White House Budget Proposal — Media Messaging

Top Messages:
- White House FY 2018 budget was released Thursday (March 16, 2016). The proposal includes over $54 billion in cuts to domestic programs and the same increase in spending on defense and national security.
- The proposal threatens the safety and prosperity of cities across the country due to cuts to programs that cities rely on.
- With this proposal, President Trump is failing to follow through on his campaign promise to lift up America’s cities. All cities would be adversely affected by cuts, with the worst impacts felt in small towns and rural communities.
- NLC sent a letter to Congress — published in the Roll Call newspaper — that was signed by more than 650 city officials urging Congress to fight the cuts to city programs.
- Follow NLC’s campaign on Twitter: #FightTheCuts

What We Need Congress to Do:
- Throw out the White House’s budget proposal and develop a better plan focused on building prosperity, expanding opportunity and investing in our future.
- Be a champion for cities; reject this budget proposal or risk derailing local economies nationwide.
- Protect funding for CDBG grants, infrastructure and transportation-related funding, preserve the tax exemption on municipal bonds, and protect addiction services and mental health treatment in Medicaid to help communities battle the opioid epidemic.

What City Leaders Are Doing:
- On Wednesday (March 15, 2017), during NLC’s Congressional City Conference, over 600 city leaders met with members of Congress and their staffs for a day of advocacy for city priorities.
- Key meetings included visits with the offices of Senate Majority Leader Mitch McConnell, House Majority Leader Kevin McCarthy and House Minority Leader Nancy Pelosi.
- City leaders are also engaging in a grassroots effort, including writing op-eds and letters to the editor, and calling their members of Congress to be champions for cities and reject these proposals.

Programs and Agencies Eliminated that Help Cities:
- Community Development Block Grants (CDBG)
- HOME Investment Partnerships Program
- Economic Development Administration (EDA)
- Community Oriented Policing Services (COPS)
- Byrne Justice Assistance Grants
- Transit New Starts
- TIGER Grants
- Minority Business Development Agency
- Community Development Financial Institutions (CDFI) Grants
- Low Income Home Energy Assistance (LIHEAP)
- National Endowment for the Arts (NEA)
- National Endowment for the Humanities
- Pre-Disaster Mitigation Grants
- State Criminal Alien Assistance Grants
• Community Services Block Grant (CSBG)
• Weatherization Assistance Program
• The Clean Power Plan
• 21st Century Community Learning Centers
• Corporation for National and Community Service (AmeriCorps, etc)
• Corporation for Public Broadcasting
• Institute of Museum and Library Services
• Legal Services Corporation
• Interagency Council on Homelessness
• NeighborWorks America

Budget Specifics:

Agriculture
• USDA faces a $4.7B (21%) cut from FY2017 funds.
• Eliminates the $500 million Water and Wastewater loan and grant program for rural water projects.
• Unspecified funding reductions expected for Rural Business-Cooperative Service and Special Supplemental Nutrition Program for Women

Commerce
• Commerce faces a $1.5B (16%) cut from FY2017 funding.
• Eliminates the Economic Development Administration ($221M).
• Eliminates the Minority Business Development Agency.
• Cuts $250 million from coastal research programs that help communities prepare for rising seas and worsening storms
• Eliminates the Manufacturing Extension Partnership

Education
• $9B (13%) reduction to $59B in discretionary funds.
• Elimination of 21st Century Community Learning Centers (21st CCLC), a $1.2B cut, which provides formula-based grants to states for before-school, afterschool and summer programs, particularly students who attend high-poverty and low-performing schools.
• $2.4B cut to Title II, Part A of the Every Student Succeeds Act (ESSA), which provides formula funds to improve teacher quality and professional development efforts. The program is weighed heavily towards communities with high poverty.
• The President’s budget proposes significant $1.4B investment in school choice. The budget provides $168M increase for Charter School Program grants, $250M for a new private school choice program and $18 for Title 1 to ensure “student-based budgeting” to follow the student to the school of their choice.).
• The budget proposal maintains $13B for special education grants through the Individuals with Disabilities Education Act (IDEA).

