**

### **OVERVIEW**

A skilled workforce is critical for both strong communities and a strong economy. President Trump believes expanded investment in the reauthorized Carl D. Perkins Career and Technical Education Act will help more Americans to obtain relevant skills and high-paying jobs, while at the same time minimizing the costs of postsecondary education to students and families. The President's vision includes expanding career and technical education (CTE) so that every American high school provides access to high-quality CTE programs.

In particular, the Administration prioritizes education and training in science, technology, engineering, and mathematics (STEM) fields, including computer science, because those skills help American businesses drive solutions to complex industry problems, develop new products for expanded markets, and grow the economy.

The 2021 President's Budget would expand and reform America's workforce preparation system through a Request for nearly \$2 billion in discretionary funding for CTE State Grants, up \$680 million or 53 percent over the 2020 enacted level. In addition, the President's Budget renews the proposal to double the American Competitiveness and Improvement Act fee for the Department of Labor's H-1B visa program to help fund the training of American workers to fill jobs in occupations and industries that employ foreign workers with H-1B visas. Under the proposal, 15 percent of the revenue generated through the H-1B fees, or an estimated \$117 million, would be allocated to support CTE State Grants, bringing the total increase for the program to nearly \$800 million over the 2020 enacted level. In particular, the Administration will work with its State partners to promote the use of this increased funding to expand access to high-quality CTE programs at the high school level.

The Request also would significantly expand CTE National Programs, providing \$90 million to take full advantage of the new evidence-based Innovation and Modernization Grants authority. The proposed increase of \$82.6 million over the 2020 enacted level would create a significant incentive for partnerships involving schools, postsecondary institutions, community organizations, and business and industry to develop, implement, and expand high-quality CTE programs, particularly in the STEM fields, including computer science, that drive innovation and economic growth. In total, funding for all CTE programs would increase by nearly \$900 million.

Finally, the Request recognized the importance of Adult Education programs in helping to increase the number of adults who have the basic literacy and numeracy skills required to participate successfully in workforce education and training programs, including meeting the basic entrance requirements of apprenticeship programs.

Adult Education State Grants and National Leadership Activities would be funded at the 2020 enacted levels of \$657 million and \$13.7 million, respectively.

## CAREER AND TECHNICAL EDUCATION

BA in millions	<u>2019</u>	<u>2020</u>	<u>2021 Request</u>
State Grants	\$1,262.6	\$1,282.6	\$1,962.6
National Programs	7.4	7.4	90.0
<b>Total</b>	<b>1,270.0</b>	<b>1,290.0</b>	<b>2,052.6</b>

The Request provides \$2.0 billion for the Career and Technical Education (CTE) State Grants program, an increase of \$680 million, or 53 percent, over the 2020 enacted level. The Request would help State and local workforce training programs deliver on the promise of the Strengthening Career and Technical Education for the 21st Century Act by better integrating academic and career and technical education; promoting student attainment of challenging academic standards along with technical skills; providing strong linkages between secondary and postsecondary education; helping prepare special populations for high-skill, high-wage, or in-demand industry sectors or occupations that will allow graduates to earn a living wage; and provide work-based learning opportunities and opportunities to gain postsecondary credit while still attending high school. The President's Budget also proposes to double fees for the H-1B visa program to help fund the training of American workers to fill jobs in occupations and industries that employ foreign workers with H-1B visas. Under the proposal, 15 percent of the revenue generated through the H-1B fees, or an estimated \$117 million, would be allocated to support CTE State Grants, bringing the total request for CTE State Grants to nearly \$2.1 billion.

The \$90.0 million Request for CTE National Programs provides an increase of \$82.6 million to significantly expand the number and size of awards under the newly authorized Innovation and Modernization authority and allowing grantees to both demonstrate new CTE models and take proven programs to scale. New awards would focus on STEM fields, including computer science.

## ADULT EDUCATION

BA in millions	<u>2019</u>	<u>2020</u>	<u>2021 Request</u>
Adult Education State Grants	\$642.0	\$657.0	\$657.0
National Leadership Activities	13.7	13.7	13.7
<b>Total</b>	<b>655.7</b>	<b>670.7</b>	<b>670.7</b>

The Adult Education and Family Literacy Act is authorized through the Workforce Innovation and Opportunity Act, which promotes alignment of the Adult Education programs with Federal job training programs and the postsecondary education system.

The Request provides \$657.0 million for Adult Education State Grants, the same as the 2020 enacted level. The program assists adults without a high school diploma or the equivalent to become literate and obtain the knowledge and skills necessary for postsecondary education, employment, and economic self-sufficiency.

The \$13.7 million Request for National Leadership Activities would continue to support efforts to increase the literacy and workforce skills of adults.

## **D. STUDENT FINANCIAL ASSISTANCE**

### **OVERVIEW**

The Federal student aid programs provide grant, loan, and work-study assistance to help students afford a postsecondary education, find employment in today's workforce, and realize the lifelong benefits of a higher education. The Request for student financial assistance includes both discretionary and mandatory funding that would make available \$125 billion in new Federal student aid to help nearly 10.5 million students and their families pay for college.

The Administration's fiscal year 2021 budget focuses on reducing the complexity of student financial aid; encouraging responsible borrowing; and aligning education to the needs of the workforce. The Request includes proposals that address student debt by streamlining student loan programs and repayment options, instituting sensible and reasonable annual and lifetime loan limits for parents and graduate students, and redirecting inefficiencies to prioritize debt relief for undergraduate borrowers struggling to repay. Additionally, the Request supports expanding Pell Grant eligibility for high-quality short-term programs, making Pell Grants available to certain incarcerated students to improve employment outcomes, reduce recidivism, and facilitate their successful reentry to society, and reforming the existing Federal Work-Study program to support workforce and career-oriented training opportunities for low-income undergraduate students. These proposals are part of the Administration's commitment to reforming higher education through legislation and regulatory reform. The Administration looks forward to working with Congress to encourage institutions to offer accessible, affordable, and innovative education that prepares students for lifelong learning and success. Specific policy proposals include:

#### **Evaluation of a Separate Federal Student Aid**

Today, the Office of Federal Student Aid (FSA) manages the servicing of one of the largest consumer loan portfolios in the world. In addition, FSA provides oversight for more than 6,000 institutions of higher education that participate in the HEA Title IV programs; develops and implements the Free Application for Student Aid (FAFSA) process; and secures the data of the over 40 million Americans with Federal Student Loans. Recognizing the significant growth in the scope and complexity of FSA's responsibilities since its establishment as a performance-based organization more than 20 years ago, the President's Budget proposes the evaluation of FSA as a separate organization, with reformed governance. An updated governance model could significantly increase FSA's ability to serve students and taxpayers by improving its management, oversight, and administration of the Federal student aid programs.

#### **Expand Pell Grant Eligibility to High-Quality Short-Term Programs**

Americans are often unable to access education and training programs that would provide them with the skill needed to secure well-paying jobs in high-demand fields. Postsecondary programs that could help address this problem are often not eligible to receive Federal student aid due to time and program length requirements. Federal law should facilitate, not impede, students getting the skills they need to secure well-paying jobs. To that end, the Request proposes to expand Pell Grant eligibility to students enrolled in high-quality short-term programs that lead to a credential, certification, or license in a high-demand field.

### Expand Pell Grant Eligibility to Certain Incarcerated Students

Today, one and a half million Americans are in Federal or state prisons across the country and more than 95 percent of these prisoners will eventually leave prison, reenter society, and face the challenge of securing jobs and reintegrating their lives. The Request proposes to expand Pell Grant eligibility to incarcerated students who are within five years of their likely release and enroll in programs that prepare them for high-demand occupations.

### Protect Pell Grants and Iraq and Afghanistan Service Grants

Pell Grants are the foundation of low- and middle-income students' financial aid package to which other forms of aid are added. The Administration's fiscal year 2021 budget would fully fund the Pell Grant program in 2021, maintaining a \$6,345 maximum award in 2021-2022, while ensuring the program remains on stable financial footing. The budget would also restore nearly \$400 a year to each recipient of an Iraq and Afghanistan Service Grant, by protecting those grants from sequestration cuts just like Pell Grants.

### Reform Campus-Based Aid Programs

Most of the roughly 6,000 institutions of postsecondary education that participate in the Federal Pell Grant and/or Federal Student Loan programs also participate in one or more of the Federal Campus-Based Aid programs. Consistent with the President's call to bolster effective workforce development programs, the Request proposes to reform the Federal Work-Study (FWS) program from a model that mostly provides subsidized employment for campus-based jobs through Federal aid for higher income undergraduate and graduate students to a program that supports workforce and career-oriented opportunities for low-income undergraduate students. The Request also proposes to focus scarce funds on the neediest students by reforming the FWS institutional allocation formula to take greater consideration of the institution's enrollment of Pell Grant recipients. Schools could fund individual undergraduate students through subsidized employment, paid internships, or other placements without limitation on the type of organization where the placement occurs, provided those placements are career or academically relevant. Schools could also serve groups of students through programs and initiatives that expose students to, or build preparedness for, careers.

The Request also proposes to eliminate funding for the Federal Supplemental Educational Opportunity Grant program, which is largely duplicative of the Pell Grant program and does not effectively deliver need-based aid to the neediest students.

### Protect Students and Taxpayers from Growing Student Loan Burden

The Budget protects graduate and parent borrowers from racking up crushing debt – and taxpayers from the cost of forgiving excessive balances – by instituting sensible annual and lifetime loan limits. The Budget proposes to set an aggregate limit on Parent PLUS loans for undergraduate students of \$26,500—the difference between the dependent undergraduate aggregate limit of \$31,000 and the independent undergraduate aggregate limit of \$57,500. In addition, dependent undergraduate students would be eligible to borrow an additional amount (up to the independent undergraduate limit) if the parent has already reached the new Parent PLUS limit. The Budget also proposes to set annual and aggregate limits of \$50,000 and \$100,000 respectively for graduate students, exclusive of any undergraduate borrowing.

In addition, the Budget provides higher education institutions greater flexibility to ensure their students avoid excessive student loan debt and are able to repay their loans. As such, the Request proposes to provide financial aid administrators greater latitude to limit excessive loan borrowing and to allow schools to impose mandatory annual financial literacy training (i.e., loan counseling) in order for students to receive loan disbursements.

### Simplify Student Loan Programs

The current Federal student loan system is unnecessarily complex for borrowers to navigate. The Administration proposes to simplify the student loan programs by providing one loan option, all with reasonable limits, to each type of borrower (undergraduate, graduate, and parent). The Budget proposes to consolidate all undergraduate borrowing under the Unsubsidized Stafford loan program. Graduate student borrowing would additionally be simplified by consolidating all graduate borrowing under one graduate loan program with the same corresponding loan terms and conditions as current Graduate PLUS loans (note that in the following tables, figures for this loan program will be shown in 2021 under Grad PLUS). Parent borrowers would still be able to take advantage of the Parent PLUS loan program with the limit described above.

### Simplify Student Loan Repayment

In recent years, income-driven repayment (IDR) plans, which offer borrowers the option of making affordable monthly payments based on factors such as income and family size, have grown in both popularity and cost. However, choosing and enrolling in the right repayment plan is overly complicated by the numerous statutory and regulatory repayment plans required to be offered to borrowers. In addition, the benefits provided by these plans are not currently focused on the most vulnerable student borrowers.

The Request proposes to greatly streamline student loan repayment by consolidating five IDR plans into a single plan. The Single IDR plan would set a borrower's monthly payment at 12.5 percent of discretionary income, while eliminating the standard repayment cap to ensure that high-income, high-balance borrowers make payments commensurate with their income. Married borrowers who file separately would have their payments determined based on both their and their spouse's income. For borrowers with undergraduate student debt only, 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 further improve and simplify loan repayment, the Request proposes auto-enrolling severely delinquent borrowers into the Single IDR plan.

While retaining teacher loan forgiveness programs in order to incentivize more high-quality teachers to teach in high-need schools and subjects, the Request proposes eliminating inefficient subsidies in the student loan program to prioritize debt relief for undergraduate borrowers struggling to repay. These proposals include eliminating Public Service Loan Forgiveness, Subsidized Stafford loans, and the payment of Account Maintenance Fees to guaranty agencies. As a result of these proposals, all new undergraduate student loans would be unsubsidized. These proposals would also help simplify the student loan programs.

All policies for student loans would apply to loans originated on or after July 1, 2021, with an exception for students who borrowed their first loans prior to July 1, 2021, and who are borrowing to complete their current course of study. These policies together would save approximately \$169 billion over 10 years.

### Increase Institutional Accountability

Investing in higher education generally provides strong value for students and taxpayers; however, some institutions consistently fail to deliver the type of quality education that enables students successfully to repay Federal student loans, leaving borrowers and taxpayers to foot the bill. A better system would require postsecondary institutions that accept taxpayer funds to share in the financial responsibility associated with student loans. The Administration plans to work with Congress to address this issue.

## STUDENT AID SUMMARY TABLES (BUDGET AUTHORITY)

(\$ in millions)	<u>2019</u>	<u>2020</u>	<u>2021 Request</u>
Pell Grants			
Discretionary funding	\$22,475.4	\$22,475.4	\$22,475.4
Mandatory funding <sup>1</sup>	6,758.0	7,143.0	7,009.0
<b>Total, Pell Grants</b>	<b>29,233.4</b>	<b>29,618.4</b>	<b>29,484.4</b>
Federal Supplemental Educational Opportunity	840.0	865.0	0.0
Federal Work-Study	1,130.0	1,180.0	500.0
TEACH Grants <sup>2</sup>	33.0	3.3	27.6
Iraq and Afghanistan Service Grants <sup>3</sup>	0.4	0.5	0.0
Federal Family Education Loans <sup>4</sup>	1,562.6	6,394.4	-466.3
Federal Direct Loans <sup>5</sup>	25,014.0	72,164.1	-8,327.0
<b>Total, Student Aid</b>	<b>57,813.4</b>	<b>110,225.7</b>	<b>21,218.7</b>

Note: Amounts may not add due to rounding.

1 Amounts appropriated for Pell Grants for 2019, 2020, and 2021 include mandatory funding provided in the Higher Education Act, as amended, to fund both the base maximum award and add-on award.

2 For budget and financial management purposes, this program is operated as a credit program under the Federal Credit Reform Act of 1990. Budget authority reflects the estimated net present value of future Federal non-administrative costs for awards made in a given fiscal year. The 2019 amount includes a net upward reestimate of \$4.0 million. The 2020 amount includes a net downward re-estimate of \$25.4 million due to lower than anticipated volume. The amount for 2021 reflects new loan subsidy.

3 The Iraq and Afghanistan Service Grants (IASG) program is displayed as part of the Pell Grant program in 2021, reflecting Budget policy to move IASG into the Pell Grant program. In 2021, projected costs for this award are projected to be \$599,000.

