

**The House is from Mars,  
the Senate is from Venus**

Federal Funds Information for States  
[www.ffis.org](http://www.ffis.org)

**MD Governor's Grants Conference  
November 13, 2017**

# Where we started



# Where we are now



## Budget

- FY 2018 budget resolution adopted
- No agreement on BCA
- CR until December

## Structural Reforms

- Health: done (sort of)
- Taxes: front burner
- Mandatory reforms: on hold

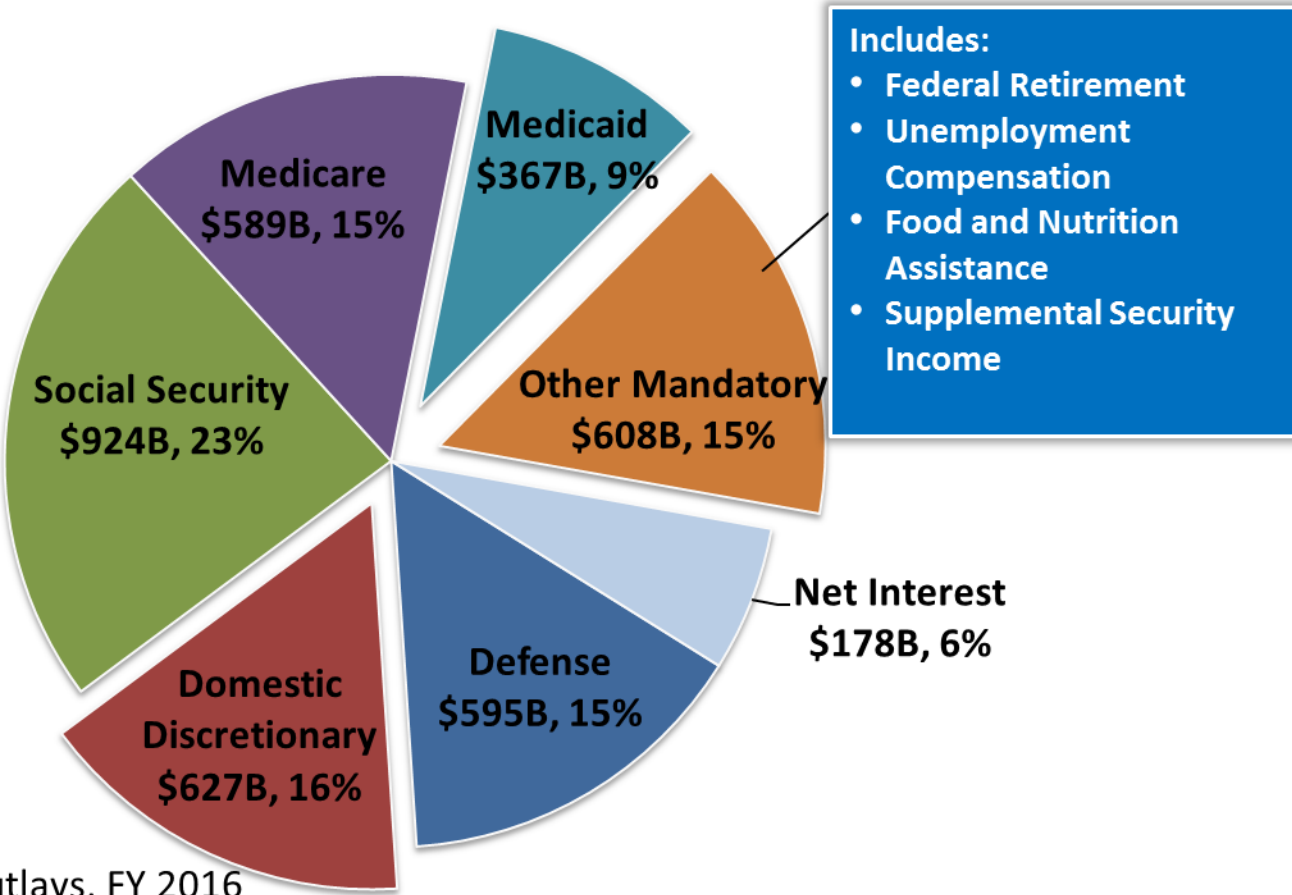
## Debt Limit

- In CR
- Will surface again in early 2018

## Expired Funding

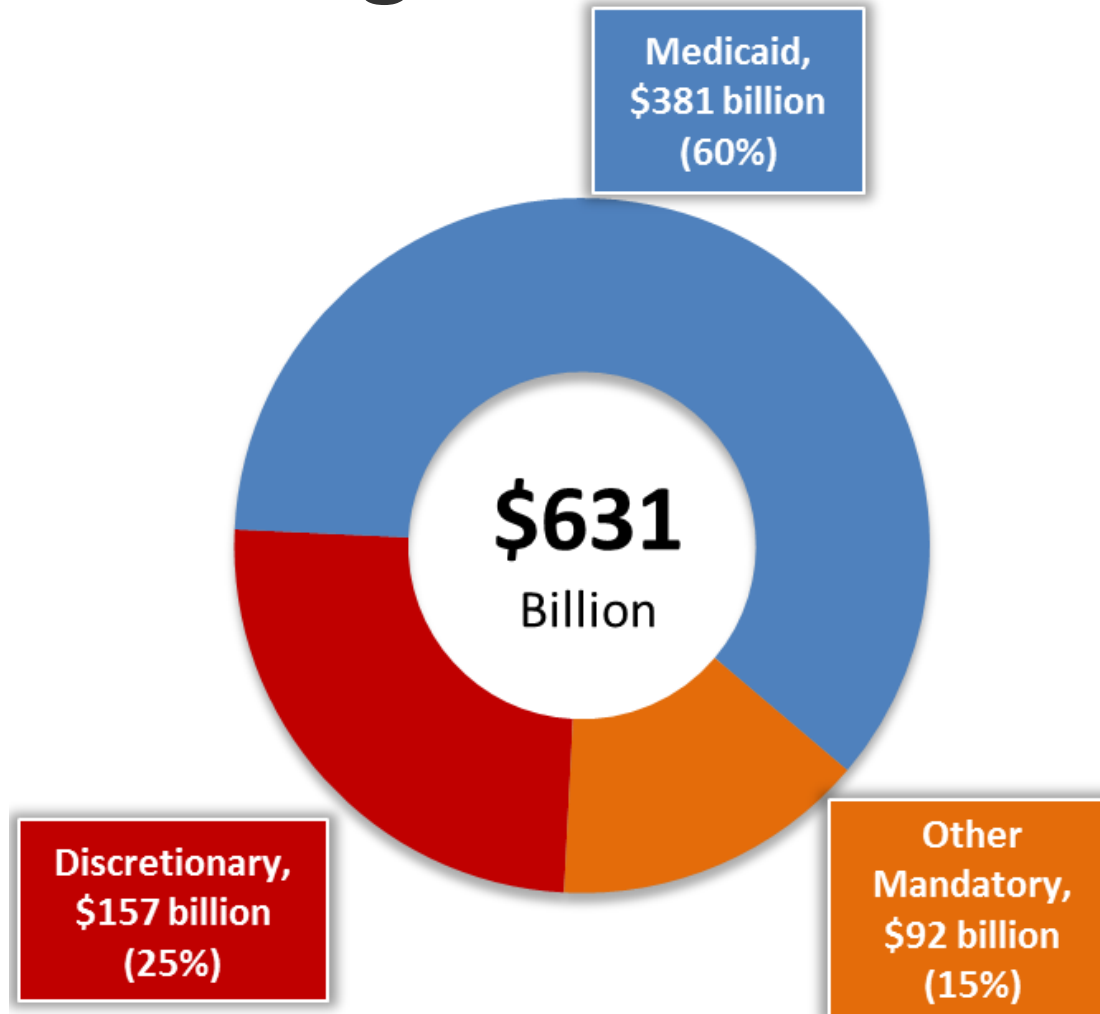
- CHIP
- Other HHS programs

# Most risks in three areas



Federal Outlays, FY 2016  
Source: OMB Historical Tables, FY 2017

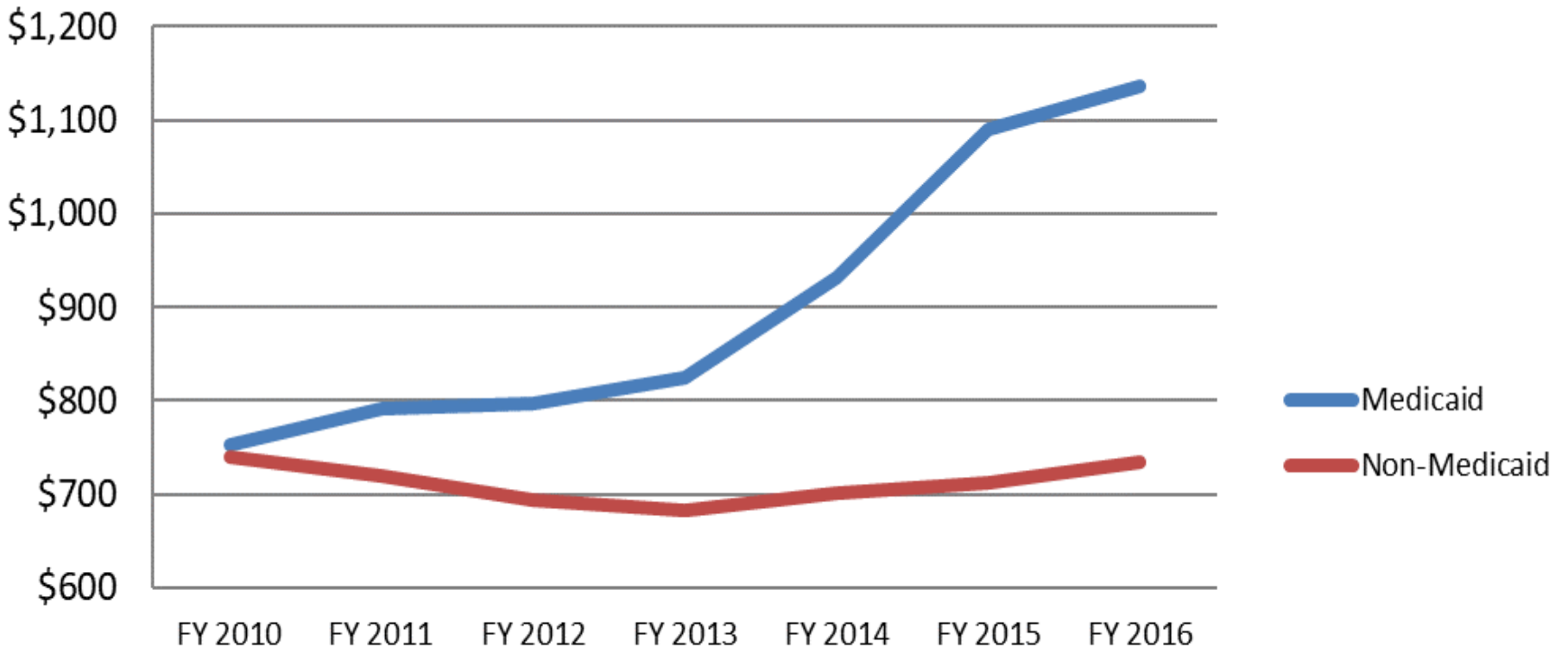
# These same three areas fund state and local grants



