On March 16, President Donald J. Trump released a broad 62-page outline of his Administration’s proposals for a portion of the spending side of the fiscal year (FY) 2018 federal budget, entitled “America First: A Budget Blueprint to Make America Great Again.” The budget proposes historically deep budget cuts, and the total elimination of funding for 19 agencies, in order to pay for a $54 billion increase in defense spending, a down payment on a border wall between Mexico and the U.S., and school voucher programs, among other things. The proposal only cover programs funded with discretionary budget authority (about 29 percent of the total federal budget), while the other 71 percent of the federal government is funded through mandatory budget authority. The outline is fairly short on details, with only department-level totals given, rounded to the hundred million, and while several programs are identified for specific cuts, most are not. The Administration’s full FY 2018 budget, which will include elements like mandatory spending and more detailed analysis of line-by-line discretionary budget items, is likely to be released in early to mid-May 2017.

Additionally, the Administration also proposed a revision in spending totals for FY 2017—an unspecified $18 billion in reductions to non-defense appropriations, immediately, in the pending omnibus appropriations bill that Congressional leaders are trying to negotiate by April 28, 2017, the date that current federal funding expires (under the Continuing Resolution [CR] enacted in December 2016). This unspecified $18 billion in immediate spending cuts would offset $3 billion in supplemental spending requested for Homeland Security border and immigration activities and part of a proposed $25 billion supplemental defense increase.

President Trump’s proposal for $1.15 trillion in federal discretionary funding for FY 2018 is certain to face vigorous opposition from lawmakers in both parties who will resist chopping favored programs. In addition to opposition from Democrats, senior Republicans including Senate Majority Leader Mitch McConnell (R-KY) have raised objections to specific agency cuts even before the budget request went to the Capitol. As details of the budget blueprint leaked out over the past several weeks, House and Senate Appropriators have also made clear that they, rather than President Trump, would be shaping the appropriations bills needed to fund the government. With the President’s blueprint facing a steep climb on Capitol Hill, attention will likely shift to which elements of the package are taken up by Congressional Republicans. White House Office of Management and Budget (OMB) Director Mick Mulvaney has said the President had made his priorities clear, but that the White House was willing to listen to lawmaker ideas on how to accomplish his goals.

**Items in bold have been identified as NATaT priorities or may be of particular interest to rural areas.**
Proposed Changes in Spending for Federal Departments and Agencies (from the FY 2017 Annualized CR level):

-31% → Environmental Protection Agency
-29% → State Dept.
-21% → Agriculture Dept.
-21% → Labor Dept.
-18% → Dept. of Health and Human Services
-16% → Commerce Dept.
-14% → Education Dept.
-13% → Dept. of Housing and Urban Development
-13% → Transportation Dept.
-12% → Interior Dept.
-6% → Energy Dept.
-5% → Small Business Admin.
-4% → Treasury Dept.
-4% → Justice Dept.
-1% → NASA

Dept. of Veterans Affairs → +6%
Dept. of Homeland Security → +7%
Defense Dept. → +9%

Source: The Washington Post

Trump's Hit List
Trump's budget would save $2.7 billion by eliminating federal funding for these agencies.

| Corporation for National and Community Service | $785 |
| Corporation for Public Broadcasting | $445 |
| Legal Services Corp. | $385 |
| Institute of Museum and Library Services | $230 |
| National Endowment for the Arts | $146 |
| National Endowment for the Humanities | $146 |
| Appalachian Regional Commission | $146 |
| Neighborhood Reinvestment Corp. | $135 |
| Overseas Private Investment Corp. | $82.0 |
| U.S. Trade and Development Agency | $60 |
| U.S. Institute of Peace | $35.0 |
| African Development Foundation | $30.0 |
| Delta Regional Authority | $25.0 |
| Inter-American Foundation | $22.5 |
| Chemical Safety Board | $11.0 |
| Denali Commission | $11.0 |
| Woodrow Wilson Int. Center for Scholars | $10.5 |
| Northern Border Regional Commission | $7.5 |
| U.S. Interagency Council on Homelessness | $3.5 |

Source: The Office of Management and Budget

Bloomberg
**Department of Agriculture:**
The President’s FY 2018 Budget requests $17.9 billion for the USDA, a $4.7 billion or 21% decrease from the FY 2017 annualized CR level.