4 Federal Family Education Loan (FFEL) budget authority does not include the Liquidating account. The FFEL reestimates include the Ensuring Continued Access to Student Loans Act (ECASLA) reestimates. The 2019 amount includes a net upward reestimate of \$1.6 billion. The 2020 amount includes a net upward reestimate of \$6.3 billion and an upward modification of \$109 million. The 2021 amount reflects a modification savings due to the policy proposal to eliminate Account Maintenance Fees paid to guaranty agencies. The reestimate for 2020 reflects the impact of changes on an outstanding FFEL plus ECASLA portfolio of \$227 billion, accounting for 2.8 percent of this total outstanding portfolio.

5 The 2019 amount includes a net upward reestimate of \$27.3 billion, due primarily to updated default and collection assumptions as well as increased borrower participation in higher- cost Income Driven Repayment (IDR) plans, and technical changes to how loans in IDR plans are modeled. The 2020 amount includes a net upward reestimate of \$63.2 billion, due primarily to updated IDR income assumptions using newly available IDR application data. The Direct Loans 2019 and 2020 BA amounts also reflect upward modifications of \$350 million and \$50 million respectively in each year as appropriated by Congress to support a temporary expansion of Public Service Loan Forgiveness (TEPSLF). The 2020 modification also includes \$435 million for costs associated with the regulatory action to provide proactive discharge (unless the borrower elects to reject the discharge) to borrowers for whom the Department of Veteran Affairs provides information showing the borrower has a total and permanent disability. The 2020 reestimate reflects the impact of changes on an outstanding Direct Loan portfolio of \$1,165 billion. The Direct Loan net reestimate shown in 2020 accounts for approximately 5.4 percent of the total DL outstanding portfolio at the end of FY 2019.

## AID AVAILABLE TO STUDENTS

(\$ in millions)	<u>2019</u>	<u>2020</u>	2021 <u>Request</u>
Pell Grants	\$28,246.6	\$29,596.8	\$30,348.2
Federal Supplemental Educational Opportunity Grants	1,154.7	1,189.0	0.0
Federal Work-Study	1,152.4	1,203.8	504.4
Iraq and Afghanistan Service Grants <sup>1</sup>	0.4	0.5	0.0
New Student Loans:			
Federal Direct Loans <sup>2</sup>	90,660.9	92,708.0	93,760.2
TEACH Grants	85.5	92.0	93.5
<b>Total, Aid Available to Students<sup>3</sup></b>	<b>121,300.6</b>	<b>124,790.3</b>	<b>124,706.3</b>
Unduplicated Count of Postsecondary Students Aided by Department Programs (in 000s)	10,235	10,428	10,499

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Note: Numbers may not add due to rounding.

1 The Iraq and Afghanistan Service Grants (IASG) program is displayed as part of the Pell Grant program in 2021, reflecting Budget policy to move IASG into the Pell Grant program.

2 Consolidation Loans for existing borrowers will total \$39.9 billion in 2019; \$39.8 billion in 2020; and \$40.0 billion in 2021.

3 Shows total aid generated by Department programs.

## NUMBER OF STUDENT AID AWARDS

(in thousands)	<u>2019</u>	<u>2020</u>	2021 <u>Request</u>
Pell Grants	6,673.0	6,834.0	7,086.0
Supplemental Educational Opportunity Grants	1,718.3	1,769.4	0.0
Work-Study	699.7	730.9	315.4
Iraq and Afghanistan Service Grants <sup>1</sup>	0.1	0.1	0.0
New Student Loans: <sup>2</sup>			
Federal Direct Loans	14,470.5	14,687.8	13,712.4
TEACH Grants	31.4	31.8	32.2
<b>Total, Number of Student Aid Awards</b>	<b>23,592.9</b>	<b>24,054.0</b>	<b>21,146.0</b>

Note: Numbers may not add due to rounding.

1 The Iraq and Afghanistan Service Grants (IASG) program is displayed as part of the Pell Grant program in 2021, reflecting Budget policy to move IASG into the Pell Grant program.

2 Excludes Consolidation Loans. Number of Consolidation Loans will total 653,000 in 2019; 647,000 in 2020; and 645,000 in 2021.

## FEDERAL PELL GRANT PROGRAM

BA in millions	<u>2019</u>	<u>2020</u>	2021 <u>Request</u>
Discretionary budget authority	\$22,475.4	\$22,475.4	\$22,475.4
Mandatory budget authority	5,388.0	5,738.0	5,887.0
Definite mandatory funding	1,370.0	1,405.0	1,122.0
<b>Total</b>	<b>29,233.4</b>	<b>29,618.4</b>	<b>29,484.4</b>
Maximum grant (in whole dollars)			
Discretionary portion	\$5,135	\$5,285	\$5,285
Mandatory add-on	1,060	1,060	1,060
<b>Total</b>	<b>6,195</b>	<b>6,345</b>	<b>6,345</b>
Program costs (dollars in millions)	\$28,280.0	\$29,631.0	\$30,383.6
Aid available (dollars in millions)	\$28,246.6	\$29,596.8	\$30,348.2
Average grant (in whole dollars)	\$4,233	\$4,331	\$4,283
Recipients (in thousands)	6,673	6,834	7,086

The Federal Pell Grant program helps ensure financial access to postsecondary education by providing grant aid to low and moderate-income undergraduate students. The program is the largest need-based postsecondary student grant program, with individual awards based on the financial circumstances of students and their families. The 2021 discretionary Request of \$22.5 billion for Pell Grants would continue to make college more affordable for an estimated 7.1 million students by fully funding the maximum award of \$6,345.

In addition, the Request proposes to expand Pell Grant eligibility to students enrolled in high-quality short-term programs that lead to a credential, certification, or license in a high-demand field, and make Pell Grants available to certain incarcerated students to improve employment outcomes, reduce recidivism, and facilitate their successful reentry to society. The request also proposes to move the Iraq and Afghanistan Service Grant (IASG) program into the Pell Grant program to protect the children of our fallen service members from cuts to their grant of nearly \$400 each year.

### Campus-Based Aid Programs

Federal Supplemental Educational Opportunity Grants (FSEOG) and Federal Work-Study are called the “campus-based aid” programs because they make grants directly to participating institutions, which have considerable flexibility to package awards based on the needs of their students. To simplify the complex array of student aid programs, the Request would eliminate funding for the FSEOG program. The Request

would also reform the Federal Work-Study program to use the funding to support workforce and career-oriented training opportunities for low-income undergraduate students.

### **FEDERAL WORK-STUDY**

	<u>2019</u>	<u>2020</u>	2021 <u>Request</u>
BA in millions	\$1,130.0	\$1,180.0	\$500.0
Aid available (dollars in millions)	\$1,152.4	\$1,203.8	\$504.4
Average award (in whole dollars)	\$1,647	\$1,647	\$1,599
Recipients (in thousands)	700	731	315

The Federal Work-Study program provides grants to participating institutions to pay up to 75 percent of the wages of eligible undergraduate and graduate students working part-time to help pay their college costs. The school or another eligible employer provides the balance of the student’s wages. The Request proposes to reduce Federal Work-Study to \$500.0 million—a level which, when combined with institutional matching funds, would make available more than \$504 million to an estimated 315,000 recipients. Funds are allocated to institutions according to a statutory formula and individual award amounts are determined at the discretion of institutional financial aid administrators. The Request would dramatically reform the Federal Work-Study program to allocate funding to institutions enrolling high numbers of Pell Grant recipients that would support workforce and career-oriented training opportunities for low-income undergraduate students.

### **IRAQ AND AFGHANISTAN SERVICE GRANTS**

	<u>2019</u>	<u>2020</u>	2021 <u>Request</u>
BA in thousands	\$430	\$490	—
Aid available (dollars in thousands)	\$445	\$523	—
Average award (in whole dollars) <sup>1</sup>	\$5,300	\$5,626	—
Recipients	(2)	(2)	—

<sup>1</sup> Average award amounts for 2019 and 2020 reflect impact of sequestration.

<sup>2</sup> Number of recipients estimated to be fewer than 500.

The Iraq and Afghanistan Service Grant (IASG) program provides non-need-based grants to students whose parent or guardian was a member of the Armed Forces who died in Iraq or Afghanistan as a result of

performing military service after September 11, 2001. Of those dependents of deceased service men and women, students who fall below the financial criteria for the Pell Grant program are eligible for a maximum Pell Grant and those who do not are eligible to receive a Service Grant. Additionally, students must be 24 years old or younger; or, if older than 24, must have been enrolled in an institution of higher education at the time of the parent or guardian’s death. Service Grants are equal to the maximum Pell Grant for a given award year, which is \$6,345 for the 2020–2021 award year.

As a result of sequestration, the current IASG program has, since award year 2012-2013, annually reduced the maximum grant for which recipients are eligible. Thus far, 246 students have lost approximately \$170,000 in grant aid due to sequestration. The Request proposes moving the IASG program to the Pell Grant program. This change will help to ensure the children of our fallen service members receive a full aid award, exempt from cuts of nearly \$400 a year due to sequestration.

**TEACH GRANTS**

	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$33.0 <sup>1</sup>	\$3.3 <sup>1</sup>	\$27.6 <sup>1</sup>
Aid available to students (in millions)	\$85.5	\$92.0	\$93.5
Maximum grant (in whole dollars)	\$4,000	\$4,000	\$4,000
Average grant (in whole dollars)	\$2,727	\$2,896	\$2,905
Recipients (in thousands)	31.4	31.8	32.2

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<sup>1</sup> The 2019 amount includes a net upward reestimate of \$4.0 million. The 2020 amount includes a net downward reestimate of \$25.4 million. The amount for 2021 reflects new loan subsidy.

The TEACH Grant program awards annual grants of up to \$4,000 to eligible undergraduate and graduate students who agree to serve, within 8 years of graduation, as full-time teachers in mathematics, science, foreign language, bilingual education, special education, or reading at a high-need school for not less than 4 years. For students who fail to fulfill this service requirement, grants are converted to Direct Unsubsidized Stafford Loans with interest accrued from the date the grants were awarded. The 2020 budget authority amount differs from the 2019 and 2021 levels significantly due to the inclusion of -\$25.4 million for a downward reestimate due primarily to lower than anticipated volume. The Administration projects that 64 percent of students receiving TEACH Grants will have their grants converted to loans. For budget and financial management purposes, the TEACH program is operated as a loan program with 100 percent forgiveness of outstanding principal and interest upon completion of a student’s service requirement. Consistent with the requirements of the Credit Reform Act of 1990, budget authority for this program reflects the estimated net present value of all future non-administrative Federal costs associated with awards made in a given fiscal year.

## FEDERAL FAMILY EDUCATION LOANS AND DIRECT LOANS

BA in millions	<u>2019</u>	<u>2020</u>	2021 <u>Request</u>
Federal Family Education Loans <sup>1</sup>			
Net modification of existing loans	—	\$108.8	\$-466.3 <sup>2</sup>
Net reestimate of existing loans	1,562.6 <sup>3,4</sup>	\$6,285.6 <sup>3,4</sup>	—
Total, FFEL program BA	1,562.6	6,394.4	-466.3
Federal Direct Loans			
New loans subsidies (BA)	-1,646.4 <sup>3</sup>	8,473.2 <sup>3</sup>	-8,327.0 <sup>3</sup>
Net modification of existing loans	350.0	485.0 <sup>2</sup>	—
Net reestimate of existing loans	26,310.4 <sup>4</sup>	63,205.9 <sup>4</sup>	—
Total, new budget authority	25,014.0	72,164.1	-8,327.0
Total, student loans (BA)	26,576.6	78,449.7	-8,793.3

<sup>1</sup> FFEL budget authority does not include the liquidating account.

<sup>2</sup> Under Credit Reform, costs or savings related to the impact of enacted policy changes on existing loans are reflected in the current year. The 2021 FFEL modification reflects a savings associated with the policy proposal to eliminate payment of Account Maintenance Fees to guaranty agencies. The 2019 and 2020 DL modifications include \$350 million and \$50 million respectively appropriated in each fiscal year to support a temporary expansion of Public Service Loan Forgiveness (TEPSLF). The 2020 modification also includes \$435 million for costs associated with the regulatory action to provide proactive discharge (unless the borrower elects to reject the discharge) to borrowers for whom the Department of Veteran Affairs provides information showing the borrower has a total and permanent disability.

<sup>3</sup> Total includes amount for Consolidation Loans.

<sup>4</sup> Under Credit Reform, the subsidy amounts are reestimated annually in both Direct Loans and FFEL to account for changes in long-term projections. Reestimates and modifications reflect the impact of changes on outstanding portfolios of \$174 billion for FFEL, \$53 billion for ECASLA, and \$1,165 billion for Direct Loans. Total reestimates and modifications shown in 2020 account for approximately 5 percent of the total outstanding portfolio at the end of fiscal year 2019.

## New Loan Volume

(in millions)	<u>2019</u>	<u>2020</u>	2021 <u>Request</u>
Direct Loans:			
Stafford loans	\$19,419.5	\$19,685.9	\$15,732.9
Unsubsidized Stafford loans	47,823.4	48,860.6	46,130.4
Parent PLUS loans	12,513.9	12,893.2	13,024.7
Grad PLUS loans	10,904.1	11,268.3	18,872.2
<b>Total<sup>1</sup></b>	<b>90,660.91</b>	<b>92,708.01</b>	<b>93,760.22</b>

## Number of New Loans

(in thousands)	<u>2019</u>	<u>2020</u>	2021 <u>Request</u>
Direct Loans:			
Stafford loans	5,536	5,623	4,479
Unsubsidized Stafford loans	7,464	7,581	7,448
Parent PLUS loans	875	882	903
Grad PLUS loans	595	602	882
<b>Total</b>	<b>14,470<sup>2</sup></b>	<b>14,688<sup>2</sup></b>	<b>13,712<sup>2</sup></b>

1 Amounts in 2021 reflect budget proposals to eliminate new Subsidized Stafford borrowing, institute limits on Parent PLUS and graduate borrowing, and consolidate all graduate borrowing under one graduate loan program with the same terms and conditions as Graduate PLUS loans. Amounts for the consolidated graduate loan program in 2021 are shown under Grad PLUS.

2 Consolidation Loans for existing borrowers will total \$39.9 billion and 653,000 loans in 2019, \$39.8 billion and 647,000 loans in 2020, and \$40.0 billion and 645,000 loans in 2021.

The Department of Education operates two major student loan programs—the Federal Family Education Loan (FFEL) program and the William D. Ford Federal Direct Loan (Direct Loan) program—but since July 1, 2010, the Department has made new loans only through the Direct Loan program. The legacy FFEL program made loans to students and their families through private lenders, with loans guaranteed by the Federal Government and administered by State and private nonprofit guaranty agencies. To generate savings to help put the Nation on a more sustainable fiscal path, the Request proposes to eliminate payments of Account Maintenance Fees to guaranty agencies.

