

Overview

2020
BUDGET
FACT
SHEET



A BUDGET FOR A BETTER AMERICA

The President's pro-growth economic agenda, MAGAnomics, has unleashed the American economy, resulting in a rapid increase in jobs and opportunity for American workers. Unemployment remains near historic lows, millions of jobs have been created, household incomes are rising, and GDP grew by 3.1 percent over the four quarters of 2018.

The President's 2020 Budget builds upon this incredible success and continues to keep his promises to the American people. It continues the President's pro-job creation policies, keeps taxes low, combats the opioid epidemic, protects our veterans, defends our Nation, and secures our borders.

However, one of the largest threats to continued economic prosperity is our Nation's unsustainable debt, which climbed to more than \$22 trillion this year. If nothing is done, net interest payments alone on the Federal Government's debt will double by 2023 and exceed spending on our military by 2024.

That is why this Budget lays out the President's continued vision to drive down deficits by bringing spending below the post-war average while continuing to make investments in critical priorities. Such spending restraint, coupled with the President's tax cuts and deregulatory policies, will keep our economy thriving and America prosperous for generations to come.

BUILDING ON OUR ECONOMIC SUCCESS.

A Record of Job Growth and Low Unemployment. The economy added over 4.9 million jobs between January 2017 and February 2019, and over 5.3 million jobs since President Trump was elected in November 2016. February 2019 also marked the 101st straight month of positive job growth. In addition, the unemployment rate has been at or below 4 percent for 12 consecutive months. The Administration's pro-growth, pro-worker policies are working, and this Budget continues to build on this record of success.

Cutting the Red Tape. The President's regulatory reform agenda represents a fundamental change of direction for the Federal Government. By eliminating or amending regulations that are duplicative, unnecessary, ineffective, or unduly burdensome, the Administration is unleashing the ingenuity, determination, and know-how of the private sector, which has always been the principal driver of American prosperity. Over the past year, the Administration has issued 12 deregulatory actions for every one new regulation implemented, saving the economy more than \$23 billion in Washington-imposed costs.

Tax Reform. Working alongside Republicans in the Congress, the President signed historic tax reform into law. This marked the first time in more than 30 years that our Nation's tax laws were overhauled to provide much needed relief to American families, all while allowing our small businesses to flourish.

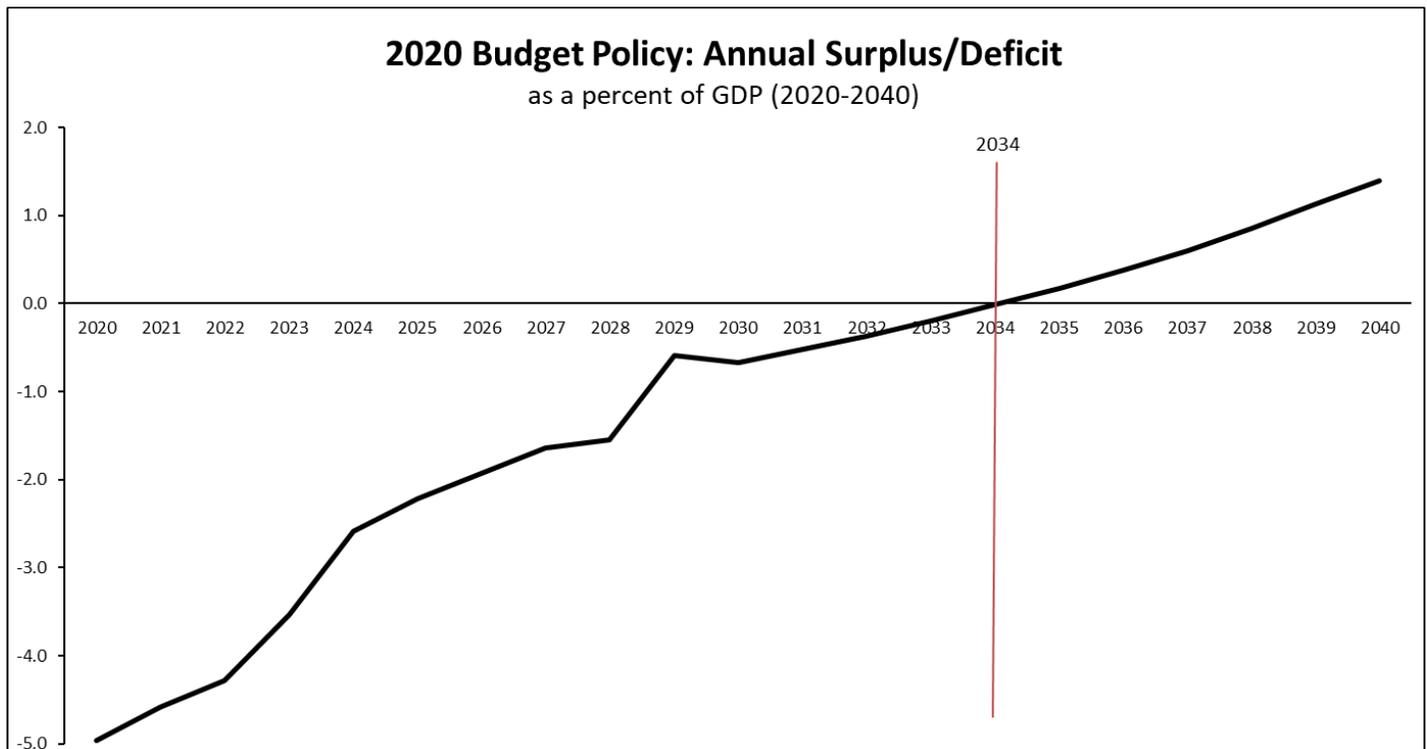
GETTING THE NATION'S FISCAL HOUSE IN ORDER.

