



n4a's Analysis of the President's FY 2019 Budget Proposal

February 21, 2018

Last week, the White House sent a FY 2019 budget request to Capitol Hill that reflects the Trump Administration's penchant for prioritizing defense spending while proposing drastic cuts to domestic spending and safety nets in the form of federal health care and income security programs. n4a released our [high-level analysis](#) and a [statement from CEO Sandy Markwood](#) shortly after the budget request was unveiled. Included in this update are details about how specific Older Americans Act and other aging programs fared in the Administration's vision for federal spending.

n4a's Overall Budget Analysis

The \$4.4 trillion budget is a visioning document establishing the Administration's priorities and does not have the rule of law, but is a showcase of the Executive Branch's priorities for discretionary programs in FY 2019 and the trajectory of mandatory programs over 10 years, including federal health care and income security programs.

The budget request does not reflect the full bipartisan increases for NDD programs in FY 2019 that were passed in this month's [budget deal](#), and funds NDD programs at \$57 billion below what Congress has agreed to spend overall next year. Furthermore, the President's budget would cut NDD programs by two percent each year over the next decade, which would slash overall domestic spending by nearly 1.7 trillion (42 percent below current funding levels) by 2028. To put that into context, funding for NDD programs would fall from an already historically low percentage of national GDP—3.1 percent—to 1.2 percent of GDP by 2028 under the President's budget.

In addition to deep reductions to NDD programs, the budget echoes last year's recommendation to cut Medicaid, Medicare, SNAP and Social Security disability programs, and it would repeal and replace the Affordable Care Act, implementing over \$3 trillion in spending cuts over ten years. The budget spares Social Security and core Older Americans Act (OAA) programs from large cuts, but the request would propose eliminating key programs that supplement and support the capacity of the Aging Network and Area Agencies on Aging to serve older adults caregivers and people with disabilities.

Normally the President's budget request kicks off the process of setting spending levels for all discretionary programs in Congress, but because Congress is still working on final funding bills for FY 2018 and because such deep cuts are likely not politically palatable in the context of the recent bipartisan budget agreement, we expect Congress will reject many of the president's proposals. Despite this fact, the Administration's budget still serves as an important framer for the public on its federal investment priorities. It also annually kicks off the larger conversations on our nation's budget, deficit and debt that Congress and the President will have to resolve before year's end.

Below is n4a's examination of the President's budget with special attention given to programs that help older adults remain in their homes and communities. We also include details on key safety-net programs that are targeted in the president's budget proposal. The accompanying [appropriations chart](#) provides additional detail.

*Important Note: The budget tables outlined in the Administration's FY 2019 budget request are baselined to funding amounts reflected in the current FY 2018 continuing resolution. **Therefore, the baseline request totals do not reflect final FY 2018 funding numbers, which we expect to know in March.** Given that the FY 2018 appropriations levels are still not finalized, the Trump Administration's budget baselines were affected. This means that proposed levels for some OAA programs are rounded to the nearest million. Should further details be released by the White House in the coming weeks, we will update advocates with those specifics.*

Discretionary Funding Details

Level Funding for Core OAA Programs

Administration for Community Living (ACL), HHS

While the Administration on Aging's (AoA) OAA programs were primarily level funded in this year's budget, overall the ACL \$1.8 billion request falls below current funding. Cuts to ACL include the elimination of the State Health Insurance Assistance Program (SHIP) and deep cuts to several disability programs.

Older Americans Act Title III Programs

In what can be considered a win for advocates in this incredibly difficult budget environment, funding for OAA Title III B Home and Community-Based Supportive Services (\$350 million), III C Nutrition Services (\$838 million), and III E Family Caregiver Support Services (\$151 million) was essentially flat.

Additional OAA and Other Aging Programs

Native American Nutrition, Supportive Services and Caregiver Support

The President's budget would maintain current funding for OAA Title VI Native American Aging Programs. Nutrition and supportive services would be funded at \$31 million, and caregiver support services would receive \$8 million under the budget request. The funding request reflects an n4a priority for a significant increase to both programs as they serve Native American, Alaskan Native and Native Hawaiian elders, who are some of the most economically vulnerable older adults in the country.

Elder Justice and Adult Protective Services

The budget request included level funding for OAA Title VII Long-Term Care Ombudsman (\$16 million) and Prevention of Elder Abuse and Neglect (\$5 million) programs. Unfortunately, Elder Rights Support Activities, including the Elder Justice Initiative—an ACL/AoA priority under the previous Administration—would be cut by 14 percent (\$12 million).

Aging and Disability Resource Centers

Funding for Aging and Disability Resource Centers (ADRCs) was also level funded at \$6 million. \$10 million in annual mandatory funding for ADRCs expired in September 2014 and advocates and Administration officials have been unable to fill that gap with additional discretionary (annually appropriated) or restored mandatory funding. This funding request recognizes that the bulk of infrastructure funding for ADRCs occurs via investments by the Centers for Medicare and Medicaid Services (CMS) and the Veterans Health Administration (VHA) through other initiatives.

Housing Programs for Older Adults

In a surprise move, the request would increase funding for Section 202 Housing for the Elderly to \$601 million—a massive \$91 million increase (18 percent) increase over FY 2018, which holds harmless program funding to account for increases in rental costs. Section 202 Housing provides funding to create and support multifamily housing for very low-income older adults. Nearly 400,000 units for low-income senior households have been produced through the program, and Section 202 is currently the only federal program that expressly addresses the need for affordable senior housing.

