
OTHER MATERIALS

PROPOSED CHANGES TO 2002 ESTIMATES

This Budget contains proposals that would increase 2002 spending by \$1.3 billion, which would be completely offset by reductions.

SUMMARY OF SUPPLEMENTAL PROPOSALS

[In millions of dollars]

	<i>2002 Budget Authority</i>	<i>2002</i>	<i>Outlays 2003</i>	<i>2004</i>
Supplemental Proposals:				
Department of Education	1,276	1,276
General provision	-1,276	-1,276
	<hr/>	<hr/>	<hr/>	<hr/>
Total, Supplemental Proposals	<hr/>	<hr/>	<hr/>	<hr/>

SUPPLEMENTAL PROPOSALS

The following information concerns supplemental appropriations requests for 2002 proposed for congressional consideration.

Department of Education

OFFICE OF STUDENT FINANCIAL ASSISTANCE

STUDENT FINANCIAL ASSISTANCE

(Supplemental now requested, existing legislation)

For an additional amount for "Student financial assistance," \$1,276,000,000, to remain available through September 30, 2003.

Program and Financing (in millions of dollars)

Identification code 91-0200-1-1-502	2001 actual	2002 est.	2003 est.
Obligations by program activity:			
01.01 Federal Pell grants		1,276	
10.00 Total new obligations (object class 41.0)		1,276	
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		1,276	
23.95 Total new obligations		-1,276	
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation		1,276	
Change in obligated balances:			
72.40 Obligated balance, start of year			1,276
73.10 Total new obligations		1,276	
73.20 Total outlays (gross)			-1,276
74.40 Obligated balance, end of year		1,276	
Outlays (gross), detail:			
86.93 Outlays from discretionary balances			1,276
Net budget authority and outlays:			
89.00 Budget authority		1,276	

90.00 Outlays 1,276

This supplemental request would provide supplemental funding for Pell grants to support a \$4,000 maximum award in 2002. The 2002 appropriations act created a serious fiscal problem by under-funding the Pell grant program. While the act mandated a Pell grant maximum award of \$4,000, it failed to provide resources for the Pell grant program commensurate with the maximum award. The act provided only enough funding to pay for a maximum award of \$3,600, creating a shortfall of nearly \$1.3 billion. This supplemental request would fully fund the mandated maximum award for 2002.

GENERAL PROVISION

(Supplemental now requested, existing legislation)

Of the amounts made available in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002, \$1,276,000,000 is hereby canceled: Provided, That such amounts shall be derived from amounts appropriated for projects or activities that were not included in the President's Budget transmitted to Congress on April 9, 2001.

This provision would cancel funding for amounts appropriated for unrequested earmarks and low-priority programs in the 2002 appropriations for the Departments of Labor, Health and Human Services, and Education. The 2002 appropriations act provided over \$2 billion for programs and projects that were not requested by the Administration in the President's Budget, while under-funding the Pell grant program. The Administration will provide Congress with a listing of such programs and projects and expects that Congress will select from this list in enacting a cancellation of \$1,276 million to offset the Pell grant shortfall.