

HOUSE BUDGET COMMITTEE

Democratic Caucus

The Honorable John M. Spratt Jr. ■ Ranking Democratic Member

B-71 Cannon HOB ■ Washington, DC 20515 ■ 202-226-7200 ■ www.house.gov/budget_democrats

October 20, 2004

Bush Education Funding Fails the Test

Dear Democratic Colleague:

A careful examination of President Bush's record shows that, despite his claims, he has failed to make education funding a priority. The attached report outlines how the President's budget fails to support students in elementary and secondary education, special education, and higher education.

Across the country, schools are struggling to meet the standards of the No Child Left Behind Act, which requires that teachers be qualified and that students pass math and reading achievement tests. However, since the law was enacted, the President's budgets have provided nearly \$27 billion less than the amount Congress authorized for the Act; for 2005, his budget increases funding by merely 1.8 percent over the 2004 enacted level.

The Individuals with Disabilities Education Act (IDEA) requires school districts to provide appropriate educational services to all disabled children even though the federal government is providing only 18.6 percent of the average cost of educating these special needs students, well below the target of 40 percent. Finally, the President proposes to freeze the maximum Pell Grant for the third straight year at a time when college costs continue to rise.

President Bush takes credit for increasing federal funding for education, but he does not mention that if Congress had enacted his budgets, education funding would have grown by only one-fifth as much as it has. In fact, from 2001 through 2004, appropriations for the Department of Education grew by \$13.5 billion, but the President requested only \$2.7 billion of that increase. Overall, the President's budget provides little additional help to children in overcrowded classrooms with under-trained teachers, students who need after-school assistance to keep up with their classmates, and low-income high school graduates who aspire to attend college.

Some of the failures of the President's education record are outlined in the attached analysis from the House Budget Committee Democratic staff. If you would like further information, please review our website at www.house.gov/budget_democrats, or contact the Democratic Budget staff at 6-7200. Specific local information on inadequate education funding is available from the Democratic staff of the Committee on Education and the Workforce at 5-3725.

Sincerely,

/s
John M. Spratt, Jr.
Ranking Democratic Member
Committee on the Budget

/s
George Miller
Ranking Democratic Member
Committee on Education and the Workforce



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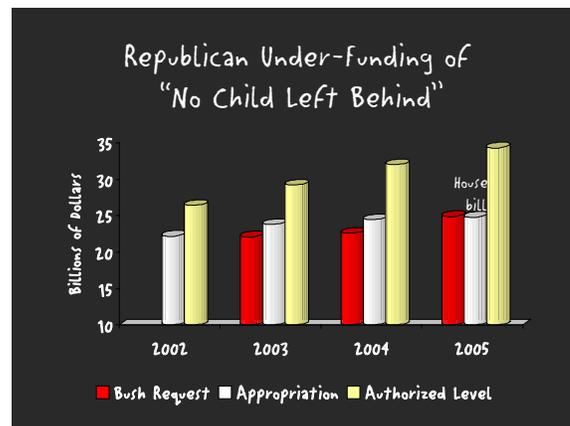
Bush Education Funding Fails the Test

A careful examination of President Bush's record shows that, despite his claims, he has failed to make education funding a priority. The Administration's 2005 budget cuts or freezes funding for most education programs while requesting sizeable increases for only three big programs. Overall, the President's budget requests a \$1.7 billion increase for the Department of Education (ED) for 2005 but, according to the five-year budget submitted in February, the Administration plans to eliminate most of that increase for 2006, cutting the 2005 request by \$1.5 billion.¹ The Administration's budget provides little additional help to children in overcrowded classrooms with under-trained teachers, students who need after-school assistance to keep up with their classmates, and low-income high school graduates who aspire to attend college.