Even with high levels of economic growth, excessive deficits continue to threaten our progress, and any unforeseen shocks to the economy could make deficits unsustainable. Deficits matter; ask any family with a credit card. This Budget demonstrates the President's vision to control Washington spending by prioritizing effective programs, and cutting wasteful or unnecessary uses of taxpayer dollars.

Sticks to the Current Law Discretionary Caps. For nearly a decade, the Budget Control Act of 2011 has imposed caps on discretionary spending. Since discretionary spending is a main driver of the Federal deficit in the near term, capping its growth is critical to securing a sound fiscal future. Congress has enacted three consecutive deals to raise the discretionary spending caps, the most recent of which increased spending levels for fiscal years 2018 and 2019 by nearly \$300 billion. This Budget adheres to the spending caps in current law, and provides additional needed defense resources by designating these investments as Overseas Contingency Operations (OCO) funds. This is the only fiscally responsible option to meet national security needs while avoiding yet another unaffordable increase to the spending caps.

Cuts Wasteful Washington Spending. Overall, this Budget includes \$2.7 trillion in spending cuts—higher than any other administration in history. As part of these cuts, the Budget meets the President's directive to reduce nondefense programmatic spending by 5 percent below the higher 2019 cap level. It also proposes an aggressive set of policies to redefine the proper role of the Federal Government and curtail those programs that fail to efficiently and effectively deliver promised outcomes to the American people.

Gets Deficits Under Control. The proposals in this Budget would reduce total deficits from nearly 5 percent of GDP in 2020 to under 1 percent of GDP in 2029. Looking forward, long term policy projections indicate that the proposals in this Budget would put us on track to reach balance by 2034. This is a clear roadmap for a more fiscally responsible future if the Congress chooses to follow it.



CONTINUING INVESTMENTS IN KEY NATIONAL PRIORITIES.

Just as importantly, this Budget reflects the President's continued commitment to defending our nation and those who serve it. Making America safe and secure is the Administration's top priority, and the Budget reflects that. It also includes investments that will address other challenges of our times, including ending the opioid epidemic ravaging our communities and building a stronger workforce for the future.

- **Securing our Southern Border and Enforcing our Immigration Laws.** The Budget proposes sizable investments in a border wall; border security technology and equipment; funding to hire additional Customs and Border Protection (CBP) and Immigration and Customs Enforcement (ICE) law enforcement officers; and increased capacity to detain and deport illegal aliens. The Budget includes \$5.4 billion in high priority investments at the Department of Homeland Security (DHS) in border security technology, infrastructure, and equipment to help CBP prevent, detect, and interdict illegal border crossings. It also includes \$3.6 billion in new military construction resources at the Department of Defense to assist DHS in securing and managing the southern border. The Budget continues implementation of the President's direction to hire 5,000 additional Border Patrol Agents and 10,000 ICE officers and investigators, and proposes \$478 million to hire and support 1,750 additional law enforcement officers and agents at CBP and ICE. The Budget also includes \$2.7 billion in total funding for 54,000 average daily ICE immigration detention beds.
- **Preserving Peace through Strength and Supporting the National Defense Strategy.** The Budget includes \$750 billion for national defense. Of this total, \$718 billion is for the Department of Defense (DOD) to fund the National Defense Strategy's three lines of effort: rebuilding readiness and lethality; strengthening alliances and partnerships; and improving performance and affordability through reform. The Budget prioritizes strategic competition with China and Russia, while also sustaining efforts to deter and counter rogue regimes such as North Korea and Iran, defeat terrorist threats, and consolidate gains in Iraq and Afghanistan through a resource-sustainable approach.
- **Protecting our Veterans.** The Budget invests in world-class health care for our Nation's veterans by including \$80.2 billion in discretionary appropriations to fully fund the Department of Veterans Affairs (VA) medical care requirements in 2020. This funding level fully supports implementation of the historic *VA MISSION Act of 2018* to provide veterans greater choice on where they receive their health care, whether at a VA facility or through a private health care provider.
- **Ending the Opioid Epidemic.** The Budget includes \$4.8 billion in the Department of Health and Human Services to continue historic investments made in 2019 to combat the opioid epidemic by expanding access to prevention, treatment, recovery support services, and research. The Budget also includes actions that would prevent improper or abusive prescribing of opioids in Medicare and Medicaid, provides \$330 million for opioid-related State and local assistance funding in the Department of Justice, and makes critical investments to the Department of Veterans Affairs to reduce over-reliance on opioids for pain management and to promote the safe and effective use of opioid therapy, and for addiction treatment.
- **Investing in America's Students.** The Budget takes steps to ensure that Americans can receive the high-quality education and training they need to obtain a job and advance in their careers. The Budget proposes to hold institutions of higher education accountable for results by requiring colleges and universities to share a portion of the financial responsibility associated with Federal student loans to encourage them to improve performance. The Budget also continues to propose to expand Pell Grant recipients' eligibility to include high-quality short-term programs, with sufficient guardrails in place to balance students' needs with protecting taxpayers' interests.