- Fully funds wildland fire preparedness and suppression activities at $2.4 billion, 100% of the 10-year average for suppression operations, to ensure the resources necessary to protect life and property. Reduces funding for lower priority activities in the National Forest System, such as major new Federal land acquisition; instead, the Budget focuses on maintaining existing forests and grasslands.
- Eliminates the $200 million McGovern-Dole International Food for Education program;
- Eliminates the $498 million Water and Wastewater loan and grant program;
- Cuts Women, Infants and Children nutrition assistance from $6.4 billion to $6.2 billion;
- Unspecified staff reductions at USDA service center agencies around the country; and
- Cuts $95 million from the Rural Business and Cooperative Service

**Department of Commerce:**
The President’s FY 2018 Budget requests $7.8 billion for the Department of Commerce, a $1.5 billion or 16% decrease from the FY 2017 annualized CR level.

- Eliminates the Economic Development Administration (EDA), which gives out grants to struggling communities, and which receives $221 million at the FY 2017 annualized CR level;
- Cuts $250 million from National Oceanic and Atmospheric Administration (NOAA) grants and programs supporting coastal and marine management, research, and education including Sea Grant, which primarily benefit industry and State and local stakeholders;
- Eliminates the popular $73 million Sea Grant program, which operates in conjunction with universities in 33 states;
- Cuts federal funding to the Manufacturing Extension Partnership (MEP), which receives $124 million at the FY 2017 annualized CR level; and
- Provides $1.5 billion, an increase of more than $100 million, for the U.S. Census Bureau to continue preparations for the 2020 Decennial Census

**Department of Defense:**
The President’s FY 2018 Budget requests $639 billion for DOD, a $52 billion increase from the FY 2017 annualized CR level. The total includes $574 billion for the base budget, a 10% increase from the FY 2017 annualized CR level, and $65 billion for Overseas Contingency Operations.

- Increases the size of the Army and Marine Corps;
- Increases the number of ships in the Navy’s fleet;
- Buys F-35 Joint Strike Fighters more rapidly;
- Increases spending to keep Air Force combat planes ready to fly; and

**Department of Education:**
The President’s FY 2018 Budget provides $59 billion in discretionary funding for the Department of Education, a $9 billion or 13% reduction below the FY 2017 annualized CR level.
• Cuts $3.7 billion in grants for teacher training, after-school and summer programs, and aid programs to first-generation and low-income students;
• “Significantly” reduces federal work-study aid to college students;
• Increases charter school funding by $168 million;
• Creates new private-school choice program with $250 million; and
• Spends $1 billion to encourage districts to allow federal dollars meant for low-income students to follow those students to the public school of their choice

Department of Energy:
The President’s FY 2018 Budget requests $28 billion for DOE, a $1.7 billion or 5.6% decrease from the FY 2017 annualized CR level. The Budget provides a $1.4 billion increase above the FY 2017 annualized CR level for the National Nuclear Security Administration, an 11% increase.

• Cuts $900 million from the Office of Science;
• Provides $6.5 billion to advance the Environmental Management program mission of cleaning up the legacy of waste and contamination from energy research and nuclear weapons production, including addressing excess facilities to support modernization of the nuclear security enterprise; and
• Gives the Yucca Mountain project $120 million to restart licensing operations

Department of Health and Human Services:
The President’s FY 2018 Budget requests $69 billion for HHS, a $15.1 billion or 17.9% decrease from the FY 2017 annualized CR level. This funding level excludes certain mandatory spending changes but includes additional funds for program integrity and implementing the 21st Century CURES Act.

