In Theory, an Easy Budget Year
Pieces of the pie

Federal Outlays, FY 2016
$ in billions
Source: OMB Historical Tables, FY 2018
**Framing the issues**

<table>
<thead>
<tr>
<th>FY 2019 Budget</th>
<th>Expiring Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>• President’s budget</td>
<td>• FAA</td>
</tr>
<tr>
<td>• BBA</td>
<td>• TANF</td>
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<tr>
<td>• Budget resolution</td>
<td>• Farm Bill</td>
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<tr>
<td>• Appropriations</td>
<td></td>
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</tbody>
</table>

**Cats and dogs**

- Opioid response
- Infrastructure? Or not?
- November election
BBA has broad reach

- Discretionary caps
- Side agreement for extra funding
- Mandatory sequestration
- Disaster relief
- Debt limit suspension (March 2019)
- HHS programs
- Budget reform committee
BBA made budgeting easy

Increases in Discretionary Spending Under BBA 2018

Source: CBO
Side agreement funding

- Infrastructure, $20B
- NIH, $2B
- Opioids, $6B
- Child care, $5.8B
- Veterans' health, $4B
- Higher ed, $4B

Total: $42B over two years
$2+ \text{ billion in new spending}

New Funding in FY 18 ($ in millions)

- **USDA-Rural broadband**: $600
- **Election reform**: $380
- **Federal lands/tribal transportation**: $300
- **Competitive bridge funding**: $225
- **Rural communities opioid response**: $130
- **Highly automated vehicles**: $100
- **Community behavioral health**: $100
- **Social Impact Partnerships**: $100
- **School violence**: $75
- **Criminal background checks**: $25
- **EPA-small & disadvantaged communities**: $20
- **Lead testing**: $20
- **Pediatric mental health**: $10
- **Lead in drinking water**: $10
- **ED-family engagement centers**: $10
- **Opioid youth Initiative**: $8
- **Foster family homes**: $8
- **Infant/early childhood mental health**: $5
- **Serious mental illness**: $5
- **Maternal depression**: $5

*Source: FFIS new grants tracker*
President, Congress out of sync

- President’s budget on the sidelines
- BBA to serve as budget resolution
  - House acted for political purposes
  - Senate will stick with BBA
- No budget resolution, no reconciliation
- November election an important backdrop
House, Senate out of sync too
Lots of individual progress

<table>
<thead>
<tr>
<th>Appropriations Subcommittee</th>
<th>Status</th>
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<tbody>
<tr>
<td>Energy and Water</td>
<td>✓ ✓</td>
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<tr>
<td>Legislative Branch</td>
<td>✓ ✓</td>
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<tr>
<td>Military/Veterans</td>
<td>✓ ✓</td>
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<tr>
<td>Interior and Environment</td>
<td>✓ C</td>
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<td>Financial Services/General gov.</td>
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<td>Agriculture</td>
<td>C C</td>
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<td>Commerce/Justice/Science</td>
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<td>Defense</td>
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<td>Homeland Security</td>
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<td>Labor/HHS/Education</td>
<td>C C</td>
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<tr>
<td>State/Foreign Operations</td>
<td>C C</td>
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<tr>
<td>Transportation/HUD</td>
<td>C C</td>
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C=Committee
House, Senate actions of note

- Jim Martin table has details
- Few eliminations, targeted reductions
- Reductions more likely in House
- Lots of programs level funded
- FY 2018 priorities remain: opioids, child care, infrastructure, etc. (from side agreement)
## Other agenda items

### Opioids
- Medicaid, new grants, grant reauthorizations
- Major differences between House and Senate bills

### Farm Bill
- Expires 9/30/18
- Conference: SNAP work rules, eligibility, performance bonuses

### TANF
- Expires 9/30/18
- House bill: work requirements, outcomes, limits on how states spend funds

### Others
- FAA, Perkins, water resources, public health preparedness, government reorganization
What’s in play?

FY 2019 appropriations
• Higher caps
• Most progress in years
• May enact a few spending bills; CR likely

Other stuff...
• Supreme Court nomination
• Opioids: likely
• Farm Bill, TANF: require bipartisan support

Election-year budgeting is always tricky
Spending Frenzy + Tax Cuts =

Fig. 1: Debt as a Percentage of GDP, 2000-2048

Source: Congressional Budget Office and CRFB estimates.
FFIS resources

• FY 2019 national totals: *Jim Martin Table*
• Opioids: *Issue Brief 18-26*
• Supplemental highway funding: *Issue Brief 18-18*
• New spending: *New Grants Tracker*
• Appropriations updates on the FFIS website
Questions?

• Check for updates:
  – www.ffis.org