



AAU Summary of the Trump Administration FY21 Proposed Budget: “A Budget for America’s Future”

Updated as of February 12, 2020

GENERAL OVERVIEW:

The President presented the administration’s proposed budget for FY21 on February 10, 2020. Entitled “A Budget for America’s Future,” the document 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.

The administration’s FY21 proposed budget sets overall spending at \$4.8 trillion, including \$1.26 trillion in total discretionary funding budget authority (excluding Overseas Contingency Operations and other cap adjustments), which is a \$37 billion below above FY20.

The budget seeks \$4.4 trillion in savings over a decade. Within overall discretionary spending, the budget includes \$590 billion in non-defense discretionary spending. This is a 5 percent cut below FY20 levels. For defense discretionary spending, the budget includes \$741 billion, including the new Space Force. Due to the Administration’s cost-savings initiatives, the proposed spending levels fall below the [two-year budget caps deal](#) which set FY21 non-defense discretionary spending at \$627 billion and defense discretionary spending at \$672 billion.

Under the budget proposal, funding for artificial intelligence (AI) research would increase to \$830 million, approximately 70-percent increase over President Trump’s FY20 budget proposal. The budget calls for increased AI and quantum computing research in multiple agencies such as the Department of Energy, NSF, and NIH. During a press call, Michael Kratsios, Chief Technology Officer at the White House Office of Science and Technology Policy, stated that details on the enacted budget levels on AI and quantum computing for FY20 are not available yet but are expected this summer.

AAU issued a [statement](#) on the administration’s budget.

View AAU’s FY21 Funding Priorities table [here](#).

RESEARCH AND DEVELOPMENT OVERVIEW:

Agriculture and Food Research Initiative (AFRI): The budget provides \$600 million for AFRI, a \$175 million increase, or 41.2%, above FY20. The budget prioritized competitive research through USDA's flagship grant program.

[USDA Budget Summary](#)

Department of Defense (DOD): The budget provides \$705.4 billion for DOD, including \$636.4 billion for the base budget and \$69 billion for Overseas Contingency Operations (OCO). The budget reflects a \$0.8 billion increase above the 2020 enacted levels for base and OCO. The budget provides \$2.3 billion for 6.1 basic research, a \$284 million, or 10.9 percent decrease from FY20. Science and Technology (S&T) is funded at 14 billion, reflecting 2 billion or 12 percent reduction below FY20.

[DOD R-1](#); [DOD M-1](#); [Defense Budget Overview](#)

Department of Energy (DOE): The budget provides \$5.838 billion for the DOE Office of Science, a decrease of \$1.16 billion, or 16.6 percent from FY20. The budget proposes the elimination for the Advanced Research Projects Agency – Energy (ARPA-E) but requests \$21.26 million for administrative expenses. The budget also proposes significant decreases to Energy Efficiency and Renewable Energy.

[DOE Fact Sheet](#); [DOE Budget Overview](#); [DOE Press Release](#)

National Aeronautics and Space Administration (NASA): The budget provides \$25.2 billion for NASA, a \$2.57 billion increase, or 11 percent above FY20. The budget includes \$6.306 for the Science Mission Directorate (SMD), which is a \$832 million, a 11 percent decrease below FY20. The budget proposes \$1.578 for the Space Technology Mission Directorate, a \$478 million, or a 43% increase above FY20. The budget requests \$1.768 for earth Science; \$2.660 for Planetary Science; \$831 million for Astrophysics; and \$633 million for Heliophysics. The budget proposes \$819 million for the Aeronautics Mission Directorate, which is an increase of \$35 million, or 4 percent above FY20.

The budget also proposes the elimination of the Office of STEM Engagement, which includes the National Space Grant Fellowship. In addition, there is no funding requested for Established Program to Stimulate Competitive Research (EPSCoR), and Minority University Research and Education Project (MUREP).

[NASA Agency Fact Sheet](#)

National Endowment for the Humanities (NEH): The budget proposes elimination of NEH and describes its activities funded by the agency as “not within its core Federal responsibilities.” The budget provides \$33.4 million “for the orderly closure of the agency.” This amount includes

funds to meet grants and matching offers awarded prior to October 1, 2020, as well as funds to cover administrative expenses.

