**SUBSCRIBE** 



DONATE



### Federal policy on the budget, 2017-2018

DONALD TRUMP ▼ CABINET ▼ EXECUTIVE DEPARTMENTS ▼ FEDERAL POLICIES ▼

PRESIDENTIAL ELECTIONS • PAST ISSUES •

See also: 115th Congress on the budget, 2017-2018

## This page tracked major events and policy positions of the Trump administration and the 115th United States Congress on the federal budget from 2017 and 2018.

On February 12, 2018, President Donald Trump submitted his fiscal year 2019 budget request—"Fiscal Year 2019: Efficient, Effective, Accountable: An American Budget"—to Congress.<sup>[1]</sup>

The request proposed \$4.4 trillion in spending for fiscal year 2019 and 3 trillion in spending cuts over 10 years, and it projected a deficit of \$450 billion in 2027. The 2019 budget request included increases in spending for defense and infrastructure and decreases in spending on Medicare and the Supplemental Nutrition Assistance Program (SNAP) over 10 years. [2]

Trump's budget request was advisory in nature because Congress has the "power of the purse." The U.S. Constitution gives Congress the ability to tax and spend public money.<sup>[3]</sup>

Congress passed a series of minibus spending bills—bills that package multiple appropriations bills into one bill—to fund the federal government for fiscal year 2019, which began on October 1, 2018.

This page outlines major events and policy positions of the Trump administration and the 115th Congress on budget-related matters.

#### Major events and policy announcements on the budget:

- August 2, 2019:: Trump signs budget deal increasing spending limits and suspending debt limit
- December 7, 2018:: Trump signs CR to fund the government
- September 28, 2018: Trump signs second minibus spending bill
- **September 21, 2018**: Trump signs first minibus spending bill
- March 23, 2018: Trump signs \$1.3 trillion spending bill

### Trump Administration



## President Donald Trump Vice President Mike Pence

Cabinet · Transition team

- Budget breakdown 2019: What's in the Trump administration's fiscal year 2019 budget request?
- Background: How is a federal budget created?
- February 9, 2018: Trump signs budget deal
- February 8, 2018: Senate rejects House-passed continuing resolution
- February 7, 2018: Congressional leaders announce two-year budget deal
- February 6, 2018: House passes continuing resolution to fund the government
- January 2018: Federal government shutdown
- January 22, 2018: Trump signs continuing resolution, ending government shutdown
- September 8, 2017: Trump signs bill to suspend the debt ceiling and fund the government until December 8, 2017
- May 24, 2017: Mnuchin asks Congress to raise the debt limit
- May 5, 2017: Trump signs bill to keep the government funded through the end of the fiscal year
- April 21, 2017: Border wall funding
- April 2017: Negotiations in Congress
- April 30, 2017: Budget deal reached
- May 2, 2017: Trump calls for a shutdown in September
- May 3, 2017: Congress passes funding bill
- March 16, 2017: Trump submits budget proposal
- Budget breakdown 2018: What was in the Trump administration's fiscal year 2018 budget request?
- Trump administration officials on the budget

# August 2, 2019: Trump signs budget deal increasing spending limits and suspending debt limit

On August 2, 2019, President Trump signed the Bipartisan Budget Act of 2019. The bill increases discretionary spending limits for defense and nondefense spending for the next two fiscal years and suspends the public debt limit through July 31, 2021. [4]

### Policy positions Domestic affairs:

Abortion · Crime and justice · Education · Energy and the environment · Federal courts · Firearms policy · First Amendment · Healthcare · Immigration · Infrastructure · LGBTQ issues · Marijuana · Puerto Rico · Social

Veterans • Voting issues

welfare programs ·

**Economic affairs and regulations:** Agriculture
and food policy • Budget •
Financial regulation • Jobs
• Social Security • Taxes •
Trade

### Foreign affairs and national security:

Afghanistan • Arab states
of the Persian Gulf • China
• Cuba • Iran • Iran nuclear
deal • Islamic State and
terrorism • Israel and
Palestine • Latin America
• Military • NATO • North
Korea • Puerto Rico •
Russia • Syria • Syrian
refugees • Technology,
privacy, and
cybersecurity

#### **Polling indexes:**

Presidential approval • Direction of country

The legislation passed the House on July 25, 2019 by a vote of 284-149, with 219 Democrats and 65 Republicans voting in favor and 132 Republicans, 16 Democrats, and one Independent voting against. The Senate passed the bill by a vote of 67-28 on August 1, 2019. Thirty-seven Democrats, 29 Republicans, and one Independent voted in favor and 23 Republicans and 5 Democrats voted against.<sup>[4]</sup>

## December 7, 2018: Trump signs CR to fund the government

On December 7, 2018, President Donald Trump signed a continuing resolution (CR) to fund the government until December 21, 2018, avoiding a partial shutdown. Congress passed the CR by voice vote the previous day.<sup>[5]</sup>

The CR extended funding at existing levels for federal government agencies until December 21, 2018, while negotiators worked out a final funding bill. It also extended funding for the National Flood Insurance Program, the Violence Against Women Reauthorization Act of 2013, and the Temporary Assistance for Needy Families (TANF) block grant. [5]

Sen. Richard Shelby (R-Ala.), the chairman of the Senate Appropriations Committee, said negotiators could come to a resolution about how to fund the government in "15 minutes" if they could strike a deal on Trump's requested border wall funding. The House's Department of Homeland Security (DHS) funding bill allocated \$5 billion for the border, while the Senate's included \$1.6 billion. <sup>[6]</sup>

## September 28, 2018: Trump signs second minibus spending bill

On September 28, 2018, President Donald Trump signed an \$854 billion minibus spending bill that allocated funding for the Departments of Defense, Health and Human Services (HHS), Labor, and Education. It also included a continuing resolution (CR) to fund any unfunded federal agencies through December 7, 2018. The Senate passed the bill by a vote of 93-7 on September 18, 2018. The House passed the bill by a vote of 361-61 on September 26, 2018. [7][8][9][10]

The passage of the bill marked the first time in 22 years that five spending bills—Energy and Water; Legislative Branch; Military Construction and Veterans Affairs; Department of Defense; and Labor, Health and Human Services, and Education—were passed before the beginning of the new fiscal year.<sup>[11]</sup>

The Department of Defense and Labor, Health and Human Services, and Education Appropriations Act of 2019 included increased funding for Pell Grants, the National Institutes of Health, the opioid epidemic, workforce development training, defense research, and a pay raise for members of the military, among other things.<sup>[12]</sup>

The bill also contained the Continuing Appropriations Act of 2019, which included funding for unfunded agencies through December 7, 2018. Legislators chose not to address funding for the U.S. Department of Homeland Security, including Trump's request for border wall funding, until

after the midterm elections. [9][11]

Trump criticized the bill for not including border wall funding. On September 20, 2018, he wrote in a tweet, "I want to know, where is the money for Border Security and the WALL in this ridiculous Spending Bill, and where will it come from after the Midterms? Dems are obstructing Law Enforcement and Border Security. REPUBLICANS MUST FINALLY GET TOUGH!" Despite his criticism of the bill, Trump said that he would sign it. He told reporters, "We're going to keep the government open."[13][8]

House Republicans, including House Appropriations Committee chairman Rodney Frelinghuysen (R-N.J.), praised the bill for funding the U.S. Department of Defense. Frelinghuysen said, "The Department of Defense is now set to receive its full funding on time for the first time in over 10 years." [8]

House Democrats praised the bill for funding domestic programs. Rep. Nita Lowey (D-N.Y.) commented on the bill, saying, "Just as important is what this bill does not include, the unnecessary partisan riders that caused House Democrats to oppose Labor-HHS in the appropriations committee." Lowey was alluding to the fact that a provision that would have taken away funds from Planned Parenthood was not included in the bill, according to *The Hill*.<sup>[8]</sup>

On September 21, 2018, Trump signed the first minibus bill. The \$147 billion minibus included spending bills for military construction and veterans' affairs, the legislative branch, and energy and water. Legislators were working on a third minibus spending bill to fund the departments of Interior, Treasury, Agriculture, Transportation, and Housing and Urban Development. [9][11]

# September 21, 2018: Trump signs first minibus spending bill

On September 21, 2018, President Donald Trump signed a \$147 billion minibus bill that included funding for military construction and veterans' affairs, the legislative branch, and energy and water. While speaking at the North Las Vegas VA Medical Center where he signed the bill, Trump spoke about how the bill would help veterans. He said, "I'm honored to be [sic] to sign into law a historic government funding bill that will renovate our nation's military bases and provide great world-class care to our great veterans. With this funding bill, we've increased the VA's budget to the largest ever. We are delivering the resources needed to fully implement crucial VA reforms that, as you know, we've gotten." [14]

The House passed the compromise version of the bill by a vote of 377-20 on September 13, 2018. The previous day, on September 12, 2018, the Senate approved the minibus by a vote of 92-5. It included the following: [15][16][17][18]

- Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2019: \$98 billion for military construction and veterans affairs, including funding for maintenance costs for Department of Veterans Affairs (VA) hospitals and clinics, and mental healthcare and suicide prevention, among other things.
- Energy and Water Development and Related Agencies Appropriations Act, 2019:
   \$44.6 billion for energy and water, including funding for nuclear weapons complexes, waterways, and renewable energy, among other things.