Under the Direct Loan program, the Federal Government provides the loan capital and schools disburse loan funds to students. The Department carries out its loan origination and servicing functions under Direct Loans through private contractors. The Direct Loan program features four types of loans with fixed interest rates that are set annually (note that these descriptions are for current law—the 2021 Budget proposes several reforms to simplify and streamline student loan programs and repayment options):

- Stafford Loans are low-interest loans with annual and aggregate limits available to undergraduate students based on financial need. The Federal Government pays the interest while the student is in school and during certain grace and deferment periods. The current interest rate for undergraduate loans made in award year 2019–2020 is 4.53 percent.
- Unsubsidized Stafford Loans are low-interest loans with annual and aggregate limits available to undergraduate and graduate students, regardless of financial need. The Federal Government does not pay interest for the student during in-school, grace, and deferment periods. The interest rate is 4.53 percent for undergraduate borrowers and 6.08 percent for graduate and professional borrowers in award year 2019-2020.
- PLUS Loans are available to parents of dependent undergraduate students and to graduate and professional students. There is no annual or aggregate limit on the amount that can be borrowed other than the cost of attendance minus other student financial aid. The interest rate is 7.08 percent in award year 2019–2020, and the Federal Government does not pay interest during in-school, grace, and deferment periods.
- Consolidation Loans allow borrowers with multiple student loans who meet certain criteria to combine their loans and extend their repayment schedules. The rate for both FFEL and Direct Consolidation Loans is based on the weighted average of loans consolidated rounded up to the nearest one-eighth of 1 percent. The resulting rate for the consolidated loan is then fixed for the life of the loan.

The Request proposes to simplify the federal student loan programs and student loan repayment, institute sensible and reasonable annual and lifetime loan limits for parents and graduate students and eliminate inefficient subsidies in the student loan program to prioritize debt relief for undergraduate borrowers struggling to repay.

## **E. HIGHER EDUCATION PROGRAMS**

### **OVERVIEW**

The Request includes \$1.8 billion in discretionary funds for Higher Education programs aimed at improving student achievement and increasing access to a high-quality education for all students.

To foster more and better opportunities in higher education for communities that are often underserved, the Request provides \$1.1 billion for programs that serve high proportions of minority students. This includes \$343 million for Minority-Serving Institutions (MSIs) and \$749.2 million for programs that focus on Historically Black Colleges and Universities (HBCUs), including Howard University and HBCU Capital Financing, consistent with the President's Executive Order on HBCUs, which calls for efforts to strengthen the capacity of HBCUs to provide the highest-quality education and to provide opportunities for HBCU participation in Federal programs. The recently enacted FUTURE Act would provide another \$255 million in mandatory funding for HBCUs (\$85 million) and MSIs (\$170 million).

A highlight of the 2021 Request for HBCUs and MSIs is a \$150 million request for the Minority Science and Engineering Improvement Program (MSEIP) program, an increase of \$137.4 million over the 2020 enacted level, to support a HBCU/MSI STEM Opportunity Zones Initiative that would fund STEM-based projects led by HBCUs and MSIs located in Opportunity Zones. Funds could be used to create or expand STEM academic pipelines aligned with the local business community; improve public-private STEM partnerships; launch STEM entrepreneurship incubators; and incentivize or complement investment from Opportunity Funds for STEM-focused capital projects (e.g. facilities for incubators) that will help prepare the future generation of STEM professionals. The expanded MSEIP would target \$50 million to HBCUs, \$50 million to Hispanic-serving institutions (HSIs), and \$50 million to all other MSIs.

The Request includes \$196.3 million in discretionary funding to renew the Administration's proposal for a Consolidated MSI Grant program, which would streamline grantmaking by consolidating six discretionary MSI programs, including the HEA Title V Aid for Hispanic-Serving Institutions programs, that have similar purposes and activities, into a single institutional formula grant program. The 2021 Request also would add to this proposal \$140 million in funding for five MSI mandatory authorities recently reauthorized by the FUTURE ACT, bringing total budget authority for the proposed Consolidated MSI Grant program to \$336.3 million.

The 2021 Request continues to call for the transformation of the TRIO programs from a complex and difficult to administer set of Federal competitive grant programs to a single Student Supports Block Grant to States that would support activities—including current TRIO activities and those authorized under Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) and the College Assistance Migrant Program (CAMP)—to help low-income and other disadvantaged students progress through the academic pipeline from middle school through postsecondary education. This proposal reflects an overall Administration strategy—also seen in the Elementary and Secondary Education for the Disadvantaged Block Grant initiative—of restoring authority and responsibility over education at all levels from the Federal Government to the States, recognizing the need for fiscal responsibility in light of the limited Federal role in education, and reducing the size and cost of the Federal education bureaucracy. The Request for the TRIO Student Supports Block Grant is \$950 million, the same as the 2020 President's Budget and a reduction of \$140 million from the 2020 enacted level for the current TRIO programs.

To help fund evidence building to improve postsecondary education, the Request also proposes through appropriations language a new HEA pooled evaluation authority to improve data collection and conduct rigorous research and evaluations of the Department's postsecondary programs. The pooled evaluation

authority is modeled after the successful authority incorporated into the Elementary and Secondary Act by the Every Student Succeeds Act of 2015. The authority would permit the Department to reserve up to 0.5 percent of funding appropriated for each HEA program, with the exception of the Pell Grant program and the Student Aid Administration account.

The Request eliminates funding for a number of higher education programs that duplicate other programs, are more appropriately supported with State, local, institutional, or private funds, are outside of the Department's core mission, or have not shown evidence of effectiveness. These programs include the Strengthening Institutions Program, International Education and Foreign Language Studies programs, GEAR UP, Graduate Assistance in Areas of National Need, and the Fund for the Improvement of Postsecondary Education. The Teacher Quality Partnership program would be consolidated in the Elementary and Secondary Education for the Disadvantaged Block Grant.

## AID FOR INSTITUTIONAL DEVELOPMENT

BA in millions	2019	2020	2021 Request
Strengthening Institutions Program (SIP)	\$99.9	\$107.9	—
Strengthening Tribally Controlled Colleges and Universities (TCCUs)	31.9	36.6	\$36.6
Strengthening Tribally Controlled Colleges and Universities (mandatory TCCUs)	28.1 <sup>1</sup>	28.2 <sup>1</sup>	30.0
Strengthening Alaska Native and Native Hawaiian-serving Institutions (ANNHs)	15.9	18.3	—
Strengthening Alaska Native and Native Hawaiian-serving Institutions (mandatory ANNHs)	14.1 <sup>1</sup>	14.1 <sup>1</sup>	—
Strengthening Historically Black Colleges and Universities (HBCUs)	282.4	324.8	324.8
Strengthening Historically Black Colleges and Universities (mandatory HBCUs)	79.7 <sup>1</sup>	80.0 <sup>1</sup>	85.0
Strengthening Historically Black Graduate Institutions (HBGIs)	73.0	84.0	84.0
Strengthening HBCU Master's Program	8.7	10.0	10.0
Strengthening Predominantly Black Institutions (PBIs)	11.5	13.2	—
Strengthening Predominantly Black Institutions (mandatory PBIs)	14.1 <sup>1</sup>	14.1 <sup>1</sup>	—
Strengthening Asian American- and Native American Pacific Islander-serving Institutions (AANAPISIs)	3.9	4.4	—
Strengthening Asian American- and Native American Pacific Islander-serving Institutions (mandatory AANAPISIs)	4.7 <sup>1</sup>	4.7 <sup>1</sup>	—
Strengthening Native American-serving nontribal institutions (NASNTIs)	3.9	4.4	—
Strengthening Native American-serving nontribal institutions (mandatory NASNTIs)	4.7 <sup>1</sup>	4.7 <sup>1</sup>	—
Minority Science and Engineering Improvement (MSEIP)	11.1	12.6	150.0
<b>Total</b>	<b>687.5</b>	<b>762.1</b>	<b>720.4</b>
Discretionary	542.1	616.3	605.4
Mandatory	145.4	145.9	115.0

<sup>1</sup> Mandatory appropriations are provided under Section 371 of the HEA, as amended by P.L. 111-152. These amounts include sequester reductions of 6.2 percent in 2019 and 5.9 percent in 2020 that went into effect October 1, 2018, and October 1, 2019, respectively, pursuant to the Budget Control Act of 2011 (P.L. 112-25).

The Request for Aid for Institutional Development (Title III) continues to support institutions that serve large percentages of minority and low-income students. Title III funding, which is awarded both competitively and by a formula that directs aid to specified institutions, helps provide equal educational opportunity and strong academic programs for these students and enhances the financial stability of the institutions that serve them. Funds may be used to plan, develop, and implement activities that support student services, interventions that promote degree completion, and faculty development; administrative management; development and improvement of academic programs; joint use of libraries and laboratories; construction, maintenance, and renovation of instructional facilities; and endowment funds.

Specifically, for fiscal year 2021, the Administration requests a total of \$605.4 million for the Strengthening HBCUs program, Strengthening HBGIs program, Strengthening HBCU Master's Program, Strengthening TCCUs, and MSEIP.

Strengthening HBCUs supports any accredited, legally authorized HBCU that was established prior to 1964 and which retains a principal mission of educating African-Americans. Fiscal year 2021 funding would support 97 HBCUs.

Strengthening HBGIs supports 24 postgraduate institutions with schools of law, medical schools, or other graduate programs.

Strengthening HBCU Master's Program supports 18 HBCUs, specified in Section 723 of the HEA, determined to be making a substantial contribution to graduate education opportunities for Black Americans at the master's level in mathematics, engineering, the physical or natural sciences, computer science, information technology, nursing, allied health, or other scientific disciplines.

Strengthening TCCUs supports 35 Tribal Colleges and Universities located primarily in remote areas not served by other postsecondary education institutions. These institutions offer a broad range of degree and vocational certificate programs to students for whom these educational opportunities would otherwise be geographically and culturally inaccessible.

A \$150 million Request for the MSEIP program, an increase of \$137.4 million over the 2020 enacted level, would support STEM-based projects led by HBCUs and MSIs located in Opportunity Zones that would create or expand STEM academic pipelines, launch STEM entrepreneurship incubators, and promote investment from Opportunity Funds for STEM-focused capital projects (e.g. facilities for incubators). The expanded MSEIP would target \$50 million to HBCUs, \$50 million to Hispanic-serving institutions (HSIs), and \$50 million to all other MSIs.

The Request also renews and expands the Administration's Consolidated MSI Grant proposal that would combine 11 programs into a single institutional formula grant program, including three programs currently authorized in HEA Title V and the following eight programs (counting both mandatory and discretionary authorities) authorized in HEA Title III: Strengthening Alaska Native and Native Hawaiian-serving Institutions program, Strengthening Predominantly Black Institutions program, Strengthening Asian American and Native American Pacific Islander-serving Institutions program, Strengthening Native American-serving Nontribal Institutions program. The 2021 Request would add \$140 million in mandatory MSI funding provided under the FUTURE ACT to the \$196.3 million in discretionary funds for a total of \$336.3 million in budget authority for new Consolidated MSI Grants. This proposal reflects the Administration's emphasis on streamlining grantmaking and reducing administrative burden by reducing the number of programs with similar purposes and redundant activities, improving alignment between Federal resources and need, and shrinking the Federal bureaucracy. During the initial phase-in period of the new program, the Department would pay continuation awards to existing grantees through the end of their approved project periods.

## **AID FOR HISPANIC-SERVING INSTITUTIONS**

BA in millions	<u>2019</u>	<u>2020</u>	<u>2021 Request</u>
Developing Hispanic-Serving Institutions (HSIs) (discretionary)	\$124.4	\$143.1	—
Mandatory Developing HSI STEM and Articulation Programs	93.8 <sup>1</sup>	94.1 <sup>1</sup>	—
Promoting Postbaccalaureate Opportunities for Hispanic Americans (discretionary)	11.2	12.8	—
<b>Total</b>	<b>229.4</b>	<b>250.0</b>	—
Discretionary	135.6	155.9	—
Mandatory	93.8 <sup>1</sup>	94.1 <sup>1</sup>	—

1 Mandatory appropriations are provided under Section 371 of the HEA, as amended by P.L. 111-152. These amounts include sequester reductions of 6.2 percent in 2019 and 5.9 percent in 2020 that went into effect October 1, 2018, and October 1, 2019, respectively, pursuant to the Budget Control Act of 2011 (P.L. 112-25).

For fiscal year 2021, the Administration is proposing changes in how both discretionary and mandatory funds are administered to eligible institutions of higher education defined as HSIs. Currently, the Higher Education Act (HEA) authorizes numerous Title III and Title V programs that have similar purposes and activities; each program conducts its own competition for new awards. Rather than investing significant Department and MSI staff time and resources into running multiple competitions, the Administration is proposing a Consolidated MSI Grant program, which would combine 11 existing HEA Title III/V program authorities, including the three HSI programs, into a single new authority that would make formula-based awards to institutions that serve large numbers of minority students. HSIs make up the majority of institutions that would be served through this proposed program. During the initial phase-in of the new program, the Department would make continuation awards to current grantees through the end of their approved project periods, as described in the Consolidated MSI Grant section.

## **CONSOLIDATED MINORITY-SERVING INSTITUTIONS (MSI) GRANT**

BA in millions	<u>2019</u>	<u>2020</u>	<u>2021 Request</u>
Discretionary	—	—	\$196.3
Mandatory	—	—	140.0
<b>Total</b>	—	—	<b>336.3</b>

The Administration is proposing an expanded Consolidated MSI Grant program that would combine six discretionary programs totaling \$196.3 million in discretionary funding, the same level as the fiscal year 2020 appropriation for the consolidated programs, together with five mandatory authorities funded at \$140 million in 2021, into a single institutional formula grant program. These programs include the following:

- Alaska Native and Native Hawaiian-serving Institutions (mandatory and discretionary)
- Predominantly Black Institutions (mandatory and discretionary)
- Asian American and Native American Pacific Islander-serving Institutions (mandatory and discretionary)
- Native American-serving Nontribal Institutions (mandatory and discretionary)
- Developing Hispanic-Serving Institutions (discretionary only)
- Developing HSI STEM and Articulation Programs (mandatory only)
- Promoting Postbaccalaureate Opportunities for Hispanic Americans (discretionary only)

The proposed consolidation of these programs reflects the Administration’s emphasis on reducing duplication in Federal education programs, streamlining program administration, reducing burden for grantees, and re-allocating limited Federal staff resources and expertise from competition-related activities to grant monitoring and performance improvement.

Under the proposal, institutions that meet the current eligibility requirements under the existing authorities would receive formula allocations. The Administration is also considering a requirement for institutions to meet a minimum Pell graduation rate threshold to maintain eligibility for funding. During the transition to the proposed program, the Department would pay continuation awards to current grantees under the programs proposed for consolidation through the end of their project periods. The Request would support \$163.0 million in new awards (\$131.7 million in fiscal year 2020 mandatory carryover funds and \$31.3 million in discretionary funds) and \$165.0 million in discretionary continuation awards.

**TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS**

	<u>2019</u>	<u>2020</u>	<u>2021 Request</u>
BA in millions	\$9.6	\$10.0	\$10.0

The Request would support awards to tribally controlled postsecondary career and technical institutions that meet the program’s eligibility requirements to fund instructional and student support services under the Carl D. Perkins Career and Technical Education Act.

