INTRODUCTION

In 2004, the President offered a FY 2005 budget that padded education and other discretionary programs. This, year, the Administration has reversed stride by making significant cuts to traditionally untouchable programs, sparking significant debate on Capitol Hill. The President has requested $56 billion in discretionary appropriations for the Department of Education (ED), a reduction of $530 million from FY 2005 and the first proposed decrease (1 percent) since he entered office in 2001. These cuts have alarmed some educators and members of Congress. 1

Fueling this alarm is the proposed elimination of 150 government programs, many of which serve low-income and other disadvantaged populations. Approximately one third of these programs are housed in ED, representing a cut of $4.3 billion. Among the programs slated for elimination are Even Start, GEAR UP, the two TRIO programs (Upward Bound and Talent Search), the Perkins Loans program, Safe and Drug-Free Schools, and the National Education Laboratories. The rationale for cutting these programs, according to the Administration, is to remove programs that are duplicative, had achieved their purpose, appeared to have no significant effect, and which were too small to have any discernible effect.

In exchange for these cuts, the Administration plans to launch a series of new programs to support the goals of the No Child Left Behind (NCLB)

---

Act. These include a new High School Support Initiative, funding for high school assessments, increases in funds for Striving Readers and the Advanced Placement program, and a new secondary education mathematics and science initiative.

K-12 EDUCATION IN THE FY 2006 ADMINISTRATION BUDGET

Since President Bush took office in 2001, most of the focus in education has been at the K-12 level. The passage of NCLB in 2001 paved the way for the infusion of dollars at the elementary and secondary levels. Although critics of NCLB have argued that the federal government has used NCLB as an underfunded-mandate, Congress has provided significant funds to education since 2001. The 2006 Administration request provides continued support to key NCLB programs. FY 2006 proposals for NCLB programs total $23.6 billion, or 5 percent above last year’s budget, but $13 billion below the authorized level of $36.7 billion.

Studies by the Education Trust and the Council of Great City Schools show promising trends in reading and mathematics scores among certain student groups. The Education Trust finds that mathematics achievement had increased in 23 of 24 states, and reading achievement increased in 15 of 23 states, with three years of comparable data. However, almost 21,000 schools failed to meet “adequate yearly progress” and 11,000 were designated as “in need of improvement.” Additional studies show that too few high school students are completing rigorous academic courses and that half of entering college students require remedial course work. The Administration would level fund the State Assessments program ($412 million) designed to help states pay for the development of standards and assessments required under NCLB.

The Administration has proposed several new initiatives in this year’s budget, including a High School Intervention Initiative. Designed to take the place of Upward Bound, Talent Search, and GEAR UP, this program aims to strengthen high school education through interventions aimed at at-risk and other students. The initiative provides $250 million to help states develop and implement high school assessments in reading/language arts and mathematics, $200 million (a 707 percent

---

increase) for the Striving Readers program designed to improve reading skills for teenagers, and $120 million for a Secondary Education Mathematics Initiative. As well, $51.5 million would support the Advanced Placement and International Baccalaureate programs, up $22 million, and a new State Scholars program ($12 million) will encourage high school students to complete rigorous courses during high school. Also new is the Enhanced Pell Grants for State Scholars who complete four years of rigorous high school courses ($33 million) and the Community College Access program, which provides $125 million to support dual-enrollment credit transfers for high school students taking college-level courses.

The Bush Administration continues its push for reading programs by requesting an increase in Title I funding by 4.7 percent to $13.3 billion. Two other reading-related programs would be level funded: Reading First Grants ($1.1 billion) and English Language Acquisition State Grants ($676 million). The Migrant Education State Agency Program would also stay at $390 million.

Most other education programs would be flat-funded in this year’s budget with the exception of some significant program eliminations, including Star Schools ($20.8 million), which encourages improved instruction in mathematics, science, foreign language, and other subjects via telecommunications technology; Arts in Education ($35.6 million); Parental Assistance Information Centers ($41.9 million); Elementary and Secondary School Counseling ($34.7 million); and the Dropout Prevention program ($4.9 million).