Concerning Cuts and Eliminations

State Health Insurance Assistance Program (SHIP)

The President's budget request reflects recent proposals in Congress to zero-out the full \$47 million for State Health Insurance Assistance Programs. While details are unknown, at this point we assume the justification for this elimination is perceived duplication with other federal resources such as 1-800-MEDICARE. SHIP elimination accounts for a significant portion of the overall cut to the ACL/AoA budget. Advocates will need to continue to push lawmakers to reject SHIP elimination. Funding for SHIPs was cut by \$5 million in the final FY 2017 funding bill. The House proposed eliminating SHIP in their FY 2018 bill, and the Senate would fund the program at \$47 million.

Now that the Administration has reiterated its request to eliminate the program in FY 2019, the pressure is mounting on advocates to educate

policymakers about the important role individualized, cost-effective, person-centered, volunteer-driven counseling services that SHIPs provide in every state.

SCSEP, Senior Corps

The Administration again proposed eliminating the OAA Title V Senior Community Service Employment Program (SCSEP), administered by the Department of Labor (DOL), and the Senior Corps programs (RSVP, Foster Grandparents, and Senior Companion) under the Corporation for National and Community Service (CNCS). Both moves were reflective of a budget request that significantly reduces workforce development and volunteer-based programs.

Last year, Congress approved a \$34 million cut to SCSEP, and the President's budget would cut an additional \$400 million in FY 2019, stating that SCSEP "is ineffective in meeting its purpose of transitioning low-income unemployed older adults into unsubsidized jobs." As the only workforce development program that specifically targets older adults in or near poverty, SCSEP has long been a target of some policymakers, and advocates must ramp up education efforts to ensure that SCSEP activities are protected in final FY 2018 and upcoming FY 2019 funding proposals.

Additionally, Senior Corps volunteers routinely supplement workforce needs at Area Agencies on Aging and other community-based organizations. n4a is concerned that volunteer-driven service delivery to local older adults would be further threatened should the cuts to Senior Corps be realized in final funding bills.

Other Programs

Also on the chopping block in the budget request are critical state and community block grant programs that often supplement and support the work of the Aging Network. President Trump would completely eliminate the **Community Services Block Grant** (-\$715 million) the **Social Services Block Grant** (-\$1.7 billion) and the **Community Development Block Grant** (-\$615 million). To varying degrees all of these programs fund state and local community and economic development efforts that provide key services to older adults. The President also proposes zeroing out funding for the **Low-Income Home Energy Assistance Program** (LIHEAP), a \$3.9 billion reduction of a program that helps low-income households and families, including number of older adults, with heating and energy bills throughout the year.

Transportation

The President's FY 19 budget request for the Department of Transportation (DOT) includes an 18 percent cut (-\$3.4 billion) over current funding. Funding for the **Federal Transit Administration** (FTA), would fall \$1.2 billion below last year. The request also includes \$5 million in funding for the n4a and Easterseals-led **National Aging and Disability Transportation Center (NADTC)** as part of the Federal Transit Administration's technical assistance program to assist local communities and states in the expansion and provision of transportation services for older adults and people with disabilities.

What's Next for the FY 2019 Budget

President Trump's budget blueprint clearly highlights the need for increased advocacy in every community. However, the release of the President's budget is simply the first step in the long budgeting process. While the President's budget does begin the annual process of setting spending levels for all discretionary federal programs, it is simply a starting point for conversations with Congress. Lawmakers will ultimately have to draft and send their annual funding bills to the President for approval. Furthermore, Congress hasn't yet finalized funding for FY 2018, and current funding, which expires March 23, will have to take priority.

In the coming weeks, Congress will hold hearings on some components of the President's recommendations, but we have heard early objections from House and Senate appropriators on both sides of the aisle about the level of overall NDD Cuts in the President's budget.

Once Congress finalizes FY 2108 funding and when the Administration sends final details of this budget request to Congress, the House and Senate Appropriations subcommittees of jurisdiction make the specific programmatic determinations for each discretionary line item (e.g., a specific program such as OAA Title III B). This process can take several months, and larger or more contentious bills can take all summer or fall before being passed. Like all other legislation, the House and Senate must agree on appropriations bills. Achieving agreement further lengthens the process.

Despite the murky forecast at this point, advocates can use the President's recommendations as we begin our FY 19 appropriations campaign and continue our fight to stop sequestration and/or deeper NDD cuts.

For what you can do now to support OAA, SCSEP, SHIP and elder abuse prevention funding, see our latest [Advocacy Alert](#) and take action today!

Stay tuned for more updates from n4a, and meanwhile...

Come to DC! n4a's Aging Policy Briefing will be held on Capitol Hill, April 18-19, and we need your participation. As the President's budget request shows, advocacy is needed now more than ever on many issues critical to older adults and caregivers. Join us at the [n4a Aging Policy Briefing & Capitol Hill Day](#) and make your voice heard on Capitol Hill! We are about to announce some excellent speakers, so don't delay. [Register Now!](#)

This *Legislative Update* is an n4a membership benefit. For more information about these and other federal aging policy issues, please contact n4a's policy team: Amy Gotwals (agotwals@n4a.org) and Autumn Campbell (acampbell@n4a.org), 202.872.0888.