



FY 2010 Obama Education Budget Reversing the Trend; Renewing America's Promise

Key Investments in the President's 2010 Education Budget

Building off of the historic \$98.2 billion investment in education provided by the American Recovery and Reinvestment Act (ARRA), President Obama's 2010 Education Budget expands his commitment to create the world class education system our economy needs and our children deserve. The President proposes **\$46.7 billion** for the Department of Education, a \$1.3 billion increase above the 2009 Omnibus level.

The Obama budget makes crucial new investments to improve early childhood education.

- ✓ \$300 million for **Early Learning Challenge Fund**, part of a Zero-to-Five initiative aimed at improving the quality of early learning opportunities for young children.
- ✓ \$500 million to expand Title I preschool programs. The **Title I Early Childhood Grants** will provide matching grants for States and LEAs to implement or expand high-quality local early childhood education programs.
- ✓ \$162.5 million for **Early Reading First**, an increase of \$50 million above 2009 to improve the quality of early literacy services for preschool children.

The Obama budget targets key resources to turn around low-performing schools and improve the academic achievement of disadvantaged children. The Obama budget provides a total of \$14.5 billion for Title I Grants and School Improvement Grants. Coupled with the \$13 billion in ARRA funds, half of which will be awarded in 2010, the Obama budget maintains critical funding for Title I Grants and School Improvement Grants. The 2010 budget proposal will help low-income children obtain a high quality education and help States and school districts expand their capacity to identify and implement effective interventions to turn around low-performing schools. The budget proposal also includes:

- ✓ \$29.2 million for **School Leadership**, a \$10 million increase above 2009 to encourage successful principals and other school leaders to work in low-performing schools.
- ✓ \$50 million for a new **High School Graduation** initiative that would provide school districts with grants to support sustaining and coordinated strategies to address the dropout crisis, increase high graduation rates, and prepare students for success in college and a career.
- ✓ \$268 million for **Charter School Grants**, a \$52 million increase above 2009 to increase public school choice options and promote successful models for school reform.

The Obama budget invests in and rewards teacher and principal excellence. The Obama budget includes \$517.3 million for the Teacher Incentive Fund, a substantial \$420 million increase above 2009. These resources in addition to the \$200 million increase provided by the ARRA will provide bonuses that reward effective teachers and principals who raise student achievement in high-need schools. The funding level for TIF also includes \$30 million for the National Teacher Recruitment Campaign, a Department led initiative aimed at supporting the development and training of potential teaching candidates.

The Obama budget ensures high expectations for all students. The Obama budget provides \$11.5 billion for IDEA Part B grants, the same level as 2009. Coupled with the ARRA's \$11.3 billion, the largest single increase in IDEA funding ever, the 2010 budget will allow districts to continue to improve services and supports to ensure students with disabilities achieve academic success. Further, the Obama budget maintains critical IDEA funding for Preschool Grants; Grants for Infants and Families; Personnel Development, and Parent Information Centers.

The Obama budget provides critical resources to empower individuals with disabilities to live independently and participate in the workforce. The Obama budget includes \$3.1 billion for Vocational Rehabilitation (VR) State Grants, an increase of \$110.1 million above 2009. When combined with the \$540 million in ARRA funds, these resources will help over 200,000 individuals with disabilities obtain or maintain employment. The 2010 budget also provides a \$3 million increase over 2009 for Centers for Independent Living, to \$80.3 million.

The Obama budget increases access and affordability to postsecondary education.

- ✓ Increases the **Pell Grant** maximum to \$5,550 for the 2010-11 academic year, a \$200 increase above the 2009 maximum of \$5,350. The budget request proposes linking Pell to the Consumer Price Index to account for future inflation adjustments and converting Pell into a mandatory program to avoid future Pell shortfalls.
- ✓ Creates a \$2.5 billion college **Access and Completion Incentive Fund** to assist low-income students enter into and graduate from college by investing in innovative State programs.
- ✓ Eliminates the **Federal Family Education Loan (FFEL)** program, making all loans through direct lending and resulting in an estimated \$94 billion in mandatory savings over the next 10 years (according to CBO) that will be reinvested in student aid through Pell.
- ✓ Expands and modernizes the **Perkins Loan** program so that it would provide \$6 billion a year in new loan volume to some 2.6 million students attending more than 4,000 colleges and universities.
- ✓ Continues critical investments in **minority serving institutions and Historically Black Colleges and Universities**, and invests in many institutions for the first time, including Predominately Black Institutions and Native-American serving nontribal institutions.

The Obama budget makes key federal investments in literacy. Recent research shows while younger students are making meaningful gains in reading, many high school students are not. In addition to the \$162.5 million for Early Reading First, the 2010 budget includes \$370.4 million for the Striving Readers program, a \$335 million increase above 2009. This level will provide \$70.4 million for adolescent literacy demonstration grants aimed at improving the skills of students reading below grade level and \$300 million for a new initiative aimed helping school districts implement comprehensive and coherent reading instruction programs for elementary school children.

The Obama budget creates Promise Neighborhoods, a new \$10 million effort to improve achievement in high-poverty areas and support health, social services and educational needs of children and youth through comprehensive neighborhood planning grants.

The Obama budget aims to reduce inherited looming Federal deficit in half over the next 5 years, resulting in \$551 million in savings from the elimination of 12 discretionary programs and \$196.3 million from the elimination of 702 earmarked projects.