



President Trump Releases Fiscal Year 2018 “Skinny” Budget *Proposes Major Funding Cuts for Key County Programs*

On March 16, President Donald Trump released his \$1.1 trillion Fiscal Year (FY) 2018 “skinny” budget proposal called “America First – A Budget Blueprint to Make America Great Again.” If adopted by Congress, this budget would significantly impact the nation’s 3,069 counties.

Each year, the president submits a comprehensive budget request to Congress in early February which outlines the Administration’s policy and funding priorities and the economic outlook for the coming fiscal year. This budget, which estimates spending, revenue and borrowing levels, is compiled by the White House Office of Management and Budget (OMB) based on input from the various federal agencies.

However, newly elected presidents typically submit initial proposals with less details than a normal budget request – thus referred to as a “skinny” budget. The “skinny” budget proposal does not include the tax revenue, mandatory spending or economic growth forecasts that make up a normal presidential budget request. OMB Director Mick Mulvaney said a more comprehensive budget request will be released in May and that cabinet secretaries will be given flexibility in determining how to distribute cuts to each of their agencies. In total, this “skinny” budget recommends eliminating funding for 19 independent federal agencies and 61 federal programs.

Here are some basics about the “skinny” budget proposal and fiscal 2017 budget adjustment President Trump submitted to the Congress:

TOPLINE NUMBERS: For FY 2018, the \$1.065 trillion spending level set by the Budget Control Act (P.L. 112-25) would be retained. Defense spending levels would rise by \$54 billion (to \$603 billion from \$549 billion) and non-defense spending would fall by \$54 billion (to \$462 billion from \$516 billion).

FISCAL 2017 SUPPLEMENTAL: The proposal includes an additional \$30 billion defense and border supplemental spending request for the rest of the current fiscal year, partially offset by \$18 billion in proposed cuts to domestic programs. The discretionary top-line for FY 2017 would rise from \$1.07 trillion to \$1.08 trillion under the proposal, with the defense cap rising \$25 billion to \$576 billion and the non-defense cap falling to \$504 billion. President Trump is seeking \$3 billion as part of the request to begin construction on a wall on the southern border and to enforce a crackdown on undocumented immigration. Of that amount, \$1.5 billion would specifically be for the border wall.

LARGEST PROPOSED CUTS: The largest requested reductions compared to the enacted FY 2016 budget – the last year for which a full-year appropriations was completed – would be felt by the Environmental Protection Agency (31 percent), U.S. Departments of Agriculture (29 percent), State (29 percent), Health and Human Services (23 percent), Labor (21 percent), and Commerce (17 percent), the Army Corps of Engineers (17 percent), the General Services Administration (17 percent), the U.S. Department of Housing and Urban Development (15 percent), and Transportation (13 percent).

LARGEST PROPOSED INCREASES: Compared to FY 2016, the Pentagon would see a 10 percent increase under the proposed budget; Homeland Security, a seven percent increase; Veterans Affairs, a 10 percent increase; and nuclear security at the Energy Department an 11 percent increase.

SPARED: The self-funded Export-Import Bank of the U.S. would not be eliminated under the plan. President Trump told Senator Heidi Heitkamp (D-N.D.) that since taking office, he has changed his mind about eliminating the agency and would nominate board members to the bank.

BROAD MANAGEMENT AND FEDERAL AGENCY REORGANIZATION GOALS: The budget proposal also outlines the administration’s goals for reorganizing federal agencies. It references a January 23 presidential memorandum imposing a federal hiring freeze and requiring a long-term plan to reduce the size of the federal government’s workforce. It also references the March 13 executive order (13781) that establishes a “Comprehensive Plan for Reorganizing the Executive Branch.” Although Congress must pass legislation to reorganize the Executive Branch, the budget proposal states, “In roughly a year, the Congress will receive from the President and the Director of the Office of Management and Budget (OMB) a comprehensive plan for reorganization proposals. The White House will work closely with congressional committees with jurisdiction over Government organization to ensure the needed reforms actually happen.”

MAJOR REFORMS TO FEDERAL REGULATORY SYSTEM: The budget proposal also outlines the actions the Trump Administration has taken to eliminate federal regulations. Specifically, it references a memorandum and two executive orders that President Trump has already issued. These include: a memorandum that instructed all agencies to halt work on all new or pending regulations; an executive order that requires agencies to eliminate at least two existing regulations for each new regulation they issue; and an executive order that establishes two new teams to identify outdated or ineffective regulations and to ensure that federal agencies comply with the President’s executive order to eliminate two regulations for each new regulation.

Below is a summary of proposed changes to federal programs of interest to counties:

Agriculture and Rural Affairs

U.S. Department of Agriculture

The president’s 2018 budget requests \$17.9 billion for the U.S. Department of Agriculture (USDA), a \$4.7 billion or 21 percent decrease from the 2017 annualized Continuing Resolution (CR) level.