The popular Head Start program would receive a slight increase of 0.7 percent ($45 million) to $6.8 billion. This increase only provides funding for a project involving a handful of states, thus does not impact the regular Head Start agencies. Taking inflation into account, it has been estimated that 25,000 children will lose services in the FY 2006 program year. However, the Administration additionally proposes to eliminate the Even Start Family Literacy Program ($225 million), which was first authorized in 1989 under Title I. Even Start currently provides services to approximately 52,000 pre-K children and 39,000 adults.

The Administration would increase Individuals with Disabilities Education Act (IDEA) funding by 3.9 percent to $12.1 billion. This was accomplished by increasing state grants by $508 million (4.8 percent).
State grants for pre-school ($385 million) and grants for infants and families ($441 million) would be level funded. According to the NEA, many school districts were forced to cut programs in the last fiscal year in order to meet the legal requirements of IDEA.

In the area of teacher training, the largest teacher-directed program in the ED budget, the Improving Teacher Quality State Grants ($2.9 billion), would stay constant in FY 2006. The grant program replaced the Eisenhower Professional Development Program and Class Size Reduction Programs under NCLB. The grant program provides funds to help states and school district recruit, train, and retain highly qualified teachers and principals. A new $500 million initiative, the Teacher Incentive Fund, is designed to reward effective teachers and create incentives to attract qualified teachers to high-need schools. Another new addition is the Adjunct Teacher Corps Initiative. This $40 million program is designed as an alternative certification program to bring well-qualified content experts from business and industry into schools. The Mathematics and Science Partnership (MSP), to increase the academic achievement of students in mathematics and science through teacher professional development, would increase 50 percent to $269 million.

Programs related to school choice garnered $440 million in the budget, half of which would be in the Charter Schools Grants. The Credit Enhancement for Charter School Facilities program, zero funded in FY 2005, would get $37 million in funds, equal to the FY 2004 appropriation. The Administration requests $50 million for the new Choice Incentive Fund to provide parents with expanded opportunities for transferring their children to higher-performing schools, and $27 million (same as this year) for the Voluntary Public School Choice grants to promote public school choice.

**Higher Education in the Bush Education Budget**

Postsecondary education in the budget lacks the coherence and overall strategy of the framework present in K-12 requests through the addition of the high school NCLB initiative. Similar to the 2005 budget proposal, the ED postsecondary budget reflects mostly program cuts and level-funded programs that include the elimination of programs at community colleges, college access programs, and small increases or cuts to student financial aid. The Administration’s FY 2006 request includes $1.2 billion
for Higher Education Programs that are proposed for reauthorization under the Higher Education Act.

The Pell Grant program, which provides aid to low-income students attending accredited institutions of higher education and is the mainstay of the federal student aid effort, would receive a 6.7 percent increase to $13.2 billion. This increase will provide a $100 increase in the maximum Pell Grant to $4,150. Approximately $4.7 billion of the total amount is allocated to make up for a budget shortfall of $4.3 billion in FY 2005 and to raise the Pell Grant maximum award by $100 for each of the next 5 years. These increases in funding are expected to be made through savings in the federal loan programs. Even with this increase in FY 2006, the maximum Pell Grant will cover only 39 percent of the cost of attendance of a four-year public college.

In total, the federal government provides $78 billion in grants, loans, and work-study. The student loan programs, the Federal Family Education Loan (FFEL) and the Federal Direct Student Loan (FDSL) programs would increase 8 percent in FY 2006 to total $60 billion ($45.5 billion $14.7 billion, respectively).

As noted above, the FY 2006 budget adds $33 million for an enhanced State Scholars Pell Grants program tied to the completion of the State Scholars high school program. This is proposed as part of the High School Initiative, and adds $50 million for a new Presidential Math-Science Scholars program, under which the Department of Education would enter into a public-private partnership to award $100 million annually in grants to low-income math and science students. Approximately 20,000 low-income students who receive Pell Grants would receive these separate, additional awards of up to $5,000 each.