Source: FFIS Grants Database, FY 2016

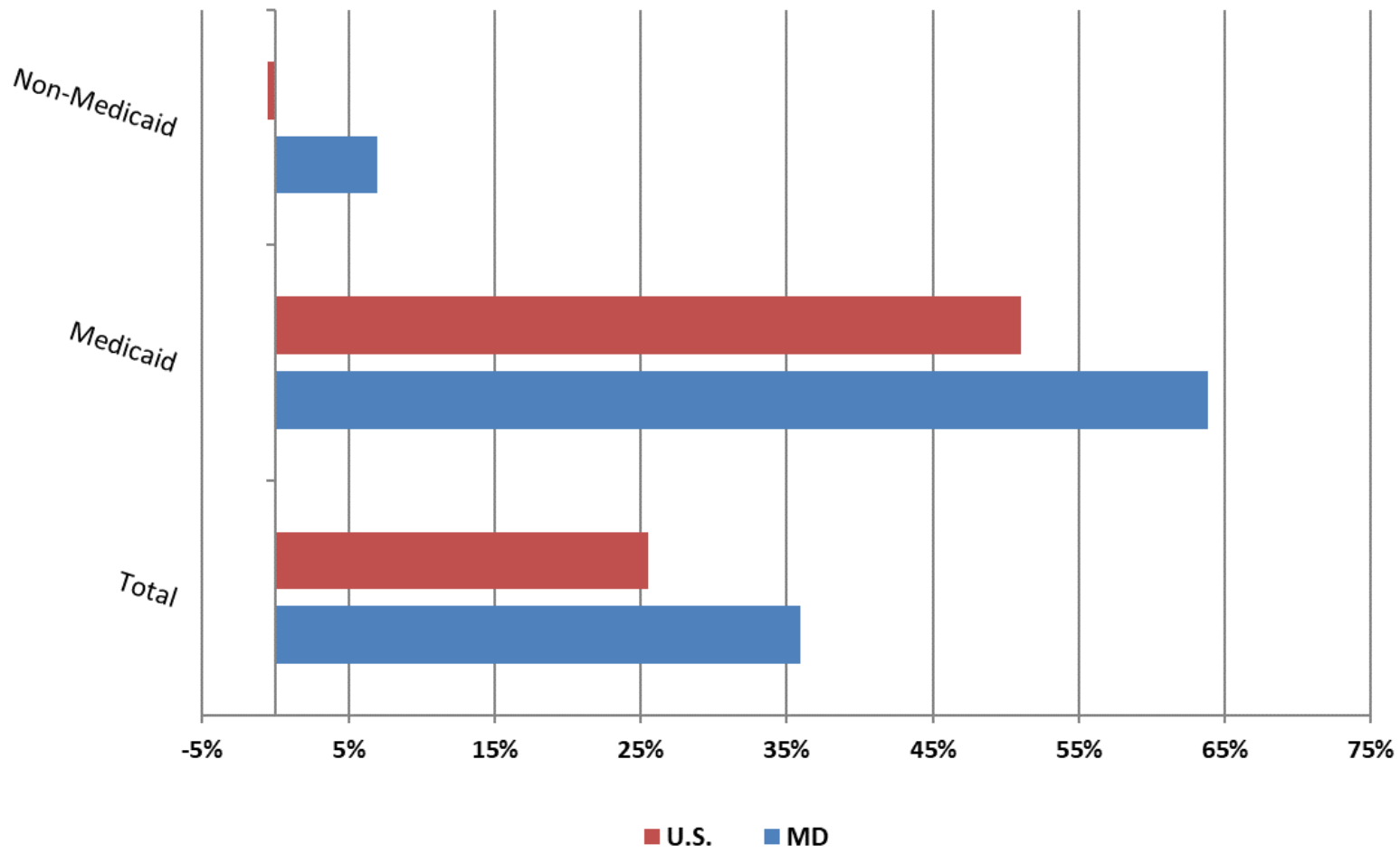


# Non-Medicaid grants relatively flat



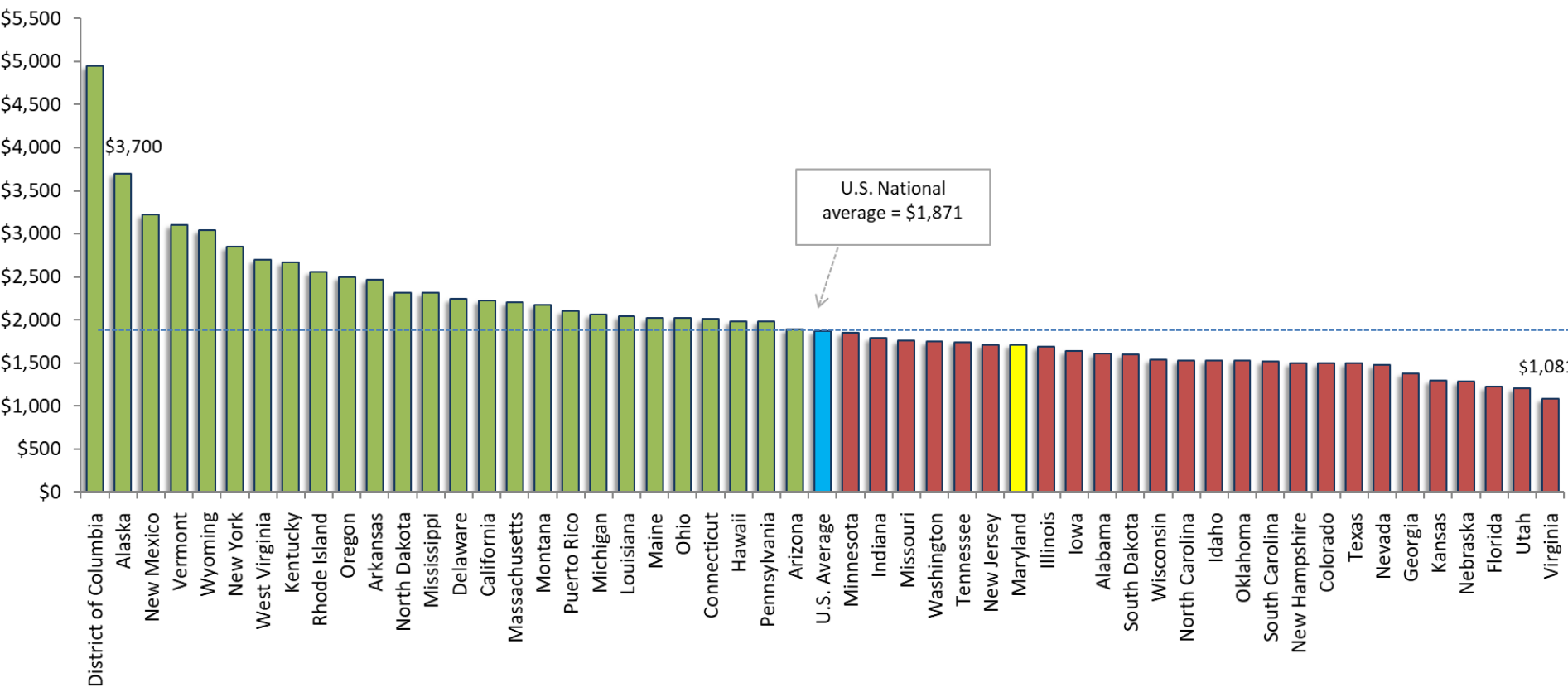
Per Capita Federal Grants, FYs 2010-2016  
Source: FFIS Database

# Per capita changes in Maryland FYs 2010-2016



Source: FFIS (programs in grants database)