The President's budget fails to support students adequately in elementary and secondary education, special education, and higher education. Across the country, schools are struggling to meet the standards of the No Child Left Behind Act (NCLB), which requires that teachers be qualified and that students pass math and reading achievement tests. The Individuals with Disabilities Education Act (IDEA) requires school districts to educate children with disabilities, even though the federal government is providing only 18.6 percent of the average cost of educating students with disabilities, well below the expressed target of 40 percent. Finally, the President proposes to freeze the maximum Pell Grant for the third straight year at a time when college costs continue to rise.

Funding Gap of Nearly \$27 Billion for the No Child Left Behind Act

The NCLB both sets requirements for schools and students, and authorizes funding to help ensure that schools can meet those standards. But since the law was enacted, the President's budgets have provided nearly \$27 billion less than the amount Congress authorized for NCLB. For 2005, states and schools must comply with new requirements for teacher qualifications and annual student testing in math and reading, yet the Administration's budget increases funding for NCLB programs by merely 1.8 percent over the 2004 enacted level. According to the President's five-year budget, funding for NCLB



¹See Will "Back to School" Be Harder Next Year? *Bush Administration Plans Steep Cuts for 2006 Education Budget*, 8/31/04, www.house.gov/budget_democrats

programs for 2006 will drop by \$643 million below his 2005 request, assuming that the overall cut in education is applied across the board. Every year the Administration’s budget falls further behind the amount authorized, which takes into account the need for extra federal assistance for economically disadvantaged students, for after-school programs that help students learn and keep them safe, and for reading programs. For 2005, the President’s budget freezes or eliminates funding for key programs such as teacher quality improvement grants (frozen at the 2004 enacted level), comprehensive school reform (eliminated), and smaller learning communities (eliminated).

Two programs — Title I and the 21st Century Community Learning Centers after-school program — account for almost two-thirds of the \$34.3 billion Congress authorized for NCLB for 2005:

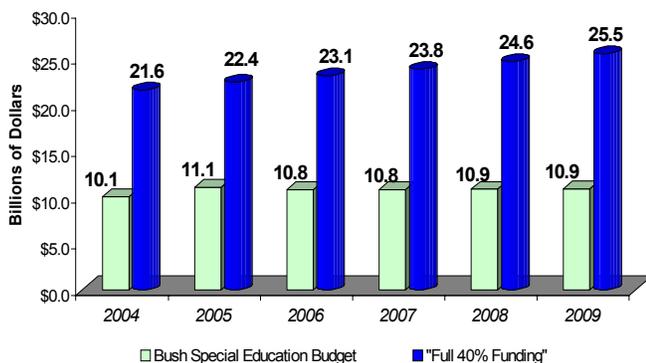
- **Title I** — Title I provides funding specifically to help children at risk of educational failure and to help students in high-poverty schools. For Title I, the President’s budget and the House-passed Republican education appropriations bill provide *\$7.2 billion less* than the \$20.5 billion Congress authorized for 2005. This funding gap means needy students receive less of the assistance they need to learn and achieve.
- **21st Century Community Learning Centers After-School Program** — After-school programs offer additional services to help students (particularly those attending low-performing schools) meet the NCLB achievement standards. But the President’s 2005 budget freezes funding at the 2004 enacted level of \$999 million, which is only half of the \$2.0 billion authorized.

If the President provided the additional \$8.2 billion that Congress authorized for these two key NCLB programs, millions more students would have more opportunities to acquire the reading and math skills that NCLB requires — skills the children will need to succeed.

IDEA at Less Than Half of “Full Funding”

The President’s 2005 budget puts the federal contribution for special education at only 19.7 percent of the national average per pupil expenditure, still less than half the 40 percent “full funding” federal contribution authorized for state grants by IDEA. Although federal funding for these state grants has increased significantly in the last decade, the current level still represents just 18.6 percent of the estimated excess cost of serving children with disabilities.

Bush Cuts IDEA Beginning in 2006, Falls Further Behind “Full Funding”



And under the President’s budget, the federal contribution to IDEA will never reach full funding. A White House memorandum of May 19 confirms that, despite previous denials, the President is planning a fiscal year 2006 budget that will impose deep cuts in key government services, with programs at ED cut by \$1.5 billion below the President’s proposed 2005 level of funding. As part of that funding cut, IDEA state grants would be cut by \$309 million for 2006, assuming a proportional cut to the IDEA account, and stay near that level for the next three years. In the President’s five-year budget, the federal contribution for 2009 would be cut back to \$10.9

billion, which is below the 2005 proposed level and represents only a 17.0 percent federal share.