• Eliminates the discretionary programs within the Office of Community Services, including the Low Income Home Energy Assistance Program (LIHEAP) and the Community Services Block Grant (CSBG), a total of $4.2 billion from the FY 2017 annualized CR level;
• Decreases funding for the National Institutes of Health (NIH) by $5.8 billion (19% cut) and certain programs to train health professionals;
• Increases funding for efforts to prevent and treat opioid addictions by $500 million;
• Creates a new Federal Emergency Response Fund to rapidly respond to public health outbreaks, such as the Zika virus;
• Reforms the Centers for Disease Control and Prevention through a new $500 million block grant to increase State flexibility and focus on the leading public health challenges specific to each State; and
• Eliminates $403 million in health professions and nursing training programs
Department of Homeland Security:
The President’s FY 2018 Budget requests $44.1 billion in net discretionary budget authority for DHS, a $2.8 billion or 6.8% increase from the FY 2017 annualized CR level. The Budget would allocate $4.5 billion in additional funding for programs to “strengthen the security of the Nation’s borders and enhance the integrity of its immigration system.”

- Cuts $667 million from FEMA grant programs to state and local agencies, including the Pre-Disaster Mitigation Grant Program and the Homeland Security Grant Program, and proposes establishing a 25 percent non-Federal cost match for FEMA preparedness grant awards that currently require no cost match [Assistance to Firefighter Grants and SAFER (hiring) grants are not specifically targeted but fall under FEMA grants to state and local agencies];
- Restructures selected user fees for the Transportation Security Administration (TSA) and the National Flood Insurance Program (NFIP), including raising the TSA Passenger Security Fee, currently $5.60 for a passenger flying out of a U.S. airport;
- Eliminates the discretionary appropriation for the NFIP’s Flood Hazard Mapping Program, a total of $190 million, to “instead explore other more effective and fair means of funding flood mapping efforts”;
- Provides $2.6 billion in high-priority tactical infrastructure and border security technology, including funding to plan, design, and construct a physical wall along the southern border;
- Provides an additional $1.5 billion above the FY 2017 annualized CR level for expanded detention, transportation, and removal of undocumented immigrants;
- Provides $15 million to begin implementation of mandatory nationwide use of the E-Verify Program; and
- Provides $1.5 billion for DHS activities that protect Federal networks and critical infrastructure from an attack.

Department of Housing and Urban Development:
The President’s FY 2018 Budget requests $40.7 billion in gross discretionary funding for HUD, a $6.2 billion or 13.2% decrease from the FY 2017 annualized CR level.

- Eliminates the $3 billion Community Development Block Grant (CDBG) program;
- Eliminates the HOME Investment Partnerships Program, the Choice Neighborhoods program and the Self-help Homeownership Opportunity Program, a total of more than $1.1 billion;
- Eliminates the $35 million of funding for Section 4 Community Development and Affordable Housing;
- Raises funding for lead-hazard reduction from $110 million to $130 million; and
- Provides over $35 billion for HUD’s rental assistance programs.

Department of the Interior:
The President’s FY 2018 Budget requests $11.6 billion for DOI, a $1.5 billion or 12% decrease from the FY 2017 annualized CR level.

- Invests over $1 billion in safe, reliable, and efficient management of water resources throughout the western United States (i.e., Bureau of Reclamation);
Supports counties through discretionary funding for the Payments in Lieu of Taxes (PILT) program “at a reduced level, but in line with average funding for PILT over the past decade”;

Eliminates funding for the 49 National Historic Sites;

Decreases funding for land acquisition by $120 million;

Wildfire suppression funding is likely to see a marginal increase;

Eliminates discretionary Abandoned Mine Land grants, National Heritage Areas, and National Wildlife Refuge fund payments to local governments; and

Provides more than $900 million for DOI’s U.S. Geological Survey to focus investments in science programs

**Department of Justice:**

The President’s FY 2018 Budget requests $27.7 billion for the Department of Justice, a $1.1 billion or 3.8% decrease from the FY 2017 annualized CR level. This program level excludes mandatory spending changes involving the Crime Victims Fund and the Assets Forfeiture Fund.

