

**ISSUE BRIEF** 

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# Fiscal Year 2024 Education Appropriations: A Guide for Policymakers

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#### **KEY TAKEAWAYS**

The House Appropriations Committee this month released its FY 2024 funding bill for Labor, Health and Human Services, Education, and Related Agencies.

The bill would provide \$67.4 billion in discretionary spending for the Department of Education, which is \$12.1 billion (15 percent) below the FY 2023 enacted level.

This proposal provides needed reductions in the Department of Education's discretionary budget, which would halt a decades-long federal spending spree. In the fiscal year (FY) 2024 appropriations process, Congress has an opportunity to restore fiscal sanity to federal education spending. President Joe Biden launched the FY 2024 appropriations process recklessly, calling for \$90 billion in discretionary spending for the Department of Education, a \$10.8 billion (13.6 percent) increase from FY 2023.<sup>1</sup> Large spending requests such as this must be met with scrutiny, especially when, after 40 years, there is scant evidence that the Department of Education has benefited American students or used taxpayer money effectively,<sup>2</sup> despite having the sixth-largest budget in the entire U.S. government.

In July 2023, the House Appropriations Committee released its FY 2024 funding bill for Labor, Health and Human Services, Education, and Related Agencies. The bill would provide \$67.4 billion in

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discretionary spending for the Department of Education, which is \$12.1 billion (15 percent) below the FY 2023 enacted level and \$22.6 billion below the President's FY 2024 budget request. This proposal provides needed reductions in the Department of Education's discretionary budget, halting a decades-long education spending spree.

Notably, the proposal would reduce discretionary spending for Title I of the Elementary and Secondary Education Act by \$14.7 billion, reflecting the fact that approximately \$31 billion provided to schools during the pandemic remains unspent and is no longer needed. It would also reduce the budget for the Office for Civil Rights at the agency by 25 percent (from the FY 2023 enacted level). Additionally, the proposal would cut ineffective teacher training program spending, under Title II of the Every Student Succeeds Act (ESSA), eliminate Supporting Effective Instruction State Grants and Federal Supplemental Educational Opportunity Grants (FSEOGs), and abolish the Office of Communications at the Department of Education.

The proposal also includes important prohibitions on using funds to promote or advance critical race theory, cross-sex hormones, or surgical interventions for "gender-affirming care" or for the implementation of the Biden Administration's executive orders on diversity, equity, and inclusion (DEI)<sup>3</sup> and gender identity or sexual orientation.<sup>4</sup> No funds would be appropriated to implement the Biden Administration's proposed regulations and rules on student-loan-repayment waivers,<sup>5</sup> income-driven repayment,<sup>6</sup> borrower defense to repayment,<sup>7</sup> or more changes to Title IX of the Education Amendments of 1972.<sup>8</sup> The proposal also takes important steps to ensure that religious student groups are treated equally and not discriminated against when accessing campus facilities or gaining recognition as a campus group.

However, there is still more work to be done. This *Issue Brief* guides lawmakers on additional specific cuts and limitations to continue to rein in the Department of Education's size, scope, and spending.

#### A Note on Topline Spending Levels

As explained in a recent Heritage *Backgrounder* on the appropriations package,<sup>9</sup> while the House legislation purports to reduce spending to a topline of \$1.471 trillion, the actual spending is closer to \$1.59 trillion. At the time of this writing, the House's appropriations legislation seeks to rescind \$115 billion in spending that can then be used to further increase the topline spending levels across all appropriations bills. This represents an unprecedented expansion of rescissions as a budgetary tool to add spending within appropriations caps.

### Specific Programmatic Cuts and Reductions

In order to limit the size, scope, and expenditure of the Department of Education, Congress should:

**Eliminate More Ineffective Competitive Grant Programs.** The House Appropriations Committee has addressed some ineffective teacher training programs by eliminating them; however, Congress should further reduce federal intervention in local school policy by eliminating additional programs and spending that have accumulated over decades in a manner that has failed students and burdened school leaders with red tape. Specifically, Congress should end spending on ineffective grant programs authorized in Titles II and IV of ESSA.<sup>10</sup> Congress should not appropriate further taxpayer resources for the majority of programs authorized under Titles II and IV of ESSA,<sup>11</sup> as these programs have a demonstrated record of failure and would be better managed locally.