 Legislative Branch Appropriations Act, 2019: \$4.8 billion for the legislative branch, including funding for congressional interns and funding to conduct studies on gender and racial pay equity among congressional staffers, among other things.

The minibus was the first appropriations bill Congress passed before the start of the new fiscal year since 2007, according to *The Hill*.<sup>[18]</sup>

Senate Majority Leader Mitch McConnell (R-Ky.) said that the vote was "another step forward on regular appropriations. These are national priorities with local impacts that will be felt in every one of our states." [19]

# March 23, 2018: Trump signs \$1.3 trillion spending bill

On March 23, 2018, President Donald Trump signed a \$1.3 trillion spending bill into law. The bill included \$695 billion in defense funding and \$591 billion in non-defense funding. It also included \$78 billion in Overseas Contingency Operations (OCO) spending. The Senate passed the bill by a vote of 65-32 on March 23, 2018. Thirty-nine Democrats, 25 Republicans, and Sen. Angus King (I-Maine) voted for the bill. Twenty-three Republicans, eight Democrats, and Sen. Bernie Sanders (I-Vt.) voted against the bill. The House passed the bill by a vote of 256-167 on March 22, 2018. One hundred and forty-five Republicans and 111 Democrats voted for the bill. Ninety Republicans and 77 Democrats voted against the bill. [20][21][22][23]

While signing the bill, Trump said,

As a matter of national security, I've signed this omnibus budget bill. There are a lot of things that I'm unhappy about in this bill. There are a lot of things that we shouldn't have had in this bill, but we were, in a sense, forced — if we want to build our military — we were forced to have. There are some things that we should have in the bill. But I say to Congress: I will never sign another bill like this again. I'm not going to do it again. Nobody read it. It's only hours old. Some people don't even know what is in — \$1.3 trillion — it's the second largest ever. President Obama signed one that was actually larger, which I'm sure he wasn't too happy with either.

But, in this case, it became so big because we need to take care of our military, and because the Democrats, who don't believe in that, added things that they wanted in order to get their votes. We have to get rid of the filibuster rule. We have to get rid of the filibuster rule, and go to 51 votes in the Senate, if we're going to have really sustained, continued success.

DACA recipients have been treated extremely badly by the Democrats. We wanted to include DACA. We wanted to have them in this bill — 800,000 people. And actually, it could even be more. And we wanted to include DACA in this bill. The Democrats would not do it. They would not do it.

To prevent the omnibus situation from ever happening again, I'm calling on Congress to give me a line-item veto for all government spending bills. And the Senate must end. They must end the filibuster rule and get down to work. We have to get a lot of great legislation approved. And without the filibuster rule, it will happen just like magic.<sup>[25]</sup>

99

Earlier in the day, he had threatened to veto the bill. He wrote in a tweet, "I am considering a VETO of the Omnibus Spending Bill based on the fact that the 800,000 plus DACA recipients have been totally abandoned by the Democrats (not even mentioned in Bill) and the BORDER WALL, which is desperately needed for our National Defense, is not fully funded." [26]

Negotiators in the House and Senate spent a month and a half working on the the bill since a budget deal was signed into law by Trump on February 9, 2018. [22]

A breakdown of what was included and excluded in the bill appears below. [27]

#### What was in the spending bill?[27][22]

- An \$80 billion annual increase for the U.S. Department of Defense.
- A 2.4 percent pay raise for members of the military.
- \$21 billion for infrastructure projects.
- \$380 million for technology grants for state election security systems.
- Funding for the Federal Bureau of Investigation (FBI) to combat Russian cyberattacks.
- Cuts to the United Nations' global peacekeeping missions, the United States Agency for International Development, and other economic assistance efforts.
- \$1.6 billion for border security, including \$641 million for 33 miles of new fences or levees along the U.S.-Mexico border and \$630 million for repairs and technology enhancements. The funding cannot be used for detention beds for individuals residing in the country illegally or to hire new ICE deportation agents.
- Funding increases for federal transportation accounts.
- \$541 million for the New York-New Jersey Gateway rail and tunnel system.
- A fix for the grain glitch in the tax law. According to *Politico*, "The grain glitch lowers the tax bills of farmers who sell grain to cooperatives but at the expense of other farmers."
- A temporary boost in the Low-Income Housing Tax Credit.
- The Fix NICS proposal to improve the national background check system for gun purchases.
- School safety grants to guard against mass shootings.
- Removal of legislation that barred the CDC researching gun violence as a public health threat.
- \$4 billion for the opioid crisis.
- A temporary extension in Federal Aviation Administration (FAA) funding.

#### What was excluded from the spending bill?[27]

- Cuts to college Pell Grants.
- Cuts to the Environmental Protection Agency.
- Cuts to public housing.
- Cuts to funding for sanctuary jurisdictions.
- A pathway to citizenship for Deferred Action for Childhood Arrivals (DACA) recipients.
- Funding for healthcare cost-sharing reduction payments.
- Protection for special counsel Robert Mueller if Trump fires him.
- A measure to honor concealed carry permits across state lines.

The Committee for a Responsible Federal Budget said that the spending bill combined with the tax bill that approved \$1.5 trillion tax cuts would result in deficits over a trillion by 2019. [22]

#### Congressional leadership claims victories in spending bill

Republican leadership praised the bill for increasing military funding. House Speaker Paul Ryan (R-Wis.) said, "We have the greatest fighting force in the world but we have asked them to do so much more with so much less for so long. Today we begin to reverse that damage." Senate Majority Leader Mitch McConnell (R-Ky.) said, "First and foremost, in my view, this bill will mark the end of disproportionate and harmful cuts to Department of Defense funding. It delivers the largest year-on-year increase in defense spending in fifteen years." [22][28]

Senate Minority Leader Chuck Schumer (D-N.Y.) also praised the bill saying, "We Democrats are really happy with what we were able to accomplish on a number of priorities. ... This spending agreement brings the era of austerity to an unceremonious end." [28]

#### Conservatives and liberals criticize content of the bill

Conservative members of the House Freedom Caucus criticized the bill for adding to the national debt and not providing funding for the border wall. Speaking about the Gateway Project and the border wall, House Freedom Caucus Chairman Mark Meadows (R-N.C.) said, "It's troubling that we get a tunnel, but we don't get a wall. The last time I checked, the president didn't make any promises about getting a tunnel at any of his campaign stops." [27]

Liberal members of the Congressional Hispanic Caucus opposed the bill because it did not provide a pathway to citizenship for Deferred Action for Childhood Arrivals (DACA) recipients, sometimes referred to as Dreamers. Rep. Luis Gutierrez (D-III.) said, "They can pat themselves on the back as much as they want; the fact is there's going to be more enforcement in this bill. I just think the Dreamers were thrown under the omnibus." [22]

#### **Members criticize the process**

Some members of Congress criticized congressional leadership for not giving members enough time to read the 2,232-page bill. It was released in the evening on March 21, 2018, and the House held its first vote on the bill the following day. According to *The Hill*, "A large numbers of [House] conservative Republicans were among those voting no over the measure's massive price tag and the lack of transparency in the bill-writing process." [22]

Sen. John Kennedy (R-La.), who expressed displeasure with the late release of the 2,232-page bill said. "This is a great dane-sized whiz down the leg of every taxpayer." [28]

Sen. Rand Paul (R-Ky.), who threatened to hold up a vote on the bill, wrote in a tweet featuring a picture of him holding the bill, "Well here it is, all 2,232 budget-busting pages. The House already started votes on it. The Senate is expected to soon. No one has read it. Congress is broken..."<sup>[29]</sup>

Sen. Bob Corker (R-Tenn.) said that he was discouraged by the process for considering the bill. He said, "I could not be more discouraged about where we are today with our adult leadership here in Congress and at the White House. This is one of the most grotesque pieces of legislation I can remember. In the future [we should] either finish our business at a normal time or come back the next morning. This is a ridiculous process that we go through where people extort us until we get so tired that we're willing to do whatever." [28]

# Budget breakdown: What was in the Trump administration's fiscal year 2019 budget request?

The Trump administration's second budget request proposed \$4.4 trillion in spending for fiscal year 2019. It proposed \$3 trillion in spending cuts over 10 years and projected a deficit of \$450 billion in 2027. The plan assumed that the economy would grow at a rate of at least 3 percent each year for several years. The 2019 budget request included increases in spending for defense and infrastructure and decreases in spending for Medicare and the Supplemental Nutrition Assistance Program (SNAP) over 10 years. A breakdown of the budget appears below.<sup>[1][30]</sup>

Note: Amounts requested in the 2019 budget request are categorized as increases or decreases relative to the 2017 enacted budget; a fiscal year 2018 budget had not been enacted as of February 2018, and funding throughout the fiscal year had come through continuing resolutions. Therefore, funding amounts for 2018 were not finalized in all cases at the time of the budget request.