- “Safeguards federal grants to State, local, and tribal law enforcement and victims of crime to ensure greater safety for law enforcement personnel and the people they serve. Critical programs aimed at protecting the life and safety of State and local law enforcement personnel, including Preventing Violence Against Law Enforcement Officer Resilience and Survivability and the Bulletproof Vest Partnership, are protected”;
- Cuts funding to reimburse state and local governments for costs of incarcerating certain undocumented immigrants;
- Adds $249 million of funding for the FBI, largely aimed at counterterrorism, cyber threats, more timely firearms purchase background checks and more crime data;
- Adds $80 million to adjudicate immigrant removal proceedings and hire more attorneys;
- Eliminates $210 million for the State Criminal Alien Assistance Program;
- Increases DOJ’s law enforcement components budget by $175 million to “target the worst of the worst criminal organizations and drug traffickers in order to address violent crime, gun-related deaths, and the opioid epidemic”; and
- Provides 60 additional border enforcement prosecutors and 40 deputy U.S. Marshals for the apprehension, transportation, and prosecution of criminal aliens, and supports the addition of 20 attorneys to pursue Federal efforts to obtain the land and holdings necessary to secure the Southwest border and another 20 attorneys and support staff for immigration litigation assistance

**Department of Labor:**

The President’s FY 2018 Budget requests $9.6 billion for the Department of Labor, a $2.5 billion or 21% decrease from the FY 2017 annualized CR level.

- Eliminates the Senior Community Service Employment Program (SCSEP), which helps low-income seniors find work, a total of $434 million;
- Closes poor-performing centers for Job Corps, a job-training program for disadvantaged youth;

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Eliminates Occupational Safety and Health Administration (OSHA) grants that help nonprofit groups and public agencies pay for safety and health training, a total of $11 million;

Expands efforts to reduce improper payments made to people receiving unemployment benefits; and

Eliminates the Bureau of International Labor Affairs’ grant funding, a total of $60 million

Department of State, USAID, and Treasury International Programs:
The President’s FY 2018 Budget requests $25.6 billion in base funding for the Department of State and USAID, a $10.1 billion or 28% reduction from the FY 2017 annualized CR level. The Budget also requests $12.0 billion as Overseas Contingency Operations funding for extraordinary costs, primarily in war areas like Syria, Iraq, and Afghanistan, for an agency total of $37.6 billion. The FY 2018 Budget also requests $1.5 billion for Treasury International Programs, an $803 million or 35% reduction from the FY 2017 annualized CR level.

Eliminates climate-change prevention programs, including pledged payments to U.N. climate-change programs;

Reduces funding for U.N. peacekeeping;

Reduces funding for development banks such as the World Bank; and

Reduces most cultural-exchange programs, but keeps the Fulbright Program

Department of Transportation:
The President’s FY 2018 Budget requests $16.2 billion for DOT’s discretionary budget, a $2.4 billion or 13% decrease from the FY 2017 annualized CR level.

Eliminates funding for the discretionary TIGER grant program, which has funded dozens of road, transit and other projects;

Limits funding for the Federal Transit Administration’s Capital Investment Program (New Starts) to projects with existing full funding grant agreements only. Future investments in new transit projects would be funded by the localities that use and benefit from these localized projects;

Shifts air traffic control outside the government;

Eliminates funding for many new transit projects and support for long-distance Amtrak trains; and

Eliminates $175 million in subsidies for commercial flights to rural airports under the Essential Air Service (EAS) Program, a total of $175 million

Department of the Treasury:
The President’s FY 2018 Budget requests $12.1 billion in discretionary resources for the Department of the Treasury’s domestic programs, a $519 million or 4.1% decrease from the FY 2017 annualized CR level.

