



Fact Sheet: Education

State Stabilization Funds

- Nationally, \$40 billion in State Stabilization Funds are being targeted to help avert elementary, secondary and higher education reductions and fund expected increases. The U.S. Department of Education estimates that New York will receive approximately \$2.5 billion in these funds. School systems have discretion to use some of this money for school modernization.
- An additional \$8.8 billion in State Stabilization Funds are available for other state services including education. The U.S. Department of Education estimates that New York will receive approximately \$550 million of these funds. School modernization is an eligible use of this funding.

Early Childhood, Elementary and Secondary Education

- **Title I.** Nationally, \$10 billion for Title I grants to local educational agencies and \$3 billion for Title I school improvement grants. The U.S. Department of Education estimates that New York will receive approximately \$906 million in Title I grants to local educational agencies, while the school improvement grants will be determined based on an application process;
- **IDEA.** Nationally, \$12.2 billion for Individuals with Disabilities Education Act (IDEA) programs. The U.S. Department of Education estimates that New York will receive approximately \$820 million in these funds;
- **Incentive Grants.** Nationally, \$5 billion in Incentive Grants to be distributed on a competitive basis to states that most aggressively pursue higher standards, quality assessments, robust data systems and teacher quality initiatives. This includes \$650 million to fund school systems and non-profits with strong track records of improving student achievement. New York's share of these funds is yet to be determined;
- **Early Childhood Education.** Nationally, \$5 billion for Early Childhood, including Head Start, early Head Start, child care block grants, and programs for infants with disabilities (includes Department of Health and Human Services programs);

- **Cafeteria Equipment Modernization.** Nationally, \$100 million will be available from the Department of Agriculture in the form of competitive grants for school cafeteria equipment. Priority is to be given to schools where at least half of the students are eligible for free or reduced meals. New York's share of these funds is yet to be determined;
- **Other Investments.** Nationally, \$2 billion for other education investments, including pay for performance, data systems, teacher quality investments, technology grants, vocational rehabilitation, work study and Impact Aid. New York's share of these funds is yet to be determined.

Higher Education

- **Pell Grants.** ARRA provides \$17.1 billion, nationwide, to eliminate the shortfall in the Pell grant account and to increase the Pell grant from cost of attendance up to a maximum of \$4,850 to cost of attendance up to a maximum of \$5,350 in the 2009-10 academic year and \$5,550 in 2010-11.
- **College Work-Study.** ARRA provides \$200 million for the College Work-Study program, nationwide, to be provided by the U.S. Education Department directly to participating higher education institutions according to the existing formula.
- **Teacher Quality Partnership Grants (HEA II A).** ARRA provides \$100 million, nationwide, "to raise student achievement and improve learning by bringing about fundamental change and improvement in teacher preparation programs. Grant activities focus on increasing teachers' academic content preparation; integrating research-based teaching methods into the education curriculum; providing sustained preservice clinical or field experiences; and creating opportunities for professional development activities that improve content knowledge and strengthen teaching skills." Funds will be awarded by the U.S. Education Department competitively to consortia of LEAs and higher education institutions.
- **American Opportunity Tax Credit.** For the 2009 and 2010 tax years, ARRA replaces the existing Hope tax credit and tuition deduction provisions with a new American Opportunity Tax Credit for 100 percent of the first \$2,000 of tuition and related expenses (including books) paid during the tax year. Forty percent of the credit is refundable to low-income families incurring such expenditures. The credit phases out for single taxpayers with adjusted gross incomes in excess of \$80,000 and couples with adjusted gross incomes in excess of \$160,000.

Public Libraries and Library Systems

- **Broadband Technology Opportunities Program.** Nationally, ARRA provides \$200 million for competitive grants for expanding public computer center capacity, including at community colleges and public libraries. In addition, ARRA also provides \$200 million for competitive grants for innovative programs to encourage sustainable adoption of broadband service. New York's share of this funding is yet to be determined.

Additional Resources

The list above provides highlights of the ARRA that are specific to education and is based on information available at this time. The list is not exhaustive and additional details will continue to be shared as they become available.

The United State Department of Education has created a specific ARRA webpage at <http://www.ed.gov/policy/gen/leg/recovery/>, where additional information on the act will be posted as it becomes available.