

Budget Activity in both Washington, D.C. and Lansing

Congress returns from Spring Break to Washington, D.C. this week to what is shaping up to be a busy couple of months. First on the agenda is funding the federal government for the rest of the fiscal year, thru the end of September. The current continuing resolution (CR) the government is operating under expires on Friday, April 28th and Congress will have to pass something by Friday to avoid a government shutdown. President Trump has just recently seemingly backed off his insistence on funding for the construction of a wall on the Southern border to be included in any funding measure for the rest of fiscal year 2017 (FY 2017). This should allow Republican and Democratic members of Congress who have been negotiating a bi-partisan compromise to fund the government for the rest of FY 2017 to finalize their agreement and avoid a government shutdown.

The real battle over federal government spending is shaping up to be over the fiscal year 2018 (FY 2018) budget as President Trump is calling for \$54 billion in cuts to non-defense domestic spending in order to support a similar increase in military spending and the construction of the wall. The President is expected to release his detailed FY 2018 budget proposal in mid-May and Congress will be working through the Summer on the Appropriations process. Michigan's overall state budget is incredibly reliant on the maintenance of stable federal funding, especially in the area of programs that support children and families facing challenges. Stay tuned to Michigan's Children as we keep track of the federal budget battles and fight to make sure children and families are prioritized as budget decisions are made in Washington.

Also, President Trump has renewed his call for the U.S. House of Representatives to pass the American Health Care Act (AHCA) which failed to pass the House before their Spring recess. Negotiations on the bill have continued over the break and when Congress returns to session this week amendments are expected to be offered in an effort to get conservative members of Congress to re-consider their opposition. The framework of the bill remains unchanged, however, and if enacted, the AHCA would dramatically impact access to health care for children and young adults in Michigan and potentially devastate future Michigan budgets.

The Michigan Legislature continues to move forward on the fiscal year 2018 (FY 2018) state budget as both the House of Representatives and Senate have passed all of their individual departmental budget bill out of their respective Appropriations sub-committees. The Senate has begun to move some of the smaller individual budget bills through the full Appropriations committee and is expected to push the rest of the bills through the committee this week. The House is expected to combine the budget bills into two omnibus spending bills, one for the education bills (K-12, community colleges and higher education) and another for all of the General Fund spending bills and move them through the full House Appropriations committee

this week as well. As expected, both the House and Senate have reduced General Fund spending from Governor Snyder's proposed FY 2018 budget in an effort to justify an income tax cut that many Republican members of the Legislature are pushing for. These cuts to the Governor's FY 2018 proposal have put some of the most positive aspects of his plan in jeopardy, as both the House and Senate have not included some of the needed increases to programs that help children and families that Governor Snyder prioritized. Of particular concern to Michigan's Children are the supports for the foster care system which Governor Snyder proposed to increase, including expansion of the Michigan Youth Opportunity Initiative (MYOI), a program that benefits young people as they age out of the foster care system.

Matt Gillard is the President & CEO of Michigan's Children, the only statewide independent voice working to ensure that public policies are made in the best interest of children from cradle to career and their families.