



National Conference of State Legislatures Office of State-Federal Relations

President Releases FY 2019 Budget

Feb. 12, 2018

President Donald Trump released his FY 2019 budget proposal, [An American Budget, on Feb. 12](#). Due to the lengthy timeline required to develop a president budget request, the president included an [addendum](#) to his budget proposal that attempts to reflect the recently enacted two-year budget deal, [The Bipartisan Budget Act of 2018](#), which increased FY 2018 and FY 2019 budget caps by \$300 billion. Up until this agreement was reached, FY 2018 appropriations were a continuation of FY 2017 levels.

Over the past decade, Congress has enacted appropriations through omnibus bills rather than individually enacting the 12 appropriations bills. As a result, the release of the president's budget request has become more of a political statement. Nonetheless, NCSL developed the summaries below to highlight the administration's recommendations on the appropriate level of federal funding concerning key agencies and programs within the jurisdiction of the Natural Resources and Infrastructure Committee.

If you have any questions or concerns, please contact NCSL staff [Ben Husch](#), or [Kristen Hildreth](#).

Department of Transportation (DOT)

Most important, funding from the [Highway Trust Fund](#) would match that authorized by the [2015 FAST Act](#), including \$46 billion in highway formula funding and \$9.9 billion in transit formula funding. On the discretionary side, the president's budget requests \$15.6 billion in budget funding for FY 2019, a \$3.7 billion, or 19 percent, decrease from enacted FY 2017 levels of \$19.3 billion.

The budget would provide \$2.6 billion to the Federal Highway Administration's Highway Safety Improvement Plan to assist states in the implementation of their safety plans. Additionally, funding for [TIGER grants](#) would be eliminated, and funding for [Capital Investment Grants \(New](#)

[Starts](#)) would be reduced by more than 50 percent. Funding for Amtrak would be reduced by more than 50 percent to \$738 million in FY 2019 from nearly \$1.5 billion in FY 2017.

U.S. Army Corps of Engineers (USACE)

The budget proposes to reduce discretionary funding for the USACE to \$4.8 billion, a more than 20 percent decrease from the enacted 2017 level. The budget proposes to reform the Inland Waterways Trust Fund, including establishing an annual fee to increase the amount paid by commercial navigation users. Additionally, it proposes reducing the Harbor Maintenance Tax to “provide ports greater flexibility to finance their capital and operating costs on their own.”

Environmental Protection Agency (EPA)

The budget proposes a \$2.8 billion, or a 34 percent reduction from the 2017 enacted level. Within this total, categorical grants allocated to states, which fund state environmental program offices and activities related to the [Clean Air Act](#), [Clean Water Act](#), and [Safe Drinking Water Act](#), will see a reduction to \$597 million in FY 2019, a 44 percent reduction from FY 2017.

The budget provides \$997 million for [Clean Water State Revolving Funds \(CWSRF\)](#), of which \$863 million is allocated for [Drinking Water State Revolving Funds \(DWSRF\)](#), and also allocates \$20 million for the [Water Infrastructure Finance and Innovation Act Program](#). Research and development funds would be reduced to \$246 million in FY 2019, from \$475 in FY 2017, with the administration noting that Science to Achieve Results (STAR) Grants would be zeroed out. Additionally, funding for EPA’s [Hazardous Substance Superfund Account](#) is requested at \$762 million, a significant decrease from the over \$1 billion in FY 2017.

Notably, the budget provides \$27 million for “multipurpose grants,” which states would be able to use on “any statutorily mandated delegated duty.”

Department of Energy (DOE)

The budget calls for DOE funding to be reduced by 3 percent from FY 2017 levels to \$29 billion in FY 2019. Within this, the department’s Office of Energy Efficiency and Renewable Energy, which oversees DOE’s regulatory role in setting efficiency standards for appliances and buildings, while also supporting research in clean energy technologies, would be reduced by \$1.3 billion, to \$696 million in FY 2019. The Nuclear Energy Office also would see a reduction of \$259 million, to \$757 million in FY 2019. Additionally, the proposal includes \$120 million for the Yucca Mountain and Interim Storage Program, to restart licensing activities at the facility, and to establish an interim storage program for spent fuel. The budget also calls for the elimination of the [Advanced Research Project Agency-Energy](#) (ARPA-E) program—the program was allocated \$305 million in FY 2017. The president’s budget continues the sale of the [Strategic Petroleum Reserve](#) for the Energy Security and Infrastructure Modernization Fund.

Department of Health and Human Services (HHS)

The proposal eliminates all formula grants for the [Low-Income Home Energy Assistance Program](#) (LIHEAP). The program was funded at \$3.9 billion in FY 2017, and is an assistance program that helps low-income households pay for heating or cooling in their homes. The program aids in managing costs associated with home energy bills, energy crises, weatherization and energy-related minor home repairs.

United States Department of Agriculture (USDA)

The budget proposes to reduce USDA funding to \$19 billion for discretionary funding in FY 2019, a \$3.7 billion, or 16 percent decrease from FY 2017.

The proposal calls for the elimination of [Rural Water and Wastewater Grants](#), which received \$509 million in FY 2017 and are used to provide clean and reliable drinking and waste water systems in eligible rural areas. Additionally, the administration proposes eliminating [the FLAME Wildfire Suppression Reserve Fund](#).

Department of the Interior (DOI)

Overall, the budget proposal recommends \$11.3 billion for the department in FY 2019, 16 percent less than current funding.

The budget proposes eliminating the Abandoned Mine Land Grant Program, which received \$105 million in FY 2017. To focus resources, the administration is also proposing reducing federal land acquisition funds by nearly 95 percent from \$154 million in FY 2017 to \$8 million in FY 2019.

Within the department, the Bureau of Land Management is proposed to be funded at more than \$1 billion for FY 2019, a decrease of more than \$200 million from FY 2017. The Fish and Wildlife Service is proposed to be funded at \$1.2 billion for FY 2019, a reduction of nearly \$300 million from FY 2017 and the National Park Service would receive \$2.7 billion for FY 2019, a reduction of roughly \$200 million from FY 2017.

The Bureau of Ocean Energy Management would see its budget to offer offshore drilling and wind development leases increase by \$17 million, and the Office of Surface Mining Reclamation and Enforcement would fall from \$253 in FY 2017 to \$122 in FY 2019.

Addendum

In light of the enactment of the Bipartisan Budget Act of 2018, the administration published an addendum to its FY 2019 budget proposal to account for the \$150 billion increase in defense and nondefense discretionary spending caps in FY 2019. However, the administration's proposal only calls for \$540 billion in nondefense discretionary spending, \$57 billion below the new FY 2019 cap.