SPECIAL REPORT:
FY 2015 Department of Education Budget and California Implications
March 2014

DEPARTMENT OF EDUCATION
The Budget provides $74.2 billion in total budget authority for the Department of Education, including $68.6 billion in discretionary authority.

Pell Grants
Pell Grants are the single largest source of grant aid for postsecondary education. Funding for this program is provided from two sources: discretionary appropriations and mandatory budget authority. In 2015, nearly 8.9 million undergraduates will receive up to $4,860 from the discretionary award and an additional $970 from the mandatory add-on to help pay for postsecondary education. The 2015 Budget request includes $22.8 billion in discretionary funding for Pell Grants in 2015, which, when combined with previously provided mandatory funding, will support a projected maximum award of $5,830. Additionally, the Budget proposes to: strengthen academic progress requirements in the Pell Grant program to encourage students to complete their studies on time; and, reinstate the Ability to Benefit provision for students enrolled in eligible career pathways programs.

Campus-Based Aid Programs
The 2015 Budget includes $733 million for Supplemental Educational Opportunity Grants, which would generate $975 million in aid to 1.6 million students. The Budget proposes to modernize and expand the Perkins Loan program so more colleges can participate and more students can access these loans. The proposal would increase, beginning on July 1, 2015, the annual loan amounts available to students to $8.5 billion from the current $1 billion. The 2015 Budget includes $975 million for Work-Study, which would generate $1.16 billion in aid to 690,000 students.

Investing in Innovation - i3 Fund
Budget documents estimate $140 million in program obligations for Investing in Innovation (i3) as well as $165 million for i3 in a legislative proposal not subject to PAYGO. The i3 program uses an evidence-based approach to evaluate the effectiveness of K-12 programs and is intended to identify and support effective teachers and leaders, improve performing schools, and encourage parent engagement. As part of this investment, i3 will also support Advanced Research Projects Agency for Education, which will fund education technology research in an unspecified amount.
STEM Teacher Education

Funds would support competitive grants to consortia of LEAs in partnership with institutions of higher education, businesses, science agencies, or other entities. These public-private partnerships would harness local, regional, and national resources to transform STEM teaching and learning by implementing innovative evidence-based practices that improve teacher effectiveness and student engagement and achievement. Funds would also support a STEM Teacher Pathways program, a STEM Master Teacher Corps, and the Effective Teaching and Learning: STEM program.

Elementary and Secondary Education Act

The Administration is proposing legislation reauthorizing programs included in the Elementary and Secondary Education Act (ESEA), including programs in the following accounts. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, the Administration has indicated that resources will be requested for these programs.

Grants to States

The estimated obligation for FY2015 for the Grants to States program is $10.644 billion. Formula grants are provided to States to assist them in providing special education and related services to children with disabilities ages 3 through 21. The request for the Grants to States program includes $100 million to support new Results Driven Accountability (RDA) Incentive grants. These 4-year competitive grants will be used by States to identify and implement promising, evidence-based reforms that will improve service delivery for children with disabilities served under Parts B and C of IDEA, while also building State and local capacity to continue to improve outcomes for those children in the long-term.

Accelerating Achievement and Ensuring Equity

To account for the Administration's ESEA reauthorization proposal, the 2015 Budget eliminates the $1.7 billion advance appropriation that was previously in the Education Improvement Programs account and replaces it with corresponding increases to advance appropriations in the Accelerating Achievement and Ensuring Equity account ($841 million) and the Special Education account ($841 million). Total advance appropriations in the Department of Education remain at $22.6 billion.

Preschool Development Programs

The Budget allocates $500 million for a preschool development grants program, which will make competitive grants available to states to carry out activities that support high-quality preschool programs for children from low and moderate-income families. Additionally, the Budget proposes $1.3 billion for the Preschool for All program.
Impact Aid

The FY15 Budget proposes $1.289 billion in Impact Aid, for carrying out programs of financial assistance to federally affected schools authorized by title VIII of the ESEA. Included in this amount is $1.151 billion for basic support payments, $48,316,000 shall be for payments for children with disabilities, $17,406,000 for construction, $66,813,000 for Federal property payments, and $4,835,000 for facilities maintenance.

Education Improvement Programs

The Budget allocates about $1.8 billion for various education improvement programs, most of which will go toward improving teacher quality state grants.

Promise Neighborhoods

The Budget dedicates $56,754,000 for Promise Neighborhoods, an initiative that supports high-need communities by combining effective services for children and families with comprehensive reforms centered on high-quality schools. A portion of these funds will also be targeted to designated Promise Zones - high-poverty communities where the Federal Government will engage more directly with local leaders to break down barriers and help them access and coordinate the resources and expertise they need to create jobs, leverage private investment, increase economic activity, reduce violence, and improve educational opportunities.

Community Learning Centers

The Budget includes a request for $1.149 billion to provide funding to states and other entities for projects that provide students, particularly those in high-need schools, the additional time, support, and enrichment activities that can improve their achievement.

Race to the Top

The Budget estimates Race to the Top program obligations to be $247 million for FY15, decreased from the FY14 estimate of $429 million. These funds support competitive grants to states to discover new ways to comprehensively change higher education policies and practices while doing more to contain tuition and increase college affordability. Grants would be used to help link State and local fiscal, student achievement, and human resource data systems, allowing schools to identify and address the needs of underserved students by improving access to high-quality teachers and leaders, rigorous coursework, and other evidence-based supports.

Redesigning High Schools

The Budget estimates $150 million in program costs to support competitive grants to transform teaching and learning in high schools by encouraging partnerships among LEAs, postsecondary institutions, businesses, and non-profits to prepare students for college and career.

School Safety

The Budget proposes funding support for schools to develop and implement emergency preparedness plans, create safer school climates through evidence-based behavioral intervention practices, provide support and services to children exposed to pervasive violence, collect data on school safety and climate, and highlight best practices regarding school behavioral intervention and discipline policies, including the equitable implementation of these policies.