

## **FACTSHEET - 2014 SENATE BUDGET**

### **POLICIES AND FUNDING LEVELS**

The Senate Budget calls for \$975 billion in target spending cuts, and \$975 billion in yet-to-be determined changes to the tax code. \$960 billion of these savings would be used for the repeal and replacement of sequestration. The plan also calls for a \$100 billion spending package aimed at jobs and infrastructure. Since the resolution assumes sequestration is repealed, overall discretionary funding is set at \$1.296 trillion.

### **HIGHER EDUCATION AND WORKFORCE TRAINING**

The Senate Budget makes recommendations for higher education, including:

- \$10 billion to invest in worker training programs for young people and adults to expand their skills and allow them to move into unfilled job openings.
- Maintaining automatic increases to the maximum award level for the Pell Grant program.
- The permanent extension of the American Opportunity Tax Credit.
- Elimination of student loan fee increases from sequestration.
- Retaining the student loan Income Based Repayment program.
- Keeping student loans affordable by retaining subsidized loans and facilitating passage of legislation to ensure student loan interest rates remain affordable. This refers to the doubling of interest rates on subsidized Stafford loans set to occur on July 1<sup>st</sup>. The plan does not specify whether any forthcoming legislation should include variable or fixed interest rates, however the forthcoming committee report may provide further detail.
- Continued funding for the Workforce Investment Act.
- The continuation of the Veterans Retraining Assistance Program. The program, which expires in March of 2014, offers up to 12 months of Montgomery GI Bill benefits for older unemployed veterans.