#### **Budget increases**

#### **Department of Defense**

The requested budget for the U.S. Department of Defense (DoD) was \$686 billion, including \$89 billion for overseas contingency operations, which would fund military operations the U.S. might become involved in. The amount was \$46.9 billion more than requested in 2018 and an \$80 billion (13 percent) increase over the 2017 enacted level. [1][31]

#### **Department of Homeland Security**

The requested budget for the U.S. Department of Homeland Security (DHS) was \$46 billion, a \$1.9 billion increase over the fiscal year 2018 request and a \$3.4 billion (8 percent) increase from the enacted 2017 amount. The budget request specified that \$18 billion would go toward a border wall on the U.S.-Mexico border.<sup>[1]</sup>

#### **Department of Veterans Affairs**

The fiscal year 2019 budget requested the following: "The Budget requests \$83.1 billion for VA, an \$8.7 billion, or 11.7-percent increase from the 2017 enacted level. In addition, \$75.6 billion is requested for advance medical care appropriations for 2020 to ensure the Department has the resources to continue providing high-quality medical services to veterans. In addition, the Budget also requests new legislative authorities and \$122.7 billion in mandatory budget authority, including \$121 billion in 2020 advance appropriations, for other veteran and survivor benefits." [1]

#### **Department of Commerce**

The requested budget for the U.S. Department of Commerce was \$9.8 billion, \$2 billion more than requested in 2018 and \$546 million (6 percent) more than enacted in 2017.<sup>[1]</sup>

#### **Budget decreases**

#### **Department of Agriculture**

The requested budget for the U.S. Department of Agriculture (USDA) was \$19 billion, \$1 billion more than requested in 2018 and \$3.7 billion (16 percent) less than enacted in 2017. [1]

#### **Department of Education**

The requested budget for the U.S. Department of Education was \$59.9 billion, a \$0.9 billion increase from the 2018 request and a \$7.1 billion (10.5 percent) decrease from 2017. [1]

#### **Department of Energy**

The requested budget for the U.S. Department of Energy was \$29 billion, \$1 billion more than requested for fiscal year 2018 and a 3 percent decrease from the 2017 enacted level. [1]

#### **Department of Health and Human Services**

The requested budget for the U.S. Department of Health and Human Services (HHS) was \$68.4 billion, \$3.1 billion more than requested for fiscal year 2018 and a \$17.9 billion (21 percent) decrease from the 2017 enacted level. The request stated the following concerning its 10-year proposal: "The Budget proposes \$295 billion in mandatory savings, helping to put Federal spending on a sustainable path. In addition, the Budget includes \$675 billion in net mandatory savings across HHS and the Department of the Treasury to repeal and replace Obamacare." [1]

#### **Department of Housing and Urban Development**

The requested budget for the U.S. Department of Housing and Urban Development was \$39.2 billion, a \$1.5 billion decrease from the fiscal year 2018 request and an \$8.8 billion (18.3 percent) decrease from the 2017 enacted budget.<sup>[1]</sup>

#### **Department of the Interior**

The requested budget for the U.S. Department of the Interior was \$11.3 billion, \$0.5 billion less than requested for fiscal year 2018 and a \$2.2 billion or 16 percent decrease from the 2017 enacted budget. [1]

#### **Department of Justice**

The requested budget for the U.S. Department of Justice was \$28 billion, nearly the same as requested for fiscal year 2018 and a 1.2 percent decrease from the 2017 enacted level.<sup>[1]</sup>

#### **Department of Labor**

The requested budget for the U.S. Department of Labor was \$9.4 billion, nearly the same as for fiscal year 2018 and a \$2.6 billion (21 percent) decrease from 2017.<sup>[1]</sup>

#### **Department of State and Other International Programs**

The requested budget for the U.S. Department of State and the U.S. Agency for International Development (USAID) was \$37.8 billion, nearly the same as the amount requested for fiscal year 2018. The amount included \$12 billion for overseas contingency operations. The requested budget for the Department of Treasury's international programs was \$1.4 billion, a 20 percent decrease from the 2017 enacted budget. [1]

#### **Department of Transportation**

The requested budget for the U.S. Department of Transportation was \$15.6 billion, a \$0.06 billion increase over the amount requested for fiscal year 2018 and a \$3.7 billion (19 percent) decrease from 2017's enacted amount.<sup>[1]</sup>

#### **Department of the Treasury**

The requested budget for the U.S. Department of the Treasury's domestic programs was \$12.3 billion, nearly the same as requested for fiscal year 2018 and a 3 percent decrease from the 2017 enacted amount.<sup>[1]</sup>

#### **Corps of Engineers**

The requested budget for the Corps of Engineers was \$4.8 billion, \$0.2 billion less than requested for fiscal year 2018 and a 20 percent decrease from the level enacted for 2017. [1]

#### **Environmental Protection Agency**

The requested budget for the U.S. Environmental Protection Agency (EPA) was \$5.4 billion, \$0.3 billion less than requested for fiscal year 2018 and a 34 percent decrease from the 2017 enacted budget. The request stated that \$600 million would be saved from the elimination of several programs, including:<sup>[1]</sup>

- Climate Change Research and Partnership Programs
- Indoor Air and Radon Programs
- Marine Pollution and National Estuary Programs
- Environmental Education Program
- Beaches Program.

#### **National Aeronautics and Space Administration**

The requested budget for the National Aeronautics and Space Administration (NASA) was \$19.6 billion, similar to the amount requested for fiscal year 2018 and to that enacted in fiscal year 2017. [1]

#### **Small Business Administration**

The net requested budget for the Small Business Administration was \$0.6 billion. The document requested "\$834 million in new budget authority for 2019, a \$53 million or 5.9-percent decrease from the 2017 enacted level. This request is offset by changes to existing fee structures across SBA's business loan guarantee programs and the elimination of unspent funds from prior years."<sup>[1]</sup>

#### Background: How is a federal budget created?

The president's budget proposals are crafted by the U.S. Office of Management and Budget. The nonpartisan Congressional Budget Office provides reports and projections for the federal budget but does not engage in policy discussions. The CBO's role is to provide objective and impartial analyses of the budget.

There are two basic levels of funding that go into the federal budget. Mandatory spending is the money budgeted for programs already codified into law, including Medicare and Social Security, among others. Discretionary spending funds other programs, including education, transportation, agriculture, or defense. Most discussion of the federal budget focuses on discretionary spending.

When all goes according to plan, the whole process generally plays out over several months, with a final bill signed before October 1. Here is a guide to how the budget process works:<sup>[32]</sup>

- 1. The president submits a budget proposal that has been put together by the Office of Management and Budget. This gives a clear indication of the president's spending priorities.
- 2. The budget committees in both the House and Senate pass their own budget resolutions, which indicate each chamber's spending priorities.
- 3. Appropriations committees in the House and Senate determine more precise levels of spending for discretionary funds. There are 12 subcommittees in these committees:
  - Agriculture, Rural Development, Food and Drug Administration, and Related Agencies
  - Commerce, Justice, Science, and Related Agencies
  - Defense
  - Energy and Water Development, and Related Agencies
  - Financial Services and General Government
  - Homeland Security
  - Interior, Environment, and Related Agencies
  - Legislative Branch
  - Military Construction, Veterans Affairs, and Related Agencies
  - State, Foreign Operations, and Related Programs
  - Transportation, Housing and Urban Development, and Related Agencies

Bills from these committees become the appropriations bills that the president will sign into law.

- 4. The full House and full Senate vote on the appropriations bills, reconcile differences, and send final drafts to the president.
- 5. The president signs or vetoes each appropriations bill to make the budget law.

A budget is rarely passed this way. According to the Bipartisan Policy Center, as of 2018, the last time all appropriations bills had been enacted on time was for the 1996 fiscal year. Rather, Congress often relies on continuing resolutions—which are short-term budget bills—or omnibus bills—which direct federal spending across these areas rather than rely on 12 separate appropriations bills.<sup>[33][34]</sup>

### February 9, 2018: Trump signs budget deal

On February 9, 2018, President Donald Trump signed a bill to fund the government until March 23, 2018, while lawmakers wrote a \$1.3 trillion omnibus spending bill for the remainder of fiscal year 2018. Congressional leaders were able to negotiate a budget deal that increased federal spending by almost \$300 billion over two years above limits set by the 2011 Budget Control Act. It increased defense spending by \$80 billion for the remainder of fiscal year 2018, included \$85 billion for fiscal year 2019, and \$140 billion over two years for the Overseas Contingency Operations (OCO) fund. Domestic spending increased by \$63 billion for the remainder of fiscal year 2018 and \$68 billion for fiscal year 2019. Additionally, it suspended the debt ceiling through March 1, 2019. [35][36]

The Senate passed the bill by a vote of 71-28. Thirty-six Democrats, 34 Republicans, and Sen. Angus King (I-Maine) voted for the bill. Sixteen Republicans, 11 Democrats, and Sen. Bernie Sanders (I-Vt.) voted against the bill. [37]

The House passed the bill by a vote of 240-186. One hundred and sixty-seven Republicans and 73 Democrats voted for the bill. One hundred and nineteen Democrats and 67 Republicans voted against the bill. [38]

After the bill passed in both chambers, House Speaker Paul Ryan (R-Wis.) and Senate Minority Leader Chuck Schumer (D-N.Y.) both called the bill a victory. Ryan said, "This is a great victory for our men and women in uniform. Republicans and Democrats joined together to finally give our troops the resources and our generals the certainty to plan for the future." Schumer said, "What makes Democrats proudest of this bill is that after a decade of cuts to programs that help the middle class, we have a dramatic reversal. Funding for education, infrastructure, fighting drug abuse, and medical research will all, for the first time in years, get very significant increases, and we have placed Washington on a path to deliver more help to the middle class in the future." [39]

The vote in the Senate came after a temporary lapse in funding. Sen. Rand Paul (R-Ky.) prevented the upper chamber from voting on the budget deal struck by congressional leaders because he opposed the increases in spending that would be ushered in by the bill. Because Paul objected to a vote on the bill, the Senate was not able to vote on a motion to proceed to the budget bill before Friday, February 9, 2018, at 12:01 a.m. when the previous continuing resolution to fund the government expired.