- **The president’s budget request would eliminate the Rural Water and Wastewater Loan and Grant Program (\$498 million).** The president’s proposal states “rural communities can be served by private sector financing” and recommends rural communities look to EPA’s State Revolving Fund for water infrastructure funding. USDA’s Water and Wastewater grant and loan program helps counties fund and finance critical clean water infrastructure and provides technical assistance and planning for developing or improving local water systems.
- **The budget request would eliminate discretionary activities for the Rural Business and Cooperative Service.** Key county programs eliminated under the RBS include the Intermediary Relending Program; Rural Business Development Grants; Rural Economic Development Loan and Grant Program; and the Value-Added Producer Grants. These programs support jobs in rural America by providing access to capital to small business owners. Additionally, the RBS provides technical support and workforce development to help spur growth in rural communities. In total, the RBS was funded at \$95 million for FY 2017.

Community, Economic and Workforce Development

U.S Department of Commerce

The president’s FY 2018 budget requests \$7.8 billion for the Department of Commerce, a \$1.5 billion or 16 percent decrease from the 2017 CR level.

- **The budget request would eliminate the Economic Development Administration (EDA).** Previously funded at \$221 million, EDA is the only federal government agency with a mission and programs focused exclusively on economic development and creation of private sector jobs. EDA provides direct resources to counties to support economic development efforts. EDA investments are focused in seven broad development assistance programs, which include: Public Works, Partnership Planning, Economic Adjustment Assistance (EAA), Regional Innovation Strategies Program (RISP), Research and Evaluation and Technical Assistance. EDA provides grants on a competitive basis within these areas to generate or retain jobs for individuals, attract new industry and private sector investment, encourage business expansion and serve as a back stop to sudden and severe economic impacts. NACo supports continued funding for this agency.

U.S. Department of Housing and Urban Development

The president’s FY 2018 budget requests \$40.7 billion for the U.S. Department of Housing and Urban Development (HUD), a \$6.2 billion or 13.2 percent decrease from the FY 2017 CR level. The budget provides \$35 billion for HUD’s rental assistance programs and proposes reforms to reduce costs while still assisting 4.5 million low-income households.

- **The president’s budget request would eliminate funding for the Community Development Block Grant (CDBG) and HOME Investment Partnerships program.** CDBG is currently funded at \$3 billion in the FY 2017

CR and HOME is funded at \$950 million. The CDBG program provides grants to counties throughout the nation which leverage private and non-profit investment to fund community, infrastructure and economic development projects. The program provides annual grants on a formula basis to nearly 1,200 metropolitan city and county governments and to state governments. There are 185 counties that receive grants directly. Local entitlement cities and counties receive 70 percent of CDBG funds, and states receive 30 percent. Non-entitlement communities, such as rural counties, must compete for funding via the state formula allocation. The budget document states, “The Federal Government has spent over \$150 billion on this block grant since its inception in 1974, but the program is not well-targeted to the poorest populations and has not demonstrated results. The Budget devolves community and economic development activities to the State and local level, and redirects Federal resources to other activities.” The HOME program provides resources to counties for the creation of affordable housing opportunities for low-income families.

- **The president’s budget would support VA programs assisting homeless and at-risk veterans and their families and programs to ease veterans’ transition into civilian life through education, job training and other services.** Though specific programs were not mentioned in the budget, the president does include support for programs assisting homeless veterans and access to education and job training for veterans. To meet these goals, NACo supports increased funding for the VA Supported Housing (HUD-VASH) program, the Vocational Rehabilitation and Employment (VR&E) program and other support services that ultimately yield savings for counties responsible for their residents’ health and safety.

U.S Department of Labor

The president’s FY 2018 budget requests \$9.6 billion for the Department of Labor, a \$2.5 billion or 21 percent decrease from the FY 2017 CR level.

- **The president’s budget would significantly decrease federal support for Workforce Innovation and Opportunity Act (WIOA) programs.** WIOA reauthorized and modernized the federal employment and training programs. Additionally, WIOA provides core formula funding for programs including: the WIOA Adults program, the WIOA Dislocated Worker program, the WIOA Youth program, Job Corps and the State Training and Employment Services Fund. Although no specific amount is mentioned in the budget request, any decrease in federal support would shift more responsibility to states, localities and employers.

WIOA maintains local authority and helps counties alleviate the employment and training challenges facing low-income individuals and meet the workforce needs of local businesses. A skilled workforce is essential for the economic success of the nation’s employers. Thus, NACo strongly supports funding and efforts to enhance the effectiveness and efficiency of the national workforce development system.

Environment, Energy and Land Use

U.S. Environmental Protection Agency

The president's budget requests \$5.7 billion for the U.S. Environmental Protection Agency's (EPA), down from \$8.2 billion enacted in FY 2017, a cut of \$2.6 billion (or 31 percent).

