
Greenstein Statement: Trump Budget Harms Those He Promised to Help

President Trump's new budget proposal would do severe damage to an array of investments that help many of the very people that President Trump has said would be his priority — people who have been left behind by today's economy or live in distressed urban or rural communities.

That's because the budget includes his proposal to deepen the already problematic sequestration cuts in non-defense discretionary (NDD) programs — the part of the budget that funds a range of domestic priorities — by \$15 billion in fiscal year 2017 even though the year is nearly half over, and then by \$54 billion in fiscal year 2018. The budget shifts all these funds to defense.

To do this, the budget cuts NDD programs outside of Veterans Affairs and Homeland Security — the two departments outside the Pentagon that Trump's budget would increase — by about 15 percent, on average, below current levels and by more than 30 percent below the 2010 level adjusted for inflation.

The cuts in programs for individuals and communities that the President has promised to help include:

- cuts to job training that helps workers upgrade their skills;
- cuts to Labor Department funding that likely would seriously weaken federal actions to ensure that factories and mines are safe, workers are paid what they have earned, and minimum-wage and other laws to protect workers are complied with;
- cuts to student aid and work-study programs that help low- and moderate-income students afford college;
- cuts to economic development funding for both cities and rural communities;
- cuts to housing assistance for hard-pressed families struggling to pay the rent; and
- the elimination of the Low Income Home Energy Assistance Program, which helps low-income households, including many poor seniors, pay for heat, especially in cold winter months.

Many of these areas have already borne significant cuts over the past seven years, due to the tight caps that the 2011 Budget Control Act placed on non-defense discretionary program funding *plus* the sequestration cuts, which have further reduced those caps.

The President's proposal to reverse sequestration for defense programs, while slashing non-defense programs far below the already-austere sequestration level, turns on its head the bipartisan consensus in

place since 2013 that the sequestration cuts are too deep in *both* defense *and* non-defense areas. That's why President Obama and Congress enacted bipartisan agreements that have reduced each year's sequestration cuts for both defense and non-defense programs in every year from 2013 through 2017.

Moreover, the Trump budget would scrap and undo the most recent bipartisan deal *starting immediately*. In addition to its fiscal year 2018 proposals to cut NDD by \$54 billion, the budget calls for \$15 billion in cuts in NDD programs in fiscal year 2017, to partially offset its proposed 2017 defense increases. And, this \$15 billion in cuts is a *net* figure that includes a \$3 billion increase in border security-related spending. The rest of NDD would be cut \$18 billion in 2017. The new budget contains no information on where this \$18 billion in non-defense discretionary cuts would come from.

Various lawmakers of both parties are already panning the Trump budget, news reports show. But how Congress will proceed is unclear. What's needed is a new bipartisan budget agreement that would reverse or ease sequestration on both the defense and non-defense discretionary sides of the budget to provide adequate investment in 2018 and subsequent years.

Finally, while the "skinny" budget that the President released today contains far less information than the initial budgets that previous Presidents released in their first weeks in office, the President's emerging fiscal agenda is increasingly clear. It features large increases in defense funding offset by cuts in a range of significant domestic programs, substantial tax cuts mainly for people at very high income levels, losses in health care for millions of low- and moderate-income Americans, and potentially deep cuts in entitlement programs outside of Medicare and Social Security, including programs vital to tens of millions of Americans of lesser means.

This isn't a budget that will make America great again. Instead, it's a budget that will increase hardship and poverty, exacerbate the gulf between the wealthy and other Americans, slash funding for areas that represent investments in our workforce — with likely long-term adverse effects on the economy — and renege on various international responsibilities and commitments.

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