**SPECIAL PROGRAMS FOR MIGRANT STUDENTS**

	<u>2019</u>	<u>2020</u>	<u>2021 Request</u>
BA in millions	\$45.6	\$44.6	—

The Special Programs for Migrant Students includes the High School Equivalency Program (HEP), which funds competitively selected projects to help low-income migratory and seasonal farmworkers and fishers

earn high school diplomas or equivalency certificates, and the College Assistance Migrant Program (CAMP), which makes competitive grants to provide stipends and special services, such as tutoring and counseling, to migratory students who are in their first year of college. HEP and CAMP programs focus on finding and assisting migratory youth who have not been able—due to limited or inconsistent educational opportunity—to complete high school or go on to postsecondary education. The Request would fold this program into two of the major reform proposals included in the 2021 President’s Budget: HEP activities would be consolidated into the Elementary and Secondary Education for the Disadvantaged Block Grant, which would give States and school districts flexibility to support similar activities in response to local needs and circumstances, and CAMP would be consolidated into the TRIO Student Supports Block Grant, under which States would have discretion to use funds to support CAMP-like activities. The Department would pay continuation awards to existing grantees under both programs through the end of their approved project periods.

### FEDERAL TRIO PROGRAMS

BA in millions	<u>2019</u>	<u>2020</u>	<u>2021 Request</u>
Talent Search	\$179.9	\$170.0	—
Upward Bound	343.3	353.3	—
Veterans Upward Bound	19.1	19.8	—
Upward Bound Math-Science	64.2	65.5	—
Educational Opportunity Centers	54.1	55.6	—
Student Support Services	335.4	374.2	—
McNair Post Baccalaureate Achievement	59.1	42.4	—
Staff Training	3.2	3.3	—
Evaluation	0.0	0.4	—
Administration/Peer Review	1.7	5.5	—
TRIO Student Supports Block Grant			
New awards	—	—	\$73.7
Continuation awards	—	—	876.3
<b>Total</b>	<b>1,060.0</b>	<b>1,090.0</b>	<b>950.0</b>

Note: Amounts may not add due to rounding.

Federal TRIO programs are among the Department’s largest investments aimed at getting more students prepared for, into, and through postsecondary education. The Request would transition the Federal TRIO Programs from a series of competitive grant programs to a single Student Supports Block Grant to States that would support activities—including current TRIO activities and those authorized under Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) and the College Assistance Migrant Program (CAMP)—to help low-income and other disadvantaged students progress through the academic pipeline from middle school through postsecondary education. This proposal would give States, which are in the best position to understand the postsecondary transition and support needs of their students and institutions, flexibility to allocate TRIO resources to those activities most likely to improve postsecondary

access and outcomes for their students. The proposal also would enable the Department to re-allocate limited staff resources from competition-related activities to grant monitoring, performance improvement, and program evaluation. During the multi-year transition to the new TRIO Student Supports Block Grant, the Department would pay continuation awards for all current TRIO grantees through the end of their project periods, with the remaining funds distributed to States through the proposed formula. Finally, the proposal would remove the current statutory provisions limiting the Department’s ability to rigorously evaluate the effectiveness of the TRIO programs.

**TRANSITION PROGRAMS FOR STUDENTS WITH INTELLECTUAL DISABILITIES INTO HIGHER EDUCATION (TPSID)**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$11.8	\$11.8	\$11.8

The TPSID program supports competitive grants awarded to institutions of higher education or consortia of such institutions to create or expand high-quality, inclusive model comprehensive transition and postsecondary programs for students with intellectual disabilities. The Request would support approximately 25 continuation awards, as well as a Coordinating Center that provides technical assistance to institutions with transition programs.

**CHILD CARE ACCESS MEANS PARENTS IN SCHOOL**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$50.0	\$53.0	\$15.1

This competitive grant program supports the participation of low-income parents in postsecondary education through campus-based childcare services. Grants made to institutions of higher education must be used to supplement childcare services or start a new program, not to supplant funds for current childcare services. The program gives priority to institutions that leverage local or institutional resources and employ a sliding fee scale.

**TEACHER QUALITY PARTNERSHIP (TQP)**

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	<u>2019</u>	<u>2020</u>	<u>2021</u> <u>Request</u>
BA in millions	\$43.1	\$50.1	—

This program supports projects that improve the preparation of teachers; enhance professional development activities for teachers; strengthen accountability for teacher preparation programs; recruit highly qualified individuals, including minorities, into the teaching profession; and attract talented professionals from outside the teaching pipeline into the classroom. The Request would consolidate TQP into the Elementary and Secondary Education for the Disadvantaged Block Grant, giving States and school districts flexibility to support similar activities in response to local needs and circumstances. The Department would reserve

funds under the ESED Block Grant sufficient to pay continuation awards to existing grantees through the end of their approved project periods.

**HOWARD UNIVERSITY**

	2021		
BA in millions	<u>2019</u>	<u>2020</u>	<u>Request</u>
General Support	\$209.2	\$212.7	\$212.7
Howard University Hospital	27.3	27.3	27.3
<b>Total</b>	<b>236.5</b>	<b>240.0</b>	<b>240.0</b>

Howard University is a congressionally chartered HBCU that plays an important role in providing disadvantaged individuals, particularly Blacks or African-Americans, with access to a high quality postsecondary education. The 2021 Request would maintain strong support for Howard University’s academic and research programs, serving undergraduate, graduate, and professional students and the Howard University Hospital. Federal support for the Hospital enables provision of medical, dental, and other health-related education, research, and training opportunities for graduate and professional students. The Request includes \$3.4 million for Howard University’s endowment, which is designed to assist the University in increasing its financial strength and independence.

**ACADEMIC FACILITIES**

	2021		
BA in millions	<u>2019</u>	<u>2020</u>	<u>Request</u>
HBCU Capital Financing Program	\$40.5	\$46.5	\$40.5
CHAFL Federal Administration	0.4	0.4	0.4

These programs support the construction, reconstruction, and renovation of academic facilities at institutions of higher education. The Request for the HBCU Capital Financing Program would support the management and servicing of loan guarantees on previously issued loans, and includes \$20 million in loan subsidy that would allow the program to guarantee \$220 million in new loans in 2020 and \$20 million for loan deferments initially granted in fiscal year 2018. Funds also would be used to continue technical assistance services to help HBCUs increase their fiscal stability and improve their access to capital markets. The Administration is seeking legislative authority to raise the limits on total loan authority and the sub-limits on authority for loans to public and private HBCUs.

Funding for College Housing Administration Facilities Loans (CHAFL) Federal Administration is used solely to manage and service existing portfolios of facilities loans and grants made in prior years.

## **F. INSTITUTE OF EDUCATION SCIENCES**

### **OVERVIEW**

The Institute of Education Sciences (IES) supports sustained programs of research, statistics, and evaluation to study and provide solutions to the challenges faced by schools, teachers, and learners. Investment in research, statistics, and evaluation activities is critical in order to identify effective instructional and program practices, track student achievement, and measure the impact of educational reform. Through its four centers—the National Center for Education Research, the National Center for Education Statistics, the National Center for Education Evaluation and Regional Assistance, and the National Center for Special Education Research—IES ensures the Federal investment in education research, statistics, and evaluation is of high quality and relevant to the needs of educators and policymakers. The Administration requests \$565.4 million for IES activities, \$58 million less than 2020 enacted level. As in previous years, the Request would not fund the Regional Education Laboratories or the Statewide Longitudinal Data Systems program.

### **RESEARCH, DEVELOPMENT, AND DISSEMINATION**

	2021		
	<u>2019</u>	<u>2020</u>	<u>Request</u>
BA in millions	\$192.7	\$195.9	\$195.9

The Request supports critical investments in education research, development, dissemination, and evaluation that provide parents, teachers, schools, and policymakers with evidence-based information on effective educational practices. The Request would enable IES to sustain its efforts to produce and support the use of evidence-based practices in the field and in the Department, fund new research awards, and continue disseminating information about what works in education to States and localities.

### **STATISTICS**

	2021		
	<u>2019</u>	<u>2020</u>	<u>Request</u>
BA in millions	\$109.5	\$110.5	\$113.5

The Department's Statistics program—operated primarily through competitively awarded contracts administered by National Center for Education Statistics—provides general statistics about trends in education, collects data to monitor reform and measure educational progress, and informs the IES research agenda. The Request would support the collection, analysis, and dissemination of education-related statistics in response to both legislative requirements and to the particular needs of data providers, data users, and educational researchers. The Request includes \$3 million to support the Privacy Technical Assistance Center, which serves as a valuable resource center to State and local educational agencies, the postsecondary community, and other parties engaged in building and using education data systems on issues related to privacy, security, and confidentiality of student records.

**ASSESSMENT**

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			2021
	<u>2019</u>	<u>2020</u>	<u>Request</u>
BA in millions	\$158.7	\$160.7	\$188.7

The Request includes a \$28 million increase to maintain a robust assessment schedule under the ongoing National Assessment of Educational Progress (NAEP). NAEP measures and reports on the status of and trends in student learning over time on a subject-by-subject basis and makes objective information on student performance available to policymakers, educators, parents, and the public. As the largest nationally representative and continuing assessment of what American students know and can do, NAEP has become a key measure of our Nation's educational performance. The Request maintains level funding for the National Assessment Governing Board (NAGB), which formulates policy for NAEP.

**RESEARCH IN SPECIAL EDUCATION**

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			2021
	<u>2019</u>	<u>2020</u>	<u>Request</u>
BA in millions	\$56.0	\$56.5	\$56.5

Funds support a comprehensive program of special education research designed to expand the knowledge and understanding of infants, toddlers, and children with disabilities; answer questions about how children with disabilities develop and learn; and learn how best to support their development through improved teaching and special education and related services. Continued investment in such long-term programs of research is necessary to accumulate empirical knowledge and develop evidence-based practices and policies that will result in improved academic achievement, social and emotional well-being, behavior, and physical development for children with disabilities.

**SPECIAL EDUCATION STUDIES AND EVALUATIONS**

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			2021
	<u>2019</u>	<u>2020</u>	<u>Request</u>
BA in millions	\$10.8	\$10.8	\$10.8

This program supports studies to assess the implementation of the Individuals with Disabilities Education Act (IDEA) and the effectiveness of State and local efforts to provide special education and early intervention programs and services to infants, toddlers, and children with disabilities. The Request would support an impact evaluation of training in transition supports, a study of State and local implementation of IDEA, a longitudinal study of post-high school outcomes for youth with disabilities, and special education reports from the What Works Clearinghouse.

### III. PROGRAMS PROPOSED FOR ELIMINATION

The Request supports the Administration’s commitment to eliminating funding for programs that have achieved their original purpose, duplicate other programs, are narrowly focused, or are unable to demonstrate effectiveness. Overall, 11 programs would be eliminated, for an annual savings of \$1.6 billion compared to the fiscal year 2020 appropriation. The table below identifies each program—in alphabetical order—and respective funding (i.e., fiscal year 2020 Budget Authority). A brief summary of each program follows the table.

	<b>2020 BA</b> (in millions)
Federal Supplemental Educational Opportunity Grants	865.0
Fund for the Improvement of Postsecondary Education	24.5
Gaining Early Awareness and Readiness for Undergraduate Programs	365.0
Graduate Assistance in Areas of National Need	23.0
Impact Aid Payments for Federal Property	75.3
International Education and Foreign Language Studies Domestic Programs	68.1
International Education and Foreign Language Studies Overseas Programs	8.1
Regional Educational Laboratories	56.0
Statewide Longitudinal Data Systems	33.0
Strengthening Institutions	107.9
Supported Employment State Grants	22.5
<b>Total</b>	<b>\$1,648.4</b>

	<b>2020 BA</b> (in millions)
<b>Federal Supplemental Educational Opportunity Grants</b>	<b>\$865.0</b>

This program allocates money to institutions using a statutory formula; the institutions then use the money to award need-based aid to students. This program duplicates the Pell Grant program and its allocation formula is not targeted efficiently, basing most of the allocation on prior allocation levels.

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**Fund for the Improvement of Postsecondary Education** **\$24.5**

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This program supports institutional reforms and strategies designed to improve institutional effectiveness and to expand postsecondary opportunities. The Administration believes that no additional funds are required for the demonstration activities funded under this program in prior years.

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**Gaining Early Awareness and Readiness for Undergraduate Programs** **\$365.0**

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This program provides funds to States and partnerships for early college preparation and awareness activities to help low-income middle and high school students prepare to pursue postsecondary education. Many of the activities funded under GEAR UP can be supported through the proposed TRIO Student Supports Block Grant as well as the proposed Elementary and Secondary Education for the Disadvantaged Block Grant.

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**Graduate Assistance in Areas of National Need** **\$23.0**

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GAANN provides fellowships, through competitive grants to postsecondary institutions, to graduate students with superior ability and high financial need studying in areas of national need. This program supports activities that are more appropriately supported through other Federal, State, local, and private funds.

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**Impact Aid Payments for Federal Property** **\$75.3**

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This authority provides payments to local educational agencies without regard to the presence of federally connected children and thus does not necessarily support the provision of educational services for federally connected children. Most districts that receive these payments have been funded for 40 years or more—sufficient time to adjust to the removal of Federal property from their tax rolls.

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**International Education and Foreign Language Studies Domestic Programs** **\$68.1**

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This program is designed to strengthen the capability and performance of American education in foreign languages and in international studies. This program supports activities that are better advanced by other agencies whose primary mission is national security.

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**International Education and Foreign Language Studies Overseas Programs** **\$8.1**

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This program improves secondary and postsecondary teaching and research concerning other cultures and languages, training of specialists, and the American public's general understanding of the peoples of other countries. This program supports activities that are better advanced by other agencies whose primary mission is national security.

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**Regional Educational Laboratories** **\$56.0**

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This program supports dissemination and technical assistance activities that are duplicative of existing investments in areas of training, technical assistance, and professional development to build State capacity to provide high-quality education. Past surveys and evaluations suggest that the technical assistance currently provided through this program may be underutilized or not relevant to State and district needs.

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**Statewide Longitudinal Data Systems** **\$33.0**

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This program provides competitive grants to State educational agencies to enable them to design, develop, and implement Statewide longitudinal data systems to efficiently and accurately collect, manage, and analyze individual student data. The program, which was intended to supplement other State or local funds, has fulfilled its original purpose and is no longer necessary, and States would be able to support similar activities through the Elementary and Secondary Education for the Disadvantaged Block Grant.

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**Strengthening Institutions** **\$107.9**

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This program provides funds that may be used to support a wide variety of institutional support activities, including construction, maintenance, renovation, and improvement of instructional facilities. The program duplicates activities that may be supported with other Federal funds, including the proposed Consolidated MSI Grant program.

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**Supported Employment State Grants** **\$22.5**

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Through this formula grant program, State Vocational Rehabilitation agencies receive supplemental funds to assist consumers with the most significant disabilities in achieving the employment outcome of supported employment. As supported employment is now an integral part of the Vocational Rehabilitation State Grants program, there is not a need for a separate funding stream to ensure the provision of such services.