**Eliminate the Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP).** Congress should eliminate funding for the federal GEAR UP, authorized under the Higher Education Act of 1965 (HEA). GEAR UP consists of costly programs that taxpayers fund to the tune of hundreds of millions of dollars annually and that exist ostensibly to increase the number of low-income students enrolled in college and to help these students to navigate the pathway from high school to higher education. GEAR UP adds to already high levels of higher education spending, and there is little evidence that it has met its goal of increasing college readiness for disadvantaged students.<sup>12</sup> Congress should eliminate GEAR UP, and its functions should be handled privately or at state and local levels where policymakers are better equipped to increase college preparedness within their school districts.

**Eliminate the Public Service Loan Forgiveness (PSLF) Program.** Borrowers who take out federal student loans can have their debt cancelled after 20 years of payments. However, the loans of public and government employees are cancelled after just 10 years under the PSLF program, which was enacted in 2007. Not only does loan cancellation transfer large sums of student debt to the backs of taxpayers, it also preferences government work over private-sector employment. Congress should end all loan-cancellation schemes, beginning with the PSLF program.

## Limiting Language

Congress can also rein in federal overreach in education by including limiting language in the appropriations process. To do so, Congress should:

**Prohibit Taxpayer Spending on Racially Discriminatory Education Programs in District of Columbia Public Schools.** No taxpayer money should be used to support DC Public School officials who compel any teacher or student to affirm or profess ideas that discriminate between individuals based on a person's race in violation of civil rights law. No DC Public School curriculum, classroom instruction, or professional development program should compel teachers to affirm or profess beliefs or ideas that promote race stereotyping or violate civil rights law.

**Prohibit Funding for Implementing the Biden Administration's Proposed Title IX Rules.** Congress should prevent the Biden Administration from adopting its proposed interpretations of Title IX under two separate rules published in July 2022 and in April 2023. The combined cost of implementation for both these rules is represented by the Administration to be a minimum of \$24 million. Not only will these rules work in concert to eliminate commonsense due-process protections for those accused of sexual harassment and assault on campus, but they promise to stifle freedom of expression and religious liberty within education due to their misapplication of U.S. Supreme Court precedent.

Perhaps more critically, for purposes of Title IX's language, history, and purpose, the Title IX rules force all schools in receipt of federal funding to adopt a reinterpretation of "sex" to include "sexual orientation and gender identity." This would open all female-specific programs, housing, admissions, private spaces, and scholastic athletics to boys and men, eviscerating the very equality for which Title IX was passed to guarantee.

**Block the Biden Administration's Proposed Gainful Employment** (**GE**) **Rule.** Congress should prohibit the Biden Administration from enacting the U.S. Department of Education's proposed GE rule,<sup>13</sup> a sweeping regulatory package that will impose unnecessary requirements on "for-profit" colleges and universities, in particular. For-profit colleges are finding success because they are helping a segment of students who have been historically underserved by traditional colleges. The real problem that deserves oversight is the vast amount of taxpayer subsidies being poured into the higher education system writ large, rather than singling out a sector that is meeting the needs of students where the traditional system has failed.

#### Conclusion

Congress should implement the additional recommendations in this *Issue Brief* to curtail the misappropriation of taxpayer dollars for unnecessary and ineffective education spending. Doing so is a step toward restoring

fiscal sanity to decades of ever-increasing federal spending on K–12 schooling and higher education, which will better serve the needs of American students and taxpayers.

