The President's FY 2018 Budget Blueprint, Part I: "Skinny" in Stature and Details, But Huge in Harms for Low-income Children and Adults

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The President's 2018 Budget Blueprint may be "skinny" in stature and by virtue of its dearth of detail, but it is huge in the harm it portends for our country's most vulnerable children and adults — and a bad sign of what is still to come later this spring when the full budget (Part II) is presented.

Part I of the budget, as this first "skinny" volume has been called, proposes an increase in defense spending for 2018 of $54 billion (a 10 percent increase) in the name of national security, with $54 billion in cuts to non-defense discretionary spending to pay for it. It ignores the bipartisan budget agreement in place since the Budget Control Act (BCA) of 2011 that set in place dollar for dollar parity between defense and non-defense discretionary cuts. It fails to recognize our national security depends on healthy children succeeding in school and healthy parents and other adults working and contributing to our economy. It ignores the fact that non-defense discretionary programs targeted for cuts already have been chopped to historically low levels since passage of the BCA. Further deep cuts are expected in Part II of the Budget, due in mid-May. Part I addresses some discretionary programs, leaving about two-thirds of the budget unaccounted for and there is great concern that deep cuts in additional discretionary programs and mandatory spending programs like the Supplemental Nutrition Assistance Program, Supplemental Security Income Program and others are yet to come.

Key risks for the most vulnerable in the "Skinny" Budget include:

- **A 17.9 percent reduction in the Department of Health and Human Services, which will likely become larger with Part II of the budget. Part I explicitly excludes certain mandatory spending changes to come, most likely Medicaid, SNAP and possibly others.**
    - **Deep cuts to Medicaid.** The budget document does not mention the $880 billion in cuts over 10 years in the Medicaid Program, in part because those cuts are moving ahead in the Republican Leadership's American Health Care Act (AHCA). The $500 million increase the President proposes for opioid treatment in Part I of the budget does not come close to matching the mental health and substance abuse treatment cuts in Medicaid in AHCA.

    - **Elimination of the Community Service Block Grant and the Low Income Home Energy Assistance Program.** These two programs help communities provide an array of services and support to children and adults in need and help families and seniors pay for heat and cooling to survive cold winters and hot summers. Together they help keep children and adults healthy and able to stay in school and in their jobs.

- **Uncertainty about programs in the Administration on Children and Families in the Department of Health and Human Services.** There is no mention of these critical programs, including Head Start, the Child Care and Development Block Grant, and a range of child welfare programs, in the "skinny" budget. Therefore there is great concern, given the $54 billion in cuts required to match the increase in defense spending, the budget axe is likely to fall on important early childhood, child welfare, youth development and refugee assistance programs when Part II of the Budget is submitted in May.

- **A 13.5 percent cut in the Department of Education, which the budget acknowledges has responsibility for improving student achievement and access to opportunity, but with proposed cuts the results will be lower achievement and less access to opportunity.**

  - **Uses $1 billion of its new $1.4 billion school choice fund to directly harm students and schools in areas of concentrated poverty.** Its proposed funding for Title I portability, a harmful approach proposed but rejected in the Every Student Succeeds Act, would redirect Title I funds meant for schools in areas of concentrated poverty to higher income schools.

  - **Eliminates the 21st Century Community Learning Centers Program** that supports before and after school programs and summer programs. These programs help stem summer learning loss and help close achievement gaps.

  - **Eliminates the Supporting Effective Instruction State Grant Program** that helps strengthen the quality of teachers in districts across the country.

  - **Cuts funding from higher education programs targeted on low-income students trying to push forward to college and graduation.** It cuts $3.9 billion from the Pell Grant Program, eliminates the Federal Supplemental Educational Opportunity Grant Program, reduces the Federal Work-Study Program significantly and also cuts the federal TRIO program and funds only continuation awards for the GEAR UP program.

  - **Cuts or eliminates over 20 additional programs**, including Striving Readers and Teacher Quality Partnership, but fails to name most of the others. More to look for in the Part II Budget.

- **A 13.2 percent reduction in funds for the Department of Housing and Urban Development, directed at programs supporting community efforts.** It eliminates the $3 billion Community Development Block Grant, which provides some federal funding for the Meals on Wheels Program, as well as the HOME Investments Partnerships Program and Choice Neighborhoods program, all of which assist poor rural and urban communities. The Self-help Homeownership Opportunity Program also would be eliminated. There is no mention of deep cuts in housing vouchers, public housing and rental assistance programs, all of which assist low-income families, which had been

highlighted by the media earlier in March. However, there is a $3.4 billion cut in the agency budget that is not explained that is likely to come from reduction in the housing voucher (Section 8) program. Anticipated cuts to public housing and rental assistance programs are also likely to reappear in Part II. All would move vulnerable families and individuals backwards. The National Low Income Housing Coalition estimated recently that the U.S. has a shortage of 7.4 million affordable rental homes available to the lowest income people.

- **Decreases in Department of Labor funding in job training programs.** These programs help workers upgrade their skills, find jobs and engage in more competitive fields.

- **No attention to the true needs of immigrants in our country, and instead, in the Department of Homeland Security and Department of Justice budgets, focuses most new resources on law enforcement, border security and cybersecurity defenses.** A new $4.1 billion is proposed to begin construction of a wall through communities on the U.S.–Mexico border. Most of the increased funding is intended to keep people out or remove them if they entered illegally, without recognizing the impact on family members coming with them or left behind.

- **No attention to the need for increases in programs to prevent juvenile delinquency or expand programs that improve quality services for youth in the juvenile justice system or victims of domestic violence.** No mention is even made of the Department of Justice's important role in these areas, likely meaning cuts in Part II of the Budget.

- **Elimination of other low-income service initiatives including the Legal Services Corporation, the Corporation for National and Community Service, the Interagency Council on Homelessness, the Delta and the Appalachian regional Authorities and others.** All assist with special outreach to low-income families and adults who need extra help in benefitting from critical government services and programs.