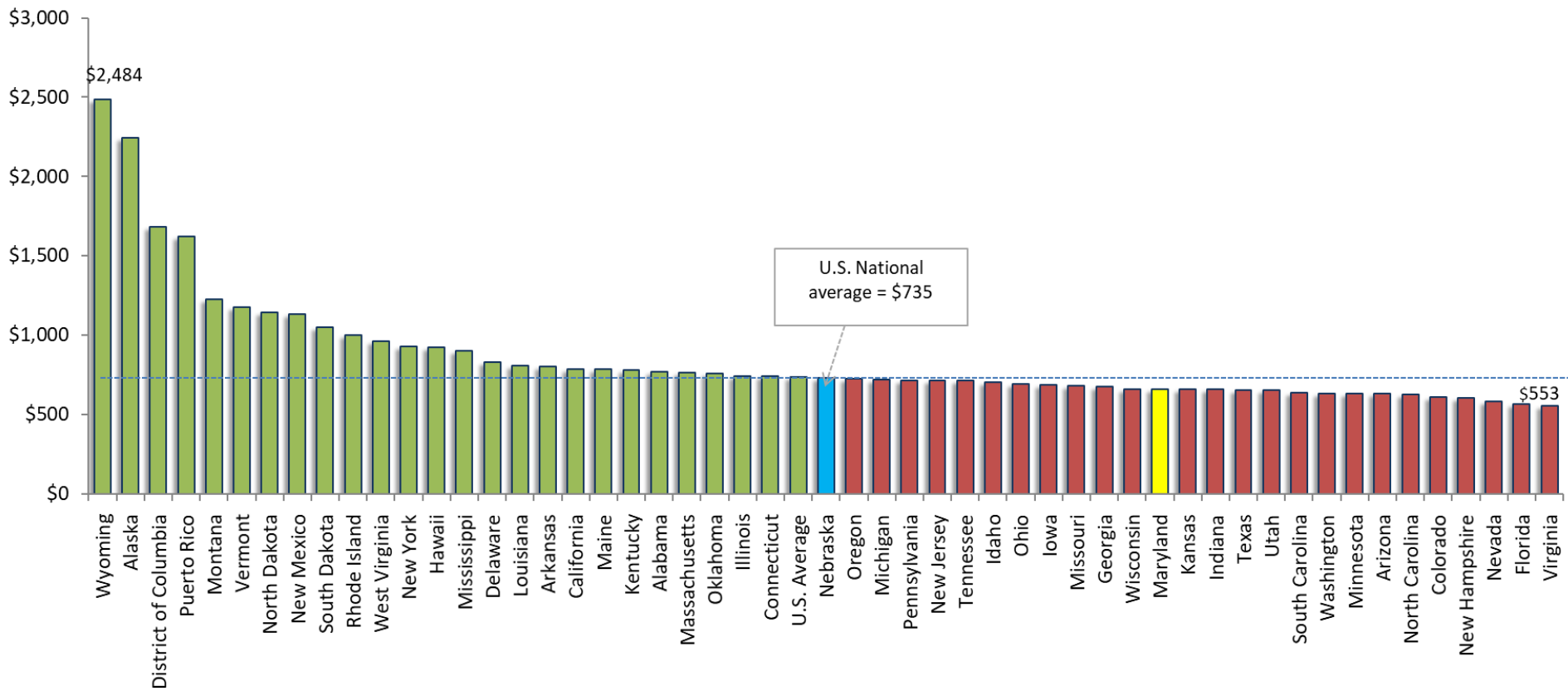
# FY 2016 grants per capita varied widely