The bill also faced uncertainty in the House after House Minority Leader Nancy Pelosi (D-Calif.) urged Democrats to oppose the bill because it did not include a legislative fix for the Deferred Action for Childhood Arrivals (DACA) program. Ultimately, enough Democrats joined Republicans to pass the bill.<sup>[39]</sup>

Ryan said that the House would take up DACA as a separate piece of legislation. He said, "I know that there is a real commitment to solving the DACA challenge in both political parties. That's a commitment that I share. If anyone doubts my intention to solve this problem and bring up a DACA and immigration reform bill, do not. We will bring a solution to the floor, one the president will sign." [39]

After signing the bill, Trump wrote in a series of tweets, "Just signed Bill. Our Military will now be stronger than ever before. We love and need our Military and gave them everything — and more. First time this has happened in a long time. Also means JOBS, JOBS, JOBS! Without more Republicans in Congress, we were forced to increase spending on things we do not like or want in order to finally, after many years of depletion, take care of our Military. Sadly, we needed some Dem votes for passage. Must elect more Republicans in 2018 Election! Costs on non-military lines will never come down if we do not elect more Republicans in the 2018 Election, and beyond. This Bill is a BIG VICTORY for our Military, but much waste in order to get Dem votes. Fortunately, DACA not included in this Bill, negotiations to start now!"<sup>[40]</sup>

### February 8, 2018: Paul holds up budget deal vote, leading to a lapse in appropriations

On February 8, 2018, Sen. Rand Paul (R-Ky.) prevented the Senate from voting on the budget deal struck by congressional leaders because he opposed the increases in spending that would be ushered in by the bill. Paul said, "I ran for office because I was very critical of President Obama's trillion-dollar deficits. Now we have Republicans hand-in-hand with Democrats offering us trillion-dollar deficits." [41]

A spokesperson for Paul said, "All Senator Rand Paul is asking for is a 15-minute vote on his amendment to restore the budget caps. He is ready to proceed at any time." If the amendment passed, negotiators would have had to create a new budget deal.<sup>[42]</sup>

Paul was able to prevent a vote on the budget deal because of the Senate's rules. On Wednesday, February 7, 2018, Senate Majority Leader Mitch McConnell (R-Ky.) filed a motion to end debate on the budget deal. Normally, lawmakers have to wait one day before they can vote to cut off debate. If all 100 senators agree, the chamber can proceed to a vote without waiting one day. Because Paul continued his speech on the Senate floor and objected to a vote on the bill, the Senate was not able to vote to proceed to the budget bill before Friday, February 9, 2018, at 12:01 a.m. when the previous continuing resolution expired. [42]

After it became apparent that Congress would not pass a bill to keep the government funded by the deadline, the White House Office of Management and Budget (OMB) directed federal agencies to prepare for a lapse in funding.<sup>[43]</sup>

# February 8, 2018: Senate rejects House-passed continuing resolution

On February 8, 2018, the Senate rejected a motion to proceed to a vote on the continuing resolution CR passed by the House by a vote of 55-44. It needed 60 votes to pass. It would have funded the government until March 23, 2018. It also included funding for the U.S. Department of Defense through the end of the fiscal year; two years of funding for community health centers; and funding for several expiring Medicare programs.<sup>[44]</sup>

Most Democrats opposed the CR because it included a funding for the military without equal funding for domestic programs. Sen. Minority Leader Chuck Schumer (D-N.Y.) said, "To say our military needs help to the exclusion of all the other worthy causes is not fair to them and not good for America, and I have always argued [that] we can do both." [45]

# February 7, 2018: Congressional leaders announce two-year budget deal

On February 7, 2018, congressional leaders announced that they had completed a two-year budget deal that would increase federal spending by almost \$300 billion over two years above limits set by the 2011 Budget Control Act. It would increase defense spending by \$80 billion for the remainder of the fiscal year, include \$85 billion for fiscal year 2019, and \$140 billion over two years for the Overseas Contingency Operations (OCO) fund. Domestic spending would increase by \$63 billion for the remainder of the fiscal year and \$68 billion for fiscal year 2019. Additionally, it would suspend the debt ceiling through March 1, 2019. [35]

Senate Majority Leader Mitch McConnell (R-Ky.) said, "This bill is the product of extensive negotiations among congressional leaders and the White House. No one would suggest it is perfect, but we worked hard to find common ground." [35]

Senate Minority Leader Chuck Schumer (D-N.Y.) said, "After months of legislative logjams, this budget deal is a genuine breakthrough." [35]

Specific elements of the spending deal appear below: [46]

• \$6 billion over two years to fight the opioid epidemic and for mental-health issues

- \$4 billion over two years to rebuild and improve veterans' hospitals and clinics
- \$2 billion over two years for National Institutes of Health research
- \$20 billion over two years for infrastructure improvements
- \$4 billion for college affordability programs
- Increases funding for community health centers for two years
- Reauthorizes the Children's Health Insurance Program (CHIP) for ten years
- Almost \$90 billion in disaster aid

President Donald Trump praised the deal in the following tweet: "The Budget Agreement today is so important for our great Military. It ends the dangerous sequester and gives Secretary Mattis what he needs to keep America Great. Republicans and Democrats must support our troops and support this Bill!" [47]

The budget deal was criticized by conservative Republicans for increasing spending. Rep. Mo Brooks (R-Ala.) said, "This is a debt junkie's spending bill." Most members of the House Freedom Caucus were expected to vote against the bill.<sup>[35]</sup>

The deal was also criticized by some House Democrats because it does not include legislation to address the Deferred Action for Childhood Arrivals (DACA) program.<sup>[35]</sup>

# February 6, 2018: House passes continuing resolution to fund the government

On February 6, 2018, the House passed a continuing resolution (CR) to fund the government until March 23, 2018, by a vote of 245-182. It included funding for the U.S. Department of Defense through the end of the fiscal year; two years of funding for community health centers; and funding for several expiring Medicare programs. It was the fifth short-term funding bill passed by the House since the beginning of the fiscal year on October 1, 2017. [48]

According to *The Hill*, including defense spending for the rest of the fiscal year was "designed to win over support from conservative hard-liners and defense hawks in the House GOP conference who were threatening to oppose the stopgap bill." [48]

On February 8, 2018, the Senate rejected a motion to proceed to a vote on the CR by a vote of 55-44. It needed 60 votes to pass. [49]

### January 2018: Federal government shutdown

For a full recap and analysis of the shutdown, see: Federal government shutdown, January 2018

#### What was holding up a final budget deal?

The two major issues that held up a final budget deal were budget caps and a legislative fix for the Deferred Action for Childhood Arrivals program (DACA).

**Budget caps:** Most Democrats and Republicans wanted to raise budget caps, which put a limit on how much could be spent on defense and domestic programs. Budget caps for 2018 were set at \$549 billion for defense spending and \$516 billion for domestic discretionary spending. Most Republicans wanted an increase in defense spending without an equal increase in domestic spending. Democrats wanted an equal increase in defense spending and domestic spending.

Senate Majority Leader Mitch McConnell (R-Ky.) said, "Any agreement must provide our armed forces with the resources they need to fulfill their missions. That means setting aside the misguided notion that new defense spending needs to be matched dollar for dollar by new nondefense spending." [50]

Senate Minority Leader Chuck Schumer (D-N.Y.) said, "We Democrats believe our soldiers abroad should get the funding they need. We also believe there are real domestic needs that cannot be ... neglected." [50]

**DACA/ Immigration reform:** On September 5, 2017, the Trump administration announced that it would end the DACA program on March 5, 2018. The program was established under the Obama administration and provided temporary relief from deportation for individuals who were brought without legal permission to the United States as children. Democrats wanted legal protections for DACA recipients. The Trump administration created a list of priorities that "must be included as part of any legislation" addressing DACA recipients. According to a report from *The Wall Street Journal*, the priorities included \$18 billion to construct more than 700 miles of new and replacement barriers along the U.S.-Mexico border; an end to chain migration; an end to the diversity-visa lottery; changes to the asylum system; mandatory use of the e-Verify system; and \$33 billion in new border security spending over 10 years.<sup>[51]</sup>

Lawmakers were also considering how to address disaster aid to those impacted by hurricanes and wildfires; stabilizing private insurance markets established under the Affordable Care Act (ACA); and the opioid epidemic.

# January 22, 2018: Trump signs continuing resolution, ending government shutdown

See also: 115th Congress on the budget, 2017-2018

On January 22, 2018, President Donald Trump signed a continuing resolution (CR) to fund the government until February 8, 2018, to end a three-day government shutdown.