- **The president's budget request increases water and wastewater infrastructure funding.** The budget would provide funding the EPA's Clean Water (CW) and Drinking Water (DW) State Revolving Fund (SRF) programs to a tune of \$2.3 billion, a \$4 million increase over FY 2017 annualized CR levels. Additionally, \$20 million is provided for the Water Infrastructure Finance and Innovation Act (WIFIA) program, which is level with FY 2017 funding. NACo supports funding for the WIFIA, CWSRF and DWSRF programs. WIFIA is a financing program that allows EPA to provide direct loans and loan guarantees for the construction of large water infrastructure projects. NACo supports funding WIFIA because it has the potential to significantly lower water infrastructure costs for large projects. The CWSRF program finances municipal wastewater infrastructure construction or upgrade projects and the DWSRF program supports drinking water infrastructure projects.
- **The budget proposes significant cuts to the Superfund program.** The budget proposes funding the Superfund program at \$762 million, \$330 million below FY 2017 annualized levels. NACo supports increased funding for Superfund cleanups to ensure there is adequate money to address contaminated sites in local communities.
- **The president's budget proposes decreasing EPA categorical grant funds offered to state and local governments.** The budget recommends \$597 million total for EPA categorical grant programs, a cut of \$482 million below 2017 annualized CR levels. While specific program cuts were not detailed in the budget proposal, they would impact numerous grant programs, such as the Clean Water Act's (CWA) Sec. 319 Nonpoint Source grant program, the State and Local Air Quality Management program, the Leaking Underground Storage Tank program and the Beaches Protection and Brownfields programs.
- **The budget request would eliminate funding for regional water programs.** The budget proposes terminating \$427 million for geographic based funding, such as the funds allotted to the Great Lakes Restoration Initiative and the Chesapeake Bay watershed efforts. The budget suggests returning "the responsibility for funding local environmental efforts and programs to State and local entities." Our counties remain concerned that this proposal may create unfunded mandates for states and counties who will still be required to meet specific federal standards set for those watersheds but without federal funding to help them do so.
- **The president's budget would defund all climate change related programs.** The president's budget proposes cutting all funding for the Clean Power Plan, international climate change programs, climate change research and partnership programs, and related efforts.
- **The budget also recommends eliminating at least 50 other EPA programs.** The budget would reduce EPA spending by an additional \$347 million from 2017 annualized CR levels by killing "lower priority and poorly performing programs and grants." While only a handful of these programs are identified, the budget specifies that the programs targeted will be those that can be merged into other programs or those "that are State and local responsibilities." In addition to some of the programs noted above, the budget proposes to eliminate EnergyStar, Targeted Airshed Grants, infrastructure assistance to Alaska and more.

U.S. Department of Energy

The president's budget proposes cutting the U.S. Department of Energy (DOE) budget by 5.6 percent. Specifically, it requests \$28 billion for DOE, down from the \$29.7 billion enacted in FY 2017, a cut of \$1.7 billion.

- **The president's budget seeks funding for a nuclear waste storage facility.** The budget provides \$120 million to reinitiate licensing activities for the Yucca Mountain nuclear waste facility and re-engage on setting up an interim storage program for nuclear waste. This is relevant to local governments who currently have nuclear waste facilities within their county. Since there is no national storage location for nuclear waste, facilities must store it on-site, and many of these facilities were not designed to house spent nuclear rods indefinitely. NACo supports construction of a suitable permanent nuclear waste repository and the use of an interim central storage facility until the permanent site is completed.
- **The budget proposes eliminating funding for programs that helps save low-income families money on energy bill.** The budget proposes eliminating DOE's Weatherization program. This program helps low-income families to reduce their energy bills by making their homes energy efficient. NACo supports continued funding for the Weatherization Program.

U.S. Department of Commerce

- **The president's budget proposes eliminating all coastal and marine management grants.** The budget proposes eliminating all funding for National Oceanic and Atmospheric Administration (NOAA) grants and programs that support "industry and State and local stakeholders." This is potentially problematic since, in recent years, coastal areas have faced extreme weather events and depended on NOAA tools and grants to guide local efforts to plan, prepare and recover from natural disasters. Cutting these programs is relevant to the 40 percent of the U.S. population that lives and works in coastal counties, as coastal counties contribute more than 55 percent to the national economy.

Finance, Pensions and Intergovernmental Affairs

The president's budget focuses on discretionary spending levels and does not include specific proposals related to mandatory funding levels or revenue changes. Therefore, any suggestions related to tax policy, municipal bonds and other financing items will be included in the president's full budget and Green Book to be released later this spring.

- **The budget would increase funding for the U.S. Census Bureau ahead of the 2020 Decennial Census.** To prioritize funding for information technology and field infrastructure for the 2020 Decennial Census, the president's budget proposes \$1.5 billion for the U.S. Census Bureau – an increase of more than \$100 million over previous fiscal years. According to the budget blueprint, this additional funding is designed to help the bureau "more effectively administer the 2020 Decennial Census." NACo supports full funding for the Census Bureau and the Bureau's Local Update of Census Addresses (LUCA) Program to ensure that a complete and

accurate list of addresses can be enumerated during the 2020 Census. NACo also supports the American Community Survey, which was not mentioned in the president's budget.

