

TO: AASA Members
FROM: Noelle Ellerson Ng, Associate Executive Director
RE: AASA Analysis of President Biden's FY 2024 Budget Proposal
DATE: March 10, 2023

On March 9, 2023 President Biden released his budget proposal for federal fiscal year 2024 (FY24). FY24 runs October 1, 2023 through September 30, 2024 and FY24 funding will be in schools for the 2024-25 school year. This document provides an overview of what the budget proposal includes. The budget is widely received as 'dead on arrival', with the House and Senate expected to advance their own budget proposals and priorities. The numbers below are a proposal and likely differ significantly from what will be in the final funding package. These numbers are a reference point. As Congress moves through its appropriations work, pay attention to which proposal and draft you are referencing, to ensure you are looking at the latest numbers.

Final FY24 allocations are months away and before Congress even rolls up its sleeves to work on annual appropriations, they will need to first resolve the debt ceiling vote. How they address that need—whether as a clean, stand-alone vote (as AASA endorses) or as part of a broader package that includes budget constraints, caps, and/or cut—will greatly shape what the final package looks like, both in terms of what funding is allocated and how much political willingness remains to work on a truly bipartisan deal. As a reminder, while FY24 starts on October 1, it is very unlikely (and in fact, very much the norm) that Congress will not complete its work on time. When Congress is unable to finish on time, they will likely exercise a continuing resolution (CR), a legislative proposal that allows government to stay open, freezing federal funding levels and buying Congress more time to complete its appropriations work.

AASA maintains that a budget, whether that of our organization or the schools that AASA members lead, reflects our mission and priorities: we fund what we support, and we support what we fund. To that end, President Biden's proposed FY24 budget continues his trend of introducing federal budget proposals not only support, but also prioritize support for strengthening and supporting our nation's public schools and the students they serve. We applaud his consistent support and funding for programs that are fundamental to supporting students and children.

Analysis¹: The president's FY24 budget proposal includes \$90 billion in discretionary funding for U.S. Education Department (USED). This is a \$10.8 billion (13.6%) increase over FY23 enacted level and includes a \$2.2 billion increase for Title I, a \$2.1 billion increase for special education, a \$305 million increase for English Language Acquisition, a repeat of past proposals to create a new \$100 million grant program to foster diverse schools, increases for educator training programs, a \$500 increase in the maximum Pell grant, a new \$500 million grant program to provide two years of free community college for certain students, and a \$439 million increase for institutional development at HBCUs and minority-serving institutions. The proposal also includes at least one new mandatory funding request that is not incorporated into ED's FY 2024 request levels: \$600 billion over 10 years for a new free pre-school program in collaboration with states, jointly administered between USED and Health & Human Services (HHS).

The proposal DOES include \$428 million for the Mental Health Services Professional Demonstration Grants, funding that provides competitive grants to support and demonstrate innovative partnerships to train school-based mental health service providers for employment in schools and local educational agencies (LEAs).

¹ USED funding analysis courtesy of Committee for Education Funding (www.cef.org)

President Biden also proposed \$15 billion for the Community Eligibility Program (CEP). We do not yet have the specifics of the provision, but the request is for \$15 billion over ten years.

While USED is proposed to receive a significant increase, there are many programs that do not receive a funding increase at all, including Title II, 21st Century Community learning Centers, Rural Education Achievement Program (REAP) and Impact Aid. It also includes zero funding for school facilities/infrastructure. Three-quarters of the funding increase within USED are spread across 12 programs including \$1.1 billion for three new programs, \$4.2 billion in new funding for Title I and IDEA), mental health support for students, and administration of USED's programs.

Outside of the discretionary funding reported above, the President's budget includes new mandatory spending requests. These proposals would require a separate authorizing statute in addition to the appropriations bills. Those proposals include:

- *Free preschool through federal-state partnership and expanded child care support* - \$600 billion over ten years for a new program administered by HHS in conjunction with ED for universal preschool and to increase access to affordable child care. ED's discretionary budget includes \$500 million for a new preschool incentive demonstration program.
- *Pell Grants* – \$96 billion over ten years in new mandatory spending to double the maximum Pell grant by 2029. Pell Grants are already funded by a combination of discretionary and mandatory funding. The budget increases the maximum Pell grant for FY 2024 by \$820, of which \$500 comes from discretionary funding and \$320 from new mandatory spending.
- *Free community college* - \$90 billion over ten years for a new program to expand free community college. The budget also includes \$500 million in discretionary funding for a new program to provide two years of free community college for those heading for a four-year degree or a “good paying job.”
- *Student affordability for college* - \$30.5 billion over ten years to investing tuition subsidies for students at HBCUs, Minority Serving Institutions (MSIs), and Tribally Controlled Colleges and Universities (TCCUs).

Thank you to Committee for Education Funding, the Children's Budget Coalition, Education Week/Politics K12 and Politico for great budget day coverage, analysis, and reporting.

Appendix One: FY24 Funding Summary (in billions)

Program Name	2023 Final Level	2024 Budget Request	Change +/- 2023	% Change vs 2023
ESSA Title I	18.387	20.537	2.150	11.7%
Comprehensive Literacy Development Grants	0.194	0.194	0.000	0.0%
Innovative Approaches to Literacy	0.030	0.030	0.000	0.0%
Migrant Education	0.376	0.376	0.000	0.0%
Neglected/Delinquent	0.049	0.052	0.003	5.6%
Impact Aid	1.618	1.618	0.000	0.0%
ESSA Title II	2.190	2.190	0.000	0.0%
21st Century Learning Community Learning Centers	1.330	1.330	0.000	0.0%
State Assessment	0.390	0.469	0.079	20.3%
Education for Homeless Children	0.129	0.129	0.000	0.0%
Native Hawaiian Education	0.046	0.046	0.000	0.0%
Alaska Native Education	0.045	0.045	0.000	0.0%
Rural Education	0.215	0.215	0.000	0.0%
Comprehensive Centers	0.055	0.055	0.000	0.0%
ESSA Title IV	1.380	1.405	0.025	1.8%
School Safety National Activities	0.216	-0.173	-0.043	-19.9%
School-Based Mental Health Services Grants		0.428	0.428	100.0%
Promise Neighborhoods	0.091	0.106	0.015	16.5%
Full Service Community Schools	0.150	0.368	0.218	145.3%
Education Innovation and Research	0.284	0.405	0.121	42.6%
Teacher and School Leader Incentive Grants	0.173	0.200	0.027	15.6%
Supporting Effective Educator Development	0.090	0.093	0.003	3.3%
Charter School Grants	0.440	0.440	0.000	0.0%
Magnet Schools Assistance	0.139	0.149	0.010	7.2%
English Language Acquisition	0.890	1.195	0.305	34.3%
Special Education Grants to States	14.194	16.259	2.065	14.6%
Perkins Career & Technical Education (State grants)	1.430	1.473	0.043	3.0%
Perkins Career & Technical Education (Natl Prog)	0.032	0.215	0.183	564.4%
Outside of USED				
Head Start (incl Early Head Start) (HHS)	11.997	13.112	1.115	9.3%
Child Care Development Block Grant (HHS)	8.021	9.000	0.979	12.2%
Cyber Security (Homeland Security/CISA)	2.955	3.1	0.145	4.90%