## **IV. DEPARTMENTAL MANAGEMENT**

### **HISTORY AND BACKGROUND**

Congress established the Department of Education as a Cabinet level agency in 1980. Today, the Department supports programs that touch every area and level of education. The Department's early learning, elementary, and secondary education programs annually serve approximately 18,377 school districts and more than 55 million students attending more than 98,000 public and 34,000 private schools. Department programs also provide grant, loan, and work-study assistance to approximately 12 million postsecondary students at over 6,000 institutions of higher education.

The Department is responsible for administering education programs authorized and funded by Congress and signed into law by the President. This responsibility involves developing regulations and policy guidance regarding program operations, determining how program funds are awarded to recipients consistent with statutory requirements, and ensuring programs are operated fairly and conform to statutes and laws prohibiting discrimination in federally funded activities. The Department also collects data and conducts research on education to help focus attention on education issues of national importance.

Most Federal funds for education are distributed using one of three methods: (1) a statutory formula based on certain eligibility requirements, such as the number of low-income students in a school district; (2) a competitive process aimed at identifying the most promising proposals or projects targeting a particular educational purpose; or (3) an assessment of financial need, such as the ability of a student or family to pay for college.

Key programs include the Elementary and Secondary Education for the Disadvantaged Block Grant, for which \$19.4 billion would help approximately 25 million students in high-poverty schools make progress toward State academic standards; and \$12.9 billion for the Individuals with Disabilities Education Act Part B Grants to States to help States and school districts meet the special education needs of 7.1 million students with disabilities. Key programs also include Federal Pell Grants, which would make available \$30.3 billion in need-based grants to 7.1 million students enrolled in postsecondary institutions; and the postsecondary student loan programs, which would help provide roughly \$135 billion in new and consolidated Direct Loans to help students and families pay for college.

The Department's programs and responsibilities have grown substantially over the past decade. Some of the growth has resulted from legislation that added responsibilities or changed requirements, including the Student Aid and Fiscal Responsibility Act (SAFRA) that created 100 percent Direct Lending, the Workforce Innovation and Opportunity Act (WIOA), and the Federal Information Technology Acquisition Reform Act (FITARA). In addition, oversight of the Department student loan and grant programs continues to grow. The Elementary and Secondary Education Act, as amended by the Every Student Succeeds Act (ESSA), requires ED to provide assistance and flexibility to States and school districts to ensure a smooth implementation of the new statute. ED's workload also has increased as ED strives to improve its oversight of its programs and data.

## SALARIES AND EXPENSES (S&E) OVERVIEW

### Departmental Management

BA in millions			2021
	<u>2019</u>	<u>2020</u>	<u>Request</u>
Program Administration	\$430.0	\$430.0	\$448.7 <sup>1</sup>
Office for Civil Rights	125.0	130.0	130.0
Office of Inspector General	61.1	63.0	68.0
Student Aid Administration	1,679.0	1,768.9	1,883.3
Other <sup>2</sup>	8.6	8.6	8.6
<b>Total</b>	<b>2,303.7</b>	<b>2,400.5</b>	<b>2,538.6</b>

### Full-Time Equivalent Employment (FTE)

(whole numbers)

Program Administration	1,500	1,542	1,581
Office for Civil Rights	508	589	592
Office of Inspector General	214	231	252
Student Aid Administration	1,343	1,451	1,584
Other <sup>2</sup>	17	19	19
<b>Total<sup>3</sup></b>	<b>3,582</b>	<b>3,832</b>	<b>4,028</b>

1 Includes \$15 million for Building Modernization.

2 Includes small Federal Credit Administration accounts and S&E activities in program accounts.

3 Actual FTE usage in FY 2019; target for FY 2020 and FY 2021.

The Department is requesting \$2.539 billion for its S&E budget accounts in fiscal year 2021, an increase of \$138.1 million, over the fiscal year 2020 appropriation. The increase focuses on key departmental policy and management priorities. These include continued improvements to the Department's IT security to ensure the integrity of Department of Education data as well as to prevent potential IT security breaches. It also includes the transition to the Next Generation Financial Services Environment; continual operations

for student aid application processing, origination and disbursement functions; and student aid IT system hosting. Funding is also requested for building modernization and renovation activities which will reduce the Department's future rent costs by allowing the Department to move staff out of some existing space.

In fiscal year 2021, the Administration's Request supports 4,028 Full-Time Equivalents (FTE) Employment, a net increase of 196 FTE above the fiscal year 2020 appropriation.

### **PROGRAM ADMINISTRATION**

The Program Administration account provides administrative support for most programs and offices in the Department. The fiscal year 2021 Request totals \$448.7 million, an increase of \$18.7 million above the fiscal year 2020 appropriation. The Request includes \$274.6 million for personnel compensation and benefits to support 1,581 FTE, an increase of \$13.3 million above the fiscal year 2020 level of \$261.3 million.

Salaries and Expenses non-personnel costs cover such items as travel, rent, mail, telephones, utilities, printing, information technology (IT) services and security, contractual services, equipment, supplies, and other services. The total Request for non-personnel activities in fiscal year 2021 is \$174.1 million, an increase of \$5.4 million from the fiscal year 2020 appropriation of \$168.7 million. Approximately 70 percent of the total non-personnel Request is to cover Program Administration's share of the Department's centralized services. The centralized services Request totals \$126.0 million for fiscal year 2021, an increase of \$2.6 million over the fiscal year 2020 appropriation.

The overall account increase of \$18.7 million is primarily needed for: (1) building modernization and renovation activities with a goal of reducing the Department's future rent costs and; (2) continued improvements to the Department's IT security to ensure the integrity of Department of Education data as well as to prevent potential IT security breaches. The Request for non-personnel activities to support Building Modernization in fiscal year 2021 is \$15.0 million; no funds were provided in fiscal year 2020.

The Administration requests that the Program Administration Salaries and Expenses account be provided transfer authority to allow for use of the IT Working Capital Funds authorized by the Modernizing Government Technology (MGT) Act in 2018. The authority would enable ED to transfer 1-year administrative funds to an account with a 3 year period of availability for use on IT modernization. The anticipated transfer amount for fiscal year 2021 is \$5 million.

### **STUDENT AID ADMINISTRATION**

The Student Aid Administration account provides funds to administer the Federal student aid programs authorized under Title IV of the Higher Education Act. These programs, which provide funds to help students and families pay for the cost of education and training beyond high school, are the Nation's largest source of financial aid for postsecondary students. This account supports functions across the student aid lifecycle including educating students and families about the process for obtaining aid and student loan repayment options; processing student financial aid applications; disbursing aid; servicing loans; collecting on defaulted loans; and ensuring enforcement and oversight of the Title IV programs.

Ensuring the smooth operation of the complex financial transactions and assisting the many participants involved in the student financial aid programs, while safeguarding the interests of both students and Federal taxpayers, is one of the Department's greatest management challenges and highest administrative priorities. Primary responsibility for administering the Federal student financial assistance programs rests with Federal Student Aid (FSA), the Office of the Under Secretary, and the Office of Postsecondary Education.

In fiscal year 2021, FSA will provide \$125 billion in new Federal student aid grants and loans (excluding Direct Consolidation Loans) to approximately 10.5 million postsecondary students and their families. These students attend over 6,000 institutions of higher education.

SAFRA ended the origination of new loans under the Federal Family Education Loan (FFEL) program. Since July 1, 2010, all new loans are originated and serviced through the Direct Loan (DL) program administered by the Department of Education. Although all new lending is made through the DL program, private lenders continue to service and collect outstanding non-defaulted loans from the FFEL portfolio, while guaranty agencies and the Department continue to service and collect loans assigned to the Federal Government. The Department currently contracts with nine servicers to service the Department's portfolio of over 42 million borrowers.

The Student Aid Administration (SAA) account represents about 74 percent of the Department's total discretionary administrative budget. The Administration requests \$1.883 billion for fiscal year 2021 in the Student Aid Administration account to administer the Federal student aid programs, an increase of \$114.4 million above fiscal year 2020 appropriation. The requested funds are necessary to manage and service the student loan portfolio, including anticipated increases in loan volume and costs associated with transitioning to the Next Generation Financial Services Environment, maintaining operations for student aid application processing, origination and disbursement functions, student aid information technology (IT) system hosting, and enhancing IT security.

The Request supports Federal Student Aid (FSA) in continuing to undertake a monumental student loan servicing upgrade. FSA is reorganizing its fragmented servicing and operating infrastructure in order to provide an innovative, world-class financial services experience for its customers. The Next Generation Financial Services Environment at FSA will start with a mobile-first, mobile-complete engagement layer for all customer interactions that will link with an integrated but nimble new system. Integrated into every aspect of this modernization effort will be state-of-the-art cyber security protection. The end goal of this technical reorganization and modernization effort will be to provide better service for FSA's over 40 million customers, including students and institutions, across the student aid lifecycle. The new environment will help increase awareness and understanding of Federal student aid opportunities and responsibilities, improve FSA's operational flexibility, and enhance cost and operational efficiency, producing better outcomes for students and taxpayers.

Recognizing the significant growth in the scope and complexity of FSA's responsibilities since its establishment as a performance-based organization more than 20 years ago, the President's Budget proposes the evaluation of FSA as a separate organization, with reformed governance.

## **OFFICE FOR CIVIL RIGHTS**

The Department's Office for Civil Rights (OCR) investigates discrimination complaints, conducts compliance reviews, monitors corrective action plans, and provides technical assistance on civil rights issues. Since fiscal year 2007, the number of complaints doubled through fiscal year 2019, while the number of investigative staff decreased by 10 percent over the same period. The FTE level is projected to be 592 in fiscal year 2021.

The fiscal year 2021 Request for OCR is \$130.0 million, which is level funded to fiscal year 2020 appropriation. About \$97.7 million, or 75.2 percent, of the Request is for staff pay and benefits for 592 FTE. The remaining \$32.0 million is for non-pay projects and includes \$3.6 million for information technology services, including the contract for the Civil Rights Data Collection. The requested funds would ensure essential program support to resolve complaints of discrimination filed by the public and to ensure

that institutions receiving Federal financial assistance are in compliance with the civil rights laws enforced by OCR.

#### **OFFICE OF INSPECTOR GENERAL**

The Office of Inspector General (OIG) conducts audits and investigations of the Department's programs and activities to help ensure accountability for taxpayer-provided funds and to identify management improvements. The fiscal year 2021 Request for the OIG is \$68.0 million, an increase of \$5.0 million over the fiscal year 2020 appropriation. Approximately 68 percent of this amount, or \$46.5 million, is for personnel compensation and benefits to support a staffing level of 252 FTE.

The non-personnel Request of \$21.5 million includes \$1.2 million to contract for the mandatory annual audit of the Department's financial statements. The scope of the audit would include the examination and analysis of account balances, review of applicable financial systems, and evaluation of internal controls and compliance with significant laws and regulations. Additionally, the non-personnel Request includes funds to support the Council of Inspectors General on Integrity and Efficiency, and to continue to develop the ability to perform predictive analytics with a tool to identify patterns of fraud and risk, allowing OIG to better target its audit and investigative work.

## **V. APPENDICES**

- A. Detailed Budget Table by Program
- B. Summary of Discretionary Funds
- C. Summary of Mandatory Funds
- D. Total Expenditures for Elementary and Secondary Education in the United States

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DEPARTMENT OF EDUCATION FISCAL YEAR 2021 PRESIDENT'S BUDGET  
(in thousands of dollars)

2/10/2020

	Cat Code	2019 Appropriation	2020 Appropriation	2021 President's Budget	2021 President's Budget Compared to 2020 Appropriation	
					Amount	Percent

**Improving Elementary and Secondary Education**

1. Elementary and secondary education for the disadvantaged block grant (proposed legislation)						
Annual appropriation	D	0	0	6,840,812	6,840,812	---
Advance for succeeding fiscal year	D	0	0	12,522,618	12,522,618	---
<b>Total, Appropriation</b>	<b>D</b>	<b>0</b>	<b>0</b>	<b>19,363,430</b>	<b>19,363,430</b>	<b>---</b>
Total, Budget authority	D	0	0	6,840,812	6,840,812	---
Current		0	0	6,840,812	6,840,812	---
Prior year's advance		0	0	0	0	---

**Education for the Disadvantaged**

1. Grants to local educational agencies (ESEA I-A):						
(a) Basic grants (section 1124)						
Annual appropriation	D	5,018,625	5,468,625	0	(5,468,625)	-100.00%
Advance for succeeding fiscal year	D	1,440,776	990,776	0	(990,776)	-100.00%
Subtotal		6,459,401	6,459,401	0	(6,459,401)	-100.00%
(b) Concentration grants (section 1124A)						
Advance for succeeding fiscal year	D	1,362,301	1,362,301	0	(1,362,301)	-100.00%
(c) Targeted grants (section 1125)						
Advance for succeeding fiscal year	D	4,019,050	4,244,050	0	(4,244,050)	-100.00%
(d) Education finance incentive grants (section 1125A)						
Advance for succeeding fiscal year	D	4,019,050	4,244,050	0	(4,244,050)	-100.00%
Subtotal, Grants to LEAs		15,859,802	16,309,802	0	(16,309,802)	-100.00%
Annual appropriation	D	5,018,625	5,468,625	0	(5,468,625)	-100.00%
Advance for succeeding fiscal year	D	10,841,177	10,841,177	0	(10,841,177)	-100.00%

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NOTES: D = discretionary program; M = mandatory program  
Pursuant to the Budget Control Act of 2011 (P.L. 112-25), most mandatory programs, with the exception of Pell Grants, Credit Liquidating, and Credit Reestimates, the levels shown in the 2019 Appropriation column reflect the 6.2 percent reduction that went into effect on October 1, 2018; and the levels shown in the 2020 Appropriation column reflect the 5.9 percent reduction that went into effect on October 1, 2019.

Detail may not add to totals due to rounding.