Major news in this year’s budget was the elimination of the Perkins Loan program. This program provides $66.1 million in low-interest loans to low- and middle-income students in FY 2005. For the fourth year in a row, Federal Work Study would be level-funded at $990.3 million as well as no increases recommended for the Federal Supplemental Educational Opportunity Grants program ($778.7 million). Within the ED loan programs, the Bush budget also eliminates the current low fixed-rate consolidation benefit, offering students a floating interest rate for the 25 years maximum term of the loan.
The budget also proposes the elimination of the $65.6 million Leveraging Educational Assistance Partnerships (LEAP) program, which leverages over $1 billion in state matching dollars for need-based postsecondary student grants. This elimination has become an almost annual event in the budget—one that never quite makes the final cut. The Byrd Honor Scholarships would also be eliminated ($40.7 million).

Title III of the Higher Education Act provides funds for higher education institutions that serve high proportions of minority and low-income students. In total, $418.5 million is slated for the Title III “Aid for Institutional Development,” with a slight increase of $240.5 million (0.8 percent) for Historically Black Colleges Universities (HBCUs) and $58.5 million for Historically Black Graduate Institutions (HBGIs). Level funding is proposed for Tribally Controlled Colleges and Universities, $23.3 million, $80.3 million for the “Strengthening Institutions” program, and $8.8 for the Minority Science and Engineering Improvement program. The Strengthening Alaska Native and Native Hawaiian-serving institutions would lose $5.4 million, a 45 percent cut in funding. In a separate Higher Education line item, Developing Hispanic-Serving Institutions would increase 0.8 percent increase to $95.9 million.

Three of the federal TRIO programs, Student Support Services, the Ronald E. McNair Post-baccalaureate Program, and Educational Opportunity Centers receive level funding at $369.4 million. The Administration proposes elimination of the two college access programs, Talent Search and Upward Bound and a cut to the Training Professional Development Program for $467.1 million. Under his plan, GEAR UP, another college preparation and access program, would be eliminated ($306.5 million). These $773.6 million from projects funded under higher education would be reallocated to activities in support of the High School Initiative described previously. There are concerns in the higher education community that access for low-income students, combined with minimal Pell increases, will pose additional challenges to attending college and completing a postsecondary degree.

Other items in the Higher Education Programs budget include flat funding of $106.8 million for International and Foreign Language Studies, $40.2 million for need-based scholarships and fellowships under the Javits Fellowships and GAANN, Graduate Assistance in Areas of National Need. GAANN institutions provide assurances that they will seek talented students from traditionally underrepresented backgrounds.
The budget flat funds the Child Care Access Means Parents in School program at $16 million and $164.2 million for Research, Development and Dissemination. Also proposed for elimination are the Demonstration projects for Students with Disabilities ($6.9 million) and the Teacher Quality Enhancement Grants ($68.3 million).

One of the biggest changes to the Higher Education Budget for FY 2006 is the mixed message sent to community colleges through budget cuts and change in emphasis for funding areas, with the proposal to eliminate the entire $1.3 billion federal vocational and technical education programs (Carl D. Perkins Vocational and Technical Education Act). In the ED budget proposal, the vocational state grants that make up most of the $1.3 billion are described as “ineffective” by OMB. Reallocation of funds that currently go to states for high school and community college programs ($400 million annually) would now contribute to the new High School Initiative. States could still choose to fund vocational programs with that money. Coupled with 63 percent cuts for Adult Basic and Literacy Education, community colleges are very concerned about the Budget’s support for two-year postsecondary education.

The Administration has included $125 million in new funds to support a new dual enrollment (high school/community college) initiative. There are concerns, however, from the community colleges and workforce alliances that this is a move away from career and technical education to supporting high school academic skills that would greatly impact services currently provided to low income and adult students.

Finally, the President’s budget drastically cuts resources for the Fund for the Improvement of Post-secondary Education (FIPSE) by 86.3 percent to $22.2 million. FIPSE grants to postsecondary institutions support innovative reform projects that model resolution of problems in postsecondary education, as well as international programs.

