



## AAU Summary of the Biden Administration's FY23 Proposed Budget

*Last updated: March 29, 2022 (11 am EDT)*

**GENERAL OVERVIEW:** The President released the [administration's proposed budget for FY23](#) on March 28, 2022. The [document](#), [fact sheet](#), and other budget materials are available on the Office of Management and Budget [website](#). The overview below and the accompanying summaries and analyses for individual agencies are based on the administration's budget documents. All figures denote budget authority unless otherwise noted. Due to the delayed completion of FY22 appropriations, the President's FY23 budget mostly makes comparisons to *FY21* spending levels.

The administration's FY23 proposed budget sets overall spending at \$5.79 trillion, including \$1.61 trillion for discretionary spending. The proposed budget includes several budget add-ons for disaster relief, pandemic-related spending, and foreign aid for a non-defense discretionary spending total of \$829.2 billion. Without add-ons, non-defense discretionary spending totals \$769 billion, and defense discretionary spending totals \$813.3 billion. The Department of Defense would receive \$773 billion, more than \$30 billion increase above FY22, excluding supplemental funds appropriated for the Ukraine effort. The administration estimates that the proposed budget would reduce deficit spending by \$1 trillion over the next 10 years.

The President's budget outlines the administration's spending priorities under the "building a better America" theme included in his March 1 [state of the union address](#). As noted in the fact sheet, this includes "targeted investments" to "keep our communities safe and combat violent crime; promote job creation and expand the productive capacity of our economy; improve our public health infrastructure; ensure America leads the world in combating the climate crisis; and advance equity and opportunity for all. It strengthens our military and leverages America's renewed strength at home to meet pressing global challenges, deepen partnerships and alliances, and manage crises as they arise."

View AAU's FY23 Funding Priorities table [here](#).

### **STUDENT AID AND HIGHER EDUCATION**

**Department of Education (ED):** The FY23 President's budget includes \$88.3 billion for the Department of Education, an increase of 20.9% above the *FY21* enacted level.

**Pell Grant:** The President's budget proposes to double the maximum Pell Grant by 2029, beginning with a \$2,175 increase over the 2021-2022 award year (\$900 discretionary and \$1,275 mandatory), or \$1,775 above the enacted FY22 level. This would set the maximum Pell Grant award of \$8,670 for the award year 2023-2024.

Other student financial aid and higher education programs:

- **Federal Work Study (FWS):** The budget proposes \$1.19 billion, the same as the *FY21* level, but a decrease of \$20 million or 1.7% below the *FY22* enacted level.
- **Supplemental Education Opportunity Grant (SEOG):** The budget proposes \$880 million, the same as the *FY21* level, but a decrease of \$15 million or 1.7% below the *FY22* enacted level.
- **Federal TRIO Programs:** The budget proposes \$1.3 billion, a 14% increase above the *FY22* enacted level, or a \$200.8 million increase above the *FY21* level.
- **Graduate Assistance in Areas of National Need (GAANN):** The budget proposes \$23.5 million, the same as the *FY22* and *FY21* enacted levels.
- **Institute of Education Sciences (IES):** The budget proposes \$662.5 million, a \$74 million, or 10.1% decrease below the *FY22* enacted level, or an increase of \$20.1 million over the *FY21* enacted level; and
- **Title VI International Education Programs:** The budget proposes \$78.2 million, a decrease of 4.2% from the *FY22* enacted level, or the same as the *FY21* level.

[Dept. of Education Budget Summary](#), [Dept of Education Press release](#)

## **RESEARCH AND DEVELOPMENT**

**Agriculture and Food Research Initiative (AFRI):** The President's *FY23* budget includes \$564 million for AFRI, a \$119 million or 26.7% increase above the *FY22* enacted level.

[USDA Press release](#)

**Department of Defense (DOD):** The President's *FY23* budget includes \$773 billion for DOD, an increase of 4% over the *FY22* enacted level. The request includes \$130.1 billion for research and development, the largest ever request in that category, and a 9.5% increase over *FY22* enacted. The budget would fund science and technology at \$16.5 billion but fund basic research at only \$2.4 billion, a 14% cut from *FY22* enacted.