DEPARTMENT OF EDUCATION FISCAL YEAR 2021 PRESIDENT'S BUDGET

2/10/2020

(in thousands of dollars)

	Cat Code	2019 Appropriation	2020 Appropriation	2021 President's Budget	2021 President's Budget Compared to 2020 Appropriation	
					Amount	Percent
<b>Education for the Disadvantaged (continued)</b>						
2. Comprehensive literacy development grants (ESEA II-B-2, section 2222)	D	190,000	192,000	0	(192,000)	-100.00%
3. Innovative approaches to literacy (ESEA II-B-2, section 2226)	D	27,000	27,000	0	(27,000)	-100.00%
4. State agency programs:						
(a) Migrant (ESEA I-C)	D	374,751	374,751	0	(374,751)	-100.00%
(b) Neglected and delinquent (ESEA I-D)	D	47,614	47,614	0	(47,614)	-100.00%
Subtotal, State agency programs		422,365	422,365	0	(422,365)	-100.00%
5. Special programs for migrant students (HEA IV-A-5)	D	44,623	45,623	0	(45,623)	-100.00%
<b>Total, Appropriation</b>	<b>D</b>	<b>16,543,790</b>	<b>16,996,790</b>	<b>0</b>	<b>(16,996,790)</b>	<b>-100.00%</b>
Total, Budget authority	D	16,543,790	16,996,790	10,841,177	(6,155,613)	-36.22%
Current		5,702,613	6,155,613	0	(6,155,613)	-100.00%
Prior year's advance		10,841,177	10,841,177	10,841,177	0	0.00%

99

<b>Impact Aid (ESEA VII)</b>						
1. Payments for federally connected children (section 7003):						
(a) Basic support payments (section 7003(b))	D	1,301,242	1,340,242	1,340,242	0	0.00%
(b) Payments for children with disabilities (section 7003(d))	D	48,316	48,316	48,316	0	0.00%
Subtotal		1,349,558	1,388,558	1,388,558	0	0.00%
2. Facilities maintenance (section 7008)	D	4,835	4,835	4,835	0	0.00%
3. Construction (section 7007)	D	17,406	17,406	17,406	0	0.00%
4. Payments for Federal property (section 7002)	D	74,313	75,313	0	(75,313)	-100.00%
<b>Total</b>	<b>D</b>	<b>1,446,112</b>	<b>1,486,112</b>	<b>1,410,799</b>	<b>(75,313)</b>	<b>-5.07%</b>

DEPARTMENT OF EDUCATION FISCAL YEAR 2021 PRESIDENT'S BUDGET

2/10/2020

(in thousands of dollars)

	Cat Code	2019 Appropriation	2020 Appropriation	2021 President's Budget	2021 President's Budget Compared to 2020 Appropriation	
					Amount	Percent

**School Improvement Programs**

1.	Supporting effective instruction State grants (ESEA II-A)						
	Annual appropriation	D	374,389	450,389	0	(450,389)	-100.00%
	Advance for succeeding fiscal year	D	1,681,441	1,681,441	0	(1,681,441)	-100.00%
	<b>Subtotal</b>	D	<b>2,055,830</b>	<b>2,131,830</b>	<b>0</b>	<b>(2,131,830)</b>	<b>-100.00%</b>
2.	21st century community learning centers (ESEA IV-B)	D	1,221,673	1,249,673	0	(1,249,673)	-100.00%
3.	State assessments (ESEA I-B, section 1201-1203)	D	378,000	378,000	369,100	(8,900)	-2.35%
4.	Education for homeless children and youths (MVHAA Title VII-B)	D	93,500	101,500	0	(101,500)	-100.00%
5.	Native Hawaiian education (ESEA VI-B)	D	36,397	36,897	0	(36,897)	-100.00%
6.	Alaska Native education (ESEA VI-C)	D	35,453	35,953	0	(35,953)	-100.00%
7.	Training and advisory services (CRA IV)	D	6,575	6,575	6,575	0	0.00%
8.	Rural education (ESEA V-B)	D	180,840	185,840	0	(185,840)	-100.00%
9.	Supplemental education grants (Compact of Free Association Act)	D	16,699	16,699	16,699	0	0.00%
10.	Comprehensive centers (ETAA section 203)	D	52,000	52,000	0	(52,000)	-100.00%
11.	Student support and academic enrichment grants (ESEA IV-A)	D	1,170,000	1,210,000	0	(1,210,000)	-100.00%
	<b>Total, Appropriation</b>	D	<b>5,246,967</b>	<b>5,404,967</b>	<b>392,374</b>	<b>(5,012,593)</b>	<b>-92.74%</b>
	Total, Budget authority	D	5,246,967	5,404,967	2,073,815	(3,331,152)	-61.63%
	Current		3,565,526	3,723,526	392,374	(3,331,152)	-89.46%
	Prior year's advance		1,681,441	1,681,441	1,681,441	0	0.00%

**Safe Schools and Citizenship Education**

1.	School safety national activities (ESEA IV-F-3, section 4631)	D	95,000	105,000	0	(105,000)	-100.00%
2.	Promise neighborhoods (ESEA IV-F-2, section 4624)	D	78,254	80,000	0	(80,000)	-100.00%
3.	Full-service community schools (ESEA IV-F-2, section 4625)	D	17,500	25,000	0	(25,000)	-100.00%
	<b>Total</b>	D	<b>190,754</b>	<b>210,000</b>	<b>0</b>	<b>(210,000)</b>	<b>-100.00%</b>

DEPARTMENT OF EDUCATION FISCAL YEAR 2021 PRESIDENT'S BUDGET

2/10/2020

(in thousands of dollars)

	Cat Code	2019 Appropriation	2020 Appropriation	2021 President's Budget	2021 President's Budget Compared to 2020 Appropriation	
					Amount	Percent

**Indian Education (ESEA VI)**

1. Grants to local educational agencies (Part A-1)	D	105,381	105,381	105,381	0	0.00%
2. Special programs for Indian children (Part A-2)	D	67,993	67,993	67,993	0	0.00%
3. National activities (Part A-3)	D	6,865	7,365	7,365	0	0.00%
<b>Total</b>	<b>D</b>	<b>180,239</b>	<b>180,739</b>	<b>180,739</b>	<b>0</b>	<b>0.00%</b>

**Innovation and Improvement**

1. Education innovation and research (ESEA IV-F-1)	D	130,000	190,000	0	(190,000)	-100.00%
2. Teacher and school leader incentive grants (ESEA II-B-1)	D	200,000	200,000	0	(200,000)	-100.00%
3. American history and civics education (ESEA II-B-3)	D	4,815	4,815	0	(4,815)	-100.00%
4. Supporting effective educator development (SEED) (ESEA II-B-4, section 2242)	D	75,000	80,000	0	(80,000)	-100.00%
5. Charter schools grants (ESEA IV-C) <sup>1</sup>	D	427,859	440,000	0	(440,000)	-100.00%
6. Magnet schools assistance (ESEA IV-D) <sup>1</sup>	D	113,701	107,000	0	(107,000)	-100.00%
7. Ready to learn programming (ESEA IV-F-4, section 4643)	D	27,741	29,000	0	(29,000)	-100.00%
8. Arts in education (ESEA IV-F-4, section 4642)	D	29,000	30,000	0	(30,000)	-100.00%
9. Javits gifted and talented education (ESEA IV-F-4, section 4644)	D	12,000	13,000	0	(13,000)	-100.00%
10. Statewide family engagement centers (ESEA IV-E) <sup>1</sup>	D	15,440	10,000	0	(10,000)	-100.00%
<b>Total</b>	<b>D</b>	<b>1,035,556</b>	<b>1,103,815</b>	<b>0</b>	<b>(1,103,815)</b>	<b>-100.00%</b>

**English Language Acquisition (ESEA III-A)**

	D	737,400	787,400	0	(787,400)	-100.00%
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<sup>1</sup> The 2019 Appropriation column reflects a reprogramming of \$12,141 thousand from Charter Schools Grants to Magnet Schools Assistance (\$6,700 thousand) and Statewide Family Engagement Centers (\$5,440 thousand).

DEPARTMENT OF EDUCATION FISCAL YEAR 2021 PRESIDENT'S BUDGET

2/10/2020

(in thousands of dollars)

	Cat Code	2019 Appropriation	2020 Appropriation	2021 President's Budget	2021 President's Budget Compared to 2020 Appropriation	
					Amount	Percent
<b>Special Education</b>						
1. State grants:						
(a) Grants to States (IDEA B-611)						
Annual appropriation	D	3,081,009	3,481,009	3,581,009	100,000	2.87%
Advance for succeeding fiscal year	D	9,283,383	9,283,383	9,283,383	0	0.00%
Subtotal		12,364,392	12,764,392	12,864,392	100,000	0.78%
(b) Preschool grants (IDEA B-619)	D	391,120	394,120	394,120	0	0.00%
(c) Grants for infants and families (IDEA C)	D	470,000	477,000	477,000	0	0.00%
Subtotal, State grants		13,225,512	13,635,512	13,735,512	100,000	0.73%
2. National activities (IDEA D):						
(a) State personnel development (subpart 1)	D	38,630	38,630	38,630	0	0.00%
(b) Technical assistance and dissemination (section 663)	D	44,345	44,345	44,345	0	0.00%
(c) Personnel preparation (section 662)	D	87,200	89,700	89,700	0	0.00%
(d) Parent information centers (sections 671-673)	D	27,411	27,411	27,411	0	0.00%
(e) Educational technology, media, and materials (section 674)	D	28,047	29,547	29,547	0	0.00%
Subtotal, National activities		225,633	229,633	229,633	0	0.00%
3. Special Olympics education programs (Special Olympics Sport and Empowerment Act)	D	17,583	20,083	20,083	0	0.00%
<b>Total, Appropriation</b>	<b>D</b>	<b>13,468,728</b>	<b>13,885,228</b>	<b>13,985,228</b>	<b>100,000</b>	<b>0.72%</b>
Total, Budget authority	D	13,468,728	13,885,228	13,985,228	100,000	0.72%
Current		4,185,345	4,601,845	4,701,845	100,000	2.17%
Prior year's advance		9,283,383	9,283,383	9,283,383	0	0.00%

DEPARTMENT OF EDUCATION FISCAL YEAR 2021 PRESIDENT'S BUDGET

2/10/2020

(in thousands of dollars)

	Cat Code	2019 Appropriation	2020 Appropriation	2021 President's Budget	2021 President's Budget Compared to 2020 Appropriation	
					Amount	Percent
<b>Rehabilitation Services</b>						
1. Vocational rehabilitation State grants:						
(a) Grants to States (RA Title I-A, sections 110 and 111) <sup>1</sup>	M	3,260,627	3,351,798	3,622,551	270,753	8.08%
(b) Grants to Indians (RA Title I-C)	M	43,000	45,250	45,250	0	0.00%
Subtotal <sup>1</sup>		3,303,627	3,397,048	3,667,801	270,753	7.97%
Mandatory baseline	M	3,521,990	3,610,040	3,667,801	57,761	1.60%
2. Client assistance State grants (RA section 112)						
3. Training (RA section 302)	D	29,388	29,388	29,388	0	0.00%
4. Demonstration and training programs (RA section 303)	D	5,796	5,796	5,796	0	0.00%
5. Protection and advocacy of individual rights (RA section 509)	D	17,650	17,650	17,650	0	0.00%
6. Supported employment State grants (RA VI)	D	22,548	22,548	0	(22,548)	-100.00%
7. Independent living services for older blind individuals (RA VII, Chapter 2)	D	33,317	33,317	33,317	0	0.00%
8. Helen Keller National Center for Deaf-Blind Youths and Adults (HKNCA)	D	13,500	16,000	16,000	0	0.00%
Subtotal		135,199	137,699	115,151	(22,548)	-16.37%
<b>Total</b>		<b>3,438,826</b>	<b>3,534,747</b>	<b>3,782,952</b>	<b>248,205</b>	<b>7.02%</b>
Discretionary	D	135,199	137,699	115,151	(22,548)	-16.37%
Mandatory	M	3,303,627	3,397,048	3,667,801	270,753	7.97%

<sup>1</sup> Pursuant to the Budget Control Act of 2011 (P.L. 112-25), the Vocational Rehabilitation State Grants program level shown in the 2019 Appropriation column reflects the 6.2 percent reduction that went into effect on October 1, 2018; and the 2020 Appropriation column reflects the 5.9 percent reduction that went into effect on October 1, 2019.

<b>American Printing House for the Blind (20 U.S.C. 101 et seq.)</b>	D	30,431	32,431	32,431	0	0.00%
<b>National Technical Institute for the Deaf (EDA I-B and section 207)</b>	D	77,500	79,500	79,500	0	0.00%
<b>Gallaudet University (EDA I-A and section 207)</b>	D	134,361	137,361	137,361	0	0.00%

DEPARTMENT OF EDUCATION FISCAL YEAR 2021 PRESIDENT'S BUDGET

2/10/2020

(in thousands of dollars)

	Cat Code	2019 Appropriation	2020 Appropriation	2021 President's Budget	2021 President's Budget Compared to 2020 Appropriation	
					Amount	Percent

**Career, Technical, and Adult Education**

1. Career and technical education (Carl D. Perkins CTEA):

(a) State grants (Title I)						
Annual appropriation	D	471,598	491,598	1,171,598	680,000	138.32%
Advance for succeeding fiscal year	D	791,000	791,000	791,000	0	0.00%
Subtotal		1,262,598	1,282,598	1,962,598	680,000	53.02%
(b) National programs (section 114)	D	7,421	7,421	90,000	82,579	1112.77%
Subtotal, Career and technical education		1,270,019	1,290,019	2,052,598	762,579	59.11%

2. Adult education:

(a) Adult basic and literacy education State grants (AEFLA)	D	641,955	656,955	656,955	0	0.00%
(b) National leadership activities (AEFLA section 242)	D	13,712	13,712	13,712	0	0.00%
Subtotal, Adult education		655,667	670,667	670,667	0	0.00%
<b>Total, Appropriation</b>		<b>1,925,686</b>	<b>1,960,686</b>	<b>2,723,265</b>	<b>762,579</b>	<b>38.89%</b>
Total, Budget authority		1,925,686	1,960,686	2,723,265	762,579	38.89%
Current		1,134,686	1,169,686	1,932,265	762,579	65.20%
Prior year's advance		791,000	791,000	791,000	0	0.00%

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(in thousands of dollars)

	Cat Code	2019 Appropriation	2020 Appropriation	2021 President's Budget	2021 President's Budget Compared to 2020 Appropriation	
					Amount	Percent

**Student Financial Assistance**

1. Federal Pell grants (HEA IV-A-1):							
(a)	Discretionary Pell grants	D	22,475,352	22,475,352	22,475,352	0	0.00%
(b)	Mandatory Pell grants	M	5,388,040	5,738,000	5,887,000	149,000	2.60%
(c)	Mandatory Funding for Discretionary Program Costs	M	1,370,000	1,405,000	1,122,000	(283,000)	-20.14%
Subtotal, Federal Pell grants			29,233,392	29,618,352	29,484,352	(134,000)	-0.45%
	Discretionary	D	22,475,352	22,475,352	22,475,352	0	0.00%
	Mandatory	M	6,758,040	7,143,000	7,009,000	(134,000)	-1.88%

**Federal Pell Grants Program Information (memorandum entry):**

Discretionary program costs	D	22,693,000	23,893,000	24,496,483	603,483	2.53%	
Mandatory program costs	M	5,587,000	5,738,000	5,887,116	149,116	2.60%	
Total, program costs		28,280,000	29,631,000	30,383,599	752,599	2.54%	
Maximum award (in whole dollars)							
Base award		5,135	5,285	5,285	0	0.00%	
Mandatory add-on		1,060	1,060	1,060	0	0.00%	
Total maximum award		6,195	6,345	6,345	0	0.00%	
Recipients (in thousands)		6,673	6,834	7,086	252	3.69%	

Note: Pursuant to the Budget Control Act of 2011 (P.L. 112-25), most mandatory programs, with the exception of Pell Grants, Credit Liquidating, and Credit Reestimates, the levels shown in the 2019 Appropriation column reflect the 6.2 percent reduction that went into effect on October 1, 2018; and the levels shown in the 2020 Appropriation column reflect the 5.9 percent reduction that went into effect on October 1, 2019.