In a statement, Trump said, "I am pleased that Democrats in Congress have come to their senses and are now willing to fund our great military, border patrol, first responders, and insurance for vulnerable children. As I have always said, once the Government is funded, my Administration will work toward solving the problem of very unfair illegal immigration. We will make a long-term deal on immigration if, and only if, it is good for our country." [52]

On January 16, 2018, GOP leaders introduced a CR that proposed funding the government through February 16, 2018. It included a six-year extension of funding for CHIP. It also proposed delaying the Affordable Care Act's (ACA) "medical device and Cadillac taxes for two years, and the health insurance tax for one year starting in 2019," according to *The Hill*. It did not include a legislative solution for the Deferred Action for Childhood Arrivals (DACA) program, something

Democrats wanted. The proposal passed the House on January 18, 2018, by a vote of 230-197, mostly along party lines. On January 19, 2018, the Senate rejected a motion to end debate on the House-passed short-term spending bill, which led to a government shutdown.<sup>[53]</sup>

On January 22, 2018, the Senate voted 81-18 in favor of a modified CR to fund the government through February 8, 2018. Senate Majority Leader Mitch McConnell (R-Ky.) and Senate Minority Leader Chuck Schumer (D-N.Y.) reached an agreement to reopen the government in order to continue negotiations on immigration and federal spending. [54][55][56]

On the same day, the House passed the CR by a vote of 266-150. Trump signed the CR on the same day, ending the government shutdown. [57][58]

# September 8, 2017: Trump signs bill to suspend the debt ceiling and fund the government until December 8, 2017

In August 2017, Treasury Secretary Steven Mnuchin said that U.S. would reach its limit of authorized borrowing and would be unable to pay its bills by September 29, 2017. He called for a clean debt ceiling increase. On September 8, 2017, President Donald Trump signed a bill to suspend the debt ceiling and fund the government until December 8, 2017. The bill also included more than \$15 billion for Hurricanes Harvey and Irma relief efforts. The bill was the result of a deal struck by Trump and Senate Minority Leader Chuck Schumer (D-N.Y.) and House Minority Leader Nancy Pelosi (D-Calif.). [59]

On September 6, 2017, by a vote of 419-3, the House passed a \$7.85 billion Hurricane Harvey relief bill. After congressional leaders met with Trump, amendments were added to the bill to raise the debt ceiling and fund the government until December 8, 2017, proposals backed by Schumer and Pelosi. House Majority Leader Mitch McConnell (R-Ky.) and Speaker of the House Paul Ryan (R-Wis.) wanted a longer term for the debt limit increase and wanted to work on funding the government in a separate bill. According to *Politico*, Trump struck the deal with Democrats because he "wanted to clear the legislative decks to ensure tax reform remains the policy focus this fall." [60]

On September 7, 2017, by a vote of 80-17, the Senate passed the amended bill. All 17 votes against the bill were cast by Republicans. The following day, by a vote of 316-90, the House passed the amended bill. All 90 votes against the bill were cast by Republicans. Most Republicans who opposed the bill wanted to debate spending cuts along with raising the debt limit. [60]

Congress initially faced deadlines of September 29 and September 30 to raise the debt limit and pass a funding bill to avoid a partial government shutdown. The bill proposed extending the deadline until December 8, 2017, to address these two issues.

#### May 24, 2017: Mnuchin asks Congress to raise the debt limit

On May 24, 2017, Treasury Secretary Steven Mnuchin asked Congress to raise the federal borrowing limit, also known as the debt limit or debt ceiling. According to *Investopedia*, the debt ceiling is "[t]he maximum amount of monies the United States can borrow. The debt ceiling was created under the Second Liberty Bond Act of 1917, putting a 'ceiling' on the amount of bonds

the United States can issue." Mnuchin said that U.S. would reach its limit of authorized borrowing and would be unable to pay its bills by September 29, 2017. He called for a clean debt ceiling increase—one without strings attached—but some Republicans called for spending cuts to be included in the legislation, something Democrats said that they were opposed to. Failure to raise the debt limit could result in a possible downgrade of the country's credit rating and the government's failure to pay federal employees or issue Social Security checks, among other things. [61][62][63][64]

What is the federal debt limit? According to the Department of the Treasury, "The debt limit is the total amount of money that the United States government is authorized to borrow to meet its existing legal obligations, including Social Security and Medicare benefits, military salaries, interest on the national debt, tax refunds, and other payments. The debt limit does not authorize new spending commitments. It simply allows the government to finance existing legal obligations that Congresses and presidents of both parties have made in the past." [65]

According to *The Wall Street Journal*, "Government debt, at nearly \$20 trillion, hit Congress's self-imposed limit in mid-March. Since then, the Treasury Department has been employing cash-conservation measures to keep funding itself, steps it has taken routinely in recent years after repeated breaches of the ceiling. But those measures, which include redeeming some investments in federal pension programs, are temporary and can typically only keep funding the government for a few months." [62][66]

According to the Department of the Treasury, "Since 1960, Congress has acted 78 separate times to permanently raise, temporarily extend, or revise the definition of the debt limit – 49 times under Republican presidents and 29 times under Democratic presidents." The last time Congress raised the debt limit was in October 2015. Federal spending was increased above limits established in 2011 for a two-year period set to expire in September 2017. [67][65]

# May 5, 2017: Trump signs bill to keep the government funded through the end of the fiscal year

See also: 115th Congress on the budget (2017-2018)

On May 5, 2017, President Donald Trump signed HR 244—the Consolidated Appropriations Act of 2017—into law to keep the government funded through the end of the fiscal year on September 30, 2017. On May 3, 2017, the House passed the bill by a vote of 309-118, and the following day the Senate passed the bill by a vote of 79-18. It was the first major legislation of 2017 to pass the House and Senate with bipartisan support. The initial deadline for funding the government was April 28, 2017, but Congress passed a stopgap bill to keep the government funded for one week while lawmakers negotiated a larger spending bill. [68][8][69]

#### The First 100 Days

In the first 100 days of the Trump administration, budget policy was changed through the following executive and legislative actions:

> Trump submitted his \$1.1 trillion "America First" fiscal year 2018 budget proposal to Congress.

#### April 21, 2017: Border wall funding

See also: Federal policy on border security, 2017-2020

Office of Management and Budget Director Mick Mulvaney said that the administration wanted "more money for defense, we want to build a border wall, and we want more money for immigration enforcement, law enforcement." In return, he said that the White House would agree to continue payments to health insurers to prevent insurance markets from failing. [70]

In response to the White House's requests, Matt House, a spokesman for Senate Minority Leader Chuck Schumer (D-N.Y.), said, "Everything had been moving smoothly until the administration moved in with a heavy hand. Not only are Democrats opposed to the wall, there is significant

- It proposes increasing defense spending by \$54 billion and cutting funding to 12 of the 15 executive departments to offset the increase.
- Trump signed into law HR 244—the Consolidated Appropriations Act of 2017—a \$1.2 trillion bill to keep the government funded through the end of the fiscal year on September 30, 2017.

Republican opposition as well." In return for supporting defense spending, Democrats wanted the bill to include funding to continue cost-sharing payments that support Affordable Care Act insurance plans.<sup>[70]</sup>

Some Republicans, including House Appropriations and Budget Committees member Rep. Tom Cole (R-Okla.), said that they were unlikely to let the government shut down over border wall funding. Cole said, "I wouldn't risk a trillion-dollar funding bill for a \$3 billion wall. There's another way, another time to get this." [8]

#### April 24, 2017: Trump says order wall funding can wait

During an interview with the Associated Press on April 24, 2017, Trump was asked if he would sign spending legislation that did not include funding for the border wall. Trump said, "I don't want to comment. I just don't know yet. I mean, I have to see what's going on. I really do. But the wall's a very important thing to — not only my base, but to the people. And even if it wasn't, I mean I'll do things that aren't necessarily popular. ... The wall is very important to stopping drugs." [71]

Trump was then asked what he would tell his base of supporters if he signed legislation that did not have border wall funding. He said, "My base understands the wall is going to get built, whether I have it funded here or if I get it funded shortly thereafter, that wall's getting built, OK? One hundred percent. One hundred percent it's getting built. And it's also getting built for much less money — I hope you get this — than these people are estimating. The opponents are talking \$25 billion for the wall. It's not going to cost anywhere near that. ... I think \$10 billion or less. And if I do a super-duper, higher, better, better security, everything else, maybe it goes a little bit more. But it's not going to be anywhere near (those) kind of numbers. And they're using those numbers; they're using the high numbers to make it sound impalatable (sic)."<sup>[71]</sup>

On April 24, 2017, Trump told a group of conservative journalists that he could wait until September when Congress works on the federal budget to secure funding for the border wall, instead of demanding that funding be included in the short-term spending bill.<sup>[8]</sup>

The following day, Trump counselor Kellyanne Conway reiterated what Trump told reporters. She said, "Building that wall and having it funded remains an important priority to him but we also know that that can happen later this year and into next year, and in the interim you see other smart technology and other resources and tools being used toward border security." [8]

Senate Minority Leader Chuck Schumer (D-N.Y.) said that removing the requirement to fund the border wall would ease negotiations to keep the government open. He said, "It's really good news that the president seems to be taking the wall off the table in the negotiations we're having on an appropriations bill this week. It would remove the prospect of a needless fight over a poison pill proposal that members of both parties don't support. ... If the threat of the wall is removed, as I hope is the case, our negotiations can continue and we can, hopefully, resolve all of the outstanding issues by Friday."<sup>[72]</sup>

#### **April 2017: Negotiations in Congress**

Initially, President Donald Trump wanted funding for the border wall in exchange for agreeing to continue making payments to health insurers to prevent Affordable Care Act (ACA) insurance markets from failing. After Democrats said that they would vote against a bill that included border wall funding, Trump backed off of the request, which eased negotiations. The Trump administration also said that it would continue to fund cost-sharing payments, a major priority for Democrats. The main priority for most Republicans was to secure funding for defense, while Democrats wanted to secure Medicaid funding for Puerto Rico.<sup>[74]</sup>

| What did the Trump administration want included in the funding bill?   | What did Republicans<br>want included in the<br>funding bill?*** | What did Democrats want included in the funding bill?                          |
|--|--|--|
| Funding for defense  | Funding for defense  | Funding for Affordable<br>Care Act insurance plans/<br>cost-sharing payments** |
| Funding for border security and the border wall*   | Funding for healthcare and pensions for miners                   | Funding for healthcare and pensions for miners                                 |
| Funding for immigration enforcement, including a provision to restrict grant money for sanctuary jurisdictions |  | Medicaid funding for Puerto Rico   |
| Funding for law enforcement  |  |  |

<sup>\*</sup>The Trump administration initially said that it wanted funding for the border wall included in the spending bill but later said that the funding could be included in the federal budget in September.