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# Endnotes

- 1. U.S. Department of Education, "Fiscal Year 2024 Budget Summary," https://www2.ed.gov/about/overview/budget/budget24/summary/24summary .pdf (accessed on June 29, 2023).
- Lindsey M. Burke and Jonathan Butcher, "Correcting Carter's Mistake: Removing Cabinet Status from the U.S. Department of Education," Heritage Foundation *Backgrounder* No. 3492, May 4, 2020, https://www.heritage.org/education/report/correcting-carters-mistake-removing-cabinet-status -the-us-department-education.
- 3. Executive Order No. 13985 of January 20, 2021, advances "racial equity" and support for underserved communities through the federal government; Executive Order 14091 of February 16, 2023, further advances "racial equity" and support for underserved communities through the federal government; and Executive Order No. 14035 of June 25, 2021, re-establishes a coordinated government-wide initiative to promote diversity, equity, inclusion, and accessibility (DEIA) in the federal workforce. The Biden Administration will issue a government-wide DEIA Strategic Plan, including a framework to address workplace harassment, along with a reporting system for agencies to submit their own plans.
- 4. The White House, "Executive Order on Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation," January 20, 2021, https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/20/executive-order-preventing-and-combating-discrimination-on -basis-of-gender-identity-or-sexual-orientation/ (accessed July 20, 2023).
- 5. The rule updates the waivers and modifications of statutory and regulatory provisions governing the federal student financial aid programs under the authority of the Higher Education Relief Opportunities for Students Act of 2003 and is titled "Federal Student Aid Programs (Federal Perkins Loan Program, Federal Family Education Loan Program, and William D. Ford Federal Direct Loan Program)."
- U.S. Department of Education, "Improving Income-Driven Repayment for the William D. Ford Federal Direct Loan Program," Notice of Proposed Rulemaking, *Federal Register*, Vol. 88, No. 7 (January 11, 2023), pp. 1894 et seq., https://www.federalregister.gov/documents/2023/01/11/2022-28605 /improving-income-driven-repayment-for-the-william-d-ford-federal-direct-loan-program (accessed July 20, 2023).
- 7. The final regulation concerns borrower defense: U.S. Department of Education, "Institutional Eligibility Under the Higher Education Act of 1965, as Amended; Student Assistance General Provisions; Federal Perkins Loan Program; Federal Family Education Loan Program; and William D. Ford Federal Direct Loan Program," Final Regulations, *Federal Register*, Vol. 87, No. 210, November 1, 2022, pp. 65904 et seq., https://www.federalregister.gov /documents/2022/11/01/2022-23447/institutional-eligibility-under-the-higher-education-act-of-1965-as-amended-student-assistance (accessed July 20, 2023).
- 8. The proposed regulations are: U.S. Department of Education, "Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance," *Federal Register*, Vol. 87, No. 132 (July 12, 2022), p. 41390, https://www.federalregister.gov/documents/2022/07 /12/2022-13734/nondiscrimination-on-the-basis-of-sex-in-education-programs-or-activities-receiving-federal (accessed July 20, 2023), and U.S. Department of Education, "Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance: Sex-Related Eligibility Criteria for Male and Female Athletic Teams," Notice of Proposed Rulemaking, *Federal Register*, Vol. 88, No. 71 (April 13, 2023), p. 22860, https://www.federalregister.gov/documents/2023/04/13/2023-07601/nondiscrimination-on-the-basis-of-sex-in-education-programs-or-activities-receiving-federal Register.gov/documents/2023/04/13/2023-07601/nondiscrimination-on-the-basis-of-sex-in-education-programs-or-activities Receiving Federal Register.gov/documents/2023/04/13/2023-07601/nondiscrimination-on-the-basis-of-sex-in-education-programs-or-activities-receiving-federal Register.gov/documents/2023/04/13/2023-07601/nondiscrimination-on-the-basis-of-sex-in-education-programs-or-activities-receiving-federal#:-:text=The%20Department's%20July%202022%20NPRM,See87%20FR%2041571 (accessed July 20, 2023).
- 9. David Ditch, "FY 2024 Appropriations: Budget Gimmicks Masquerading as Spending Cuts," Heritage Foundation *Backgrounder* No. 3778, July 17, 2023, https://www.heritage.org/budget-and-spending/report/fy-2024-appropriations-budget-gimmicks-masquerading-spending-cuts.
- 10. Title II Preparing, Training & Recruiting Teachers, Principals, & Other School Leaders: (1) Comprehensive literacy state development grants, (2) Innovative approaches to literacy, (3) Teacher and school leader incentive grants, (4) American history and civics education, (5) Supporting effective educator development, (6) Ready to learn programming, (7) Arts in education, (8) Javits gifted and talented education, (9) Statewide family engagement centers, (10) School leader recruitment and support, and (11) Fostering diverse schools. Title IV (21st-century community learning centers).
- 11. Ditch, "FY 2024 Appropriations: Budget Gimmicks Masquerading as Spending Cuts."
- 12. Lindsey M. Burke, "Reauthorizing the Higher Education Act—Toward Policies that Increase Access and Lower Costs," Heritage Foundation *Backgrounder* No. 2941, August 19, 2014, https://www.heritage.org/education/report/reauthorizing-the-higher-education-act-toward-policies -increase-access-and-lower.
- The proposed regulation is Department of Education "Financial Value Transparency and Gainful Employment (GE), Financial Responsibility, Administrative Capability, Certification Procedures, Ability to Benefit (ATB)," Notice of Proposed Rulemaking, *Federal Register*, Vol. 88, No. 97 (May 19, 2023), pp. 32300 et seq., https://www.federalregister.gov/documents/2023/05/19/2023-09647/financial-value-transparency-and-gainful -employment-ge-financial-responsibility-administrative (accessed July 20, 2023).