Health

U.S. Department of Health and Human Services

The president's budget requests \$69 billion for the U.S. Department of Health and Human Services (HHS), a \$15.1 billion or 18 percent decrease from the 2017 annualized CR level.

- **The president's budget proposes a \$500 million increase to expand opioid misuse treatment and recovery services.** The budget indicates that the extra funding is intended to help implement the "21st Century Cures Act," which authorized but did not appropriate \$1 billion in funding to help states and localities combat the opioid epidemic. Congress already appropriated \$500 million of this funding in the FY 2017 CR that passed in December 2016. Counties are on the frontlines of combatting the prescription drug and heroin abuse crisis.
- **While not providing detail, the budget signals intent to invest in certain mental health activities.** Specific priorities explicitly identified in the report include suicide prevention, serious mental illness and children's mental health. Programs to target these issues are administered by the Substance Abuse and Mental Health Services Administration (SAMHSA) under HHS, which also provides Community Mental Health Services Block Grants that help our counties provide mental health services. Through 750 behavioral health authorities and community providers, we plan and operate community-based services for people with mental illnesses. Our county-based behavioral health systems exist in approximately half the states, serving 75 percent of the population.
- **The budget proposes major changes to HHS Centers for Disease Control and Prevention (CDC).** These changes would include a \$500 million block grant "to increase state flexibility and focus on leading public health challenges to each state." The request does not provide further detail, but the block grant could serve a similar function as the Preventive Health Services Block Grant, which is currently funded at \$170 million entirely through the Prevention and Public Health Fund (Prevention Fund). The Preventive Health Services Block Grant, which allows state and local public health departments to tailor public health interventions for their unique needs, would be eliminated along with the entire Prevention Fund in current health reform proposals in Congress. Two-thirds of the nation's 2,800 local public health departments are county-based and receive approximately 25 percent of their funding from federal sources – mainly the CDC.
- **The budget would create a new Federal Emergency Response fund for public health outbreaks.** The report does not specify funding, but calls for an emergency fund that would be used to help states and localities rapidly respond to public health outbreaks such as Zika. Currently, Congress must appropriate emergency funding for public health outbreaks, which can take time. For instance, it took Congress until September 29 before they could approve \$1.1 billion in emergency Zika funding after months of impasse last Summer.

Through more than 1,900 county public health departments, we are at the forefront of efforts to prevent and minimize potential and existing public health outbreaks and emergencies.

Human Services and Education

U.S. Department of Health and Human Services

The president's budget requests \$69 billion for the U.S. Department of Health and Human Services (HHS), a \$15.1 billion or 18 percent decrease from the 2017 annualized CR level.

- **The president's budget proposes eliminating the Community Services Block Grant (CSBG).** The budget states, "CSBG funds services that are duplicative of other Federal programs, such as emergency food assistance and employment services, and is a limited-impact program." Previously funded at \$715 million for FY 2016, CSBG supports activities that mitigate the root causes of poverty, delivering services related to educational attainment, obtaining and maintaining employment and self-sufficiency, budget planning and obtaining adequate housing. Most CSBG funding is distributed to states, which must pass through at least 90 percent of funds to eligible local entities, predominantly community action agencies (CAAs). Since local elected officials must make up one-third of a CAA's board of directors, counties play an integral role in determining how the block grant is used throughout the country. In fact, CSBG funds reach 99 percent of our nation's counties. NACo strongly supports CSBG, as it helps us serve some of our most vulnerable populations, including elderly citizens, people with disabilities and children.
- **The budget also suggests eliminating the Low-Income Home Energy Assistance Program (LIHEAP).** The budget request states, "LIHEAP is a lower-impact program and is unable to demonstrate strong performance outcomes." LIHEAP is a highly effective program that delivers critical short-term aid to our nation's most vulnerable populations, including the low-income, the disabled and elderly, to pay for heating and cooling prices. Previously funded at \$3.4 billion in FY 2016, NACo supports continued LIHEAP funding that aids families during sudden crises, such as significant fluctuations in energy costs, natural disasters and extreme weather conditions.

U.S. Department of Agriculture (Food and Nutrition Service)

- **The budget would reduce funding for the Women, Infants and Children (WIC) nutrition program.** The president's budget requests the WIC Program be funded at \$6.2 billion, which is a \$1.5 billion decrease from FY 2017 levels. The WIC Program provides assistance to low-income pregnant, postpartum and breastfeeding women, infants and children up to age five who are at nutritional risk by providing foods to supplement diets, information on health eating and referrals to health care. NACo supports federal initiatives, including nutrition and food support programs, that help counties develop and expand early childhood and parent education programs, and supports continued expansion of WIC.

