



Federal Funding: Budget & Appropriations

When it comes to the federal fiscal year (FY), we are currently in FY17, which runs from October 1, 2016 through September 30, 2017. FY17 dollars will be in your schools for the 2017-2018 school year. When you go to the Hill, you will be talking about FY18 appropriations, which will take effect this coming October and will reflect the dollars in your schools for the 2018-2019 school year.

FY17: Congress completed its FY17 funding package in May, more than halfway through the funding year. Congress avoided a shutdown by using a series of continuing resolutions (CRs) to keep government running. The overall funding for the US Education Department (USED) is down \$1.1 billion compared to FY16. The bill provides the funding for the first year of ESSA implementation, but leaves certain programs lacking, including Title I, Title II, and Title IV. While Title I did receive a \$550 million increase, only \$100 million of that is new funding, and it still results in a \$100 million shortfall at the local level when considered in combination with policy changes related to state set aside and hold harmless. Title II is cut by \$294 million (13 percent), impacting the ability of LEAs to use the funds for class size reduction and/or staff development. The significantly overhauled Title IV is funded at \$400 million, but gives states the option to revert the program to competitive allocation. IDEA receives a \$90 million increase, leaving the federal share at just under 16 percent of the authorized 40 percent of costs associated with educating students with disabilities. These decisions are final, but do warrant conversation with Congress as they prep for the 2018 appropriations work.

FY 18: President Trump's FY18 budget proposal represents deep, damaging cuts for education. The basis of his budget proposes to cut non-defense discretionary funding by \$54 billion, which translates into a \$9 billion (13 percent) cut at USED. On top of this direct cut, every new K-12 dollar is for privatization and choice. His budget cuts the Title I, IDEA, and Carl D. Perkins

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allocations, and completely eliminates ESSA Titles II and IV, as well as the 21st Century Community Learning Center program. He proposes \$1.4 billion in funding for privatization, including \$1 billion for a rewritten pilot within Title I related to portability and open enrollment; \$250 million for voucher research; and \$168 million for charters. While the President’s budget is anticipated to be “dead on arrival” on Capitol Hill, Congress may look to the extremely deep cuts in the President’s proposal and use it to justify bad—but not as deep as the President’s proposed—cuts. President Trump’s budget cannot be used to normalize bad behavior; a “less bad” proposal from Congress doesn’t mean it is “good.”

AESA Talking Points:

- Ensure your Congressional delegation understands and supports the importance of maintaining parity between defense and non-defense discretionary dollars. Should President Trump move forward with his effort to provide a \$54 billion increase for defense (and pay for it by cutting non-defense discretionary funding, which provides for education programming), it would not only be the first instance of non-parity between the two, it would be an unprecedented exacerbation of the funding gap between the two.
- The current pressure on funding stems from the funding caps established through the Budget Control Act of 2011 and the resulting sequester cuts. Left unchanged, it is likely that education allocations will be below that of 2008, a decade ago. It is critical Congress work to raise the overall funding caps so that adequate, appropriate investment is available across the budget.
- Specific to FY18, while Congress has indicated that President Trump’s budget is ‘dead on arrival’ the reality is that the House budget, while less bad, is still unacceptable and did preserve the skeleton of Trump’s proposal, including complete elimination of Title II in ESSA. Encourage your delegation to reject the Trump proposal and to instead inform their decisions about what education needs.