



President Trump Releases 2020 Budget Proposal, Slashing Funding for Housing and Community Development Programs

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On March 11, 2019, President Trump released his Budget Proposal for FY 2020. The \$4.75 trillion dollar proposal is the largest in federal history, projecting a trillion-dollar deficit and leaving the budget unbalanced for the next 15 years. The proposal includes an increase in military spending coupled with dramatic cuts to domestic program spending. Below are details of the budget proposal:

Medicare, Medicaid, and Social Security

- Cuts \$818 billion from projected spending on Medicare over ten years and cuts \$1.5 trillion on projected spending on Medicaid
- Replaces open-ended federal contributions to Medicaid with "market-based health care grants," lump sums of federal money, which would cap Medicaid payments at a fixed level and would not keep pace with rising health care costs
- Includes work requirements for working-age adult recipients of food stamps, federal housing support and Medicaid. This would reduce spending on these programs by \$327 billion over a decade because it would disqualify many who currently receive these benefits
- Proposes cutting social security spending by \$26 billion, which includes a \$10 billion cut to the Social Security Disability Insurance program

Housing Programs

- Reduces the Housing and Urban Development budget by \$9.6 billion
- Proposes eliminations of income deductions for medical or childcare expenses for all households
- Eliminates Public Housing Capital Fund by FY19
- Devotes \$100 million to Rental Assistance Demonstration to convert public housing into housing vouchers

- Increases minimum rent for households assumed to be able to work at more than \$150, a level 3 times more than the current rate
- Cuts homeless assistance programs by \$34 million
- Eliminates Community Development Block Grant, HOME Investments Partnerships program, Choice Neighborhoods grants, the Section 4 Capacity Building program, and the Self-Help Homeownership Opportunity Program
- Includes a \$34 million decrease in Section 202 Housing for the Elderly program, \$27 million decrease to Housing for People with Disabilities, and \$63 million decrease to Housing for People with AIDS
- Cuts Native American Housing Block Grant program by \$55 million, and the Native Hawaiian Housing Block Grant would receive no funds
- Eliminates funding for the Multifamily Preservation and Revitalization demonstration, Section 502 Direct Homeownership Loans, Section 514/516 Farm Worker Housing Loans and Grants, Section 523 Mutual and Self-Help Housing, and Section 504 Rural Housing Assistance grants and loans

Other Domestic Programs

- Cuts domestic program spending by \$1.1 trillion over the course of a decade
- Cuts EPA funding by 31%
- 11% cut to the Energy Department spending
- 14% decrease in spending for the Interior Department
- Cuts the Education Department budget by 10%
- 70% cut in renewable energy research
- Elimination of climate science programs across an array of agencies
- Zeros out \$19 million devoted to scientific research on climate change

A more detailed chart for HUD and USDA Programs can be found on the [NLIHC website](#).

Congress has a history of paying little attention to Trump's budget proposals. It is likely that Trump's proposal will face a number of challenges as Congress releases its budget priorities for FY 2020.