U.S. Department of Education

- **The president’s budget would eliminate the 21st Century Community Learning Centers program (\$1.2 billion).** The president’s budget states that the 21st Century Community Learning Centers program, “lacks strong evidence of meeting its objectives, such as improving student achievement.” Previously funded at \$1.2 billion, the program supports before and after-school programs as well as summer programs. Counties support funding for after-school programs, including the 21st Century Community Learning Centers, oppose any reduction in funding and urge the administration to make these funds available directly to counties.

Justice and Public Safety

U.S. Department of Homeland Security

The president’s budget requests a seven percent increase to the FY 2018 net discretionary budget authority of the U.S. Department of Homeland Security (DHS) relative to FY 2017 levels.

- **The president’s proposed increase to the DHS budget stems largely from increased funding for border security and immigration enforcement.** The budget proposes investing \$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.” \$1.5 billion would be invested – above FY 2017 funding levels – for “expanded detention, transportation, and removal of illegal immigrants.” \$314 million would be invested to “recruit, hire, and train 500 new Border Patrol Agents and 1,000 new Immigration and Customs Enforcement (ICE) law enforcement personnel.”
- **To offset the above increases in spending, the budget request calls for substantial cuts to state and local grants administered under the Federal Emergency Management Agency (FEMA).** Although the budget does not include details of which FEMA programs would be cut, it calls for targeting \$667 million in cuts towards FEMA programs that “are either unauthorized by the Congress,” or “that must provide more measurable results to ensure the Federal Government is not supplanting other stakeholders’ responsibilities.” The Pre-Disaster Mitigation Grant Program and the Homeland Security Grant Program are mentioned as examples of each of the above-mentioned program types.
- **The president’s budget proposes establishing a 25 percent non-Federal cost match for FEMA preparedness grant awards that currently require no cost match.** The president’s budget establishes this cost match because the “activities and acquisitions funded through these grant programs are primarily State and local functions.” NACo strongly opposes such cuts to state and local FEMA grant programs, which county emergency management agencies use to strengthen existing efforts to create, implement and administer operation plans, trainings and exercises that prepare communities for disasters and help them recover as quickly as possible when disasters strike.

U.S. Department of Justice

The president's budget calls for a four percent decrease to the FY 2018 net discretionary budget authority of the U.S. Department of Justice (DOJ), relative to FY 2017 levels.

- **DOJ programs that would receive increases under the president's proposal are largely focused on increased border security and immigration enforcement.** The budget proposes an \$80 million increase over FY 2017 levels for hiring "immigration judge teams to bolster and more efficiently adjudicate removal proceedings" for undocumented immigrants. Unspecified increased funding is proposed to hire additional border enforcement prosecutors, U.S. Marshals, attorneys and support staff.
- **The president's budget does not detail specific changes to DOJ grants to state, local, and tribal law enforcement and victims of crime.** The president's budget mentions ensuring "greater safety for law enforcement personnel and the people they serve," and maintains funding for some local law enforcement efforts. The blueprint does call for the elimination of approximately \$700 million in "unnecessary spending on outdated programs that either have met their goal or have exceeded their usefulness."
- **The president's proposal would eliminate the State Criminal Alien Assistance Program (SCAAP).** SCAAP is a grant program that reimburses states and local governments for the cost of incarcerating undocumented immigrants convicted of crimes and receives \$210 million annually through the appropriations process. Counties rely on the funds provided by SCAAP and strongly support maintaining or increasing the investment in the program. Although immigration enforcement is a federal responsibility, counties incur millions of dollars in un-reimbursed expenses each year in housing undocumented individuals who violate state or local laws. Reimbursement of these costs through SCAAP formula funding helps ensure that counties are not forced to divert funds from other important local programs, including healthcare, social services and public safety, to help carry out a federal responsibility.

Public Lands

U.S. Department of the Interior

The president's budget proposes cutting U.S. Department of the Interior (DOI) funding by 12 percent and requests \$11.6 billion for FY 2018, a \$1.5 billion decrease below the FY 2017 annualized CR funding level.

- **The president's budget proposes cuts to funding for Payments in Lieu of Taxes (PILT).** The budget proposes to reduce funding for PILT by setting the program at its ten-year average funding level. Although specific budget amounts are not available and the FY 2017 PILT appropriation has not yet been enacted, this proposal could amount to a cut of more than 10 percent for the program in FY 2018. PILT partially offsets the costs county governments incur by providing critical county services on federal lands. Approximately 1,850 counties have federal land in their jurisdictions. PILT was funded at \$452 million in FY 2016.