**SCIENCE, TECHNOLOGY, ENGINEERING AND MATHEMATICS (STEM) IN OTHER DEPARTMENTS AND AGENCIES**

Funding for STEM activities in higher education and research in other federal agencies and departments includes cuts for basic research in the Departments of Agriculture, Defense, and Energy and the National Aeronautics and Space Administration (NASA). This follows a trend that has been flat or declining in recent budgets. The budget provides only
very small increases for the National Institutes of Health (NIH) and the National Science Foundation (NSF), two of the largest federal sources for academic research and increasing minority and low-income participation in science, math, and engineering.

Overall, the NSF budget would increase by 2.4 percent to $5.6 billion (see Table II-7), but $19 million cuts are proposed for the Math-Science Partnership that funds university research on K-12 math and science. The President proposes funding increases to $269 million for a parallel math-science partnership in the ED High School Initiative. The NSF Directorate for Education and Human Resources (EHR) supports education, research, and infrastructure development in all STEM disciplines with the goal of preparing the next generation of STEM professionals, attracting and retaining Americans in STEM careers, increasing STEM literacy of all Americans, and closing the achievement gap in all STEM fields. Under the 2006 budget, EHR monies would decline by 12.4 percent or $104 million to $737 million. In addition to the Math-Science Partnerships, EHR activities and funding include: a 0.3 percent increase to $94 million for EPSCoR (Experimental Program to Stimulate Competitive Research); a decrease of 22.6 percent to $140.8 million for K-12 programs (ESIE) to develop effective instructional materials and provide preparation and professional development for teachers and instructional materials that promote scientific and technological literacy; a 12.1 percent cut to the Undergraduate Programs (DUE) that assist two- and four-year postsecondary institutions to expand STEM talent, prepare cybersecurity workforce, and promote women and minority students in STEM enterprises ($135 million); a very slight 0.2 percent increase to $155 million for Graduate Education programs (DGE) divided equally among the Graduate Research Fellowship Program, the Integrative Graduate Education and Research Traineeship Program, and the Graduate Teaching Fellows in K-12 Program; and a 43.2 percent cut (to $33 million from $59 million in FY2005) in funding of Research, Evaluation and Communication (REC) programs that develop scientific research methods and evaluate current programs across EHR, which may undercut NSF’s ability to demonstrate outcome accountability.

The Department of Energy (DOE) Office of Science sponsors a number of educational outreach activities in workforce development for teachers and science programs and would decline in total funding by 4.5 percent to $3.2 billion. The Workforce Development for Teachers and Scientists
EDUCATION AND HUMAN RESOURCES IN THE FY 2006 BUDGET

(WDTS) would be cut by $500,000 to $7.19 million. WDTS supports Undergraduate Internships for students planning to enter STEM careers, including teaching, Graduate and Faculty STEM Fellowships, Pre-college middle and high school science bowls, and the Scientists Teaching and Reaching Students (STARS) initiative, which promotes science literacy and outreach by national laboratory scientists and engineers.

Overall, the National Institutes of Health (NIH) will receive an increase of 0.7 percent for FY 2006 (see Table II-9). This is short of the rate of inflation (3.2 percent) in biomedical research. The agency estimates that only 21 percent of research project grant applications would receive funding in 2006, compared with 30 percent in 2003 and flat-funding for continuing awards. The agency also will decrease the number of Ruth L. Kirschstein National Research Service Awards to postdoctoral researchers by 397. This would allow for increased stipends for third year postdocs. Research to defend against biological weapons would remain a top NIH priority. As many as six new biodefense regional laboratories will be built this year to augment existing labs in the study of infectious diseases and the NIH “Roadmap” project would be increased by 42 percent to $333 million for multidisciplinary, innovate research and basic-research to develop new medical treatments.