Source: FFIS Grants Database

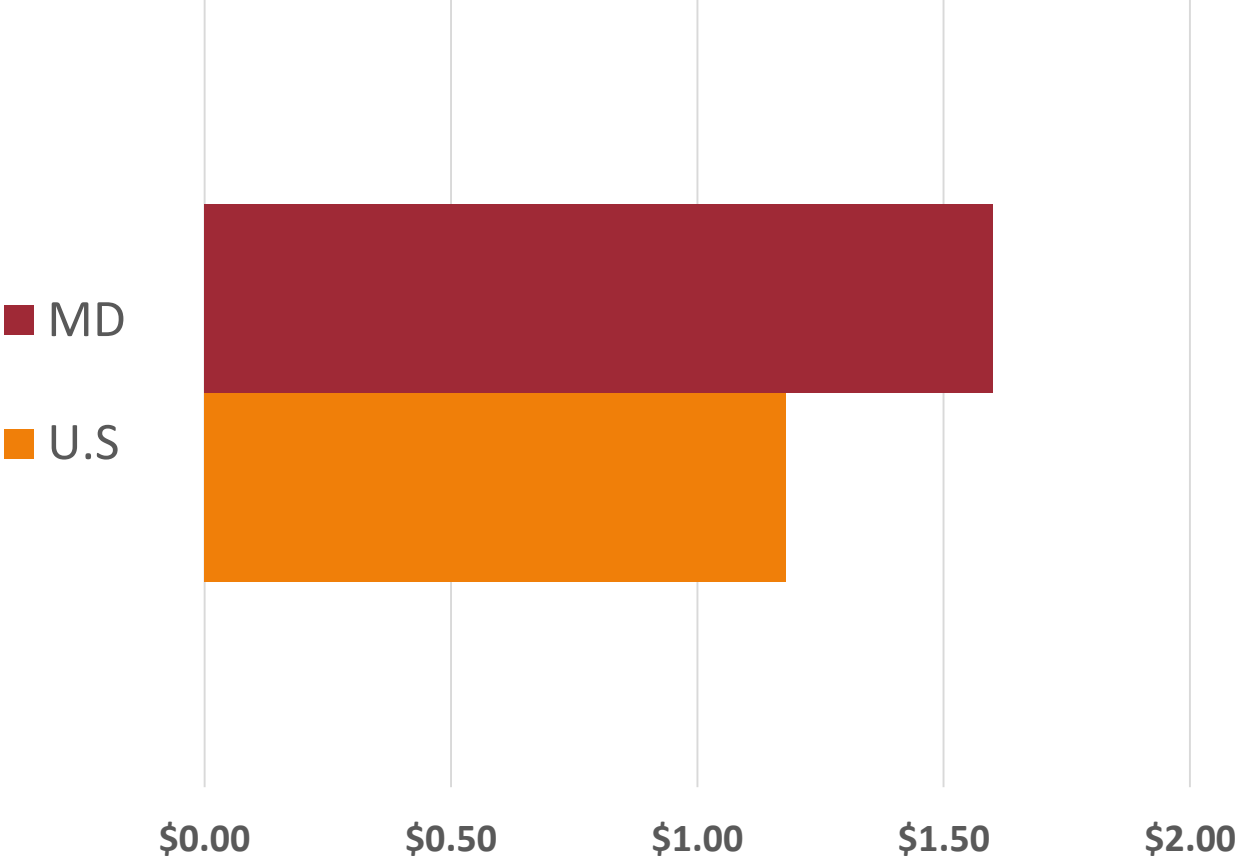


# Removing Medicaid levels the playing field for many states



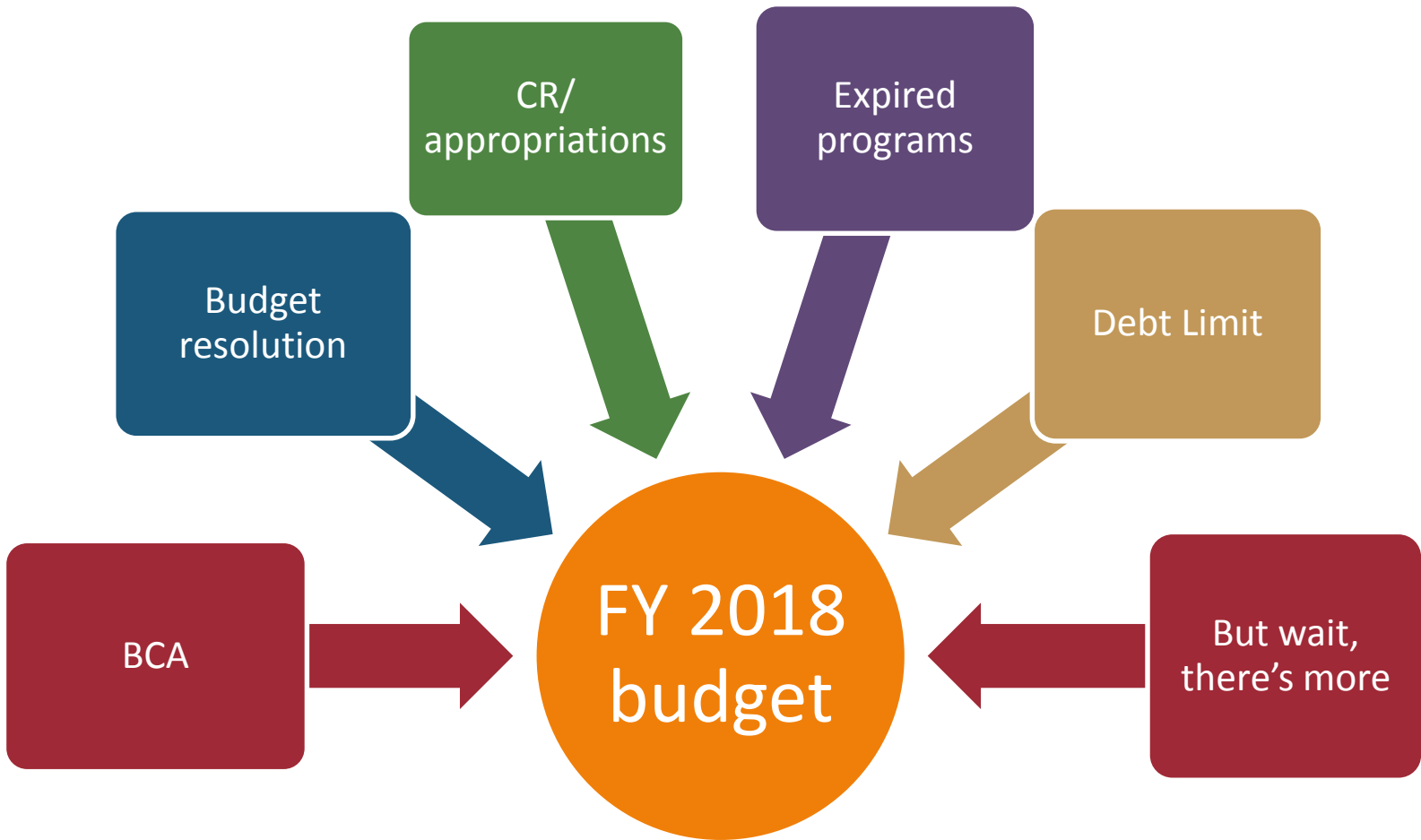
Source: FFIS Grants Database

# Beyond grants



**Per Capita Federal Spending per Dollar of Taxes, FY 2016**  
*Source: FFIS calculations of data from New York Comptroller*

# Plenty in play in FY 2018





# BCA is the law of the land

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Sequestration reduces caps through  
FY 2021

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Split equally between defense,  
non-defense

