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From *The Atlantic*

[ityLab](#)

Donald Trump's Bulldozer Budget

Trump staffers are reportedly building a budget proposal with major cuts to federal agencies and programs. These are the ones that could hit cities the hardest.

- [Andrew Small](#)
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<image002.jpg>Donald Trump at the demolition of the Chicago Sun-Times building on October 28, 2004. Yes, we know that's not a bulldozer. (John Gress/Reuters)

To describe the Trump administration's approach to drafting a federal budget, [The Hill](#) chose this image: "Donald Trump is ready to take an ax to government spending." Since lumberjack-related activities don't seem like the developer's style,

we'd amend that: With this budget, Donald Trump would drive a bulldozer over government programs. (Or at least hire a guy to bulldoze them).

Until now, we haven't had much of a sign as to what Trump's actual budget proposals would be, let alone how they would shape federal urban policy. But *The Hill* reports that his staffers have hewed to a "[skinny budget](#)" outlined by the conservative Heritage Foundation, claiming \$10 trillion dollars in savings from 2017 to 2029 ([if the math adds up](#)). The [Blueprint for Reform](#), combined with some more specific proposals in its [Blueprint for Balance](#), also calls for drastic cuts to agencies and programs related to cities.

Most of Heritage's proposals are mirrored in the Republican Study Committee's [Blueprint for a Balanced Budget 2.0](#), which the Trump staffers are also reportedly using as guidance. We've gathered the basic outline of the proposed cuts to departments and programs that could ultimately be felt in cities across the country.

A few key caveats: First, the baseline for the cuts—and the savings promised by Heritage—assumes that government spending always continues to grow, even though Congress could very likely enact new cuts when it sets a budget each year. Also, many of the cuts would require more fundamental changes to the law, rather than merely adjusting budgets, because mandatory spending is baked into some laws already passed by Congress. The wonky details of Congressional committee budgetary procedures will surely be explained in Trump's forthcoming book, *The Art of Deliberation*.

Second, Social Security, Medicare, and Medicaid make up [nearly half of the annual federal budget](#),* and any attempts to enact the kind [of enormous benefit cuts that the Heritage plan proposes](#) would be greeted by a similarly enormous show of force from advocacy groups that are built to protect retirement security.

And third, budgets from the White House never function as laws themselves. Presidents use them as political documents as much as a guideline and wish list to Congress. But after a detail-sparse campaign, this gives us a first glimpse into actual concrete ideas shaping the new administration's policies.

The agency budget figures below are derived from the Blueprint for Reform appendix tables. All numbers are for Fiscal Year 2017 budget reductions unless otherwise specified.

([Owen Byrne/flickr](#))

Department of Housing and Urban Development

FY2017 cut: \$4.3 billion (\$38.8 billion to \$34.5 billion)

2017-2026 reduction: \$292.8 billion

Heritage's proposal would transfer fiscal responsibility of subsidized housing programs to state governments. It also proposes eliminating the Community Development Block Grant in FY 2018—and eliminating the Federal Housing Administration entirely.

In 2016, the block grant program dispersed more than \$3.2 billion dollars toward affordable housing and economic development, public improvements, and public services. The Federal Housing Administration guarantees mortgage insurance for homebuyers. The Trump administration has [already reversed](#) the Obama administration's recent effort to reduce FHA mortgage fees. The transfer of subsidized housing to states presents the biggest shift—the report points to the \$53 billion spent in FY2015 and proposes reducing federal funding for means-tested housing programs at a rate of 10 percent per year for 10 years.

Related proposals in other agencies:

- Eliminate the Community Development Financial Institutions Fund in the Treasury Department (\$238 million)
- Eliminate Federal Emergency Management Agency Fire Grants (\$612 million)
- Reduce funding for FEMA's Disaster Relief Fund (\$2 billion)

Mike Blake/Reuters

Department of Energy

FY2017 cut: \$10 billion from discretionary spending (\$30.21 billion to \$20 billion), mandatory spending would see an initial reduction (turning a \$2 billion surplus into a \$19.68 billion surplus) from selling

department assets such as the petroleum reserves, which offset Congressional budgetary spending.