#### April 30, 2017: Budget deal reached

On April 30, 2017, lawmakers reached an agreement on a \$1.2 trillion bill to fund the government through the remainder of the fiscal year on September 30, 2017. The bill included, but was not limited, to the following: [77][78][79][80]

<sup>\*\*</sup>The Trump administration said that it would continue to fund cost-sharing payments.[75]

<sup>\*\*\*</sup>Members of the House Freedom Caucus often vote against spending bills and often disagree with the spending priorities of Republican leadeship.<sup>[76]</sup>

- a \$12.5 billion increase in defense spending;
- an additional \$2.5 billion in defense spending if the Trump administration provides a plan to fight the Islamic State (ISIS/ ISIL);
- a \$2 billion increase in funding for the National Institutes of Health;
- \$1.5 billion for border security—the money cannot be used for Trump's border wall;
- no cuts in funding for sanctuary jurisdictions;
- \$407 million in wildfire relief for western states:
- \$295 million for Puerto Rico's Medicaid program;
- \$150 million for the National Endowment for the Arts;
- \$150 million for the National Endowment for the Humanities;
- \$100 million to combat opioid addiction;
- \$61 million to reimburse local law enforcement agencies that provide protection for Trump when he travels to his residences in Florida and New York;
- Funding for the Environmental Protection Agency;
- Funding for Planned Parenthood Federation of America Inc.;
- Permanent fix to fund coal miners' healthcare;
- No increase in funding for the Internal Revenue Service.

Vice President Mike Pence and Senate Minority Leader Chuck Schumer (D-N.Y.) both said that they were happy with the deal.

On May 1, 2017, CBS News' Norah O'Donnell asked Pence if the administration was disappointed that the funding bill included money for Planned Parenthood but none for the construction of the border wall. Pence said, "We couldn't be more pleased that thanks to President Trump's leadership and direct engagement, last night at the White House and leaders in the House and Senate in both parties signed off on a budget deal. It'll avert a government shutdown but more important than that there's going to be a significant increase in military spending. Our armed forces have been hollowed out in recent years by budget cuts. 21 billion dollars in defense spending in this bill. There's also a down payment on border security. I think the American people are encouraged to hear that since our inauguration, illegal border crossings are down 60 plus percent in this country. And in this bill there's a down payment on additional border security. I'm also pleased to see as the President was insistent on that we're providing support for health benefits for coal miners and here in the District of Columbia we're continuing an educational choice program for disadvantaged children that began back in the days when I was in the Congress. So this is a budget deal that's a bipartisan win for the American people and the President signed off on the parameters early yesterday." [81]

Schumer said, "The bill ensures taxpayer dollars aren't used to fund an ineffective border wall, excludes poison pill riders and increases investments in programs that the middle-class relies on, like medical research, education and infrastructure. Early on in this debate, Democrats clearly laid out our principles. At the end of the day, this is an agreement that reflects those principles." [79]

However, not all lawmakers were satisfied by the budget deal. Chairman of the House Freedom Caucus Jim Jordan (R-Ohio), said he and other members of the Freedom Caucus would vote against the bill unless changes were made. He said, "I'm disappointed. We'll see how it plays out

this week but I think you're going to see conservatives have some real concerns with this legislation."[80]

#### May 2, 2017: Trump calls for a shutdown in September

After members of Congress struck a deal to keep the government funded through the end of the fiscal year, Trump wrote in a series of tweets, "The reason for the plan negotiated between the Republicans and Democrats is that we need 60 votes in the Senate which are not there! We either elect more Republican Senators in 2018 or change the rules now to 51%. Our country needs a good 'shutdown' in September to fix mess!"<sup>[82]</sup>

Mulvaney later defended the president's comments, saying, "The president's tweet was that we might need a shutdown at some point to drive home that this place — that Washington needs to be fixed. I think that's a defensible position, one we'll deal with in September." [82]

#### May 3, 2017: Congress passes funding bill

On May 3, 2017, the House passed the Consolidated Appropriations Act of 2017, by a vote of 309-118. The \$1.2 trillion budget bill funded the government through the end of the fiscal year on September 30, 2017. It was the first major legislation of 2017 to pass Congress with bipartisan support. One hundred and seventy-eight Democrats voted with 131 Republicans in favor of the bill. Fifteen Democrats and 103 Republicans voted against the bill. On May 4, 2017, the Senate passed the bill by a vote of 79-18. Forty-five Democrats voted with 32 Republicans and two Independents in favor of the bill. Eighteen Republicans voted against the bill. No Democrats voted against the bill. [83][84][85]

### March 16, 2017: Trump submits budget proposal

On March 16, 2017, Trump submitted his \$1.1 trillion "America First" fiscal year 2018 budget proposal to Congress. It proposed increasing defense spending by \$54 billion and cutting funding to 12 of the 15 executive departments to offset the increase. The Environmental Protection Agency—a Cabinet-level agency—the U.S. Department of State, and the U.S. Department of Labor would see the largest cuts. Along with the U.S. Department of Defense, the Departments of Homeland Security and Veterans Affairs would see increases in funding, which was aligned with Trump's campaign promise to focus on law and order. [86]

U.S. Office of Management and Budget Director Mick Mulvaney commented on the proposal, saying, "[We] wrote it using the President's own words. We went through his speeches, we went through articles that have been written about his policies, we talked to him, and we wanted to know what his policies were, and we turned those policies into numbers. So you have an 'America First' budget." [87]

# Budget breakdown: What was in the Trump administration's fiscal year 2018 budget request?

#### **Budget overview**

The Trump administration's first budget sought to balance the federal budget within 10 years by introducing \$4.5 trillion in spending cuts and growing the economy through Trump's proposed fiscal, economic, and regulatory policies. The budget blueprint assumed that many of Trump's proposals would pass Congress, including the American Health Care Act of 2017 (AHCA) and Trump's tax reform and infrastructure plans. The plan also assumed that the economy would grow at a 3 percent annual rate. According to *The Wall Street Journal*, "The Fed projects the economy will grow at a 1.8% annual rate in the coming years and the Congressional Budget Office projects 1.9% growth." Additionally, no money would be raised through tax increases. [88][89]

The Trump administration laid out the following pillars as central to his goal of ending economic stagnation and increasing economic growth:<sup>[88]</sup>

- Health reform:
- Tax reform and simplification;
- Immigration reform;
- Reductions in federal spending;
- Regulatory rollback;
- American energy development;
- Welfare reform; and
- Education reform

### **Elizabeth Warren on Social Security in Trump's budget**

June 15, 2017

In response to the release of President Trump's budget proposal on May 23, Sen. Elizabeth Warren said, "During his campaign, Donald Trump said over and over that he would not cut Social Security. So much for that campaign promise. Budget is out today and now we've seen it, right here—cut Social Security \$73 billion over the next ten years."

As a candidate, did Trump

As a candidate, did Trump promise to not cut Social Security? And does the president's budget propose cutting \$73 billion from Social Security?

Read Ballotpedia's fact check »

## **Budget increases Department of Defense**

See also: Department of Defense budget

The requested budget for the U.S. Department of Defense (DoD) was \$574.5 billion, a 10.1 percent increase from 2017. There was also an additional request of \$64.6 billion for the overseas contingency operations. [88][90]

The budget proposed fully reversing sequestration—automatic cuts put in place by the Budget Control Act of 2011—by increasing funding for national defense by \$54 billion above the cap. The administration argued that the increase in funding was needed because "the world has grown more dangerous due to rising terrorism, destabilizing technology, and increasingly aggressive potential adversaries" since sequestration was implemented. With the smaller budget, the "military has become smaller, and deferred training, maintenance, and modernization have degraded its ability to prepare for future war while sustaining current operations." To remedy these issues, the administration requested funding to increase the number of members of the military and to purchase 84 new fighter aircraft—70 Joint Strike Fighters and 14 Super Hornets—and eight new battle force ships. [88]

#### **Department of Homeland Security**

The requested budget for the U.S. Department of Homeland Security (DHS) was \$44.1 billion, a 6.8 percent increase from 2017.

