Key FY 2019 Trump Budget Proposals

H-CAP BOARD MEETING
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Dionne Jimenez,
SEIU Health Public Policy Coordinator
“White House Proposes $4.4 Trillion Budget That Adds $7 Trillion to Deficits” (NYT, 2/12)

- Mostly DOA, but has value as a sign of administration priorities
- Trump’s budget includes $3.6 trillion in cuts over the next ten years to a variety of health, economic safety net, education and other programs.
- Provides small investments in targeted initiatives, such as a modest infrastructure proposal and increases in military spending.
• Cuts Medicaid by $1.4 trillion over ten years
• Repeals ACA and replaces with Cassidy-Graham
• Despite previous vows to protect Medicare, includes a cut of $493.7 billion (mainly via hospital payment changes, but also $80 billion in cuts from a new “post-acute care payment system”)
Department of Labor

- **Additional investment in Apprenticeships**
  - Requests $200 million, increase of 112%.
  - Expand apprenticeships in “underutilized” areas; health care, information technology, and advanced manufacturing specifically named.
  - Does not reference registered apprenticeships.

- **Initially cut Training and Employment Services**
  - Initially cut Training and Employment Services by 39%, which includes WIOA, but entire $1.3 billion difference restored in the budget addendum.
Department of Education

- Eliminate subsidized student loans and raise monthly payments on income-driven student loan repayment programs to 12.5%
- Reduce Work Study funding by nearly half from $990M to $500M
- Eliminate Public Service Loan Forgiveness Program
- Reduce Adult basic and literacy education state grants by $92 million in one year or 16%.
• Allow Pell Grants to be used for “short-term programs” that provide credential, certification, or license in an in-demand field.
  ○ Reallocates $401 M from traditional Pell program over 10 years.

• Expand apprenticeships with Career and Technical Education State Grants
  ○ Small $2M increase to $1.1 B budget
  ○ Direct majority of CTE funds to high schools to promote apprenticeship and work-based learning. Limit CTE offerings to STEM fields and other high-demand fields.
Budget Next Steps

- Congress still needs to pass FY 18 Omnibus appropriation bill this month
  - Bipartisan Budget Deal specified $2 billion should be used for college affordability programs
- FY 19 likely a funded through Continuing Resolutions until after election