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Exceeding caps  
triggers ATB cuts

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Congress increased caps  
in FYs 2014-2017

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Limited mandatory sequestration  
through FY 2025

# FY 2018 and the BCA



## President

- Eliminate defense sequestration
- Offset by dollar-for-dollar cut to non-defense

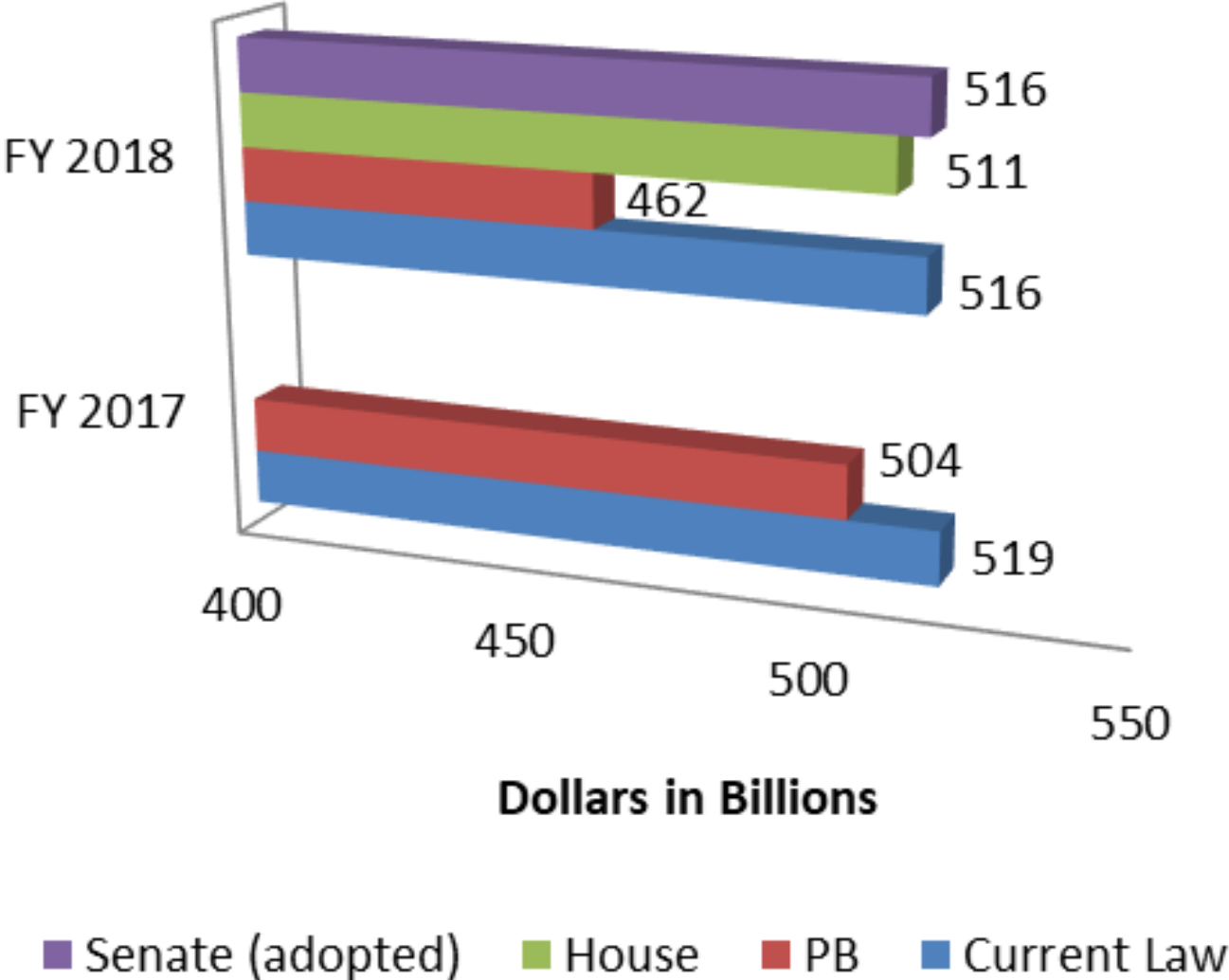
## House Budget Resolution

- Exceed defense cap in FY 2018
- Increase defense cap and reduce non-defense cap after FY 2018
- Extend mandatory sequestration until FY 2027

