

**n4a Legislative Update**

## **n4a's Analysis of the President's FY 2021 Budget Proposal**

**February 11, 2020**

Earlier this week, President Trump released a \$4.8 trillion FY 2021 budget proposal that mirrors policies included in previous Trump Administration budget requests and that would dramatically modify the course of federal investment in both defense and non-defense discretionary (NDD) programs— affecting older adults in communities around the country.

By including deep cuts to NDD programs, increases for defense spending and major rescissions for many mandatory line items, the fiscal blueprint for federal agencies rejects a bipartisan budget agreement establishing overall defense and NDD funding levels for FY 2020 and 2021 that was signed into law last summer.

Specifically, the Administration's budget proposes \$741 billion for discretionary defense spending, reflecting a small percentage increase over FY 2020 outlays. For NDD programs, the Administration seeks an overall five percent cut from FY 2020 funding levels to \$590 billion. However, that overall cut obscures the wide range of reductions across the government's many NDD programs, with some programs facing much more significant cuts.

The President also proposed deep cuts to a number of social safety net programs, including Medicaid, SNAP, TANF, disability programs, and other mandatory and discretionary block grant programs. Imposing burdensome eligibility restrictions for various supports and rolling back access to care through the Affordable Care Act are the primary strategies employed to achieve these cuts in the FY 2021 budget proposal.

### **Budget Request Details for OAA and Other Aging Programs**

Many of the funding priorities outlined in the FY 2021 budget request echo

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Administration's FY 2021 budget request.

President Trump proposed funding discretionary programs within the Department of Health and Human Services (HHS), which houses ACL, at \$95 billion, a nine percent cut from current funding levels. A significant portion of the overall decrease comes from a roughly \$4 billion cut to the National Institutes of Health and from the elimination of critical HHS block grant programs that often support aging services in states and communities.

Overall, the request would fund the Administration for Community Living at \$2.2 billion, which is slightly below FY 2020 enacted funding. Most core Older Americans Act (OAA) programs, such as **Title III B Supportive Services** and **Title III C Nutrition Services** were flat-funded, preserving recent appropriations increases. However, the funding request for **Title III E Family Caregiver Support Services** was rolled back by \$35 million (nearly 20 percent) to \$151 million. This funding level would entirely eliminate the funding increases for critical caregiver supports enacted since FY 2017.

While the budget does not repeat previous Trump Administration proposals to eliminate the **State Health Insurance Assistance Program (SHIP)**, it does include a \$16 million (more than 30 percent) cut to the only federally funded, unbiased resource for Medicare counseling, which is largely administered locally through Area Agencies on Aging. Funding for SHIP has been an ongoing challenge for advocates and n4a will continue to fight for adequate SHIP funding.

The budget proposal outlines targeted funding for ACL to award grants to states and tribes to identify gaps in their Adult Protective Service systems and propose solutions to address cases of opioid-related abuse. This includes \$2 million in new funding for the **Elder Justice Initiative** and a combination of existing and redirected funding totaling a \$6 million investment.

The Administration's budget proposal also includes funding cuts to Aging and Disability Resource Centers, the Long-Term Care Ombudsman Program, Chronic Disease Self-Management and Falls Prevention Programs, and Lifespan Respite. The budget also makes deep cuts to several ACL disability programs.

Within the Department of Labor (DOL), the Administration eliminates funding for many workforce development programs, including the OAA Title V **Senior Community Services Employment Program (SCSEP)**.

### **Other Key Programs Slated for Steep Cuts or Elimination**

In addition to SCSEP, other programs again on the chopping block that could

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for utility bills; the **Social Services Block Grant** (SSBG); and the **Community Services Block Grant** (CSBG), which provide wrap-around services for older adults in many communities.

The budget would eliminate funding within the Department of Housing and Urban Development (HUD) for the **Community Development Block Grant** (CDBG). States often use CDBG funding for a variety of programs, including a small amount that a few states and communities direct toward shoring up senior nutrition programs such as home-delivered meals.

One bright spot in the budget proposal is that HUD-funded programs include an eight percent increase for **Section 202 Supportive Housing for the Elderly Program** contract renewals and \$100 million for new Section 202 properties. The budget also includes a full renewal of Service Coordinator grants. Overall, the budget requests \$47.9 billion for housing programs, a 15 percent decrease from FY 2020 spending.

## **President Again Proposes Expanding OAA Funding Flexibility for States**

The Administration repeated a proposal from previous budget requests intended to increase flexibility for states by allowing states to direct up to 100 percent of OAA Title III funding to state-specific priorities. This request mirrors a concerning proposal that was included in the FY 2019 and 2020 budget justifications that would allow states to disregard provisions in the Older Americans Act Reauthorization of 2016 (P.L. 114-144) that limit the transfer authority between OAA Title III programs. While we haven't yet seen legislative details on the Administration's FY 2021 proposal, we expect that it would again permit states to override the appropriations decisions reached by Congress by enabling states to move up to 100 percent of the funding for OAA Title III programs and services between subtitles as they see fit—without local input. n4a has gone on the [record](#) opposing this request in previous budgets and will do so again this year.

## **What's Next for Budget and Appropriations**

It is important to remember that the President's budget is a messaging document from the Administration. **Presidents of either party rarely see many of their budget proposals enacted into law.** Congressional appropriators will ultimately make funding decisions for most federal discretionary programs, and major changes to mandatory spending require a hefty legislative lift. In fact, both Senate and House leadership have gone on the record to say that they will reject the Trump Administration's request to ignore the 2019 bipartisan budget agreement. However, n4a remains

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At this point, the President's recommendations can be used effectively by advocates as we begin our FY 2021 appropriations campaign. **Stay tuned for n4a's FY 2021 appropriations campaign resources.** In the coming weeks, n4a will send a letter to Congress outlining many specific funding requests and we will include these requests in our *2020 Policy Priorities*, which will be released at the upcoming [n4a Aging Policy Briefing & Capitol Hill Day](#), March 17-18 in Washington DC.

Stay tuned for more updates from n4a and we hope to see you at the Aging Policy Briefing in March!

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**This Legislative Update is an n4a membership benefit.** For more information about these and other federal aging policy issues, please contact n4a's policy team: Amy Gotwals ([agotwals@n4a.org](mailto:agotwals@n4a.org)) and Autumn Campbell ([acampbell@n4a.org](mailto:acampbell@n4a.org)), 202.872.0888.

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