- **The president's budget also proposes reducing National Wildlife Refuge fund payments to counties.** The budget proposes eliminating National Wildlife Refuge payments to local jurisdictions, including cities and counties. Like PILT, the program was created to partially offset the costs to local governments of non-taxable federal refuge lands.
- **The budget would cut land acquisition funding for the U.S. Department of the Interior and the U.S. Forest Service.** The proposed budget cuts land acquisition funding for the Department of the Interior by \$120 million in FY 2018 compared to annualized FY 2017 CR levels, and similarly reduces land acquisition funding for the U.S. Forest Service under USDA. Federal land acquisition has a direct impact on our county's property tax base because we cannot levy property taxes on federal lands. Counties believe acquisition of new land by any federal agency should be subject to consultation with the county in which the land is located.
- **The president's budget fully funds fire suppression activities within the Department of the Interior and the U.S. Forest Service.** The budget fully funds the ten-year average of fire suppression costs of the Department of the Interior and U.S. Forest Service (under the U.S. Department of Agriculture) at 100 percent of the ten-year average cost of suppression. The funds will be utilized by the Department of the Interior to support the costs of fire suppression on federal lands, working with state and local governments to fight wildland fires that threaten communities and landscapes. SRS was funded at \$278 million in FY 2015.

U.S. Department of Agriculture (U.S. Forest Service)

- **The president's budget remains silent on funding for Secure Rural Schools (SRS).** The budget is silent on the future of the SRS Program. The SRS program provides crucial support to forest counties, local schools, transportation infrastructure, law enforcement and other county services in more than 720 counties and 4,000 school districts, impacting nine million students across 41 states. The program's authorization lapsed on September 30, 2015 and has not yet been reauthorized by Congress.

Telecommunications and Technology

U.S. Department of Commerce

- **The president's FY 2018 budget request would continue support for the National Telecommunications and Information Administration (NTIA) in representing our nations interest at multi-stakeholder forums on internet governance and digital commerce.** The budget supports the commercial sector's development of next generation wireless services by funding NTIA's mission of evaluating and ensuring the efficient use of spectrum by government users. NTIA administers the BroadbandUSA program, which provides technical assistance to communities, including counties, that want to improve their broadband capacity and use broadband more effectively. BroadbandUSA also provides expert advice and field-proven tools for assessing broadband adoption, planning new infrastructure and engaging a wide range of partners in broadband projects.

Transportation

U.S. Department of Transportation

The president's budget requests \$16.2 billion for the U.S. Department of Transportation's (DOT) discretionary budget, a \$2.4 billion or 13 percent decrease from the 2017 annualized CR level. Prior to President Trump's release of his skinny budget, he has emphasized that "one of his top priorities is modernizing the outdated infrastructure that the American public depends upon." To spearhead his infrastructure initiative, the president has tapped a group of infrastructure experts to evaluate investment options along with common sense regulation, administrative, organization and policy changes to encourage investment and speed project delivery.

- **The president's budget proposes eliminating funding for the TIGER discretionary grant program.** The TIGER Program awards grants to projects that are generally eligible for funding under existing surface transportation formula programs. The program is currently funded at \$499 million through the 2017 annualized CR level. The elimination of the TIGER Grant program would have a direct impact on counties' ability to utilize federal dollars for projects within our communities, harming local safety efforts, including enhancing road safety.
- **The budget also proposes limiting funding for the Federal Transit Administration's Capital Investment Program (New Starts) to projects with existing Full Funding Grant Agreements (FFGA) only.** The budget states that "Future investments in new transit projects would be funded by localities that use and benefit from these localized projects." This would impact counties that operate transit systems. While this budget will honor previous commitments that already contain an FFGA, all future projects would receive no federal assistance from the federal government.
- **The budget eliminates funding for the Essential Air Service (EAS) program.** The EAS program is currently funded at \$175 million under the 2017 annualized CR levels. The budget request states that the EAS program was conceived as a "temporary" program and that "EAS flights are not full and have high subsidy costs per passenger." This elimination of funding would hurt rural counties where EAS services provide a crucial economic lifeline to communities with no airport in their region. NACo supports the EAS program, which assists airlines in serving small communities.
- **The president's budget also proposes eliminating Transportation Security Administration (TSA) grants to State and local jurisdictions.** By eliminating these TSA grants, the budget would create an unfunded mandate on local jurisdictions to carry out security actions. It could also further burden county budgets where counties own and operate commercial airports and potentially jeopardize the safety of the travelling public.
- **The president's budget would initiate a multi-year reauthorization proposal to shift the air traffic control function of the Federal Aviation Administration to an independent, non-governmental organization.** Depending on what actions a newly spun-off air-traffic control corporation entails, this could negatively affect counties should this organization decide to either eliminate some tower functions (in favor of remote towers) or curtail hiring at major commercial hubs.

