

President Trump's \$4.4 trillion budget proposal for Fiscal Year (FY) 2019 seeks massive cuts to critical programs that help children and families. It takes aim at all areas of life that impact kids: health, education, poverty, housing, nutrition assistance, and welfare. In spite of a recent bipartisan deal by Congress to boost non-defense discretionary spending to \$597 billion, the Trump budget includes only \$540 billion in such funding, combining with \$647 billion in defense discretionary funding for a total of roughly \$1,187 trillion in discretionary spending. In so doing, it slashes education, health, and child welfare funding. On the mandatory side of the ledger, the budget uses various policy proposals to effectively gut funding for housing and nutrition assistance, health programs, and income support. Below is a summary of numerous proposals in the president's FY 2019 budget request that will impact the health and well-being of children and families.

The President's FY 2019 budget does not incorporate the Bipartisan Budget Agreement of 2018, passed on February 9th, 2017, though the Office of Management and Budget does provide a short addendum with directives for that law's changes to discretionary spending limits. It also uses estimates for FY 18 levels as Congress has yet to pass legislation appropriating funds for the full fiscal year. As a result, this analysis uses FY 2017 funding levels for comparison.

HEALTH

Deep Cuts to Medicaid: The Trump budget cuts Medicaid funding by roughly \$1.4 trillion over ten years, a 26 percent reduction. It would do so by ending the Medicaid expansion in the Affordable Care Act (ACA) and converting it to an underfunded block grant, while simultaneously gutting what remains of Medicaid through the imposition of arbitrary per capita caps or limits on the health coverage. These proposals would disproportionately harm the more than 37 million children in America relying on Medicaid for their health insurance. This includes children in foster care, most of whom are covered through Medicaid and rely on it for physical health exams and mental health services and therapies, as well as children with disabilities and complex medical needs.

Changes to the Children's Health Insurance Program (CHIP): The Trump budget proposes savings in CHIP by eliminating the ACA provision that increased the federal matching rate by 23 points in FY 2019. It also caps federal funding for CHIP at 250 percent of the federal poverty level (FPL). CHIP currently serves children up to 400% FPL, with that amount being reduced to 300% FPL in FY2022. If enacted, these changes would reduce access to health care for millions of children who participate in CHIP.

Inadequate Opioid Crisis Funding: The Administration rightly recognizes the need for funding to combat the opioid substance abuse epidemic, which has threatened the health and welfare of millions of children around the nation. However, rather than treat the opioid crisis as an emergency, which would allow Congress to quickly and adequately fund the government's response, the President's budget suggests only \$10 billion dollars for this crisis. Unfortunately, it simultaneously cuts complementary discretionary and mandatory funding within the Center for Disease Control, Health Resources Service Administration, and Substance Abuse and Mental Health Services Administrations. Thus, the opioid funding request is a reallocation of funds rather than a new investment.

Elimination of other Children’s Health Programs: While some kids-focused programs remain flat or receive modest increases, others are zeroed out in the president’s budget. They include Emergency Medical Services for Children, Autism and Other Developmental Disorders, and Universal Newborn Hearing Screening.

EDUCATION

Elimination of Critical K-12 Education Funding: The FY 19 budget zeroes out several funding streams aimed at improving educational quality in public K-12 schools, especially for disadvantaged children. It eliminates roughly \$4.59 billion in public education dollars, some of which comes from:

- Supporting Effective Instruction State Grants (Title II State grants): These grants provided \$2 billion in FY 17 for states to support teacher instruction and classroom size deduction
- 21st Century Learning Centers: This program, funded at \$1.2 billion in FY 17, funds before- and afterschool programs that support academic achievement for low-income students
- Grants to teachers: The budget would eliminate a combined \$320 million in competitive grant programs aimed at boosting effectiveness amongst teachers in public education

Funds for School Choice Programming: The FY 19 budget uses some of its public education cuts to invest roughly \$1.1 billion into new “School Choice” programs that would promote school voucher systems. However, vouchers would shift even more dollars away from public schools, exacerbating the President’s proposed cuts and undermining public education.

NUTRITION

Cuts and Restructuring of Supplemental Nutrition Assistance Program (SNAP): The FY 19 budget proposes cuts to SNAP of \$213 billion over 10 years. These reductions would come from transforming the nature of the program: reducing the grocery credit that families receive and replacing it with pre-boxed portions of government food (none of which would include fresh produce or meat.) The proposed system is not grounded in evidence, and its implementation would be logistically complicated, incur costs far beyond the administration’s projections, and reduce the quality and adequacy of SNAP diets for the nearly 20 million children who participate in the program. Further proposals for prohibitive work restrictions, benefit caps for large families, and burdensome application requirements would reduce the cost of the program at the expense of eligible families who would no longer be able to access this resource.

EARLY CHILDHOOD

Minor Increases for Childcare Development Block Grant (CCDBG) and Head Start: The President’s budget increases funding for CCDBG, the primary government program that helps low-income families obtain child care, by \$150 million over FY 17 levels, or a six percent increase. However, the administration’s proposal does not incorporate the Bipartisan Budget Agreement’s commitment to double CCDBG funding to a full \$5.8 billion in both FY 18 and FY 19. The President’s budget also increases funding for Head Start (which provides preschool programming to low-income children) by \$50 million from FY 17, which represents a bump of less than one percent.