Pell Grant Maximum Award Frozen...Again

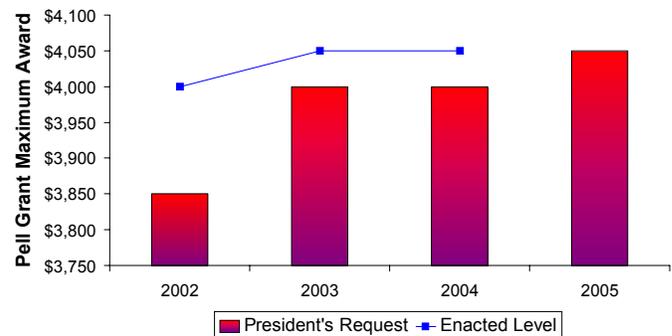
Four years ago, President Bush promised to increase Pell Grants for eligible freshmen to \$5,100, which was the authorized maximum award for 2001, but today the maximum is still only \$4,050. In fact, only once in four years (in his first budget, for 2002) has the President proposed any increase at all in the maximum Pell Grant award. Since then, the President has once proposed to cut the maximum award by \$50, and twice proposed to freeze it at the previous year's enacted level.

More than five million students rely on Pell Grants to help finance their college educations, yet the President's 2005 budget freezes the maximum Pell Grant award at \$4,050, where it has been since 2003. This freeze would mean three straight years with no increase in the *maximum* Pell Grant — and the third straight year with a cut in the *average* Pell Grant — even though college costs are rising quickly.

Although the President's 2005 budget includes a significant increase in funding for the Pell Grant program, this additional funding is not sufficient to provide larger grants for eligible students. As the economy has slowed, not only have more people applied to college to gain extra skills, but also more students have incomes so low that they qualify for Pell Grants. But the President's budget provides no increase in the size of the Pell Grants that students receive.

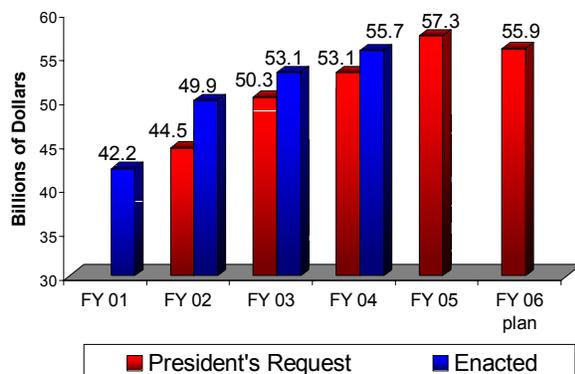
The President's proposed \$4,050 maximum award for 2005 is \$1,750 below the authorized maximum grant of \$5,800.

Pell Grant Maximum Award Frozen for Three Straight Years



President's Education Record Fails Students

Congress Provides More Education Funding Than President Requests



President Bush takes credit for increasing federal funding for education, but he does not mention that if Congress had enacted his budgets, education funding would have grown by only a fraction as much as it has. As shown in the chart to the left, the President's requested increases over the prior year's enacted levels for ED range from a low of \$25 million (for 2004) to a high of \$2.3 billion (for 2002). In fact, from 2001 through 2004, appropriations for ED grew by \$13.5 billion, but the President requested only \$2.7 billion of that increase.

Instead of setting a high priority on education — and helping the students who most need this assistance — the President's education budget leaves the most vulnerable students behind. His 2005 budget eliminates 38 education programs worth \$1.4 billion. The President's plan for 2006 goes further, cutting ED total funding by \$1.5 billion below his 2005 request. These cuts hurt students at the elementary, secondary, and post-secondary levels.