Full List of Funding Eliminated for 19 Independent Federal Agencies and 61 Federal Programs

Funding eliminated for 19 independent agencies:

- **African Development Foundation:** Provides grants to community groups and small businesses that help marginalized communities in Africa.
- **Appalachian Regional Commission:** Funds programs to develop economic opportunities, infrastructure and the workforce in 13 Appalachian states, with much of its work focused on coal-dependent communities.
- **Chemical Safety Board:** Investigates chemical accidents and makes recommendations to industry and labor groups, OSHA and the EPA, to prevent future incidents.
- **Corporation for National and Community Service:** Funds thousands of volunteer organizations across the country and runs AmeriCorps, Senior Corps and the Social Innovation Fund.
- **Corporation for Public Broadcasting:** Funds more than 1,500 public TV and radio stations, including PBS, NPR and affiliated local stations.
- **Delta Regional Authority:** Funds economic development projects in the seven states in the Mississippi Delta region.
- **Denali Commission:** Provides utilities, infrastructure and economic support in Alaska.
- **Institute of Museum and Library Services:** Supports libraries and museums through research, policy development and grant making.
- **Inter-American Foundation:** Provides grants to organizations working to improve economic conditions for poor communities in the Americas and the Caribbean.
- **U.S. Trade and Development Agency:** Funds projects that link American exporters with buyers in developing countries.
- **Legal Services Corporation:** Funds organizations that provide legal aid to low-income Americans.
- **National Endowment for the Arts:** Funds grants for nonprofit organizations and writing fellowships.
- **National Endowment for Humanities:** Supports research and initiatives to preserve cultural resources and promotes humanities education.
- **Neighborhood Reinvestment Corporation:** Assists organizations aimed at revitalizing rural, urban and suburban communities and securing access to affordable housing.
- **Northern Border Regional Commission:** Promotes economic development in distressed counties near the Canadian border in Maine, New Hampshire, Vermont and New York.
- **Overseas Private Investment Corporation:** Helps U.S. businesses invest in emerging markets by providing loans, political risk insurance and support for private equity funds.

- **United States Institute of Peace:** Works to address violent conflicts and encourage religious tolerance through research, training and partnerships with governmental agencies.
- **United States Interagency Council on Homelessness:** Coordinates with federal agencies to prevent and end homelessness.
- **Woodrow Wilson International Center for Scholars:** A non-partisan think tank based in Washington, D.C. that conducts and promotes research on national and world affairs.

Funding eliminated for 61 other federal programs:

Environmental Protection Agency

- **Clean Power Plan:** Creates national standards for carbon pollution from power plants and helps states develop and deploy clean energy alternatives.
- **International climate change programs:** Promotes clean and efficient energy technologies and the sharing of scientific climate research through multilateral initiatives and treaties.
- **Climate change research and partnership programs:** Research and report on climate change's impact on the U.S.
- **Great Lakes Restoration Initiative:** Government task force focused on pollution cleanup, invasive-species reduction and wildlife protection within the Great Lakes.
- **Chesapeake Bay Program:** Regional partnership that oversees the restoration of the Chesapeake Bay and its watershed.
- **Energy Star:** Certifies and recognizes buildings and consumer products that meet specific energy-efficiency criteria.
- **Targeted Air Shed grants:** Assists local and state air pollution control agencies in developing plans and implementing projects to reduce air pollution in highly polluted areas.
- **Endocrine Disruptor Screening Program:** Screens pesticides, chemicals and other contaminants for their potential effect on estrogen, androgen and thyroid hormone systems.
- **Infrastructure assistance to Alaska Native villages:** Assists Alaska Native villages with infrastructure projects to address problems with water quality, sanitation and other environmental needs.
- **Infrastructure assistance near the Mexican border:** Funds environmental infrastructure projects in border-area communities that will have a positive effect on health and the environment in the U.S.

National Aeronautics and Space Administration (NASA)

- **Mission to land on Europa:** Develop a spacecraft able to orbit and land on Europa, a moon of Jupiter, in efforts to look for signs of life, study Europa's habitability and assess suitability for future missions.
- **Asteroid Redirect Mission:** Would visit a large near- Earth asteroid, collect a boulder from its surface and redirect the asteroid into orbit around the moon.
- **PACE Earth Science Mission:** Would study global ocean color, monitor ocean health and provide data on climate factors including chlorophyll and aerosol particles.

- **OCO-3 Earth Science Mission:** Would measure atmospheric carbon dioxide levels on Earth via the International Space Station.
- **DSCOVR Earth-viewing instruments:** Monitors solar wind to provide alerts and forecasts of space weather conditions including geomagnetic storm impacts on Earth.
- **CLARREO Pathfinder:** Produces climate data to test climate models' projections, aiming to make future projections more accurate.
- **Office of Education:** Supports education in public elementary and secondary schools and informal settings, coordinates and disseminates findings of NASA research projects.

Education

- **Supporting Effective Instruction State Grants:** Provides grants to non-profit organizations that recruit and provide professional enhancement for teachers and principals.
- **21st Century Community Learning Centers:** Supports community learning centers that provide before-and after-school programs for children, particularly those in high-poverty areas.
- **Federal Supplemental Educational Opportunity Grant:** Provides need-based grants of up to \$4,000 to low-income undergraduates for postsecondary education.
- **Striving Readers:** Helps states fund literacy programs for children, birth through grade 12, including those with disabilities and limited English.
- **Teacher Quality Partnership:** Funds initiatives aimed at improving the quality of new teachers through better development and recruiting methods.
- **Impact Aid Support Payments for Federal Property:** Provides funding to school districts that have a diminished tax base due to federal property ownership in the district.