The budget request included the following intended to increase border security:

- \$2.6 billion for border security, including a physical wall along the southern border;
- More than \$300 million to hire 500 new Border Patrol Agents, 1,000 Immigration and Customs Enforcement law enforcement, and additional support staff; and
- Funding for "expanded detention, transportation, and removal of illegal immigrants." [88]

Speaking about the budget request, Secretary of Homeland Security John Kelly said, "The president's budget prioritizes funding for programs that address our nation's immediate security needs, and it supports the dedicated men and women of this Department as they execute DHS's wide-ranging and critical missions." [91]

The following programs would have been eliminated for \$235 million in savings: [92]

- Flood Hazard Mapping and Risk Analysis Program
- Transportation Security Administration Law Enforcement Grants

#### **Department of Veterans Affairs**

The requested budget for the U.S. Department of Veterans Affairs (VA) was 186.4 billion, with \$82.1 billion in discretionary funding—5.5 percent above the 2017 enacted level—and \$104.3 billion in mandatory funding. It included funding for healthcare, disability compensation, pensions, and the Veterans Choice Program, among other programs. [88][93]

VA Secretary David Shulkin commented on the budget, saying, "The 2018 budget request reflects the strong commitment of the president to provide the services and benefits that our nation's Veterans have earned. VA has made significant progress in improving its service to Veterans and their family members. We are fully committed to continuing the transformation across the department, so we can deliver the standards of performance our Veterans expect and deserve." [93]

#### **Social Security Administration**

The requested budget for the Social Security Administration was \$9.1 billion, a 0.3 percent increase from 2017. [88]

#### Highlights from Trump's proposed budget: new spending

#### Proposed new spending over 10 years

| PROGRAM                             | AMOUNT        |
|-------------------------------------|---------------|
| Infrastructure                      | \$200 billion |
| Expanded Veterans Choice<br>Program | \$29 billion  |
| Parental leave program              | \$19 billion  |

Source: The Wall Street Journal

#### **BALLOTPEDIA**

#### **Budget cuts**

#### **Environmental Protection Agency**

The requested budget for the U.S. Environmental Protection Agency (EPA) was \$5.7 billion, a 31.4 percent decrease from 2017. [88]

EPA Administrator Scott Pruitt commented on the budget, saying, "The President's budget respects the American taxpayer. This budget supports EPA's highest priorities with federal funding for priority work in infrastructure, air and water quality, and ensuring the safety of chemicals in the marketplace." [94]

The following programs would have been eliminated for \$493 million in savings: [92]

- Energy Star and Voluntary Climate Programs
- Geographic Programs

#### Department of State and U.S. Agency for International Development

The requested budget for the U.S. Department of State and the U.S. Agency for International Development (USAID) was \$37.6 billion, a 32 percent decrease from 2017. [88][95]

Secretary of State Rex Tillerson commented on the budget in the following statement: "This budget is responsive to the realities of the world in the 21st century, and ensures that the State Department and USAID can quickly adapt to an ever-changing international environment. Activities and programs supported in this budget will support our effort to defeat ISIS and other terrorist organizations and combat illegal migration and trafficking. This budget will also support our efforts to combat corruption and address threats to good governance, which helps level the playing field for American workers and businesses. The FY 2018 budget supports the President's commitment to make the U.S. government leaner and more accountable to the American taxpayer, while maximizing our diplomatic and engagement efforts, including with our international partners. As we advance the President's foreign policy priorities, this budget will also help lay the foundation for a new era of global stability and American prosperity." [96]

The following programs would have been eliminated for \$4.256 billion in savings: [92]

- Development Assistance
- Earmarked Appropriations for Non-Profit Organizations
- The Asia Foundation

- East-West Center
- P.L. 480 Title II Food Aid

The budget also proposed cutting the Green Climate Fund and Global Climate Change Initiative for an additional savings of \$1.59 billion from the Departments of State and the Treasury. [92]

#### **Department of Agriculture**

The requested budget for the U.S. Department of Agriculture (USDA) was \$18 billion, a 20.5 percent decrease from 2017. [88]

Agriculture Secretary Sonny Perdue issued the following statement about the budget request: "President Trump promised he would realign government spending, attempt to eliminate duplication or redundancy, and see that all government agencies are efficiently delivering services to the taxpayers of America. And that's exactly what we are going to do at the U.S. Department of Agriculture (USDA). Having been the governor of Georgia from 2003 to 2011 – not during the best economic times – we did what it took to get the job done, just like the people involved in every aspect of American agriculture do every single day. While the President's budget fully funds nutrition programs, wildland fire suppression and food safety, and includes several new initiatives and increases for Rural Development, whatever form the final budget takes, it is my job as Secretary of Agriculture to manage and implement that plan, while still fulfilling the core mission of USDA."<sup>[97]</sup>

The following programs would have been eliminated for \$855 million in savings: [92]

- McGovern-Dole International Food for Education
- Rural Business-Cooperative Service
- Rural Water and Waste Disposal Program Account
- Single Family Housing Direct Loans

#### **SNAP** reform

The administration's budget proposed cutting \$191 billion over 10 years from the Supplemental Nutrition Assistance Program (SNAP), previously known as food stamps. The program provided low-income individuals and families assistance in purchasing food. The administration wrote that "SNAP participation grew to historic levels during the recession. However, despite improvements in unemployment since the recession ended, SNAP participation remains persistently high." The budget would "close eligibility loopholes, target benefits to the neediest households, and require able-bodied adults to work." [88]

#### **Department of Labor**

The requested budget for the U.S. Department of Labor was \$9.7 billion, a 19.8 percent decrease from 2017.<sup>[88]</sup>

Secretary R. Alexander Acosta said the following about the budget request: "This budget reflects the Department of Labor's core mission and commitment to ensuring all Americans have access to good, safe jobs – and does so in a fiscally responsible way. Most importantly, this budget focuses on narrowing the skills gap, and includes a proposal to provide new mothers, fathers, and adoptive parents with paid family leave, the cost of which is completely offset by reforms to the Unemployment Insurance system." [98]

The following programs would have been eliminated for \$527 million in savings:[92]

- Migrant and Seasonal Farmworker Training
- OSHA Training Grants

Senior Community Service Employment Program

#### Paid parental leave program

Trump's budget request included \$19 billion over 10 years for a paid parental leave program that would provide six weeks of paid leave to new mothers and fathers, including adoptive parents. According to the administration, the program would have used the Unemployment Insurance (UI) system as a base and "allow States to establish paid parental leave programs in a way that is most appropriate for their workforce and economy." [88]

#### **Corps of Engineers**

The requested budget for the Corps of Engineers was \$5 billion, a 16.3 percent decrease from 2017. [88]

#### **Department of Health and Human Services**

The requested budget for the U.S. Department of Health and Human Services (HHS) was \$65.3 billion, a 16.2 percent decrease from 2017. [88]

HHS Secretary Tom Price released the following statement about the budget request: "Within the framework of President Trump's budget, the Department of Health and Human Services is focused on making strategic investments to protect the health and well-being of all Americans. Our budget focuses resources on direct health services and patient-centered care. It also ensures that important programs like Medicaid serve our most vulnerable citizens - the people such programs are intended to help. We are releasing today a budget that outlines a clear path toward fiscal responsibility by creating efficiencies that both improve services and save money. We are taking action to address our collapsing healthcare system and provide relief from the burdensome rules and mandates of Obamacare. Remember, Americans living in one-third of our nation's counties now have only one option and no choices for health coverage. Premiums continue to rise. More money isn't the answer; replacing a broken system is. The President's budget answers the call to fix what's wrong in Washington. We look forward to working with Congress to implement these important first steps

## Are teen pregnancy prevention programs facing a crackdown?

October 13, 2017: SunSentinel reporter Dan
Sweeney cited two articles
about cutbacks in federal
funding for teen pregnancy
prevention programs, writing,
"Given both these stories, it
now seems we're in the middle
of a nationwide crackdown on
programs to prevent teen
pregnancy."
Is there a nationwide
crackdown on programs to
prevent teen pregnancy?

#### Read Ballotpedia's fact check

**>>** 

toward patient-centered healthcare and creating a system that is sustainable, innovative, flexible and responsive." [99]

The following programs would have been eliminated for \$4.834 billion in savings: [92]

- Agency for Healthcare Research and Quality
- Community Services Block Grant
- Health Professions and Nursing Training Programs
- Low Income Home Energy Assistance Program

#### **TANF**

Under Trump's budget proposal, the Temporary Assistance for Needy Families program (TANF) would have seen \$21.6 billion in cuts over 10 years. According to the Office of Family Assistance, TANF "is designed to help needy families achieve self-sufficiency. States receive block grants to design and operate programs that accomplish one of the purposes of the TANF program." TANF sought to:

- "Provide assistance to needy families so that children can be cared for in their own homes
- Reduce the dependency of needy parents by promoting job preparation, work and marriage
- Prevent and reduce the incidence of out-of-wedlock pregnancies
- Encourage the formation and maintenance of two-parent families."[100]

#### Medicaid

The administration's budget request proposed cutting \$880 billion from Medicaid. The budget assumed that the American Health Care Act of 2017 (AHCA) would be signed into law, which would have cut \$839 billion from Medicaid. Additional reforms, including giving "states the choice between a per capita cap and a block grant and empowering States to innovate and prioritize Medicaid dollars to the most vulnerable populations," were projected to save \$610 billion over 10 years, according to the administration. [88]

#### **Department of Commerce**

The requested budget for the U.S. Department of Commerce was \$7.8 billion, a decrease of 15.8 percent from 2017. [88]

Secretary of Commerce Wilbur Ross issued the following statement about the budget request: "The President's budget restores the Federal Government's accountability to American families and American taxpayers while renewing the focus on our core missions. At Commerce, the budget will increase efficiency and strengthen important functions that keep us safe, defend against unfair trade practices, and promote growth and innovation. I look forward to working with the rest of the Administration to create a new foundation for American greatness." [101]

The following programs would have been eliminated for \$633 million in savings: [92]

