

Government  
Executive

# THE POWER *of the* PURSE

The Trump administration's budget priorities for federal agencies.

# The Power of the Purse

## The Trump administration's budget priorities for federal agencies.

by Charles S. Clark, Ross Gianfortune, and Amelia Gruber

The Trump administration has offered a \$4 trillion plan that largely keeps to its smaller-government priorities in program areas if not on the ledger.

But what Budget Director Mick Mulvaney called “an aggressive set of spending reforms that cut deficits by \$3 trillion over 10 years” represents a retreat from last year’s goal of balancing the budget within 10 years.

“The budget imposes a fiscal discipline on Washington spending that many in today’s political climate reject, yet which remains more important than ever,” Mulvaney said in a statement. He added that the plan—released as deficits are estimated to soon double to a trillion dollars—would reduce “debt as a percentage of GDP and [improve] our long-term fiscal sustainability.”

To comply with the new spending caps in this month’s congressional budget agreement, it would allocate \$716 billion for defense (shifting \$20 billion in Overseas Contingency Operations funding to the base budget). It would allot \$540 billion for domestic spending and proposed savings of \$48.4 billion in discretionary programs, including \$25.8 billion in program eliminations and \$22.6 billion in reductions.

Most agencies would experience relatively large cuts under President

Trump’s **fiscal 2019 budget request**. At the top of the list, the Environmental Protection Agency would take a 33.7 percent hit from enacted 2017 spending levels. The State Department would see a 26.9 percent cut.

Gains would come at the Commerce Department, which is preparing for the 2020 Census, as well as the Defense, Veterans Affairs and Homeland Security departments.

The chart below shows how large agencies fared in the president’s budget request. Please note that some agencies would receive more than is reflected in the chart, due to extra

### FY2019 DISCRETIONARY BUDGET AUTHORITY (BILLIONS OF DOLLARS)

Departments	2017 Enacted*	2018 Estimate**	2019 Request	2019 Request less 2017 enacted
Agriculture***	\$22.7	\$22.5	\$19.0	-16.4%
Commerce	\$9.3	\$9.3	\$9.9	6.1%
Defense**	\$523.2	\$574.5	\$597.1	14.1%
Education	\$66.9	\$67.8	\$59.9	-10.5%
Energy	\$30.2	\$30	\$29.2	-3.4%
Health & Human Services****	\$87.1	\$86.3	\$69.5	-20.3%
Homeland Security**	\$42.4	\$44.1	\$46	8.6%
Housing & Urban Development (Excluding receipts)	\$48	\$47.7	\$39.2	-18.3%
Interior	\$13.5	\$13.4	\$11.2	-16.8%
Justice	\$28.4	\$28.1	\$28	-1.3%
Labor	\$12	\$12	\$9.4	-21.4%
State and Other International Programs***	\$38.7	\$38.1	\$28.3	-26.9%
Transportation	\$19.3	\$19.2	\$15.6	-19.2%
Treasury	\$12.7	\$12.6	\$12.3	-0.3%
Veterans Affairs	\$74.4	\$77.3	\$83.1	11.7%

  

Major Agencies	2017 Enacted*	2018 Estimate**	2019 Request	Percent Change
Corps of Engineers	\$6.2	\$6	\$4.8	-22.2%
Environmental Protection Agency	\$8.2	\$8	\$5.4	-33.7%
NASA	\$19.7	\$19.5	\$19.6	-0.3%
Small Business Administration	\$0.8	\$0.8	\$0.6	-24.5%
Social Security Administration****	\$9.3	\$9.3	\$8.8	-4.9%

\* 2017 Enacted reflects the actual amounts, and include many changes that occur after appropriations are enacted that are part of budget execution such as transfers, reestimates, and the rebasing any changes in mandatory programs enacted in appropriations bills.

\*\* At the time the 2019 Budget was prepared, 2018 appropriations remained incomplete and the 2018 column reflects at the account level enacted full-year and annualized continuing appropriations provided under the Continuing Appropriations Act, 2018 (Division D of Public Law 115-56, as amended by Division A of Public Laws 115-90 and 115-96). The 2018 levels are further adjusted through policy allowances to illustratively reflect the base and Overseas Contingency Operations totals proposed in the Administration’s amended 2018 Budget request. These allowances appear within the Department of Defense, the Department of Homeland Security, and Government-wide.

