THE CHILDREN'S BUDGET COALITION INVESTING IN THEIR FUTURE

March 15, 2017

The Honorable Mick Mulvaney Director The White House Office of Management & Budget 725 17th Street, NW Washington, DC 20503

Dear Director Mulvaney,

The Children's Budget Coalition made up of over 50 children focused organizations would like to express our grave concern about the proposed President's Fiscal Year 2018 (FY 18) Budget Blueprint. The proposed amount of total funding for non-defense discretionary (NDD) programs in the FY 18 Budget Blueprint of \$462 billion would devastate programs that impact children's development and well-being, particularly in the areas of health, education, nutrition, housing and welfare.

To this end, as you work to finalize the FY 18 Budget Blueprint we request that the proposed \$54 billion increase to defense discretionary spending not be offset by NDD spending cuts. Instead, we strongly support robust funding for children's programs through lifting the budget caps for non-defense discretionary spending set forth in the Budget Control Act (BCA; P.L. 112-25) while maintaining parity between non-defense and defense discretionary spending. We also request that any supplemental spending legislation, whether it be for defense or the construction of a southern border wall, not be offset by either FY 17 or FY 18 NDD spending cuts.

We are very concerned with two disinvestment trends for programs that benefit children identified in First Focus' 2016 Children's Budget Book released in June 2016:

- 1. Children's programs accounted for a mere 2.1 percent of all new total federal spending over the last five years. Overall federal spending has increased by approximately 7.7 percent between 2011 and 2016. This increase was driven by mandatory spending, which increased by approximately 20 percent over the last six years. On the other hand, federal discretionary spending has decreased by approximately 4.6 percent over the last six years due mostly to sequestration cuts and budget caps.
- 2. The share of total federal spending on children decreased 5.1 percent from 8.25 percent in 2014 to 7.83 percent in 2016. Total federal spending on children has increased by approximately 2.0 percent between 2011 and 2016. This increase is at a slower rate than the increase of overall federal spending. As result, the share of total federal spending on children's programs accounted for only 7.83 percent of total government spending in 2016 which is a 5.1 percent decrease from 8.25 percent in 2014.

As you know, non-defense discretionary programs support core functions of the government, including medical and scientific research; education and job training; infrastructure; public safety and law enforcement; public health; weather monitoring and environmental protection; natural and cultural resources; housing and social services; and international relations. The President's proposed \$54 billion cut to non-defense discretionary spending could lead to as much as \$20 billion in cuts to the House FY 18 Labor, Health & Human Services and Education (Labor-HHS) appropriations bill which in turn could have significant consequences on over 100 critical programs that support children. In fact, House Labor-HHS Chairman Tom Cole stated last week in the Member's hearing that, "There's no part of this budget that can escape unscathed if we have \$18-to-\$20 billion dollars cut."

NDD programs cannot continue to sustain these levels of cuts while being expected to provide resources for our most vulnerable children. As you know, last year the House Labor-HHS bill had a funding level of \$161.6 billion which was \$569 million less than the FY 16 enacted level. A \$20 billion cut would represent a decrease of more than 12 percent from what was already proposed for FY 17. Furthermore, the proposed President's FY 18 Budget Blueprint would continue severe, multi-year cuts to NDD programs. Under the current budget caps, NDD spending in FY 18 would be \$516 billion which would be 16 percent below the FY 10 level of \$612 billion. Under the President's proposal, the cut since 2010 would grow to 25 percent.

These proposed deep cuts are not tenable and this divestment trend must be reversed by increasing funding for children's programs through lifting the budget caps. If Congress fails to increase funding and lift the budget caps on NDD appropriations, the cuts to children's programs will have real consequences for real people – especially teachers, young children in low-income families, and students with special needs. The caps are scheduled to rise by approximately 2 percent per year which is roughly enough to begin keeping up with projected inflation, but not enough to also cover population growth or other rising needs of children.

A core principle of the sequestration provisions of the BCA is that cuts would be evenly divided between defense and non-defense programs. We strongly support this principle and ask that the FY 18 President's Budget Blueprint maintain it. Finally, we strongly oppose using FY 17 or FY 18 NDD appropriations to offset any supplemental funding legislation. Any additional funding needs cannot result in even more cuts to critical programs for children and their families.

We cannot continue down this path – our children deserve better. The Children's Budget Coalition is committed to ensuring that robust federal investment in the critical programs that nurture children is a top priority for our nation's leaders. We thank you for your consideration and look forward to working with you in the 115th Congress to ensure all our nation's children have an equal opportunity to reach their full potential.

Best,

AASA: The School Superintendents Association Afterschool Alliance Alliance for Strong Families and Communities American Academy of Pediatrics (AAP) American Psychological Association Bread for the World Child Welfare League of America Children's Advocacy Institute

Children's Defense Fund

Children's Health Fund

Collaborative for Academic, Social and Emotional Learning (CASEL)

Committee for Children

Communities In Schools

Every Child Matters

Family Focused Treatment Association

First Focus Campaign for Children

Futures Without Violence

Institute for Child Success

Kempe Center for the Prevention and Treatment of Child Abuse and Neglect

MENTOR: The National Mentoring Partnership

MomsRising

National Association of Counsel for Children

National Association of Federally Impacted Schools

National Center for Healthy Housing

National Crittenton Foundation

National Forum to Accelerate Middle Grade Reform

National Head Start Association

National Network for Youth

National Respite Coalition

National Title I Association

National Writing Project

Partnership for America's Children

Public Advocacy for Kids

Save the Children

Save the Children Action Network

School Based Health Alliance

SchoolHouse Connection

Share Our Strength

United Way Worldwide

Voices for Progress

Youth Villages