FACT SHEET FEDERAL FUNDING

BACKGROUND

People with disabilities, their families, and advocates remain extremely concerned about the outlook for federally funded programs. While Medicaid, Medicare, Social Security, and Supplemental Security Income (SSI) have so far largely been protected from deficit reduction efforts, there are growing calls to cut eligibility and benefits for these essential programs. As the population ages, more demands are placed on these critical programs. Meanwhile, the discretionary programs that people with disabilities rely on to live in the community (such as employment, education, and housing) face long-term threats in this austere budget environment.

Congress remains divided on the fundamental issue of the role and size of the federal government. This is reflected in differing positions on entitlement programs (Medicaid, Medicare, Social Security, and SSI) and the revenue that pays for these programs (individual, corporate, and social insurance taxes).

KEY ISSUES

Bipartisan Budget Act of 2018. Enacted in February, this two-year budget deal will raises spending caps on defense and non-defense discretionary (NDD) program categories for 2018 and 2019 by \$290 billion. The law also included several programs extensions, targeted funding priorities, and a suspension of the debt ceiling through March 1 of 2019. It is estimated that only \$100 billion of the \$419 billion spending increases will be paid for with offsetting cuts.

Fiscal Year 2018 Appropriations. An Omnibus spending bill was enacted on March 23, 2018 to fund discretionary programs through September 30, 2018. The measure provides increases for a number of disability-related programs, including the DD Act's State Councils (4.1%), Protection & Advocacy Systems for DD (5.2%), University Centers for Excellence in DD (5.2%), and Projects of National Significance (20%). Housing programs saw the largest gains with \$402 million in new Section 811 mainstream vouchers in addition to \$107 million for renewals, and \$82.6 million for new Section 811 Project Rental Assistance. Most programs, however, saw modest increases, ranging from 2% to 5%, or level funding. Only one program was cut; the Supported Employment State Grant program sustained a cut of 18%.

Fiscal Year 2019 President's Budget Request. The President's Budget Request, which outlines the Administration's spending and revenue priorities for the next decade, was released on February 12. Among the many cuts of concern to the disability community that it proposed are: converting Medicaid to a per capita cap or block grant program; cutting Social Security and SSI by roughly \$70 billion; cutting DD Act programs by double digits (State Councils on DD (-3%), University Centers for Excellence in DD (-13%), and Projects of National Significance (-90%); cutting Supplemental Nutrition Assistance (SNAP) by \$213 billion, a reduction of 30%; and cutting Housing programs by \$6.8 billion, including major cuts in housing choice vouchers, public housing, and other vital programs for people with disabilities. The President's Budget Request also eliminates funding for the Health Resources Services Administration (HRSA) Autism CARES Act programs. This \$47 million cut includes the \$31.3 million appropriation for Leadership Education in Neurodevelopmental and Related Disabilities (LEND) programs. The President's

Budget Request justifies these extreme cuts as necessary measures to reign in deficits. Though the President's Budget Request does not have the force of law, it can set the stage for the Congressional budgets that follow.

Fiscal Year 2019 Appropriations. Congress is expected to begin working on legislation to fund discretionary programs for FY 2019 which starts on October 1, 2018 in the coming weeks.

Balanced Budget Amendment (BBA). Bills have been introduced in Congress to add a BBA to the U.S. Constitution. A BBA would likely result in drastic cuts to all federal spending and harm the economy. The most prominent BBA bills (H.J. Res. 1 and H.J. Res. 2) are sponsored by Representative Goodlatte (R-VA).

RECOMMENDATIONS

- Congress should not make cuts and structural changes to programs that provide critical supports to people with disabilities, including Medicaid, Medicare, Social Security and SSI.
- Congress should pass FY 2019 appropriations bills in regular order using the increased spending caps agreed to in the Bipartisan Budget Act of 2018.
- Congress should not cut funding for critical education, employment, housing, developmental disability programs, and other programs that support people with disabilities to live and work in the community.
- Congress should raise sufficient revenues and develop a long term plan to finance the federal government's role in providing essential supports, services, and benefits for people with disabilities and their families.
- Congress should oppose a Balanced Budget Amendment to the Constitution.

RELEVANT COMMITTEES

House and Senate Budget Committees House and Senate Appropriations Committees House and Senate Appropriations Subcommittees on Labor, Health and Human Services, Education and Related Agencies

For more information, please contact The Arc at (202) 783-2229, Association of University Centers on Disabilities at (301) 588-8252, American Association on Intellectual and Developmental Disabilities at (202) 387-1968, National Association of Councils on Developmental Disabilities at (202) 506-5813, Self Advocates Becoming Empowered at SABEnation@gmail.com, or United Cerebral Palsy at (202) 973-7185.

03/30/2018