



FY 2008 Bush Budget: Drastic Education Program Cuts, Funding Reductions and Broken Promises

Major Failures of the President's 2008 Budget

- **President Bush shortchanges education again – proposing a nearly 3 percent cut to education funding in 2008.** President Bush proposes \$56 billion for the Department of Education a -\$1.5 billion reduction below the 2007 joint funding resolution pending in Congress despite increasing college costs and the challenging academic requirements under the No Child Left Behind law. President Bush also eliminates 44 key educational programs, reducing the federal investment in education by more than \$2.2 billion.
- **The President's budget finally turns the corner on funding for Title I and other NCLB programs— but the funding gap remains very significant.** Under the President's Budget, NCLB funding would rise by \$1 billion, for a total of \$24.6 billion. Despite the increase, the Bush FY 2008 Budget means the administration is shortchanging NCLB by a total of \$70.9 billion since its enactment (*Note: this is a conservative estimate compared to last year's authorization level and excludes inflationary increases*).
- **The President's budget leaves behind 3.2 million children who could be fully served by Title I if it was funded at the level promised last year by NCLB.** While the budget does increase funding for Title 1 grants to school districts by \$1.1 billion, for a total of \$13.9 billion, it is not enough. The increase is intended to help school districts boost Title I funding in high schools without taking funds from Title I schools in the lower grades. The plan requires new authorizing language that changes local allocation rules for Title 1 funding. The budget also includes \$500 million in funding for the Title I School Improvement Grants program, which is funded for the first time ever in the 2007 joint funding resolution.
- **President Bush makes certain that full funding of special education will never happen.** The Bush budget continues to retreat on its commitment to students with disabilities, decreasing funding for IDEA Part B State Grants by \$291 million (-2.7%), for a total of \$10.5 billion. This would provide just 16.5% of the national average per-pupil expenditure toward meeting the excess costs of education students with disabilities -- down from 17.2% this year and less than half of the amount promised by Congress when IDEA was enacted 32 years ago. The Bush proposal is the lowest percentage level of support in five years. Further, the 2008 proposed level for IDEA falls \$8.7 billion short of the FY 2008 authorized level of \$19.2 billion, a major set-back in ensuring that the Individuals with Disabilities Act (IDEA) will ever be fully funded.

In addition, the President plans to take administrative action to reduce Medicaid-based reimbursements related to services for special education students by -\$615 million in FY 2008 and -\$3.6 billion over the next 5 years. For more than 20 years, a Medicaid policy has been on the books to help provide low-income students with special health needs with access to treatment in school settings. Eliminating the reimbursement mechanism will severely undermine schools' ability to education students with disabilities.

- **A new voucher scheme, another misguided use of funds.** The President's budget includes a \$300 million voucher plan that comes one year after the House and Senate appropriators rejected the administration's \$100 million voucher plan. The President's plan proposes one new program that would provide \$250 million for vouchers through a state formula, and another new program that would provide \$50 million for competitive grants.
- **President Bush breaks yet another promise on increasing the Pell Scholarships.** While campaigning in 2000, George W. Bush pledged to make college more affordable and accessible by increasing the maximum Pell Scholarship for college freshman to \$5,100...seven years later he has yet to make good on his promise. Now the President promises a maximum Pell Grant award of \$4,600, only increasing the maximum Pell by \$290 in 2008. Just as millions of students are struggling to pay for college today, under the Bush budget, students will have to wait until 2012 to receive a Pell Grant award of \$5,400. The President proposes to pay for this increase in part by eliminating critical college access programs, including the Federal Supplemental Educational Opportunity Grants (SEOG) (-\$771 million), Federal Perkins Cancellations (-\$65.5 million), and Leveraging Education Assistance Partnerships (LEAP) (-\$65 million).
- **President Bush proposes a -49% reduction to the Career and Technical Education State Grants program, destroying innovative career and technical education programs for students attending high school and community college.** The Bush budget provides \$600 million for vocational education state grants, a -49% reduction below the 2007 joint funding resolution. In total, the President cuts -\$802 million in funding for vocational education programs, cutting off a pipeline to job opportunities in emerging fields such as telecommunications and health care for millions of students.
- **The President's budget terminates 43 critical education programs, reducing the federal investment in education by more than \$2.2 billion. These programs help disadvantaged children prepare for and attend college and assist schools in meeting the challenges of NCLB. Among the programs terminated, the six largest include:**
 - ***Supplemental Educational Opportunity Grants*** – (-\$771 million) provides an additional source of aid for exceptionally needy students.
 - ***Even Start***—(-\$99 million) provides funding to support family literacy programs – improving the literacy skills of both children and their parents.
 - ***Technology State Grants*** – (-\$272 million) provides critical funding to close the digital divide and improve academic achievement in our schools.
 - ***Tech Prep Education State Grants*** – (-\$105 million) are designed to enhance and expand traditional career technical education by requiring a linkage between secondary and post-secondary programs.

- *Smaller Learning Communities* – (-\$94 million) provides resources to reduce school size, especially in high schools.
 - *State Grants for Innovative Programs* – (-\$99 million) supports education reform efforts and provides an additional source of funding for education improvement.
- **The Bush budget fails to increase funding for the 21st Century Community Learning Centers program** – the main federal funding for critical before and after-school programs that provide supervised and structured activities for students. In 2008, the budget only provides a \$14 thousand increase above the 2007 joint funding resolution.
- **The Bush budget jeopardizes school safety efforts – slashes funding for school violence and drug prevention.** The FY 2008 Bush budget provides a total of \$324 million for Safe Schools and Citizenship Education, a -55% reduction from the 2007 joint funding resolution. In addition, the President’s budget completely eliminates funding for the national Safe and Drug Free Schools Alcohol Abuse Reduction program and Mentoring program. Safe learning environments are critical to student achievement. The loss of these resources severely undermines the work of schools and communities in reducing violence and drug use.
- **The Bush budget cuts Head Start and Early Head Start by \$100 million.** If enacted into law, the President’s 2008 proposal would result in a 13% real cut (inflation adjusted) in Head Start and Early Head Start funding since FY 2002. Under the President’s recent budgets, many programs have had to shorten program hours, decrease classroom instruction, and eliminate transportation services. Given the need to provide cost-of-living adjustments to current grantees, the President’s budget will result in additional cuts that threaten the quality of the program. The program currently serves less than one-half of the children eligible for the pre-school program and much fewer in Early Head Start.