Department of Education Fiscal Year 2019 Budget Addendum February 12, 2018

The fiscal year 2019 Budget was developed to a tightly constrained non-defense discretionary (NDD) spending level. While the Budget overall met the current law spending caps, it reallocated funds from non-defense to defense to pay for the Administration's National Security and National Defense Strategies.

However, a 2-year cap deal was recently enacted. This deal raises the fiscal year 2019 caps significantly above the previous cap levels. The Administration feels that it must lay out its roadmap for how to account for the inevitable higher non-defense spending levels in the most fiscally responsible manner. The Administration is therefore submitting an addendum to its 2019 Budget that includes additional funding for a limited set of Administration priorities under the new, higher cap levels, including the following at the Department of Education:

Impact Aid Basic Support Payments: An increase of \$525 million for a total request of \$1.189 billion. The addendum would provide an additional \$525 million to the Impact Aid account for Basic Support Payments. The additional funds would restore funding for this program to the fiscal year 2017 appropriation level to continue support for over 1,000 districts with a Federal presence.

TRIO: An increase of \$400 million for a total request of \$950 million. The addendum would provide an additional \$400 million to the Higher Education account for the Federal TRIO programs. The additional funds would restore funding for TRIO to the fiscal year 2017 appropriation level. These funds would help support continuation awards and allow for an orderly transition to restructuring the TRIO programs into a new State formula grant. The restructured program would allow States to meet the needs of disadvantaged students as they complete high school and succeed in post-secondary education or training. While the GEAR UP program would still be eliminated, the revised TRIO program could support GEAR UP activities.

School Choice: An increase of \$500 million for a total request of \$1.0 billion. The addendum would provide an additional \$500 million to the Innovation and Improvement account for the new Opportunity Grants program. The total fiscal year 2019 investment supporting public and private school choice would be \$1 billion. The additional funds would allow more families to choose the school that best meets the needs of their children.

Federal Work Study: An increase of \$300 million for a total request of \$500 million. The addendum would provide an additional \$300 million to the Student Financial Assistance account for a reformed Federal Work-Study program. This funding would expand the reach of the program from approximately 130,000 to 333,000 students.

Eliminate the proposed Pell Rescission. The addendum would eliminate the cancellation of \$1.6 billion of unobligated balances in the Pell Grant program. Projected costs of the program remain the same; all eligible students would continue to receive the full grant award for which they are eligible.