State, Treasury, USAID

- **Global Climate Change Initiative:** Provides financial assistance for global climate change initiatives in developing countries.
- **U.N. Green Climate Fund:** Funds projects to help developing countries mitigate and tackle the effects of climate change.
- **U.N. Climate Investment Funds:** Pairs developing nations with multi-lateral development banks to create programs to reduce emissions and combat climate change.
- **Emergency Refugee and Migration Assistance Account:** Funds U.S. government refugee assistance efforts during unanticipated and urgent humanitarian crises.
- **Complex Crises Fund:** Provides rapid response funding to USAID to prevent violent conflict and mass atrocities.
- **East-West Center:** Strengthens relations among the peoples and nations of Asia, the Pacific and the U.S. through education and research initiatives.

Energy

- **Advanced Research Projects Agency-Energy:** Provides funding and support to short-term energy research projects aimed at improving the U.S. economy, environment and national security.
- **Title 17 Innovative Technology Loan Guarantee Program:** Provides loans to support the use of new energy technology.
- **Advanced Technology Vehicle Manufacturing Program:** Provides loans to automotive and component manufacturers for facilities and engineering that support advanced technology vehicles.
- **Weatherization Assistance Program:** Provides grants to local governments to improve weatherization and energy efficiency of homes of low-income residents.
- **State Energy Program:** Supports local State Energy Offices in advancing energy efficiency and infrastructure.

Housing and Urban Development

- **Community Development Block Grant Program:** Funds programs that assist low-income people with housing issues, including the elimination of urban blight and other community programs.
- **HOME Investment Partnerships Program:** Provides block grants to state and local governments to create affordable housing solutions for low-income households.
- **Choice Neighborhoods:** Funds programs to replace distressed public housing and promotes investment for neighborhood improvement.
- **Self-Help Homeownership Opportunity Program:** Funds nonprofit organizations that build new housing for low-income families through sweat equity and volunteer labor.
- **Section 4 Capacity Building for Community Development and Affordable Housing:** Works with nonprofit groups to fund community development and affordable housing initiatives aimed at low-income families.

Commerce

- **Economic Development Administration:** Provides grants and assistance to create new jobs, retain businesses and stimulate growth in economically distressed communities.
- **Minority Business Development Agency:** Promotes the growth of minority-owned businesses through advocacy, policy, research and access to capital and contracts.
- **Manufacturing Extension Partnership:** Regional centers that assist smaller, U.S. manufacturing companies with adopting new technologies.
- **NOAA Sea Grant programs:** Network of 33 university-based programs that support and sponsor marine research, outreach and education projects.

Agriculture

- **Water and Waste Disposal Loan and Grant Program:** Provides funding for clean drinking water, sanitary sewage disposal and storm-water drainage programs in rural areas.
- **Rural Business and Cooperative Service's discretionary programs:** Provides financial assistance for economic development programs in rural communities, including renewable energy and biofuel initiatives.
- **McGovern-Dole International Food for Education Program:** Supports education, child development and food security initiatives in low-income, food-deficit countries around the world.

Labor

- **Senior Community Service Employment Program:** A community service and work-based job training program for older Americans, including training for low-income, unemployed seniors.
- **Bureau of International Labor Affairs grant program:** Provides funding for research initiatives and projects in over 94 countries to combat child labor and forced labor.
- **Occupational Safety and Health Administration training grants:** Provides grants for training and education programs for employers and workers on the prevention of safety and health hazards in the workplace.

Health and Human Services

- **Fogarty International Center:** Supports global health research initiatives, including infectious disease research in developing countries.
- **Low Income Home Energy Assistance Program:** Provides assistance to low income families to help pay for their home's energy bills and some energy-related maintenance.
- **Community Services Block Grant:** Funds projects aimed at reducing poverty in communities, including projects focused on education, nutrition, employment and housing.

Transportation

- **Federal support for Amtrak's long distance train services:** Subsidizes the cost of traveling on Amtrak's long-distance routes.
- **Essential Air Service:** Subsidizes airlines for regular flights to and from small and midsize regional airports.
- **TIGER discretionary grant program:** Provides transportation infrastructure grants to state, local and tribal governments.

Small Business Administration

- **PRIME technical assistance grants:** Provides training and technical assistance to organizations that help disadvantaged entrepreneurs.
- **Regional Innovation Clusters:** Supports public-private partnerships concentrated in regional groups to strengthen small businesses.
- **Growth Accelerators:** Funds startups that support underserved communities and areas with less access to venture capital.

Treasury

- **Community Development Financial Institutions Fund grants:** Provides grants and support to local community-based financial institutions.
- **Homeland Security NFIP Flood Hazard Mapping's discretionary appropriation:** Provides states and local entities with data about flood risks in their area.

Justice

- **State Criminal Alien Assistance Program:** Gives funding to states and local governments for correctional officer salary costs associated with incarcerating undocumented criminal aliens.