

## Housing Policy News

The White House today released its “skinny” budget for fiscal year 2018. For HUD, no surprises compared to Doug Rice’s analysis last week based on leaked preliminary budget documents. The White House added back about \$200 million, leaving the big picture unchanged. As we summarized today, the budget would eliminate the HOME and CDBG block grants. Based on preliminary documents, the budget also appears to slash public housing funding by about \$2 billion, or 30 percent, and freeze or somewhat reduce Housing Choice Voucher renewal funding, resulting in the loss of about 200,000 vouchers. [Today’s blog includes state-by-state estimates of these impacts.](#)

Programs vital to low-income people and communities in other parts of the federal budget would also be cut severely. CBPP President Bob Greenstein’s Statement highlights some of these impacts, and Sharon Parrott and some of our budget team colleagues explain the “troubling fiscal agenda” the President appears to be pursuing, which “features large increases in defense funding that are offset by cuts in a range of critical domestic priorities, substantial tax reductions for the wealthy, losses in health care for low- and moderate-income Americans, and potentially deep cuts in entitlement programs outside of Medicare and Social Security.”

The President’s full FY2018 budget will likely be submitted to Congress in May. It’s possible the appropriations committees will start preliminary work before then, but they can’t set even preliminary funding levels until Congressional leaders decide whether to go along with the President’s proposal to cut overall funding for non-defense discretionary programs by \$54 billion below the sequester level set by the Budget Control Act.

Moreover, it will be difficult for Congressional committees to work on 2018 funding until funding levels for 2017 are final. Expect more controversy over 2017 funding now that the President has formally sent a request to Congress to increase FY 2017 defense and homeland security/wall funding (Democrats have vowed to resist the latter), and to cut other domestic funding by \$18 billion in 2017. Funding bills require 60 votes – and therefore some Democratic support -- in the Senate. In light of this uncertainty, HUD this week sent public housing agencies a letter urging them to proceed cautiously until the dust settles.