- Economic Development Administration
- Manufacturing Extension Partnership
- Minority Business Development Agency
- National Oceanic and Atmospheric Administration Grants and Education

#### **Department of Education**

The requested budget for the U.S. Department of Education was \$59 billion, a 13.5 percent decrease from 2017. The budget prioritized the expansion of charter schools and vouchers for low-income students.<sup>[88]</sup>

Secretary of Education Betsy DeVos issued the following statement about the budget request: "This budget makes a historic investment in America's students. President Trump is committed to ensuring the Department focuses on returning decision-making power back to the States, where it belongs, and on giving parents more control over their child's education. It also ensures stable funding for critical programs, including Individuals with Disabilities Education Act (IDEA) and Historically Black Colleges and Universities (HBCUs). The budget also reflects a series of tough choices we have had to make when assessing the best use of taxpayer money. It ensures

funding for programs with proven results for students while taking a hard look at programs that sound nice but simply haven't yielded the desired outcomes. By refocusing the Department's funding priorities on supporting students, we can usher in a new era of creativity and ingenuity and lay a new foundation for American greatness."<sup>[102]</sup>

The following programs would have been eliminated for \$4.976 billion in savings: [92]

- 21st Century Community Learning Centers
- Comprehensive Literacy
   Development Grants
- Federal Supplemental Educational Opportunity Grants
- Impact Aid Payments for Federal Property

- International Education
- Strengthening Institutions
- Student Support and Academic Enrichment Grants
- Supporting Effective Instruction State Grants
- Teacher Quality Partnership

#### **Department of Housing and Urban Development**

The requested budget for the U.S. Department of Housing and Urban Development was \$40.7 billion, a 13.2 percent decrease from 2017. [88]

HUD Secretary Ben Carson commented on the budget, saying, "This Budget reflects this Administration's commitment to fiscal responsibility while continuing HUD's core support of our most vulnerable households. We will work very closely with Congress to support the critical work of our agency as we vigorously pursue new approaches to help work-eligible households achieve self-sufficiency." [103]

The following programs would have been eliminated for \$4.123 billion in savings: [92]

- Choice Neighborhoods
- Community Development Block
- HOME Investment Partnerships Program
- Self-Help and Assisted Homeownership Opportunity Program Account

#### **Department of Transportation**

The requested budget for the U.S. Department of Transportation was \$16.2 billion, a 12.7 percent decrease from 2017. [88]

The following program would have be eliminated for \$499 million in savings:[92]

National Infrastructure Investments (TIGER)

#### Other agencies

The requested budget for other agencies was \$17.9 billion, a 12.5 percent decrease from 2017. [88]

The following programs would have been eliminated for \$2.683 billion in savings: [92]

- Chemical Safety Board
- Corporation for National and Community Service
- Corporation for Public Broadcasting
- Institute of Museum and Library Services
- International Development Foundations
- African Development Foundation

- Inter-American Foundation
- Legal Services Corporation
- National Endowment for the Arts
- National Endowment for the Humanities
- Neighborhood Reinvestment Corporation
- Overseas Private Investment Corporation
- Regional Commissions

- Appalachian Regional Commission
- Delta Regional Authority
- Denali Commission
- Northern Border Regional Commission
- U.S. Institute of Peace
- U.S. Trade and Development Agency
- Woodrow Wilson International Center for Scholars

#### **Department of the Interior**

The requested budget for the U.S. Department of the Interior was \$11.7 billion, a 10.9 percent decrease from 2017. It included increases in funding for the national parks and oil, gas, and coal development.<sup>[88]</sup>

Interior Secretary Ryan Zinke commented on the budget, saying, "President Trump promised the American people he would cut wasteful spending and make the government work for the taxpayer again, and that's exactly what this budget does. Working carefully with the President, we identified areas where we could reduce spending and also areas for investment, such as addressing the maintenance backlog in our National Parks and increasing domestic energy production on federal lands. The budget also allows the Department to return to the traditional principles of multiple-use management to include both responsible natural resource development and conservation of special places. Being from the West, I've seen how years of bloated bureaucracy and D.C.-centric policies hurt our rural communities. The President's budget saves taxpayers by focusing program spending, shrinking bureaucracy, and empowering the front lines."[104]

The following programs would have been eliminated for \$122 million in savings: [92]

- Abandoned Mine Land Grants
- Heritage Partnership Program
- National Wildlife Refuge Fund

#### **National Science Foundation**

The requested budget for the National Science Foundation was \$6.7 billion, a 10.7 percent decrease from 2017.<sup>[88]</sup>

#### **Department of Energy**

The requested budget for the U.S. Department of Energy was \$28 billion, a 5.6 percent decrease from 2017.<sup>[88]</sup>

Energy Secretary Rick Perry said the following about the budget request: "This budget delivers on the promise to reprioritize spending in order to carry out DOE's core functions efficiently and effectively while also being fiscally responsible and respectful to the American taxpayer. It reflects the importance of strengthening our nuclear capabilities, and places an emphasis on early stage energy technology research and development. As we refocus resources, we will continue to utilize our national laboratories for cutting edge science in order to improve both our energy and national security. I look forward to working with Congress as the budget process moves forward." [105]

The following programs would have been eliminated for \$398 million in savings: [92]

- Advanced Research Projects Agency—Energy
- Advanced Technology Vehicle Manufacturing Loan Program and Title 17 Innovative Technology Loan Guarantee Program
- Mixed Oxide Fuel Fabrication Facility

#### **Small Business Administration**

The requested budget for the Small Business Administration was \$0.8 billion, a 4.9 percent decrease from 2017. [88]

#### **Department of the Treasury**

The requested budget for the U.S. Department of the Treasury was \$12.1 billion, a 4.1 percent decrease from 2017. [88]

Secretary of the Treasury Steven Mnuchin issued the following statement about the budget proposal: "President Trump's budget focuses Treasury on our core missions of collecting revenue and managing the nation's debt, while modernizing, streamlining and increasing efficiencies to reduce operating expenditures. It prioritizes investments in cybersecurity, and maintains critical funding to implement sanctions, combat terrorist financing, and protect financial institutions from threats. The President's budget will achieve savings through reforms that prevent taxpayer bailouts and reverse burdensome regulations that have been harmful to small businesses and American workers. These initiatives, coupled with comprehensive tax reform and other key priorities, will move America one step closer to sustained economic growth of three percent or higher." [106]

The following program would have been eliminated for \$43 million in savings: [92]

Global Agriculture and Food Security Program

#### **Department of Justice**

The requested budget for the U.S. Department of Justice was \$27.7 billion, a \$1.1 billion decrease over the annualized FY 2017 continuing resolution (CR) level. [88][107]

Attorney General Jeff Sessions issued the following statement about the budget request: "The Department of Justice is dedicated to advancing the safety, the security, and the rights of all Americans – and the FY 2018 budget reflects the President's commitment to keep America safe. One of the Justice Department's top priorities is to protect the United States from threats to our national security both foreign and domestic. The Department will enforce our laws and put criminals behind bars. We will fight the scourge of drug abuse. And we will support the courageous men and women of law enforcement, as they work day and night to protect us." [107]

The budget request focused on enhancing public safety and law enforcement. The request included the following:<sup>[88]</sup>

- Funding to hire 75 immigration judge teams;
- \$84 million more for increases in the Federal detainee population.
- Increases of \$188 million to address violent and gun-related crime and to target transnational criminal organizations and drug traffickers.
- "As part of this increase, \$103 million is added to maintain and expand capacity to fight against opioids and other illicit drugs."

The following program would have been eliminated for \$210 million in savings:[92]

State Criminal Alien Assistance Program

#### **National Aeronautics and Space Administration**

The requested budget for the National Aeronautics and Space Administration (NASA) was \$19.1 billion, a 0.8 percent decrease from 2017. [88]

The following programs would have been eliminated for \$269 million in savings: [92]

- Five Earth Science Missions
- Office of Education

#### Highlights from Trump's proposed budget: spending cuts

Proposed spending cuts over 10 years

| PROGRAM  | AMOUNT        |
|--|---------------|
| Medicaid and the Children's Health<br>Insurance Program (CHIP)               | \$616 billion |
| Supplemental Nutrition<br>Assistance Program (SNAP),<br>formerly Food Stamps | \$193 billion |
| Changes to student loan programs   | \$143 billion |
| Disability programs  | \$72 billion  |
| Reduced retirement benefits for federal employees                            | \$63 billion  |
| Changes to Earned Income Tax<br>Credit and Child Tax Credit                  | \$40 billion  |
| Cuts to some farm subsidies  | \$38 billion  |

### See also

- 115th Congress on the budget (2017-2018)
- United States budget and finances
- Donald Trump presidential campaign, 2016/Budgets
- Mike Pence vice presidential campaign, 2016/Budgets

### External links

- "A New Foundation For American Greatness, Fiscal Year 2018"
- Search Google News for this topic

### **Footnotes**

- 1. The White House, "Fiscal Year 2019: Efficient, Effective, Accountable: An American Budget," February 12, 2018
- The Washington Post, "White House budget proposes increase to defense spending and cuts to safety net, but federal deficit would remain," February 12, 2018

Only the first few references on this page are shown above. Click to show more.

Ballotpedia features 318,315 encyclopedic articles written and curated by our professional staff of editors, writers, and researchers. Click here to contact our editorial staff, and click here to report an error. Click here to contact us for media inquiries, and please donate here to support our continued expansion.