2017-2026 reduction: \$146.09 billion

Beyond the broad set of proposals to dismantle programs aimed at reducing emissions and regulating pollution, the Budget for Reform proposes cuts to energy efficiency programs at the Department of Energy. One big-ticket item is the the Office of Energy Efficiency and Renewable Energy—which runs programs such as [Energy Star](#) and the [Better Buildings Challenge](#),

Proposals to watch:

- Eliminate the DOE Office of Energy Efficiency and Renewable Energy (\$1.99 billion)
- Eliminate the Advanced Research Projects Agency–Energy (ARPA-E) program (\$297 million)
- Eliminate the DOE Office of Electricity Deliverability and Energy Reliability (\$155 million)
- Eliminate DOE Energy Innovation Hubs (\$25 million)
- Eliminate the DOE Office of Fossil Energy (\$844 million)
- Eliminate subsidies for Power Marketing Administrations, Tennessee Valley Authority, and Rural Utilities Service (\$438 million)
- Eliminate DOE funding for Small Business Innovation Research and Small Business Technology Transfer Programs (\$194 million)

Related proposals:

- End all energy subsidies (\$28.11 billion)
- Eliminate nine climate programs (\$3.68 billion)
- Permanently end/close the Land and Water Conservation Fund (\$19.85 billion)
- Eliminate funding for the Paris Climate Change Agreement (\$235 million)

Related proposals for Environmental Protection Agency:

- Cut Environmental Protection Agency’s budget (\$8.37 million)
- Reduce funding for Four EPA Research Programs (\$131 million)
- Reduce EPA Infrastructure Needs (\$46 million)
- Eliminate six EPA programs (\$421 million)
- Reduce funding for Civil Enforcement program (\$58 million)

- Reduce funding for the EPA's Civil Rights/Title VI Compliance Office (\$6 million)
- Eliminate the EPA's Stratospheric Ozone Multilateral Fund (\$9 million)
- Eliminate the EPA's Information Exchange/Outreach (\$159 million)
- Lease out or sell Underused EPA Space (\$22 million)
- Eliminate Environmental Justice Programs (\$14 million)

Other related environmental proposals:

- Eliminate greenhouse gas regulations
- Eliminate Waters of United States rule
- Study the privatization of the National Weather Service

Department of Transportation

FY2017 cut: \$21.9 billion (\$77.37 billion to \$55.42 billion)

2017-2026 reduction: \$216.6 billion

The most visible transportation-related proposal is a five-year plan to phase out the Federal Transit Administration, which provides financial and technical support to local public transportation systems.

The budget would also cut grants and funds to many other transit programs that give to state and local programs (Angie Schmitt has a rundown of the consequences over at [Streetsblog](#)). The Heritage documents specifically call for the elimination of funds for Amtrak and WMATA. Sorry, commuters!

Proposals to watch:

- Phase out the Federal Transit Administration (\$4.01 billion)
- Eliminate the New Starts Transit Program (\$2.22 billion)
- Eliminate subsidies to Washington Metropolitan Area Transit Authority (\$153 million)
- Eliminate grants to the National Rail Passenger Service Corporation (Amtrak) (\$519 million)
- Eliminate the Transportation Investment Generating Economic Recovery Grant Program (TIGER) (\$510 million)
- Eliminate the Essential Air Service Program (\$179 million)

- Eliminate the Appalachian Regional Commission (\$143 million)
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Department of Justice

FY2017 cut: \$3.77 billion (from \$47.80 billion to \$44.03 billion)

2017-2026 reduction: \$74.68 billion

Though the Department of Justice's operating budget does not see as big a cut overall, *The Hill* notes that the blueprint calls for "eliminating the Office of Community Oriented Policing Services, Violence Against Women grants and the Legal Services Corporation, and for reducing funding for its Civil Rights and its Environment and Natural Resources divisions."

