Summary of President Trump's Fiscal Year 2018 (FY18) Budget Blueprint
"America First: A Budget Blueprint to Make America Great Again"

On March 16, President Trump released his administration's FY18 Budget Blueprint to Congress called "America First." Read the 53-page budget outline here. The White House is expected to release its full budget later this spring.

The Trump proposal prioritizes national security, providing a $54 billion boost in defense spending, as well as investments in border security, which are offset by major reductions in non-defense discretionary programs. The budget does not adhere to the discretionary spending caps established by the Budget Control Act (BCA), and will require congressional approval to exceed the BCA-imposed sequester limits. Democrats have said they will resist any increase for defense spending without an equivalent increase in non-defense programs.

The big winners are the Departments of Defense (+10%), Homeland Security (+7%) and Veterans Affairs (+6%). Most other federal agencies are slated for funding reductions. Among the hardest hit are the Environmental Protection Agency (EPA) (-31%), Department of State and development programs (-29%), Department of Agriculture (USDA) (-21%), as well as the National Institutes of Health (NIH) (-18%). NIH has historically been a bipartisan favorite for lawmakers and received funding increases despite tight federal budgets the last several years. The proposal also eliminates funding for the Department of Energy's (DOE) Advanced Research Projects Agency-Energy (ARPA-E), National Endowment for the Humanities (NEH), Title VI International Education programs, and NASA's Office of Education, which operates the Space Grant program. It likewise proposes steep cuts to grant programs at the National Oceanic and Atmospheric Administration (NOAA).

At this time, a handful of national associations and coalitions, in which CU participates, have released statements expressing deep concern about the steep cuts proposed in the FY18 Budget Blueprint. Here are several examples. We expect additional statements soon.

- Association of American Universities (AAU) statement
- Association for the Advancement of Science (AAAS) statement
- The Science Coalition (TSC) statement

The Budget Blueprint does not include tax or revenue proposals or propose changes to entitlement programs such as Social Security, Medicare and Medicaid - which are the largest drivers of federal spending. Discretionary programs account for less than one-third of all federal spending.

In many ways, the White House budget plan is a political document used to telegraph the president's fiscal priorities - the "opening volley" in a months-long decision-making process where Congress has final say over spending decisions. Today, Senator Roy Blunt (R-MO), a top Republican appropriator, said, "There are many concerns with non-defense discretionary cuts. Over the next several weeks, we'll be holding hearings with cabinet secretaries and others involved to determine funding priorities for fiscal year 2018."

Following are initial budget highlights for agencies of interest to CU. Please note that the level of detail varies by agency - and in most cases is extremely limited in this skeleton budget proposal - based on the information released to the public at this time. If you have any questions, please do not hesitate to contact the Office of Government Relations.
I. Department of Education (ED)
- Requests $59 billion for ED, a $9 billion (13%) decrease from FY17.
- Federal Student Aid programs:
  - Level funds Pell Grants and rescinds $3.9 billion from the program’s $10.6 billion surplus. The budget blueprint does not mention Mandatory or Year-Round Pell.
  - Eliminates the Federal Supplemental Educational Opportunity Grant (SEOG).
  - Proposes "significant" cuts to Federal Work-Study but does not specify how big. Reforms the program allocation to direct funds to students who will benefit most.
  - Provides $808 million for Federal TRIO programs - a $92 million cut - and $219 million for GEAR UP - a $104 million cut - from FY17. Targets TRIO cuts at programs that have not proven increased student outcomes. Limits GEAR UP to continuation awards only.
- Cuts Teacher Quality Partnership Preparation programs by $43 million.
- Eliminates Title VI International Education Programs.
- It is unclear how Graduate Assistance in Areas of National Need (GAANN) fares.

II. Department of Health and Human Services (HHS)
- Requests $69.0 billion for HHS, a $15.1 billion (17.9%) decrease from FY17. This funding level includes implementing the 21st Century Cures Act.
- National Institutes of Health (NIH): Requests $25.9 billion for NIH, a $5.8 billion (18%) decrease from FY17. Proposes to reorganize and consolidate NIH programs, including moving the Agency for Healthcare Research and Quality (AHRQ) into NIH. Notably, NIH requires congressional authorization to reorganize.
- Creates a new Federal Emergency Response Fund to facilitate rapid response to public health outbreaks such as Zika.
- Reforms the Centers for Disease Control and Prevention (CDC) through a new $500 million block grant to states.
- Invests in mental health activities at high-performing entities with a focus on suicide prevention, mental illness, and children’s mental health.
- Continues to fund scholarship and loan repayment programs in exchange for service in areas with a shortage of health professionals.

