

FY2019 FEDERAL BUDGET UPDATE: PRESIDENT'S BUDGET PROPOSAL

The FY2019 federal budget proposed this week by President Trump would deeply cut spending for Non-Defense Discretionary Programs in 2019 and beyond, and differs significantly from the recently agreed to bipartisan budget deal.

- Bipartisan Budget Deal sets non-defense discretionary spending levels for \$579B for FY2018, and \$597B for FY2019, including a \$5.8B increase to child care spending.
- President's Proposed Budget sets non-defense discretionary spending levels at \$540B for FY2019, and \$456B for FY2020.

The President's proposed funding cuts are similar to the FY2018 budget proposal he released last May, but which have thus far not been adopted by Congress. The Release of the President's Proposed Budget kicks off the annual appropriations process, and typically is followed by Congressional budget negotiations, and then by the appropriations process.

Spending levels included in the President's Proposed Budget for programs of relevance and interest to YWCA include the following:

Health Care

- Cuts Medicaid and subsidies to individual marketplace consumers by \$763B over the next decade
- Proposes following the Graham-Cassidy health care bill, which would:
 - Cap Medicaid funding and roll it into block-grants for states;
 - Allow states to waive critical protections for people with pre-existing conditions;
 - Threaten the provision of essential health benefits.
- Eliminates the ACA expansion
- Bars Planned Parenthood from receiving federal funds

Gender-Based Violence

- Level funding for VAWA and FVPSA, but VAWA will be funded entirely through VOCA.
- VOCA funding still unsure, though a \$2.5B rescission is proposed.
- Eliminates Social Services Block Grant, Legal Services Corporation, and the Preventive Health/Health Services Block Grant

Nutrition Assistance

- \$213B in cuts to Supplemental Nutrition Assistance Program (SNAP) over the next ten years (30%)
- Shifts \$260B from individuals to the government for food boxes, which would contain “shelf-stable” milk, juice, cereals, pasta, peanut butter, canned meat, and canned fruits and vegetables, but no fresh fruits or vegetables. This would affect 34M people in 16M homes in 2019, or 90% of all SNAP participants.
- Cuts an additional \$85B over ten years by making states terminate benefits to unemployed adults who are not raising children after 3 months, even in areas with high unemployment
- Eliminates the state option to phase down benefits (causing a benefit cliff)
- Imposes a 3-month time-limit ban on receiving benefits, and extends the 3-month time-limit ban to 50-62 year olds (previously the ban did not apply to individuals above age 50).

Affordable Housing

- Cuts HUD by \$6.8B (14.2%)
- Cuts Tenant-Based Rental Assistance (Housing Choice/Section 8 Voucher) by \$59M
- Raises rents for low-income families with HUD rental assistance
- Cuts funding for public housing repairs by \$3B (47%)
- Eliminates CDBG, National Housing Trust Fund, HOME Investment Partnership Program, CHOICE Neighborhood Program, Low Income Home Energy Assistance Program (LIHEAP), & Community Services Block Grant

Child Care

- Reduces CCDBG funding by \$295M, and Head Start and Early Head Start Funding by \$279M
- Eliminates Rural Community Facilities and Community Economic Development

Education

- Eliminates Supplemental Education Opportunity Grant
- Cuts work-study grants
- Cuts student loans by \$200B over 10 years
- Freezes Pell grants
- Eliminates 21st Century Community Learning Centers

Workforce Development

- Proposes a 6 week-paid leave proposal, possibly funded by unemployment insurance programs. The program would:
 - Exclude people who need to take family leave to care for family members other than new babies or newly adopted children, or for their own serious health issue
 - Put stress on an already fragile unemployment insurance (UI) system
 - Likely incorporate unacceptably restrictive UI eligibility rules and low benefit levels
 - Provide only six weeks of leave, rather than the 12-week minimum that the Family Medical Leave Act (FMLA) established for unpaid leave 25 years ago
- Increases WIOA funding by \$1.3B
- Reduces funding for Job Corps by 24%
- Eliminates AmericCorps

Other Safety Net

- Cuts TANF and eliminates the TANF contingency fund, resulting in \$21B in cuts over the next decade.

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