To their credit, the report does point to examining federal reforms to civil forfeiture laws, where seized property from people accused of crimes often gets sold to fund police departments.

But any goodwill Heritage tried to earn might be squandered by its assessment of the Community Relations Service, which works with an \$11 million budget against community conflicts and tensions. Heritage writes "the highly politicized CRS has actually *escalated* [emphasis theirs] local tensions in such places as Ferguson, Missouri, and Florida following the arrest of George Zimmerman." Oof.

Proposals to watch:

- Requiring Department of Justice review of criminal liability regulations
 - Limiting the use of "Disparate Impact" analysis
 - Reducing the appropriations to the Judgment Fund which allocates payments for court settlements with the government
 - Limit the use of Client Agency Guidance documents in litigation
 - Also in DHS: don't forget the [fight over funding for sanctuary cities](#)
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Department of Agriculture

FY2017 cut: \$136.058 billion (\$147.737 billion to \$10.679 billion)

2017-2026 reduction: -\$1.462 trillion

The Heritage documents argue for privatizing crop insurance and eliminating farm subsidies, which cost roughly \$15 billion a year.

More dramatically, Heritage proposes ending a [decades-long, bipartisan compromise](#) that pairs farm subsidies with the Supplemental Nutritional Assistance Program (SNAP, formerly known as food stamps) in the Farm Bill, which originally was designed to bridge the urban-rural divide among lawmakers.

SNAP, which spent \$66 billion in FY2016, would instead come under the purview of the Department of Health and Human Services and would have to come up for a vote in a separate bill from farm subsidies.

The document also proposes reducing the federal role in school meal programs and eliminating the USDA's role in nutritional advice.

Department of Education

FY2017 cut: \$16.80 billion (\$71.42 billion to \$54.61 billion)

2017-2026 reduction: \$236.06 billion

The report proposes eliminating the department's Competitive/Project Grant Programs and Reduce Formula Grants (\$3.76 billion) and propose a state option for vouchers in Title I funding to low-income school districts, which provides \$15 billion annually to schools.

On the college front, there are also vague nods without numbers about reducing Pell Grants, eliminating PLUS loans, and decoupling federal financing from accreditation—so college students can privately borrow even more money for even more precarious degrees! Also more precarious, paying back those loans. The report proposes eliminating public service federal loan forgiveness and repealing gainful employment regulations that require for-profit and vocational colleges to have a default rate of less than 30 percent in order to be eligible for federal student aid.

Another education-related cut, albeit under the Department of Health and Human Services, could come from ending Head Start, by reducing its budget by 10 percent each year (\$935 million).

Department of Labor

FY2017 cut: \$41.44 billion (\$44.70 billion to \$3.26 billion)

2017-2026 reduction: \$566.88 billion

The Blueprint for Reform calls for eliminating the Job Corps (\$1.72 billion), a program that offers vocational training for men and women between 16 and 24 years of age. The blueprint also proposes eliminating a variety of the job training programs created under the Workforce Innovation and Opportunity Act (\$3.43 billion), and reducing funding for the National Labor Relations Board by 50 percent (\$138 million).

Another major cut comes from a policy change by the federal government: repealing or suspending the Davis–Bacon Act (\$8.76 billion), a policy that requires the federal government to pay “prevailing wages” to construction projects as calculated by the Labor Department.

Beyond program cuts, the report outlines tinkering with the Consumer Price Index (adjustments for inflation to entitlement programs), halting new overtime regulations created by the Obama administration, and restricting the activities of labor unions both within the federal government and beyond.

The report also proposes ending the Supplemental Poverty Measure at the Census and reversing the Obama administration’s directive on work requirements in Temporary Aid to Needy Families (TANF).

Miscellaneous

- National Endowment for the Humanities (\$151 million)
- National Endowment for the Arts (\$151 million)
- Eliminate federal funding for Corporation for Public Broadcasting (\$445 million)

CORRECTION: This story originally overstated the proportion that the Social Security, Medicare, and Medicaid make up of the annual budget.

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