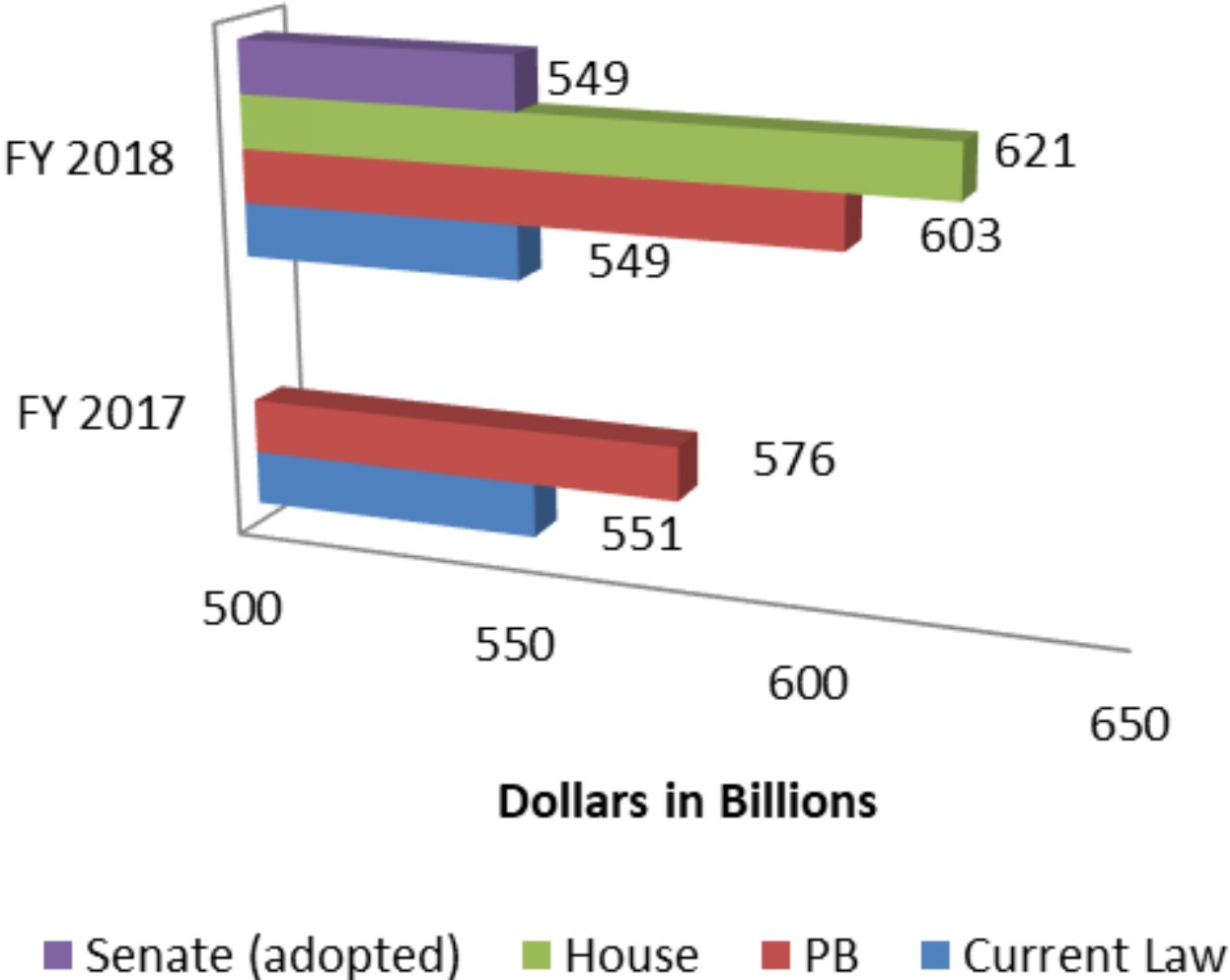
## Senate Budget Resolution (adopted)