Eliminates grants for Community Development Financial Institutions (CDFI) Fund grants, which provide financial services in economically distressed neighborhoods; and

Reduces funding for the Internal Revenue Service (IRS) by $239 million
Department of Veterans Affairs:
The President’s FY 2018 Budget requests $78.9 billion in discretionary funding for VA, a $4.4 billion or 6% increase from the FY 2017 enacted level.

- Provides a $4.6 billion increase in discretionary funding for VA health care to improve patient access and timeliness of medical care services for over nine million enrolled veterans. This funding would enable the Department to provide a broad range of primary care, specialized care, and related medical and social support services to enrolled veterans, including services that are uniquely related to veterans’ health and special needs.

Environmental Protection Agency:
The President’s FY 2018 Budget requests $5.7 billion for the Environmental Protection Agency, a cut of $2.6 billion, or 31%, from the FY 2017 annualized CR level.

- Prioritizes drinking water and wastewater infrastructure projects, including $2.3 billion for the State Revolving Funds (a $4 million increase over the FY 2017 annualized CR level) and $20 million for the Water Infrastructure Finance and Innovation Act (WIFIA) program (equal to the funding provided in the FY 2017 annualized CR);
- Eliminates more than 50 programs (totaling $347 million) and 3,200 jobs. Examples of eliminations include: Energy Star; Targeted Airshed Grants; the Endocrine Disruptor Screening Program; and infrastructure assistance to Alaska Native Villages and the Mexico Border;
- Cuts Categorical Grants down to $597 million (from a previous total of $1.079 billion);
- Eliminates funding for specific regional efforts such as the Great Lakes Restoration Initiative, the Chesapeake Bay, and other geographic programs;
- Discontinues funding for the Clean Power Plan, international climate change programs, climate change research and partnership programs, totaling $100 million;
- Cuts funding for the Office of Research and Development in half down to $250 million (from a previous total of $483 million);
- Cuts funding for the Hazardous Substance Superfund Account down to $762 million (from a previous total of $1.092 billion); and
- Cuts funding for the Office of Enforcement and Compliance down to $419 million (from a previous total of $548 million).

National Aeronautics and Space Administration:
The President’s FY 2018 Budget requests $19.1 billion for NASA, a 0.8% decrease from the FY 2017 annualized CR level.

- Cuts $102 million of funding from Earth science, terminating four missions aimed at understanding climate-change;
- Eliminates the $115 million Office of Education; and
- Cuts $88 million from the Robotic Refueling Mission, which develops techniques to repair satellites
Small Business Administration:
The President's FY 2018 Budget requests $826.5 million for SBA, a $43.2 million or 5% decrease from the 2017 annualized CR level.

- Eliminates PRIME technical assistance grants, Growth Accelerators and Regional Innovation Clusters, totaling $12 million;
- Cuts $1 million of $46 million of loan guarantees currently available to small-business owners;
- Supports more than $45 billion in loan guarantees to assist America's small business owners with access to affordable capital to start or expand their businesses;
- Maintains $28 million in microloan financing and technical assistance to help serve, strengthen, and sustain the smallest of small businesses and startups; and
- Supports over $1 billion in disaster relief lending to businesses, homeowners, renters, and property owners to help American communities recover quickly in the wake of declared disasters

U.S. Army Corps of Engineers:
The budget document only has one line for the water resources program of the Corps of Engineers, showing a budget request of $5 billion, a reduction of $1 billion, or 16%, from the FY 2017 annualized CR level of $6 billion. There are no details provided on how the reduction would be applied to Corps projects and programs, such as Clean Water Act enforcement. Even with the proposed reduction, the FY 18 Corps funding level proposed by the Trump Administration is about $400 million above the amount proposed by the Obama Administration for FY 17. All administrations propose reductions to the Corps budget, which are always rejected by Congress.