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(in thousands of dollars)

	Cat Code	2019 Appropriation	2020 Appropriation	2021 President's Budget	2021 President's Budget Compared to 2020 Appropriation	
					Amount	Percent

**Student Financial Assistance (continued)**

2. Campus-based programs:						
(a) Federal supplemental educational opportunity grants (HEA IV-A-3)	D	840,000	865,000	0	(865,000)	-100.00%
(b) Federal work-study (HEA IV-C)	D	1,130,000	1,180,000	500,000	(680,000)	-57.63%
Subtotal, Campus-based programs		1,970,000	2,045,000	500,000	(1,545,000)	-75.55%
3. Iraq and Afghanistan service grants (P.L. 111-39) <sup>1</sup>	M	403	463	0	(463)	-100.00%
<b>Total</b>		<b>31,203,795</b>	<b>31,663,815</b>	<b>29,984,352</b>	<b>(1,679,463)</b>	<b>-5.30%</b>
Discretionary	D	24,445,352	24,520,352	22,975,352	(1,545,000)	-6.30%
Mandatory	M	6,758,443	7,143,463	7,009,000	(134,463)	-1.88%

**TEACH Grants (HEA IV-A-9)**

1. New loan subsidy	M	29,049	28,637	27,603	(1,034)	-3.61%
2. Upward reestimate of existing loans	M	5,082	10,858	0	(10,858)	-100.00%
3. Downward reestimate of existing loans (non-add)	M	(1,092)	(36,231)	0	36,231	-100.00%
4. Net reestimate of existing loans (non-add)	M	3,990	(25,373)	0	25,373	-100.00%
Subtotal, loan subsidies		34,131	39,495	27,603	(11,892)	-30.11%
Subtotal, new loan subsidies and net reestimate (non-add)		33,039	3,264	27,603	24,339	745.68%
<b>Total</b>	<b>M</b>	<b>34,131</b>	<b>39,495</b>	<b>27,603</b>	<b>(11,892)</b>	<b>-30.11%</b>

Note: Pursuant to the Budget Control Act of 2011 (P.L. 112-25), most mandatory programs, with the exception of Pell Grants, Credit Liquidating, and Credit Reestimates, the levels shown in the 2019 Appropriation column reflect the 6.2 percent reduction that went into effect on October 1, 2018; and the levels shown in the 2020 Appropriation column reflect the 5.9 percent reduction that went into effect on October 1, 2019.

<sup>1</sup> The 2021 President's Budget column reflects the budget proposal to end the current Iraq and Afghanistan Service Grant program and consolidate it into the Pell Grant program.

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(in thousands of dollars)

	Cat Code	2019 Appropriation	2020 Appropriation	2021 President's Budget	2021 President's Budget Compared to 2020 Appropriation	
					Amount	Percent

**Federal Direct Student Loans Program Account (HEA IV-D)**

1. New loan subsidies	M	4,842,627	11,829,410	6,409,396	(5,420,014)	-45.82%
2. New net loan subsidy (non-add)	M	(1,646,411)	8,473,200	(8,327,040)	(16,800,240)	-198.28%
3. Upward reestimate of existing loans	M	28,619,834	64,642,541	0	(64,642,541)	-100.00%
4. Downward reestimate of existing loans (non-add)	M	(2,309,401)	(1,436,593)	0	1,436,593	-100.00%
5. Net reestimate of existing loans (non-add)	M	26,310,433	63,205,948	0	(63,205,948)	-100.00%
6. Upward modification of existing loans <sup>1</sup>	M	350,000	484,996	0	(484,996)	-100.00%
Subtotal, loan subsidies		33,812,461	76,956,947	6,409,396	(70,547,551)	-91.67%
Subtotal, new loan subsidies and net reestimate/modification (non-add)		25,014,022	72,164,143	(8,327,040)	(80,491,184)	-111.54%
<b>Total</b>		<b>33,812,461</b>	<b>76,956,947</b>	<b>6,409,396</b>	<b>(70,547,551)</b>	<b>-91.67%</b>
Mandatory	M	33,812,461	76,956,947	6,409,396	(70,547,551)	-91.67%

**Federal Family Education Loans Program Account (HEA IV-B)**

1. Upward reestimate of existing loans	M	3,661,416	13,150,794	0	(13,150,794)	-100.00%
2. Downward reestimate of existing loans (non-add)	M	(2,098,813)	(6,865,204)	0	6,865,204	-100.00%
3. Net reestimate of existing loans (non-add)	M	1,562,603	6,285,591	0	(6,285,591)	-100.00%
4. Upward modification of existing loans	M	0	108,970	0		
5. Downward modification of existing loans (non-add)	M	0	0	(466,318)	(466,318)	---
6. Net modification of existing loans (non-add)	M	0	108,773	(466,318)	(575,091)	-528.71%
<b>Total, FFEL Program Account</b>	M	<b>3,661,416</b>	<b>13,259,764</b>	<b>0</b>	<b>(13,259,764)</b>	<b>-100.00%</b>
Total, new loan subsidies and net reestimate (non-add)		1,562,603	6,394,364	(466,318)	(6,860,682)	-107.29%

**Federal Family Education Loans Liquidating Account (HEA IV-B)**

1. Pre-1992 student loans	M	(237,229)	(182,492)	(146,836)	35,656	-19.54%
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**Health Education Assistance Loans Liquidating Account**

	M	(7,059)	(5,029)	(5,029)	0	0.00%
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Note: Pursuant to the Budget Control Act of 2011 (P.L. 112-25), most mandatory programs, with the exception of Pell Grants, Credit Liquidating, and Credit Reestimates, the levels shown in the 2019 Appropriation column reflect the 6.2 percent reduction that went into effect on October 1, 2018; and the levels shown in the 2020 Appropriation column reflect the 5.9 percent reduction that went into effect on October 1, 2019.

<sup>1</sup> Includes \$350,000 thousand originally appropriated as discretionary funds in the Department of Education Appropriations Act 2019 and \$50,000 thousand originally appropriated as discretionary funds in the Department of Education Appropriations Act 2020. These amounts support the temporary expansion of the Public Service Loan Forgiveness (TEPSLF) program and is treated in the budget as mandatory funding according to OMB rules.

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(in thousands of dollars)

	Cat Code	2019 Appropriation	2020 Appropriation	2021 President's Budget	2021 President's Budget Compared to 2020 Appropriation	
					Amount	Percent
<b>Higher Education</b>						
1. Aid for institutional development:						
(a) Strengthening institutions (HEA III-A, section 311)	D	99,875	107,854	0	(107,854)	-100.00%
(b) Strengthening tribally controlled colleges and universities (HEA III-A, section 316)	D	31,854	36,633	36,633	0	0.00%
(c) Mandatory strengthening tribally controlled colleges and universities (HEA III-F, section 371)	M	28,140	28,230	30,000	1,770	6.27%
Subtotal		59,994	64,863	66,633	1,770	2.73%
(d) Strengthening Alaska Native and Native Hawaiian-serving institutions (HEA III-A, section 317)	D	15,930	18,320	0	(18,320)	-100.00%
(e) Mandatory strengthening Alaska Native and Native Hawaiian-serving institutions (HEA III-F, section 371)	M	14,070	14,115	0	(14,115)	-100.00%
Subtotal		30,000	32,435	0	(32,435)	-100.00%
(f) Strengthening HBCUs (HEA III-B, section 323)	D	282,420	324,792	324,792	0	0.00%
(g) Mandatory strengthening HBCUs (HEA III-F, section 371)	M	79,730	79,985	85,000	5,015	6.27%
Subtotal		362,150	404,777	409,792	5,015	1.24%
(h) Strengthening historically Black graduate institutions (HEA III-B, section 326)	D	73,037	83,995	83,995	0	0.00%
(i) Strengthening HBCU masters program (HEA, Title VII, section 723)	D	8,657	9,956	9,956	0	0.00%
(j) Strengthening predominantly Black institutions (HEA III-A, section 318)	D	11,475	13,197	0	(13,197)	-100.00%
(k) Mandatory strengthening predominantly Black institutions (HEA III-F, section 371)	M	14,070	14,115	0	(14,115)	-100.00%
Subtotal		25,545	27,312	0	(27,312)	-100.00%
(l) Strengthening Asian American- and Native American Pacific Islander-serving institutions (HEA III-A, section 320)	D	3,864	4,444	0	(4,444)	-100.00%
(m) Mandatory strengthening Asian American- and Native American Pacific Islander-serving institutions (HEA III-F, section 371)	M	4,690	4,705	0	(4,705)	-100.00%
Subtotal		8,554	9,149	0	(9,149)	-100.00%
(n) Strengthening Native American-serving nontribal institutions (HEA III-A, section 319)	D	3,864	4,444	0	(4,444)	-100.00%
(o) Mandatory strengthening Native American-serving nontribal institutions (HEA III-F, section 371)	M	4,690	4,705	0	(4,705)	-100.00%
Subtotal		8,554	9,149	0	(9,149)	-100.00%
(p) Minority science and engineering improvement (HEA III-E-1)	D	11,135	12,635	150,000	137,365	1087.18%
Subtotal, Aid for institutional development		687,501	762,125	720,376	(41,749)	-5.48%
Discretionary	D	542,111	616,270	605,376	(10,894)	-1.77%
Mandatory	M	145,390	145,855	115,000	(30,855)	-21.15%

Note: Pursuant to the Budget Control Act of 2011 (P.L. 112-25), most mandatory programs, with the exception of Pell Grants, Credit Liquidating, and Credit Reestimates, the levels shown in the 2019 Appropriation column reflect the 6.2 percent reduction that went into effect on October 1, 2018; and the levels shown in the 2020 Appropriation column reflect the 5.9 percent reduction that went into effect on October 1, 2019.

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	Cat Code	2019 Appropriation	2020 Appropriation	2021 President's Budget	2021 President's Budget Compared to 2020 Appropriation	
					Amount	Percent
<b>Higher Education (continued)</b>						
2. Aid for Hispanic-serving institutions:						
(a)	Developing Hispanic-serving institutions (HEA V-A)	D	124,415	143,081	0	(143,081) -100.00%
(b)	Mandatory developing HSI STEM and articulation programs (HEA III-F, section 371(b)(2)(B))	M	93,800	94,100	0	(94,100) -100.00%
(c)	Promoting postbaccalaureate opportunities for Hispanic Americans (HEA V, section 512)	D	11,163	12,838	0	(12,838) -100.00%
Subtotal			229,378	250,019	0	(250,019) -100.00%
Discretionary			135,578	155,919	0	(155,919) -100.00%
Mandatory			93,800	94,100	0	(94,100) -100.00%
3. Consolidated MSI Grant (proposed legislation)						
(a)	Consolidated MSI Grant	D	0	0	196,324	196,324 ---
(b)	Mandatory Consolidated MSI Grant	M	0	0	140,000	140,000 ---
Subtotal			0	0	336,324	336,324 ---
4. Other aid for institutions:						
(a) International education and foreign language studies:						
(1)	Domestic programs (HEA VI-A and B)	D	65,103	68,103	0	(68,103) -100.00%
(2)	Overseas programs (MECEA section 102(b)(6))	D	7,061	8,061	0	(8,061) -100.00%
Subtotal			72,164	76,164	0	(76,164) -100.00%
(c)	Model transition programs for students with intellectual disabilities into higher education (HEA VII-D-2)	D	11,800	11,800	11,800	0 0.00%
(d)	Tribally controlled postsecondary career and technical institutions (CTEA section 117)	D	9,564	10,000	10,000	0 0.00%
5. Assistance for students:						
(a)	Federal TRIO programs (HEA IV-A-2, Chapter 1)	D	1,060,000	1,090,000	950,000	(140,000) -12.84%
(b)	Gaining early awareness and readiness for undergraduate programs (GEAR UP) (HEA IV-A-2, Chapter 2)	D	360,000	365,000	0	(365,000) -100.00%
(c)	Graduate assistance in areas of national need (HEA VII-A-2)	D	23,047	23,047	0	(23,047) -100.00%
(d)	Child care access means parents in school (HEA IV-A-7)	D	50,000	53,000	15,134	(37,866) -71.45%
6.	Fund for the improvement of post secondary education (FIPSE) (HEA VII-B)	D	5,000	24,500	0	(24,500) -100.00%
7.	Teacher quality partnership (HEA II-A)	D	43,092	50,092	0	(50,092) -100.00%
<b>Total</b>			<b>2,551,546</b>	<b>2,715,747</b>	<b>2,043,634</b>	<b>(672,113) -24.75%</b>
Discretionary			2,312,356	2,475,792	1,788,634	(687,158) -27.76%
Mandatory			239,190	239,955	255,000	15,045 6.27%

Note: Pursuant to the Budget Control Act of 2011 (P.L. 112-25), most mandatory programs, with the exception of Pell Grants, Credit Liquidating, and Credit Reestimates, the levels shown in the 2019 Appropriation column reflect the 6.2 percent reduction that went into effect on October 1, 2018; and the levels shown in the 2020 Appropriation column reflect the 5.9 percent reduction that went into effect on October 1, 2019.

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	Cat Code	2019 Appropriation	2020 Appropriation	2021 President's Budget	2021 President's Budget Compared to 2020 Appropriation	
					Amount	Percent
<b>Howard University</b>						
1. General support (20 U.S.C. 121 et seq.)	D	209,193	212,693	212,693	0	0.00%
2. Howard University Hospital (20 U.S.C. 128)	D	27,325	27,325	27,325	0	0.00%
<b>Total</b>	<b>D</b>	<b>236,518</b>	<b>240,018</b>	<b>240,018</b>	<b>0</b>	<b>0.00%</b>
<b>College Housing and Academic Facilities Loans Program Account (HEA section 121)</b>						
1. Federal administration (FCRA section 505(e))	D	435	435	435	0	0.00%
2. Reestimate of existing loan subsidies	M	(10)	(38)	0	38	-100.00%
<b>Total</b>		<b>425</b>	<b>397</b>	<b>435</b>	<b>38</b>	<b>9.57%</b>
Discretionary	D	435	435	435	0	0.00%
Mandatory	M	(10)	(38)	0	38	-100.00%
<b>College Housing and Academic Facilities Loans Liquidating Account (HEA section 121)</b>	<b>M</b>	<b>(2,452)</b>	<b>(3,452)</b>	<b>0</b>	<b>3,452</b>	<b>-100.00%</b>
<b>Historically Black College and University Capital Financing Program Account (HEA III-D)</b>						
1. Federal administration (FCRA section 505(e))	D	334	334	334	0	0.00%
2. Loan subsidies	D	20,150	20,150	20,150	0	0.00%
3. Modification of existing loan subsidies	D	20,000	26,000	20,000	(6,000)	-23.08%
4. Reestimate of existing loan subsidies	M	7,678	(41,708)	0	41,708	-100.00%
<b>Total</b>		<b>48,162</b>	<b>4,776</b>	<b>40,484</b>	<b>35,708</b>	<b>747.65%</b>
Discretionary	D	40,484	46,484	40,484	(6,000)	-12.91%
Mandatory	M	7,678	(41,708)	0	41,708	-100.00%
<b>Higher Education Facilities Loans Liquidating Account (HEA section 121)</b>	<b>M</b>	<b>(601)</b>	<b>(650)</b>	<b>(650)</b>	<b>0</b>	<b>0.00%</b>
<b>College Housing Loans Liquidating Account (HEA section 121)</b>	<b>M</b>	<b>(3,434)</b>	<b>(3,452)</b>	<b>(3,452)</b>	<b>0</b>	<b>0.00%</b>

Note: Pursuant to the Budget Control Act of 2011 (P.L. 112-25), most mandatory programs, with the exception of Pell Grants, Credit Liquidating, and Credit Reestimates, the levels shown in the 2019 Appropriation column reflect the 6.2 percent reduction that went into effect on October 1, 2018; and the levels shown in the 2020 Appropriation column reflect the 5.9 percent reduction that went into effect on October 1, 2019.