- Retain caps for defense
- Reduce caps for non-defense after FY 2018

# Non-defense discretionary



# Defense discretionary

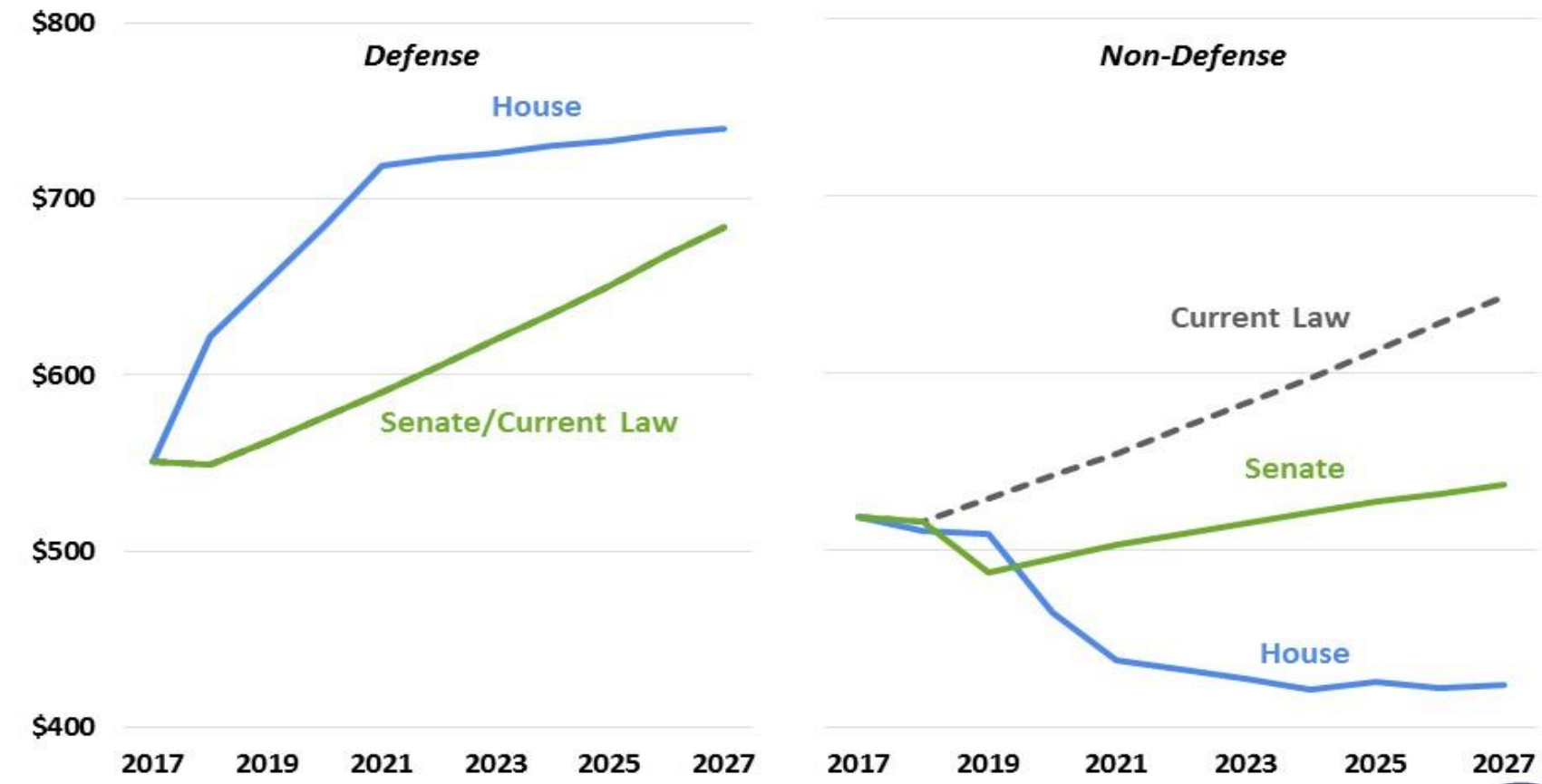


# What CRFB says



## Discretionary Spending in the Congressional Budgets

Billions of Dollars



Source: Congressional Budget Office, House and Senate Budget Committees.





# The FY 2018 Budget Resolution

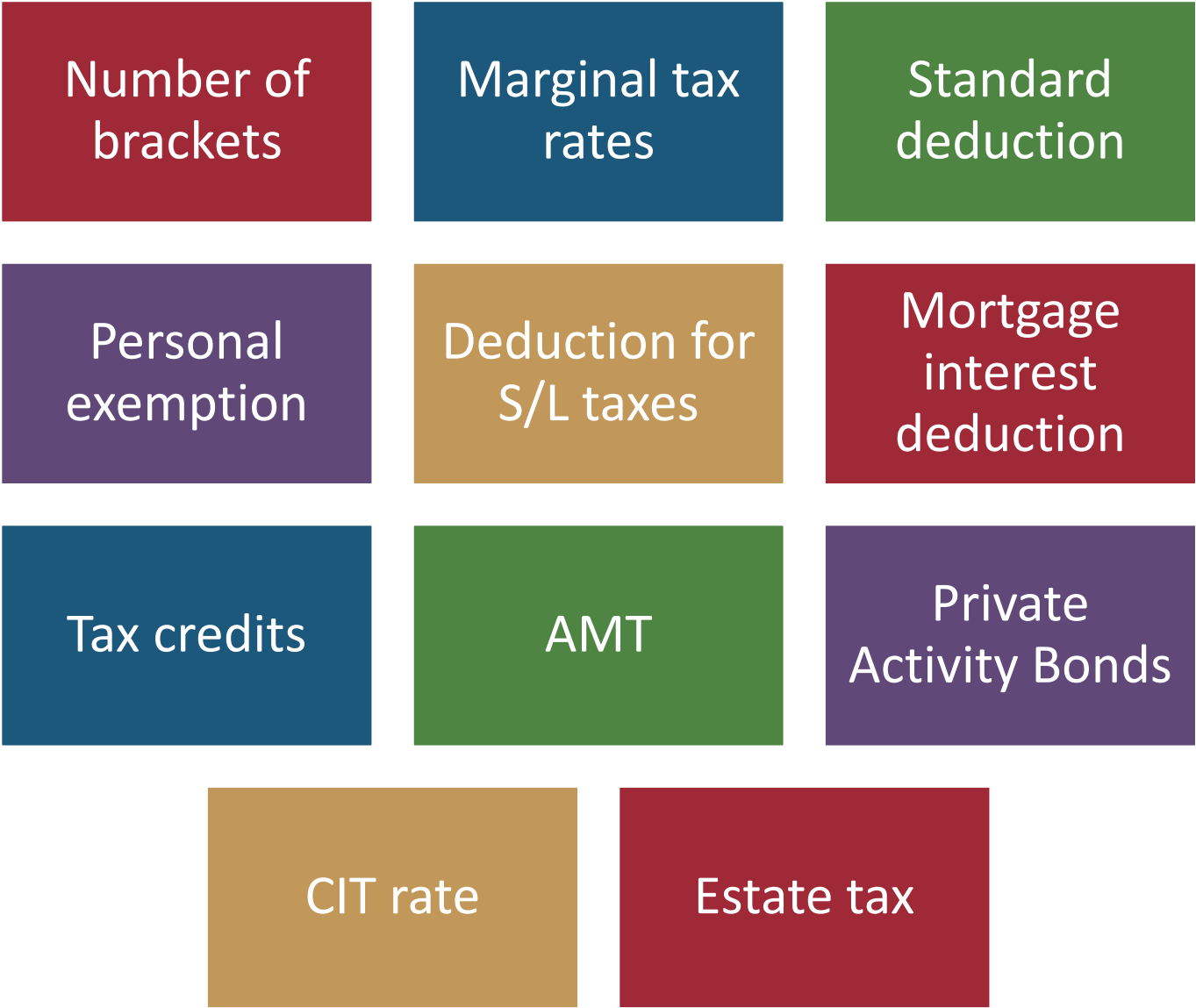
## Funding

- Abides by BCA in FY 2018; allows for upwards adjustments
- Cuts non-defense discretionary in out years (nonbinding)