[DOD \*FY23\* Budget documents](#); [DOD Press release](#)

**Department of Energy (DOE):** The President's *FY23* budget includes \$48.2 billion for DOE, a \$6.3 billion or 15.1% increase above the *FY22* enacted level. The DOE Office of Science would receive \$7.8 billion, an increase of more than \$325 million or 4.3% over the *FY22* level. The request includes \$700 million for ARPA-E, a \$250 million or 55.6% increase above the *FY22* enacted level.

[DOE Press release](#)

**National Aeronautics and Space Administration (NASA):** The President's *FY23* budget includes \$26 billion for NASA, a \$2 billion or 8% increase above the *FY22* enacted level. This includes almost \$8 billion for the Science Mission Directorate, a 5% increase above *FY22* focused on earth science activities.

[NASA \*FY23\* Budget documents](#); [NASA \*FY23\* request summary](#); [FY23 Mission Fact Sheets](#)

**National Endowment for the Humanities (NEH):** The President's *FY23* budget includes \$200.7 million for the NEH a \$20.7 million or 11.5% increase above the *FY22* enacted level.

[NEH Budget documents](#)

**National Institutes of Health (NIH):** The President’s FY23 budget includes \$49 billion for NIH, including \$45.129 billion for NIH’s base funding (This represents a \$275 million increase over FY22) and \$4 billion for the Advanced Research Projects Agency for Health (ARPA-H).

[HHS Press release](#), [HHS Budget documents](#)

**National Science Foundation (NSF):** The President’s budget includes \$10.5 billion for NSF, a \$1.65 billion or 18.7% increase above FY22 (\$8.8 billion). This total includes a request of \$880 million for the newly established Technology, Innovation, and Partnerships (TIP) Directorate. In the FY23 budget, NSF also proposes changing the name of the Directorate for Education and Human Resources (EHR) to the Directorate for STEM Education (EDU) and increasing funding by almost 18%.

[FY23 NSF Budget Documents](#); [NSF Director Statement on FY23 request](#); [NSF FY23 Summary Table](#)

**Climate Research:** The President’s budget prioritizes and increases investments in climate-related research across several federal agencies. The discretionary request proposes over \$17 billion to fund a broad portfolio of research across multiple agencies including the Department of the Interior, NASA, the National Science Foundation, and others to improve understanding of the changing climate and inform adaptation and resilience measures. Climate research funding requests are as follows:

- **NSF:** The budget provides more than \$1.5 billion for climate and clean energy related research. NSF would fund a broad portfolio of research related to climate science and clean energy.
- **DOE:** The budget draws on nearly every part of DOE’s wide-ranging portfolio to tackle clean energy and the climate crisis, including through funds directed to ARPA-E and foundational research through the Office of Science. The budget invests \$9.2 billion in DOE clean energy research, development, and demonstration, an increase of more than 33% above *FY21* enacted level.
- **NASA:** The budget provides \$2.4 billion for Earth-observing satellites and research programs and additionally provides more than \$500 million to reduce climate impacts of the aviation industry through the Aeronautics program.
- **NOAA:** The budget provides an increase of over \$1.4 billion over the *FY21* enacted level.
- **NIST:** The budget provides \$187 million for NIST to expand scientific and technological research at NIST.
- **EPA:** The budget provides \$11.9 billion, \$2.6 billion over *FY21* enacted levels.

## TAX

**Income Exclusion for Student Debt Relief:** The President’s budget would make permanent the American Rescue Plan Act of 2021 (ARP) exception to the treatment of discharged loan amounts as gross income for certain qualifying student debt that is discharged after December 31, 2020 and before January 1, 2026. Under current law, a qualified student loan is a loan that was taken out for the express purpose of funding postsecondary education expenses. The tax exclusion is extended to forgiven amounts for both private and public student loans and includes loan amounts borrowed through the Parent PLUS loan program.

[FY23 Department of Treasury General Explanations of the Administration’s Revenue Proposals](#)