

## Federal Higher Education Update

April 3, 2017

### President Trump Releases “Skinny Budget”

In March, President Trump released his FY 2018 “skinny budget” which details high level discretionary funding proposals for the federal agencies. The administration has said a full budget with specific mandatory spending and tax proposals will come later this spring. The proposal provides the Department of Education with \$59 billion, about \$9 billion less than what was appropriated in the Continuing Resolution (CR) passed in December, 2016. The President’s budget also;

- Increases private school choice programs by \$1.4 billion.
- Keeps the Pell Grant program at level funding, but proposes a \$1.3 billion cut from surplus funding for this fiscal year and \$3.9 billion for the next.
- Provides \$808 million for the Federal TRIO Programs and \$219 million for GEAR UP, a reduction of \$193 million across the two programs from the 2017 annualized CR level.
  - The budget funds GEAR UP “continuation awards only, pending the completion of an upcoming rigorous evaluation of a portion of the program.”
- Reduces funding for the National Institutes of Health by \$5.8 billion, to \$25.9 billion, as well as a reorganization of NIH’s institutes and centers.
- Includes \$1.5 billion for the Department of Homeland Security to safeguard cyberspace, as well as several other cyber policy provisions.
- Eliminates the Institute for Museum and Library Services, the National Endowment for Humanities, and the National Endowment for the Arts.
- Eliminates the 21<sup>st</sup> Century Community Learning Centers, Federal Supplemental Educational Opportunity Grant, Striving Readers, Teacher Quality Partnership, Impact Aid Support Payments for Federal Property, and International Education programs.
- Calls for a 9.8 percent cut in budgets of all agencies not specifically listed in the budget, such as the National Science Foundation.

The President’s budget was initially met with criticism from both Democrats and Republicans for the large discretionary spending cuts it proposes; a total of \$54 billion in reductions for fiscal year 2018 while increasing defense related spending. The budget proposal is a non-starter in the Senate. Senate Democratic support will be needed to pass spending proposals beyond the April 28 deadline for fiscal year 2017 (set by the December CR) and then October 1 for the start of fiscal year 2018. Rep. Rodney Frelinghuysen (R-NJ), the Chairman of the House Appropriations Committee, and Rep. Tom Cole (R-OK), the Chairman of the LHHS-Education subcommittee, has also expressed opposition to several aspects of Trump’s budget proposal, including cuts to the National Institutes of Health and the Centers for Disease Control and Prevention. However, the budget could also encourage fiscal hawks, especially those in the House who have sought spending reductions for years, to entrench themselves on the reductions.