

---

---

## OTHER MATERIALS

---

---



**PROPOSED CHANGES TO 2002 ESTIMATES**

This Budget contains proposals that would increase 2002 spending by \$1.3 billion, which would be completely offset by reductions.

**SUMMARY OF SUPPLEMENTAL PROPOSALS**

[In millions of dollars]

	<i>2002 Budget Authority</i>	<i>2002</i>	<i>Outlays 2003</i>	<i>2004</i>
Supplemental Proposals:				
Department of Education .....	1,276	1,276	.....	.....
General provision .....	-1,276	-1,276	.....	.....
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total, Supplemental Proposals .....	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>



## SUPPLEMENTAL PROPOSALS

The following information concerns supplemental appropriations requests for 2002 proposed for congressional consideration.

### Department of Education

#### OFFICE OF STUDENT FINANCIAL ASSISTANCE

##### STUDENT FINANCIAL ASSISTANCE

(Supplemental now requested, existing legislation)

*For an additional amount for "Student financial assistance," \$1,276,000,000, to remain available through September 30, 2003.*

#### Program and Financing (in millions of dollars)

Identification code 91-0200-1-1-502	2001 actual	2002 est.	2003 est.
<b>Obligations by program activity:</b>			
01.01 Federal Pell grants .....		1,276	
10.00 Total new obligations (object class 41.0) .....		1,276	
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....		1,276	
23.95 Total new obligations .....		-1,276	
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....		1,276	
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....			1,276
73.10 Total new obligations .....		1,276	
73.20 Total outlays (gross) .....			-1,276
74.40 Obligated balance, end of year .....		1,276	
<b>Outlays (gross), detail:</b>			
86.93 Outlays from discretionary balances .....			1,276
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....		1,276	

90.00 Outlays ..... 1,276

This supplemental request would provide supplemental funding for Pell grants to support a \$4,000 maximum award in 2002. The 2002 appropriations act created a serious fiscal problem by under-funding the Pell grant program. While the act mandated a Pell grant maximum award of \$4,000, it failed to provide resources for the Pell grant program commensurate with the maximum award. The act provided only enough funding to pay for a maximum award of \$3,600, creating a shortfall of nearly \$1.3 billion. This supplemental request would fully fund the mandated maximum award for 2002.

### GENERAL PROVISION

(Supplemental now requested, existing legislation)

*Of the amounts made available in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002, \$1,276,000,000 is hereby canceled: Provided, That such amounts shall be derived from amounts appropriated for projects or activities that were not included in the President's Budget transmitted to Congress on April 9, 2001.*

This provision would cancel funding for amounts appropriated for unrequested earmarks and low-priority programs in the 2002 appropriations for the Departments of Labor, Health and Human Services, and Education. The 2002 appropriations act provided over \$2 billion for programs and projects that were not requested by the Administration in the President's Budget, while under-funding the Pell grant program. The Administration will provide Congress with a listing of such programs and projects and expects that Congress will select from this list in enacting a cancellation of \$1,276 million to offset the Pell grant shortfall.