The U. S. Department of Agriculture would shift monies from several formula-grant programs to allow for an increase in the National Research Initiative, the main competitive grants for agricultural research, an increase of 39 percent to $250 million, with additional sums earmarked for land-grant universities. NRI goals are increased graduate level-training opportunities in interdisciplinary research areas and the diversification of graduate student participation in agricultural research. The Cooperative State Research, Education and Extension Service (CSREES) is the federal partner with land grant and non-land grand colleges and universities in carrying out extramural research, higher education, and extension activities. In addition to NRI, CSREES includes additional funding for Master of Science level fellowships to recruit minority graduate students, and $15 million for the Native American Endowment Fund. Extension services under the Smith-Lever Act would remain level-funded and Hatch Act grants that pay for agriculture experiment stations at land-grant institutions would be halved to $89 million. (See Chapter 11 for more on USDA.)
Funding for the 1890 Institution Teaching and Research Capacity Building Grants was given a 1.5 percent increase to $12.5 million, but the 1890 Facilities Grants were reduced from $16.8 million to $14.9 million. These grants provide funds to the historically black land-grant institutions funded through the Morrill Act II in 1890, plus Tuskegee University, to build institutional capacity and develop innovative teaching and research projects in targeted need areas of the food and agricultural sciences.

The National Aeronautics and Space Administration (NASA) is working to ensure a pipeline of highly trained scientists for NASA, industry and academia by motivating students to pursue careers in STEM disciplines, developing unique educational teaching tools and teacher experiences, and engaging minority and underrepresented students, educators and researchers in the NASA education programs. The NASA Office of Education has requested $166.9 million, a sharp cut.

CONCLUSION

The President’s budget was designed to send a message that it is belt-tightening time in Washington. K-12 program funding largely hinges on NCLB programs, which adds funds for academic rigor and testing and early reading programs. As with the past four budgets proposed by this Administration, higher education seems more of an afterthought, with all attention at the K-12 level. The Pell Grant program was given a lift, but at the cost of cuts in certain aspects of the loan programs (e.g., fees to servicers; elimination of fixed rates for consolidation loans). The biggest hits were aimed at programs such as Upward Bound, including Upward Bound Math and Science Program, GEAR UP, and other programs designed to help low-income and other disadvantaged youth prepare, aspire, and go to college.

With regard to science and technology funding, we are mindful that today’s reductions in research and education programs may differentially affect disciplines and subfields for years to come. Students self-select out of careers based on perceptions of opportunities, including support for study and post-degree research. So while this budget has been about as fair as one might get given the cuts in other departments, it sends a mixed signal on STEM education—expand the K-12 talent pool but constrict options for postsecondary education and training.
Summary of Discretionary Terminations in the FY 2006 Budget. (Budget authority in millions). Terminations. Has the termination been proposed before? Y Y Y Health and Human Services HRSA Children’s Hospitals GME Payment Program, Y Y Y HRSA Health Professions, Y Y Y HRSA Rural Health.

Summary of Selected Discretionary Program Reductions in the FY 2006 Budget. (Budget authority in millions). Major Reductions. Has the reduction been proposed. A resource for kids, parents, and teachers to find fun and educational materials related to health, science, and the environment we live in today. Explore Kids Environment | Kids Health. NIEHS is committed to conducting the most rigorous research in environmental health sciences, and to communicating the results of this research to the public. Explore Health & Education. Research. The vision of NIEHS is to use environmental health sciences to understand human disease and improve human health. Use the search box to see research highlights from NIEHS scientists since its founding in 1966. Explore Research Highlights. Technology Transfer.

FY 2006 Estimated Budget Authority. 647,608,000. Net change. 3,103,000. Changes. FY 2005 Appropriation. Change from Base. FTEs. The FY 2006 budget is empowered by some new approaches brought about as a result of the UC21 plan. It includes a budgetary reorganization tied to the six goals of UC21, performance-based budgeting and greater academic involvement in the budgetary process. UC21 has brought together a better sense of strategic enrollment planning and entrepreneurial growth, as well as a commitment to assessment, accountability and data-driven decision making. That enhance our resources has guided the Budget Plan recommendations at many times in the planning process. Millions of dollars in recommended allocations are a direct response to support those units that have increased enrollment and/or net tuition income.