

Will President Bush's Budget Pay for America's Priorities?

Will the President's Budget Prioritize Education?

As Americans wait for the release of President Bush's 2008 budget, we do so with the hope that it will reflect the priorities of the American people. Unfortunately, President Bush's past budgets have provided vast give-aways to corporations and multimillionaires at the expense of middle class Americans and our country's fiscal well-being. This year, Democrats call on the President to join us in moving in a new direction.

Why America Needs a Budget that Prioritizes Education:

- **President Bush's No Child Left Behind Legislation is Still Leaving Children Behind.** Despite the No Child Left Behind Act's emphasis on standards and accountability, students continue to struggle to reach proficiency in reading, math, and science. In 2005, only 31 percent of 4th and 8th graders scored at or above proficient levels in reading. Only 36 percent of 4th graders and 30 percent of 8th graders scored at or above proficient levels in math. And only 29 percent of 4th and 8th graders scored at or above proficient levels in science. [National Assessment of Educational Progress 2005] U.S. students also are not performing as well as their peers in many other countries. U.S. 4th graders ranked below 11 other countries and U.S. 8th graders ranked below nine other countries in math. [The 2003 Trends in International Mathematics and Science Study]
- **College Education Costs Have Risen By As Much as 52 Percent.** Average tuition, fees, room, and board costs at four-year private universities have increased by \$8,127 from \$22,240 in the 2000-2001 academic year to \$30,367 in the 2006-2007 academic year. Tuition, fees, room, and board charges at four-year public colleges grew more rapidly between 2000-2001 and 2005-2006, after adjusting for inflation, than during any other five-year period since 1975. Total costs jumped from \$8,439 in 2000-2001 to \$12,796 in 2006-2007—an increase of \$4,357, or 52 percent. (College Board, 10/06) The cost of a college education is rising faster than family income, but key federal tuition assistance programs such as the Pell Grant program have failed to keep pace with the rising cost of college. While the maximum Pell Grant covered 51 percent of the cost of tuition, fees, room and board at a public four-year college during the 1986-1987 school year, it covered only 33 percent of these costs in 2005-2006. [Analysis of Department of Education data]
- **Students and Parents Are Having To Borrow More Than Ever Before.** Without adequate federal grants, students and their parents must rely more on student loans to finance their college educations. More than 60 percent of undergraduates at four-year colleges have to take out loans, and the average amount of federal student loan debt upon graduation has increased from approximately \$7,650 in 1992-1993 to \$17,400 in 2003-2004. When private loans are factored in as well, average student loan debt in 2003-2004 was more

than \$19,000. [National Postsecondary Student Aid Study 1993 and 2004, National Center for Education Statistics]

- **College Is Often Unaffordable Even with Assistance.** Even with student loans and work-study programs, students can be confronted with thousands of dollars of unmet financial need that they simply cannot afford to pay. Each year, more than 400,000 low- and moderate-income high school graduates who are fully prepared to attend a four-year college do not do so because of financial barriers. About 170,000 of these students will attend no college at all. [Advisory Committee on Student Financial Assistance, June 2002]
- **Student Debt Can Deter Some Graduates From Pursuing Public Service Careers Such As Teaching And Social Work.** Pursuing these modestly paid but essential careers would leave some graduates with an unmanageable level of student debt. (State PIRGs' Higher Education Project, April 2006) The most recent National Student Loan Survey found for the first time that the probability of owning a home decreases as student debt levels increase. [Nellie Mae Corporation, February 2003]

How President Bush's Last Budget Failed to Help with America's Education Needs:

- **Bush Proposed the Largest Cut in Federal Education in History.** The President's FY07 budget proposed the largest cut to federal education funding in the 26-year history of the Education Department – a \$2.1 billion reduction, for a total of \$54.410 billion. If enacted, it would have been a 3.8 percent cut below the comparable FY06 level of \$56.553 billion. The budget proposed eliminating 42 programs, including all the vocational and technical education programs, education technology state grants, GEAR UP, Safe and Drug-Free Schools and Communities State Grants, TRIO Talent Search and Upward Bound. [Feb. 6, 2006 – Senate Labor, HHS Appropriations Subcommittee Minority Staff]
- **In His FY 2007 Budget, President Bush Underfunded his No Child Left Behind initiative BY \$15.4 billion.** Under the President's budget, NCLB funding would have increased by only \$529 million, for a total of \$24.0 billion, while the authorization level for FY07 rises by \$2.6 billion, for a total of \$39.4 billion. The cumulative funding shortfall for NCLB programs since enactment of the law would have increased to \$55.7 billion. [Feb. 6, 2006 – Senate Labor, HHS Appropriations Subcommittee Minority Staff]
- **Bush Froze Pell Grants Again.** The Bush budget froze the maximum Pell grant award at \$4,050, the same level as in FY03, despite rising tuition costs. [Feb. 6, 2006 – Senate Labor, HHS Appropriations Subcommittee Minority Staff]
- **Bush Underfunded Special Education.** The Bush budget would have continued to retreat on its commitment to students with disabilities, and proposed that, for the second year in a row, the federal government provide a smaller share of total costs for special education. Funding for IDEA Part B State Grants would have

increased by \$100 million, for a total of \$10.7 billion. This would have provided just 17 percent of the national average per-pupil expenditure toward meeting the excess costs of educating students with disabilities – less than half of the 40 percent “full funding” level that Congress committed to paying when the IDEA was first adopted 31 years ago. This is down from 18 percent in FY06 and 19 percent in FY05. The Bush budget also would fall further below the authorized levels in the IDEA Improvement Act of 2004. The proposed level of \$10.7 billion would fall \$6.3 billion short of the FY07 authorized level of \$16.9 billion; the shortfall in FY06 was \$4.1 billion. [Feb. 6, 2006 – Senate Labor, HHS Appropriations Subcommittee Minority Staff]

- **Bush Cuts 2 Million Students from After School Programs.** The Bush budget would leave behind 2 million students who would receive after school services if the 21st Century Community Learning Centers program were funded at the level promised in NCLB. 21st Century funding would have remained flat, at \$981 million – \$1.5 billion below the \$2.5 billion authorized level for FY07. [Feb. 6, 2006 – Senate Labor, HHS Appropriations Subcommittee Minority Staff]
- **Bush’s High School Reform Program Hides Additional Cuts.** For the second consecutive year, the Bush budget proposed a high school reform package that would make formula grants to States to improve the performance of students who are most at risk of failing to meet State standards and to develop State reading and math assessments at two additional grades in high school. The \$1.475 billion proposed for this program would be more than offset by the elimination of several programs it is designed to replace: Vocational and technical education (\$1.3 billion), GEAR UP (\$303 million), three TRIO programs –Talent Search (\$145 million), Upward Bound (\$278 million) and Upward Bound Math/Science (\$33 million), and Smaller Learning Communities (\$94 million). The programs targeted for elimination total \$2.1 billion in FY06. [Feb. 6, 2006 – Senate Labor, HHS Appropriations Subcommittee Minority Staff]

This year, will the President’s budget help middle class families send their children to college? Will the President’s budget provide all American children with quality education?