III. Department of Commerce (DOC)
- Requests $7.8 billion for Commerce, a $1.5 billion (16%) decrease from FY17.
- National Oceanic and Atmospheric Administration (NOAA): Eliminates $250 million in NOAA grants and programs, which support coastal and marine management, research and education. Eliminates the Sea Grant program.
- Economic Development Administration (EDA): Proposed for elimination.
- National Institutes of Standards and Technology (NIST): Does not specify a funding level for NIST, but zeros out the agency’s Manufacturing Extension Program (MEP).

IV. Department of Defense (DOD)
- Requests $639 billion for DOD, a $52 billion increase from FY17. Includes $574 billion for the base budget and $65 billion for Overseas Contingency Operations (OCO).
- Implements a new National Defense Strategy that emphasizes the need for "American superiority" on land, sea, air, space and cyberspace. No details are available at this time.
- Defense research: Budget blueprint does not discuss DOD science and technology programs (6.1-6.3) or the Defense Advanced Research Projects Agency (DARPA).

V. Department of Energy (DOE)
- Requests $28 billion for DOE, a $1.7 billion (5.6%) decrease from FY17.
• **Advanced Research Projects Agency-Energy (ARPA-E):** Proposed for elimination because the private sector is "better positioned" to finance "disruptive" energy R&D and commercialize technologies.

• **DOE Office of Science:** Reduces funding by $900 million from FY17. Office of Science should invest in the highest priority basic energy science and operation of DOE labs.

• **Office of Energy Efficiency and Renewable Energy:** Focuses funding on early-stage applied energy R&D activities and also uses this funding approach for the Office of Nuclear Energy, Office of Electrical Delivery and Energy Reliability and Fossil Energy Research Development Program.

• **Prioritizes DOE's mission to manage the nation's nuclear weapons arsenal and provides for a $1.4 billion (11%) increase for the National Nuclear Security Administration.**

### VI. Department of Veterans Affairs (VA)

- Requests $78.9 billion for VA, a $4.4 billion (6%) increase from FY17.
- Provides access to education benefits for veterans. Does not discuss VA research.

### VII. Department of the Interior (DOI)

- Requests $11.6 billion for DOI, a $1.5 billion (12%) decrease from FY17.
- **U.S. Geological Survey:** Provides $900 million to focus investments in essential science programs. This includes funding for research and data collection that "informs sustainable energy development, responsible resource management and natural hazard risk reduction."

### VIII. Department of State, U.S. Agency for International Development (USAID) and other development programs

- Requests $25.6 billion for State and USAID, a $10.1 (28%) decrease from FY17.
- Reduces funding for State's Educational and Cultural Exchange (ECE) program. Focuses ECE resources on sustaining the Fulbright Program.
- Eliminates the Global Climate Change Initiative and eliminates U.S. funding to United Nations Green Climate Fund.

### IX. Independent Agencies

- **National Aeronautics and Space Administration (NASA):** Requests $19.1 billion for NASA, a 0.8% decrease from FY17. Requests $624 million for the Aeronautics Research and Development Directorate, a $16 million decrease from FY16. Eliminates NASA's Office of Education, which operates the Space Grant program, for savings of $115 million. NASA Administrator Robert Lightfoot said education and outreach efforts will be absorbed into the Science Mission Directorate (SMD), but it is unclear whether funding will follow. In the SMD, the blueprint cuts the Earth Science Division by $102 million and terminates funding for four earth science missions. It boosts funding for the Planetary Science Division to $1.9 billion and funds the launch of a new Mars Rover 2020 and fly-by mission to Jupiter’s Europa moon.

- **Environmental Protection Agency (EPA):** Requests $5.7 billion for EPA, a $2.6 billion (31%) decrease from FY17. Eliminates funding for climate change research and partnership programs, international climate change programs and the Clean Power Plan. Funds EPA's Office of Research and Development (ORD) at $250 million, a decrease of $233 million (93%) from FY17 and specifically targets extramural activities for elimination. Calls for the elimination of 50 EPA programs, totaling $347 million, but does not identify specific programs.

- **National Endowment for the Humanities (NEH):** Eliminates federal funding for the NEH, as well as the National Endowment for the Arts (NEA). This is the first time a president has proposed eliminating the endowments, which were created in 1965. Read NEH Chairman William Adams' [statement](#) on the FY18 Budget.
• **National Science Foundation (NSF):** The Budget Blueprint does not mention NSF. It does propose across the board cuts of 10% at most federal agencies, which we assume includes NSF.