\*\*\* Funding for Food for Peace Title II Grants is included in the State and Other International Programs total. Although the funds are appropriated to the Department of Agriculture, the funds are administered by the U.S. Agency for International Development.

\*\*\*\* Funding from the Hospital Insurance and Supplementary Medical Insurance trust funds for administrative expenses incurred by the Social Security Administration that support the Medicare program are included in the Health and Human Services total and not in the Social Security Administration total.

Source: Office of Management and Budget



📷 OMB Director Mick Mulvaney testifies on Capitol Hill on the Trump administration's budget request. (Susan Walsh/AP)

money made available in the recently enacted congressional deal raising budget caps. [Click here to view the addendum to the budget request based on the congressional deal and see the additional amounts allotted to each agency.](#)

Trump again called for the elimination of more than a dozen agencies, among them: the National Endowment for the Arts; the National Endowment for the Humanities; the Corporation for Public Broadcasting; the Chemical Safety Board; the Legal Services Corp.; the Woodrow Wilson International Center for Scholars; and the Corporation for National and Community Service, the Economic Development Administration, the U.S. Trade and Development Agency, the Neighborhood Reinvestment Corp., the Institute of Museum and Library Services, the International Development Foundations and various regional commissions.

But Congress did not zero out any of the agencies proposed for elimination in the fiscal 2018 budget request, and it seems unlikely lawmakers would do so in 2019.

In a candid statement on Congress's dramatic budget deal raising spending caps by \$300 billion between fiscal

years 2018 and 2019, the budget said: "We believe that this level responsibly accounts for the cap deal while taking into account the current fiscal situation. Spending at the levels included in the cap deal would add an additional \$680 billion to the nation's deficit over 10 years above the fiscal 2019 budget."

The request did include spending hikes for Trump priorities, such as:

- ▶ \$200 billion in federal funds to spur at least \$1.5 trillion in infrastructure investments over 10 years with state, local and private partners;
- ▶ \$23 billion for a Southern border wall;
- ▶ \$85 billion in new spending for veterans health; and,
- ▶ \$3 billion in new funding in 2018 and \$10 billion in new funding for the Health and Human Services Department to combat the opioid epidemic.

The Homeland Security Department budget would rise to include \$782 million to hire and support 2,750 additional law enforcement officers and agents at U.S. Customs and Border Protection and Immigration and Customs Enforcement. (It would provide \$2.7 billion to pay for an average daily detention capacity of 52,000 illegal aliens at ICE, the agency's highest-ever detention level, the White House said.)

The budget request reiterated Trump themes of reducing the regulatory burden and relying more on data and evidence in decision making. It also called for changes in federal agency culture, though an in-depth discussion of the president's management agenda was postponed until March. Highlights of the plans it mentioned include those "eliminating unnecessary political positions; using shared services to improve IT services and reduce costs through economies of scale; realigning offices and personnel; and revamping regional offices."

Overall, "achieving beneficial outcomes that serve the public should be the federal government's primary focus," the budget document stated.

## FY2019 CIVILIAN EMPLOYMENT IN THE EXECUTIVE BRANCH (CIVILIAN EMPLOYMENT AS MEASURED BY FULL-TIME EQUIVALENTS (FTE) IN THOUSANDS, EXCLUDING THE POSTAL SERVICE)