Elimination of Preschool Development Grant: The President’s budget eliminates the \$250 billion grant program allowing states to improve their preschool infrastructure and develop high quality preschool programs.

Conversion of Maternal, Infant and Early Childhood Home Visiting (MIECHV) program funding to discretionary: MIECHV provides funding to states, territories and tribes to implement and expand primarily evidence-based home visiting programs that have been proven to improve the health, educational attainment and economic stability of vulnerable children and families. The

president's budget proposes to fund MIECHV at its current annual funding level of \$400 million, but would convert this program from mandatory funding to discretionary funding to be provided through the annual appropriations process. Converting the funding for this important program from mandatory, stable funding over multiple years to discretionary funding would undermine program stability and the ability of states to conduct long-term planning for home visiting services.

Parental Leave Proposal: Broadly summarized, this initiative would provide six weeks of paid leave to a parent to care for their babies. At \$18.5 billion over 10 years, states would be required to create their plans using unemployment insurance funding. It is unclear whether this program would benefit low income working parents with enough income to allow them to participate, but this proposal is a step in the right direction.

HOUSING & HOMELESSNESS

Cuts to Rental Assistance: The President's FY 19 budget proposes a nearly \$2.6 billion cut to rental assistance programs from FY 17, including Project Based Rental Assistance, Housing Choice Vouchers, and Public Housing. Driving these reductions are proposals to establish and/or increase mandatory minimum rent for tenants, increase the amount of rent paid by tenants from 30 percent of adjusted income to 35 percent of gross income, and "increase local control and choice" for grantees around policies like work restrictions. While the Administration has proposed funds to specifically hold harmless elderly and disabled households from these new requirements, it affords no such protections for families with children. If enacted without any additional supports such as affordable child care, access to transportation, higher education and job training, these proposals will make it harder for parents and guardians to meet the requirements for housing assistance. As a result, child and youth homelessness will rise beyond already skyrocketing numbers, resulting in irreparable harm to child development and well-being.

Elimination of the National Housing Trust Fund: This program provides resources to build and rehabilitate housing, including rental housing, for low-income families. About one-quarter of this spending, or \$55 million in FY 17, goes to children.

Elimination of Legal Services Corporation (LSC). This important organization provides civil legal services for low income families, including representation for families facing eviction. The proposal to eliminate the LSC, which was funded at \$385 million in FY 17, will exacerbate the existing eviction crisis and the harm it does to children.

INCOME SUPPORT

Cash Assistance Reductions: The FY 19 budget proposes a devastating cut of \$21 billion over 10 years to the Temporary Assistance for Needy Families (TANF) program, the primary cash assistance program for low-income families with children. This cut includes the elimination of the TANF Contingency Fund. Fully 75 percent of TANF funding goes to children. Income support is critical to healthy child development and academic achievement. In addition, TANF supports child welfare services (states use these funding streams to supplement child welfare programs), child care, and state tax credits benefiting low-income families. This enormous cut would devastate TANF by reducing caseloads even further and harming its already weakened ability to respond to increased need during economic downturns.

Elimination of Low Income Heat and Energy Assistance Program (LIHEAP): LIHEAP keeps families safe and healthy through initiatives that assist families with energy costs. The FY 19 budget eliminates this \$3.4 billion program, nearly one-quarter of which goes toward children.

CHILD WELFARE

Elimination of the Social Security Block Grant (SSBG): This vital \$1.6 billion program currently funds an array of services for children, including child care, child abuse prevention, adoption assistance, and transitional services. Currently, states use about 53 percent of SSBG dollars for child welfare services to supplement their child welfare programs.

SAFETY

Nominal Increase for Unaccompanied Alien Children (UAC) Funding: The FY 19 budget proposal contains a nominal \$33 billion increase to UAC, which supports thousands of children who crossed the southwestern border alone. Many of these children are in need of extensive services after having faced horrific trauma, such as being trafficked from places like El Salvador, Guatemala, and Honduras.

Cuts to Juvenile Justice Programs: The President's budget requests a \$17.5 million cut to the Office of Juvenile Justice and Delinquency, which administers several juvenile justice programs. These help state, local, and tribal governments address juvenile crime and delinquency, assist children who have been victimized, and develop community interventions for at-risk youth and justice-system involved youth with reentry into their communities following their release from secure correctional facilities.

Elimination of Comprehensive School Safety Program: This program, funded at \$50 million in FY 17, funds research and pilot demonstrations for reducing school violence.

TRAINING

Reduces youth employment training funding: The President's budget reduces funding that links youth who are disconnected from education and the workforce to training and employment. It calls for a nearly \$350 million cut to Workforce Innovation and Opportunity Act Youth Training programs, a 40 percent cut. The budget also cuts YouthBuild by \$25.5 million, a 30 percent cut. Finally, the request reduces JobCorps by roughly \$400 million, or 24 percent. A little over half of JobCorps funding goes to children.