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>
</tr>
</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

$42B/
two years

Infrastructure, $20B

NIH, $2B

Higher ed, $4B

Veterans' health, $4B

Child care, $5.8B

Opioids, $6B
$2+ 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

Change in 302(b) allocations from FY 2018

- Total
- Defense
- Fin. Serv.
- T-HUD
- C-J-S
- Ag.
- State-Foreign Ops.
- Mil. Cont.-VA
- Labor-HHS
- Interior-Environment
- Leg. Branch
- Energy-Water
- Homeland Security

Senate vs House
# FY 2019 Appropriations Progress

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

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