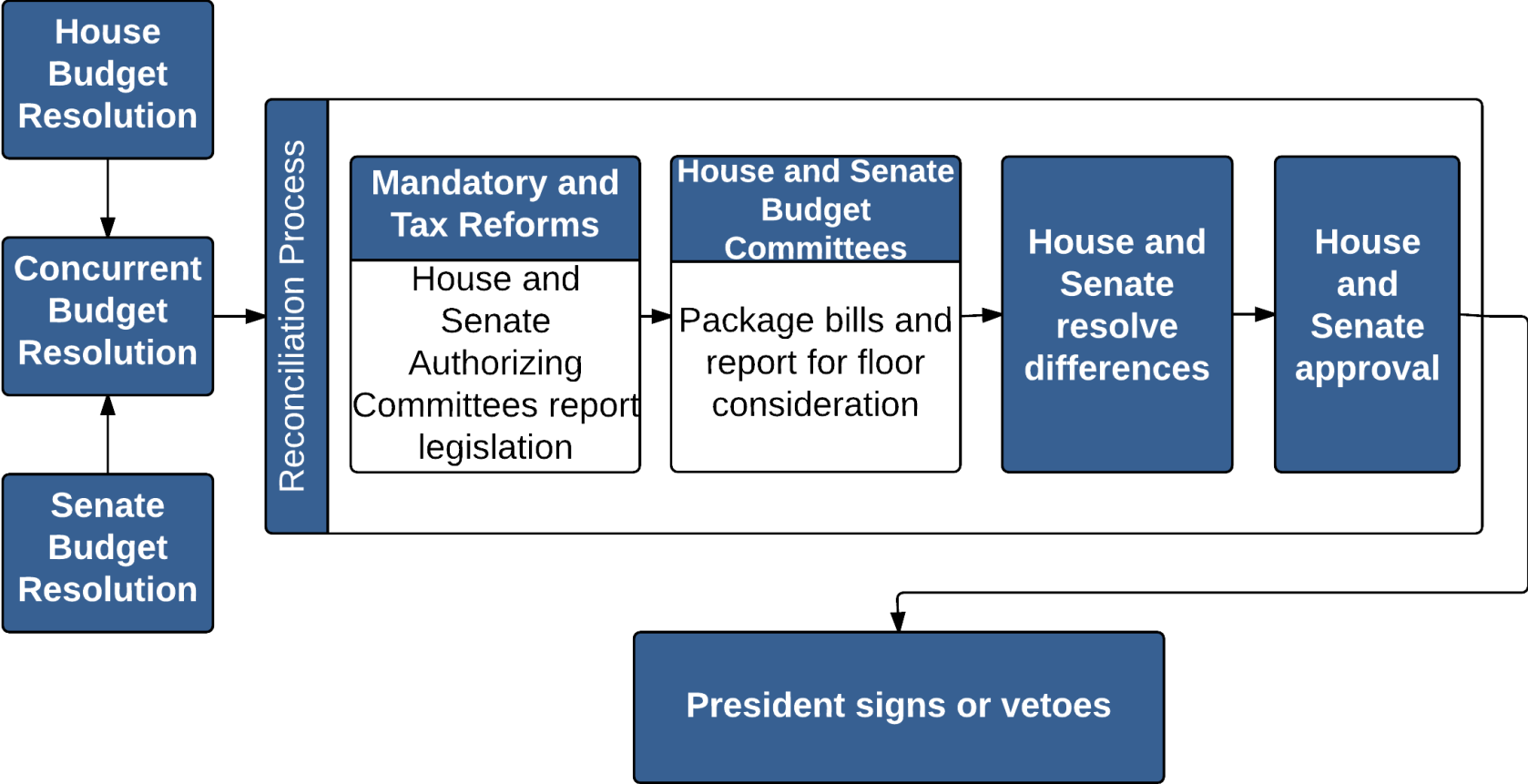
## Reconciliation

- \$1.5T/10 years for tax reform
- -\$1B/10 years in savings (Arctic drilling)
- Excludes mandatory savings House favored

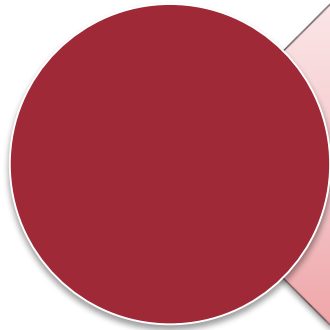
# Tax reform issues in play



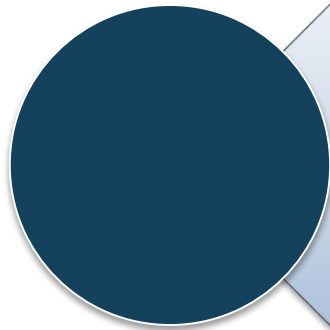
# Reconciliation “simplified”



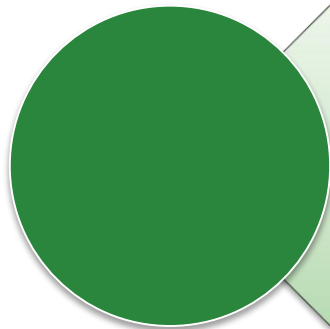
# Appropriations status



House combined all bills into an omnibus that passed



Full Senate has approved no bills



No final bills enacted; CR in place



# Appropriations “watch list”

## Eliminations

- Supported employment
- State Health Insurance Program
- Racial and Ethnic Approach to Community Health
- Workforce Data Quality Initiative

## Increases/New

- Student Support Block Grant
- Charter Schools
- Section 8
- Housing for the Elderly
- JAG formula grants
- Opioid Prevention Grants
- Screening for Treatment for Maternal Depression

## Decreases/ Consolidations

- Choice Neighborhoods
- EDA grants
- TIGER Grants, Capital Investment
- WIOA, Employment Services
- Community Services Block Grant
- Refugee Assistance



# FY 2018 funding expirations

<b>Program</b>	<b>FY 2017 Funding (in millions)</b>
<b>September 30:</b>	
Children's Health Insurance Program	15,952
Community Health Centers (mandatory funding)	3,528
Perkins Loan Program	782
Maternal, Infant, and Early Childhood Home Visiting	372
National Health Service Corps	289
Health Profession Opportunity Grants	79
Personal Responsibility Education Program	70
Abstinence Education	70
Medicare Improvements for Patients and Providers Act	35
<b>December 31:</b>	
Teaching Health Center Graduate Medical Education	56
<b>March 31:</b>	
Airport Improvement Program	3,350
<b>Total</b>	<b>\$24,583</b>



# Other issues on our radar

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Opioid crisis

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ACA Medicaid DSH cuts

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Prevention and Public Health Fund rescissions

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Stabilize health insurance markets

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SNAP performance bonuses, error rates

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VW settlement (\$2.9B/10 years)

# Looking ahead

Mandatory reforms

ACA repeal and replace

Infrastructure

Farm Bill

TANF

Opioids





# Recapping what's in play

## BCA and Appropriations

- Status quo or FY 2018 higher caps
- Level funding for most programs
- Focus has moved to taxes, so CR?

## Reconciliation and Tax Reform

- How big are the differences?

## Debt Ceiling

- New deadline January 2018

## Funding Extenders

- Offsets, timing

## What are risks to states?



# Questions?

- Check for updates:
  - [www.ffis.org](http://www.ffis.org)
  - [ttomsic@ffis.org](mailto:ttomsic@ffis.org)
  - 202-624-8577