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	Cat Code	2019 Appropriation	2020 Appropriation	2021 President's Budget	2021 President's Budget Compared to 2020 Appropriation	
					Amount	Percent

**Institute of Education Sciences**

1. Research and statistics:							
(a)	Research, development, and dissemination (ESRA I-A, B and D, except section 174)	D	192,695	195,877	195,877	0	0.00%
(b)	Statistics (ESRA I-C)	D	109,500	110,500	113,500	3,000	2.71%
2. Regional educational laboratories (ESRA section 174)							
		D	55,423	56,022	0	(56,022)	-100.00%
3. Assessment (NAEPAA):							
(a)	National assessment (section 303)	D	151,000	153,000	181,000	28,000	18.30%
(b)	National Assessment Governing Board (section 302)	D	7,745	7,745	7,745	0	0.00%
Subtotal			158,745	160,745	188,745	28,000	17.42%
4. Research in special education (ESRA, Part E)							
		D	56,000	56,500	56,500	0	0.00%
5. Statewide longitudinal data systems (ETAA section 208)							
		D	32,281	33,000	0	(33,000)	-100.00%
6. Special education studies and evaluations (IDEA, section 664)							
		D	10,818	10,818	10,818	0	0.00%
Total		D	615,462	623,462	565,440	(58,022)	-9.31%

**Program Administration (DEOA)**

1. Salaries and expenses							
		D	430,000	430,000	433,723	3,723	0.87%
2. Building Modernization							
		D	0	0	15,000	15,000	---
Total			430,000	430,000	448,723	18,723	4.35%

**Student Aid Administration (HEA I-D)**

1. Salaries and expenses							
		D	850,066	911,843	1,148,604	236,761	25.97%
2. Servicing activities <sup>1</sup>							
		D	828,877	857,100	734,705	(122,395)	-14.28%
Total			1,678,943	1,768,943	1,883,309	114,366	6.47%

<sup>1</sup> The 2019 Appropriation column reflects actual obligations and the 2020 Appropriation column reflects updated servicing reestimates.

DEPARTMENT OF EDUCATION FISCAL YEAR 2021 PRESIDENT'S BUDGET

2/10/2020

(in thousands of dollars)

	Cat Code	2019 Appropriation	2020 Appropriation	2021 President's Budget	2021 President's Budget Compared to 2020 Appropriation	
					Amount	Percent
<b>Office for Civil Rights (DEOA, section 203)</b>	D	125,000	130,000	130,000	0	0.00%
<b>Office of Inspector General (DEOA, section 211)</b>	D	61,143	63,000	68,019	5,019	7.97%
<b>Contributions (DEOA, section 421)</b>	M	14	0	0	0	---
<b>General Fund Receipts</b>						
1. Perkins loan repayments	M	(90,162)	(1,496,475)	(970,590)	525,885	-35.14%
2. FDSL downward reestimate of loan subsidies	M	(2,309,401)	(1,436,592)	0	1,436,592	-100.00%
3. FFEL downward reestimate of loan subsidies	M	(2,098,813)	(6,865,204)	0	6,865,204	-100.00%
4. FDSL downward modification/negative loan subsidies	M	(7,896,820)	(4,107,472)	(9,969,445)	(5,861,973)	142.71%
5. HBCU capital financing downward reestimate of loan subsidies	M	(6,011)	0	0	0	---
6. FFEL downward modification/negative loan subsidies	M	0	(197)	(466,318)	(466,121)	236609.64%
7. HEAL downward reestimate of loan subsidies	M	(34,077)	0	0	0	---
8. TEACH downward reestimate of loan subsidies	M	(1,092)	0	0	0	---
<b>Total</b>		<b>(12,436,376)</b>	<b>(13,905,940)</b>	<b>(11,406,353)</b>	<b>2,499,587</b>	<b>-17.97%</b>
<b>Special Fund Receipts</b>						
1. Student Financial Assistance debt collection	M	13,850	14,850	15,850	1,000	6.73%
<b>DISCRETIONARY APPROPRIATION</b>	<b>D</b>	<b>71,098,416</b>	<b>72,701,214</b>	<b>66,560,692</b>	<b>(6,140,522)</b>	<b>-8.45%</b>

Notes: Pursuant to the Budget Control Act of 2011 (P.L. 112-25), most mandatory programs, with the exception of Pell Grants, Credit Liquidating, and Credit Reestimates, the levels shown in the 2019 Appropriation column reflect the 6.2 percent reduction that went into effect on October 1, 2018; and the levels shown in the 2020 Appropriation column reflect the 5.9 percent reduction that went into effect on October 1, 2019.

The funding total represents the discretionary program level. The program level does not include Changes in Mandatory Programs (CHIMPs).

DEPARTMENT OF EDUCATION  
Summary of Discretionary Funds, FY 2021 President's Budget  
(dollars in thousands)

2/10/2020

	2019 Appropriation	2020 Appropriation	2021 President's Budget	2021 President's Budget Compared to 2020 Appropriation	
				Amount	Percent
<b>Elementary/Secondary Education (P-12)</b>					
Elementary and Secondary Education (ESEA)					
Elementary and secondary education for the disadvantaged block grant (proposed legislation)	0	0	19,363,430	19,363,430	---
Title I Grants to local educational agencies	15,859,802	16,309,802	0	(16,309,802)	-100.00%
Education innovation and research (i3)	130,000	190,000	0	(190,000)	-100.00%
Supporting Effective Educator Development (SEED)	75,000	80,000	0	(80,000)	-100.00%
State assessments	378,000	378,000	369,100	(8,900)	-2.35%
Student support and academic enrichment grants (Title IV-A)	1,170,000	1,210,000	0	(1,210,000)	-100.00%
Supporting effective instruction State grants (Title II)	2,055,830	2,131,830	0	(2,131,830)	-100.00%
Teacher and school leaders incentive grants	200,000	200,000	0	(200,000)	-100.00%
Charter schools	440,000	440,000	0	(440,000)	-100.00%
Magnet schools assistance	107,000	107,000	0	(107,000)	-100.00%
Promise Neighborhoods	78,254	80,000	0	(80,000)	-100.00%
School safety national activities	95,000	105,000	0	(105,000)	-100.00%
21st century (after school) community learning centers	1,221,673	1,249,673	0	(1,249,673)	-100.00%
English language acquisition	737,400	787,400	0	(787,400)	-100.00%
Impact aid	1,446,112	1,486,112	1,410,799	(75,313)	-5.07%
Other ESEA programs	1,216,442	1,242,701	180,739	(1,061,962)	-85.46%
<b>Subtotal, ESEA</b>	<b>25,210,513</b>	<b>25,997,518</b>	<b>21,324,068</b>	<b>(4,673,450)</b>	<b>-17.98%</b>
Special Education (IDEA)					
Grants to States (Part B)	12,364,392	12,764,392	12,864,392	100,000	0.78%
Preschool Grants and Grants for infant and families	861,120	871,120	871,120	0	0.00%
Other IDEA programs	225,633	229,633	229,633	0	0.00%
<b>Subtotal, IDEA</b>	<b>13,451,145</b>	<b>13,865,145</b>	<b>13,965,145</b>	<b>100,000</b>	<b>0.72%</b>
<b>Subtotal, ESEA and IDEA</b>	<b>38,661,658</b>	<b>39,862,663</b>	<b>35,289,213</b>	<b>(4,573,450)</b>	<b>-11.47%</b>
Career and technical education	1,270,019	1,290,019	2,052,598	762,579	59.11%
Other P-12 programs	261,411	274,911	75,788	(199,123)	-72.43%
<b>Subtotal, Elementary/Secondary Education</b>	<b>40,193,088</b>	<b>41,427,593</b>	<b>37,417,599</b>	<b>(4,009,994)</b>	<b>-9.68%</b>
<b>Postsecondary Education</b>					
Federal Pell grants (discretionary only) <sup>1</sup>	22,475,352	22,475,352	22,475,352	0	0.00%
Other student financial assistance programs	1,970,000	2,045,000	500,000	(1,545,000)	-75.55%
Consolidated MSI Grant (proposed legislation)	-	-	196,324	196,324	---
TRIO	1,060,000	1,090,000	950,000	(140,000)	-12.84%
Other postsecondary education programs	1,657,643	1,792,579	1,099,189	(693,390)	-38.68%
<b>Subtotal, Postsecondary Education</b>	<b>27,162,995</b>	<b>27,402,931</b>	<b>25,220,865</b>	<b>(2,182,066)</b>	<b>-7.96%</b>
<b>Other Discretionary</b>					
Adult Education	655,667	670,667	670,667	0	0.00%
Research, development, and dissemination	192,695	195,877	195,877	0	0.00%
Statistics	109,500	110,500	113,500	3,000	2.71%
National Assessment of Educational Progress (NAEP)	151,000	153,000	181,000	28,000	18.30%
Statewide longitudinal data systems	32,281	33,000	0	(33,000)	-100.00%
Departmental management (SAA, Program Admin., OCR, OIG)	2,295,086	2,391,943	2,530,051	138,108	5.77%
Other programs and activities	306,104	315,703	231,133	(84,570)	-26.79%
<b>Subtotal, Other Discretionary</b>	<b>3,742,333</b>	<b>3,870,690</b>	<b>3,922,228</b>	<b>51,538</b>	<b>1.33%</b>
<b>TOTAL, DISCRETIONARY APPROPRIATION</b>	<b>71,098,416</b>	<b>72,701,214</b>	<b>66,560,692</b>	<b>(6,140,522)</b>	<b>-8.45%</b>

DEPARTMENT OF EDUCATION  
Mandatory Funds Summary Table FY 2021 President's Budget  
(dollars in thousands)

2/10/2020

	Category Code	2019 Appropriation	2020 Appropriation	2021 President's Budget	2021 President's Budget Compared to 2020 Appropriation	
					Amount	Percent
<b>Rehabilitative Services</b>						
Vocational rehabilitation State grants:						
Grants to States	M	3,260,627	3,351,798	3,622,551	270,753	8.08%
Grants to Indians	M	43,000	45,250	45,250	0	0.00%
<b>Subtotal, Rehabilitative Services</b>		<b>3,303,627</b>	<b>3,397,048</b>	<b>3,667,801</b>	<b>270,753</b>	<b>7.97%</b>
<b>Federal Student Aid (FSA)</b>						
Federal Pell grants:						
Mandatory Pell grants	M	5,388,040	5,738,000	5,887,000	149,000	2.60%
Mandatory funding for discretionary program costs	M	1,370,000	1,405,000	1,122,000	(283,000)	-20.14%
Subtotal		<b>6,758,040</b>	<b>7,143,000</b>	<b>7,009,000</b>	<b>(134,000)</b>	<b>-1.88%</b>
Iraq and Afghanistan Service Grants	M	403	463	0	(463)	-100.00%
TEACH Grants	M	33,039	39,495	27,603	(11,892)	-30.11%
Federal Direct Student Loans Program Account	M	33,812,461	76,956,947	6,409,396	(70,547,551)	-91.67%
Federal Family Education Loans Program Account <sup>1</sup>	M	3,661,416	13,259,764	0	(13,259,764)	-100.00%
Federal Family Education Loans Liquidating Account	M	(237,229)	(182,492)	(146,836)	35,656	-19.54%
Health Education Assistance Loans Liquidating Account	M	(7,059)	(5,029)	(5,029)	0	0.00%
<b>Subtotal, FSA</b>		<b>44,021,071</b>	<b>97,212,148</b>	<b>13,294,134</b>	<b>(83,918,014)</b>	<b>-86.32%</b>
<b>Higher Education</b>						
Aid for institutional development	M	145,390	145,855	115,000	(30,855)	-21.15%
Aid for Hispanic-serving institutions	M	93,800	94,100	0	(94,100)	-100.00%
Consolidated MSI Grant (proposed legislation)	M	0	0	140,000	140,000	---
<b>Subtotal, Higher Education</b>		<b>239,190</b>	<b>239,955</b>	<b>255,000</b>	<b>15,045</b>	<b>6.27%</b>
<b>Other Mandatory Accounts</b>						
Contributions	M	14	0	0	0	---
Higher education facilities loan accounts	M	1,181	(49,300)	(4,102)	45,198	-91.68%
General fund receipts (mostly student loans)	M	(12,435,284)	(13,905,940)	(11,406,353)	2,499,587	-17.97%
Student financial assistance debt collection	M	13,850	14,850	15,850	1,000	6.73%
<b>Subtotal, Other Mandatory</b>		<b>(12,420,239)</b>	<b>(13,940,390)</b>	<b>(11,394,605)</b>	<b>2,545,785</b>	<b>-18.26%</b>
<b>TOTAL, ED MANDATORY FUNDS</b>		<b>35,143,649</b>	<b>86,908,761</b>	<b>5,822,330</b>	<b>(81,086,431)</b>	<b>-93.30%</b>

<sup>1</sup> No new loans have been made since 2010. Amounts in the 2019 and 2020 appropriation columns reflect reestimates. Amount reflects upward reestimate of existing loans only.

TOTAL EXPENDITURES FOR ELEMENTARY AND SECONDARY EDUCATION IN THE U.S.<sup>1</sup>  
(dollars in billions)

Source of Funds by Level	2018-2019 <sup>2</sup>		2019-2020 <sup>2</sup>	
	Dollars	Percent	Dollars	Percent
Federal <sup>3</sup>	\$59.0	7.1%	\$60.0	7.0%
State	362.0	43.5	375.0	43.6
Local	332.0	39.9	343.0	39.9
All Other	79.0	9.5	82.0	9.5
<b>Total</b>	<b>832.0</b>	<b>100.0</b>	<b>860.0</b>	<b>100.0</b>

<sup>1</sup>Data revised from previously published figures.

<sup>2</sup>Projected.

<sup>3</sup>Includes expenditures of all Federal agencies.

NOTES: Data above may vary from data reported in other surveys of education funding. Differences can be accounted for primarily by differences among the reports in any of the following: measures of funding used, e.g., budget authority vs. expenditures; the definition of education used; agencies and institutions reporting the data; and basis of dollars reported, e.g., current vs. constant dollars. (Table prepared January 2020).

Because of rounding, detail may not add to totals.



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