[NEH Statement](#)

National Institutes of Health (NIH): The budget provides funding for NIH at \$38.309 billion dollars, a decrease of \$3.375 billion, or 8.1 percent, from the FY20 level. The budget includes \$404 million in resources available through the 21st Century Cares Act funding. Among priorities outlined in the budget proposal are the opioid epidemic and emerging stimulants, universal flu vaccine, vector-borne disease research, and support for industries of the future. The budget also funds the second year of the Childhood Cancer Data Initiative.

[NIH FY20 Justification](#)

National Science Foundation (NSF): The budget provides \$7.741 billion for NSF, a \$536.9 million decrease, or 6.5% decrease from FY20. The budget request for Research and Related Activities Directorate is \$6.213 billion, a \$524 million, or 7% decrease from FY20. The budget request for Education and Human Resources Directorate is \$930 million, a \$10 million, or 7.7% decrease from FY20. The budget requests for Major Research Equipment & Facilities is \$229.75 million, a \$13 million, or 5.5 percent decrease from FY20. The budget focuses work on Industries of the Future (IOTF), increasing efforts in areas such as Artificial Intelligence, Quantum Computing, and Advanced Manufacturing.

[NSF FY21 Budget Request](#)

STUDENT AID AND HIGHER EDUCATION OVERVIEW:

Department of Education (ED): The budget provides \$22.475 billion in discretionary funding for the Pell Grant program in FY2021 which would keep the Pell Grant maximum at \$6,345. The budget also expands Pell Grant eligibility to short-term programs and incarcerated students. The request also proposes to move the Iraq and Afghanistan Service Grant (IASG) program into the Pell Grant program. The budget states that the Department of Education's top priority is to promote education freedom. "By increasing accountability for institutions of higher education and helping students only borrow as much as they need, the Budget would help make higher education more affordable while protecting both students and taxpayers."

The budget proposes consolidating the various income-based repayment programs into a single income loan repayment plan in which new borrowers would pay 12.5 percent of their discretionary income. For borrowers with only undergraduate student debt, after 15 years of repayment, the remaining balance would be forgiven. For borrowers with any graduate debt, after 30 years of repayment, the balance would be forgiven. This plan would remove the standard repayment cap and auto-enroll delinquent borrowers into the single IDR plan. Additionally, to support this proposal, the budget calls for the elimination of subsidized student loans.

Other ED programs:

- Federal Work Study (FWS) would be funded at \$500 million, a decrease of 680 million, or 57.6 percent from FY20;
- Supplemental Education Opportunity Grant (SEOG) would be eliminated. The budget describes SEOG as a program that “duplicates Pell Grants but is less targeted on those who need the most help;”
- Graduate Assistance in Areas of National Need (GAANN) would be eliminated;
- Institute of Education Sciences (IES) would be funded at \$565.2 million, a decrease of \$58 million, or 9.3 percent;
- International Education and Foreign Language Studies (Title VI) would be eliminated. The budget notes that other Federal Agencies offer programs “that are similar and potentially duplicative.”

The budget places caps on the PLUS loan program. Parent PLUS loans would be capped at \$26,500 for undergraduate students and graduate students would have a cap of \$50,000 annually with an aggregate total of \$100,000.

The budget includes a risk-sharing proposal designed to hold institutions of higher education accountable for results by requiring colleges and universities to share a portion of the financial responsibilities associated with Federal student loans to encourage them to improve performance.

The budget proposes the elimination of the Public Service Loan Forgiveness to support the proposal for a single Income-Driven Repayment plan. The budget states that the PSLF program unfairly favors some career choices over others and is a complicated program for borrowers to navigate.

The budget proposes \$749 million in discretionary funding to support HBCUs and proposes to “target \$150 million to support science, technology, engineering, and mathematics activities at HBCUs and other institutions serving disadvantaged students located in Opportunity Zones.” The budget expresses support for the recently passed FUTURE Act. The budget also proposes the restructuring and streamlining of the TRIO, GEAR UP, and CAMP programs by consolidating them into a \$950 million State formula grant.

Finally, the budget proposes \$130 million for the Office of Civil Rights (OCR). This represents level funding with FY20 appropriations. The funding level would “ensure essential program support to resolve complaints of discrimination filed by the public and to ensure that institutions receiving Federal financial assistance are in compliance with the civil rights laws enforced by OCR.”

[ED Budget Summary; FY21 Major Savings and Reforms](#)