Environmental Protection Agency
• Overall budget reduction of $2.6B (31%).
• $4M increase to the Clean Water and Drinking Water State Revolving Loan Funds to $2.3B.
• Level funding for WIFIA, a loan and loan guarantee program for large water infrastructure projects.
• Discontinuation of the Clean Power Plan (CPP), international climate change programs, climate change research and partnership programs, and related efforts, totaling $100M in cuts.
• $330M cut to the Superfund program, but no mention of the Brownfields program, both of which not only help cities clean up polluted lands, but also help communities revitalizes abandoned and vacant properties.
• Eliminates funding for regional efforts like the Great Lakes Restoration Initiative and Chesapeake Bay Initiative, totaling $427M.
• Eliminates $347M from other EPA programs, including the Energy Star program.

Energy
• Overall budget reduction of $1.7B (5.6%) from FY2017.
• Eliminates the Weatherization Assistance Program, which helps improve the energy efficiency of low income households, and eliminates the State Energy Program, which supports state and local energy efficiency and renewable energy programs, for a total cut of $2B.

Health and Human Services
• $15B (17.9%) reduction to $69B.
• Eliminates the Low Income Home Energy Assistance Program (LIHEAP), which helps low-income families with energy costs, and the Community Service Block Grant (CSBG), which provides funds to alleviate poverty. Both programs are administered through the Office of Community Service at HHS.
• $500M included to administer the 21st Century CURES Act targeted at the opioid epidemic.
• Reforms the Centers for Disease Control and Prevention (CDC) with a new $500M block grant to states to increase flexibility.

Homeland Security
• DHS has a $2.8B (6.8%) increase over FY2017 funding levels.
• The proposed budget would cut $667 million for the State and Local Homeland Security grant programs. These cuts will have a significant impact on the ability of local law enforcement to work with the federal government to protect our cities from manmade and natural disasters, including terrorism attacks.
• The proposal to establish a 25% non-Federal cost match for FEMA preparedness grants will have a significant impact on small and medium sized cities and towns. These smaller cities and towns, which will not be able to meet the cost 25% cost match, will most likely be excluded from receiving any FEMA preparedness funding.
• Elimination of the National Flood Insurance Program’s Flood Hazard Mapping Program will put many cities and towns at risk because they rely on the maps to help build homes outside of flood zones and mitigate flood risk. Instead of eliminating the funding, the Administration should look at ways to speed up and improve the flood map accuracies.

Housing and Urban Development
• HUD has a $6.2B (13.2%) cut from FY2017 numbers.
• Eliminates the Community Development Block Grant program ($3B)
• Eliminates the HOME program for increasing Affordable Housing
• Eliminates the Choice Neighborhoods program that improves opportunities in communities with public and federally-subsidized housing.

Independent Agencies
• Eliminates a total of 19 independent agencies, including the Appalachian Regional Commission, Delta Regional Authority, Northern Border Regional Commission, and Denali Commission.

Justice
• The $175 million increase in the Department of Justice’s law enforcement efforts to target criminal organizations and drug traffickers in order to address violent crime, gun-related deaths, and the opioid epidemic should also support greater coordination with local law enforcement. We are encouraged the administration is concentrating on targeting violent criminals and gangs that are responsible for much of the violent and gun related crimes in our cities.
• The elimination of approximately $700 million in spending on DOJ programs that support local public safety efforts will have a significant impact on local public safety programs, including law enforcement, fire and emergency management.
• While specific programs are not detailed in the budget released on Wednesday, the DOJ cuts are expected to target funding for Community Oriented Policing, State Criminal Alien Assistance, Violence Against Women, Juvenile Justice and Delinquency Prevention and other programs.

**Labor**

• $2.5B (21%) reduction to $9.6B in discretionary funds.
• Closes underperforming Job Corps training centers, which provide comprehensive career development services for disadvantaged youth, ages 16 to 24.
• Eliminates the Senior Community Service Employment Program (SCSEP), a community service and work-based job training program authorized under the Older Americans Act for low-income, unemployed seniors and reduces Federal support to job training and employment services formula grants by “shifting more responsibility for funding these services to States, localities and employers.”

**Treasury**

• Overall reduction of 4% and a reallocation of funds towards security.
• This includes hacking prevention, seizure of bank accounts associated with terrorism and foreign adversaries.
• Eliminates the Community Development Financial Institutions Fund grant program ($210M) that supports financial services in economically distressed neighborhoods.

**Transportation**

• Overall reduction of 13%.
• Cuts $499 million from the TIGER grant program. This program has funded countless roads and transit projects since its inception in 2009.
• Eliminates transit project new starts
• Eliminates support for long-distance Amtrak routes
• Eliminates $175 million for rural air services