Agency	Actual				Estimate		Change 2018 to 2019	
	2016	2017	2018	2019	FTE	Percent		
<b>Departments</b>								
Agriculture	86.8	87.3	88.7	80.9	-7.8	-8.8%		
Commerce	40.3	40.9	42.6	51.7	9.1	21.3%		
Defense	725.3	726.2	741.5	744.5	3	0.4%		
Education	4.1	4.1	3.9	3.9	*	-1.1%		
Energy	14.9	14.7	15.4	15.1	-0.2	-1.4%		
Health and Human Services	72.6	74.1	75.5	74.9	-0.6	-0.8%		
Homeland Security	183.5	182.4	182	195	13	7.2%		
Housing & Urban Development	8	7.9	7.7	7.5	-0.2	-2.6%		
Interior	64.2	64.9	64.4	59.8	-4.6	-7.1%		
Justice	114.9	118.2	117.1	116.8	-0.3	-0.3%		
Labor	16.5	16.2	15.7	15.8	*	0.3%		
State	32.1	27.6	25.7	25.5	-0.2	-0.6%		
Transportation	54.3	54.7	55.1	54.7	-0.4	-0.7%		
Treasury	93.4	92.5	90	88.3	-1.8	-1.9%		
Veterans Affairs	345.1	351.6	359.3	366.3	7	1.9%		
<b>Other Agencies -- Excluding USPS</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>FTE</b>	<b>Percent Change</b>		
Corps of Engineers - Civil Works	21.8	21.7	21.6	21.6	*	*		
EPA	14.7	14.8	15.4	11.6	-3.8	-24.6%		
EEOC	2.2	2.1	2.1	2	*	-0.8%		
General Services Administration	11.2	11.5	11.7	11.9	0.2	1.5%		
NASA	17.1	17.2	17.3	17.2	-0.1	-0.3%		
National Science Foundation	1.4	1.4	1.4	1.4	...	...		
Office of Personnel Management	5.1	5.5	5.9	5.8	-0.1	-2.3%		
Securities and Exchange Commission	4.6	4.6	4.5	4.5	-0.1	-1.4%		
Small Business Administration	3.2	3.4	3.2	3.3	*	0.5%		
Smithsonian	4.9	5	5.2	5.2	*	-0.1%		
Social Security Administration	63.7	61.4	61.5	60.8	-0.8	-1.2%		
<b>Total Executive Branch Civilian Employment</b>	<b>2,057.3</b>	<b>2,062.1</b>	<b>2,085.1</b>	<b>2,095.2</b>	<b>10.1</b>	<b>0.5%</b>		

\*50 OR LESS

Source: [Office of Management and Budget](#)

## Impact on Personnel

President Trump's fiscal 2019 budget request is light on detail about the reorganization plans agencies were required to submit to the Office of Management and Budget last fall, discussing instead much broader pay and civil service reforms. The proposal does, however, offer some hint as to the magnitude of workforce cuts (or increases) agencies can expect.

Estimates of changes in full-time equivalent employees by agency included in the plan range from a 25 percent decrease at the Environmental Protection Agency from 2018 to 2019, to a 21.3 percent increase at the Commerce Department over that time frame. Commerce is preparing for the 2020 decennial census, while EPA has frequently been the target of cuts in the Trump administration.

The Homeland Security Department would see the next biggest increase in employees after Commerce, under Trump's request. DHS staffing would go up 7.2 percent, the plan stated. This is in keeping with the priority the administration has placed on hiring more immigration enforcement personnel.

The chart to the left shows how much the workforce would shrink or grow by agency under Trump's request. [G](#)

# About the Authors



**CHARLES S. CLARK** is a senior correspondent at *Government Executive*.

Charlie Clark joined *Government Executive* in the fall of 2009. He has been on staff at the *Washington Post*, *Congressional Quarterly*, *National Journal*, Time-Life Books, Tax Analysts, the Association of Governing Boards of Universities and Colleges, and the National Center on Education and the Economy. He has written or edited online news, daily news stories, long features, wire copy, magazines, books and organizational media strategies.



**ROSS GIANFORTUNE** is the engagement editor at *Government Executive*.

Prior to joining *Government Executive's* staff, Ross Gianfortune worked at the *Washington Post*, The Gazette Newspapers, WXRT Radio and the *Columbia Missourian*. He holds a bachelor's degree in journalism from University of Missouri and a master's in communications from American University.



**AMELIA GRUBER** is the senior editor at *Government Executive*.

Amelia Gruber covered management and contracting for *Government Executive* for three years before becoming an editor. She also has worked as an editor at *Roll Call* newspaper and as a research assistant at the Urban Institute. She holds a bachelor's degree from Carleton College, with a major in economics, and a master's degree from the Medill School of Journalism at Northwestern University.