

## **President's 2018 Budget Request Summary**

### **Pell and Campus-Based Aid**

- The current Pell Grant surplus is targeted with a \$3.9 billion cut. The maximum award remains flat at \$5,920. The budget states it support for year-round Pell, which was reinstated and signed into law under the FY 2017 omnibus appropriations bill.
- Funding is eliminated for Supplemental Educational Opportunity Grants (SEOG) program. Under the proposal the program would end after the upcoming award year. Funded at \$733 million, SEOG provides grant aid to over 1.5 million students annually. Community college students represent a quarter of those recipients.
- The budget proposes cutting Federal Work Study (FWS) by 49 percent, or \$488 million. The budget recommends targeting the program to benefit the neediest students, but does not specify those desired authorizing changes. Currently, more than 72,000 community college students benefit from FWS, with an average award of \$2,020.

### **Other Eliminated Programs**

- Funding for Title III (A) Strengthening Institutions is eliminated under the budget request. Title III (A) grants are provided to eligible institutions to build capacity to serve low-income students. Community colleges receive a large portion of these grants. This program is currently funded \$86.5 million
- Child Care Access Means Parents in School is eliminated under the budget proposal. This program is currently funded at \$15 million.

### **Workforce, Adult Ed, and CTE**

- The budget includes significant cuts for state grant programs under Title I of the Workforce Innovation and Opportunity Act (WIOA). This includes a \$326 million cut to WIOA Adult grant (40 percent), a \$465 million cut to WIOA Dislocated Worker grants (43 percent), and a \$350 million cut to WIOA Youth grants (40 percent).
- The budget recommends a 15% cut to Perkin Career and Technical Education state grants (\$166 million)
- The budget also provides for a 16% cut to state grants under Adult Basic Education (\$96 million).

## GEAR UP and TRIO

- Funding is cut for both TRIO and GEAR UP. The federal TRIO program receives a \$92 million cut under the budget. This is a 10 percent reduction from current funding levels. GEAR UP receives a \$104 million cut, which is a 32 percent reduction.

## Student Loans

- The budget would eliminate subsidized loans for new borrowers.
- The budget proposes to consolidate five current income driven repayment (IDR) plans into a single plan. The single IDR plan would set a borrower's monthly payment at 12.5 percent of discretionary income, while eliminating the standard repayment cap. For borrowers with undergraduate student debt only, any balance remaining after 15 years of repayment would be forgiven. For borrowers with any graduate debt, any balance remaining after 30 years of repayment would be forgiven.
- The budget also eliminates Public Service Loan Forgiveness, but would grandfather in those already enrolled in the program.

## Minority Serving Institutions and HBCUs

- The budget includes small mandatory increases for programs supporting Minority Serving Institutions and HBCUs. Those programs also sees a small (0.2 percent) discretionary cut under the budget proposal compared to FY 2017 enacted levels. This includes funding for Strengthening Hispanic Serving Institutions, Strengthening Predominately Black Institutions, Strengthening Asian-American and Native American Pacific Islander Serving Institutions, and Strengthening HBCUs. ED has explained these cuts as an accounting issue. The Administration used the FY '17 continuing resolution for base funding. The cut would be compared to final FY '17 numbers as passed in the omnibus.