

## **GROWING THE ECONOMY FROM THE BOTTOM UP AND MIDDLE OUT**

Under the President’s leadership—and thanks to the resilience of the American people—the United States has not only met historic challenges at home and abroad, but is poised to emerge stronger, more resilient, and more prosperous for decades to come.

The President’s economic strategy is producing results—with record-breaking job creation, strong economic growth, major investments in infrastructure, a resurgence of American manufacturing, and historic legislative accomplishments that are laying the foundation for long-term economic prosperity. America is leading the world in: building a clean energy economy and combatting the climate crisis; turning a generational challenge into an opportunity to create jobs and strengthen U.S. energy security; leading the industries of the future; and advancing environmental justice. The United States has made smart investments in America’s communities and people that are creating more opportunities and advancing equity, security, and dignity. The President has restored America’s standing and leadership on the world stage—rallying allies and partners to address some of the most pressing challenges around the globe.

The President’s Budget details a fiscally and economically responsible blueprint to build on this record of progress, deliver on the agenda he laid out in his State of the Union Address, and finish the job: continuing to lower costs for families; protecting and strengthening Medicare and Social Security; growing the economy from the bottom up and middle out by investing in America and its people; and reducing the deficit

by asking the wealthy and big corporations to pay their fair share.

Building on the historic Inflation Reduction Act and other key administrative actions, the Budget includes a package of proposals that would give the American people more breathing room and lower costs—including for health insurance, prescription drugs, child care and preschool, higher education, and housing. The Budget honors the President’s ironclad commitment to protecting and strengthening Medicare and Social Security—rejecting any cuts to these programs, proposing reforms that would extend the solvency of the Medicare Hospital Insurance (HI) trust fund by at least 25 years, and investing in service delivery to speed up claims processing and ensure Americans receive the Social Security benefits they have earned.

The Budget proposes smart, targeted investments to grow the economy from the bottom up and middle out by investing in America and its people. The Budget invests in the foundations of America’s economic strength—from manufacturing and infrastructure, to education and job training. The Budget expands access to high quality healthcare, addresses long-standing public health challenges, and helps spur the next generation of medical breakthroughs that improve health outcomes in diseases such as cancer. The Budget makes historic investments to: combat the climate crisis; advance environmental justice; and ensure the clean energy future is invented, built, and made in America. The Budget also advances equity, dignity, and security across America’s communities and economy—making

communities safer and expanding the reach of America's promise.

The Budget also reflects the Administration's commitment to achieving a better future of a free, open, secure and prosperous world, as laid out in the President's 2022 *National Security Strategy*. As America faces challenges from authoritarian powers with revisionist aims, a global climate crisis, and international economic pressures, it is clear that the need for a strong and purposeful American role in the world has never been greater. The Budget supports American leadership by investing in America's inherent national strengths: the ingenuity, creativity, resilience, and determination of the American people; America's values, diversity, and democratic institutions; America's technological leadership and economic dynamism; and America's diplomatic corps, development professionals, intelligence community, and military servicemembers, all of

whom remain unparalleled. By investing in the underlying sources and tools of American power and influence, the Budget would help America build the strongest possible international coalition with the power to shape the global strategic environment and solve shared global challenges.

In keeping with the President's commitment to fiscal responsibility, the Budget more than fully pays for all of its investments, strengthens the Nation's long-term fiscal health, and keeps the economic burden of debt low. The President's Budget reduces deficits by nearly \$3 trillion over the next decade by asking the wealthiest Americans and biggest corporations to pay their fair share—while ensuring that no one making less than \$400,000 pays a penny in new taxes and cutting taxes for families with children and low-income workers.

## LOWERING COSTS AND GIVING FAMILIES MORE BREATHING ROOM

The President's top economic priority is lowering costs for working families and giving them more breathing room. While more work remains—and while America could see more setbacks along the way—there are clear signs that the President's strategy is working. Annual inflation has fallen for seven consecutive months. Gas prices are down roughly \$1.60 per gallon since their peak last summer. Real wages are up over the last seven months for working Americans. Thanks to the Inflation Reduction Act, the United States is lowering costs for prescription drugs, healthcare, and energy for tens of millions of Americans all while lowering America's deficit. The Administration has taken action to eliminate junk fees, unsnarl pandemic-driven supply chain bottlenecks that increased prices, and promote greater competition across the American economy. The Budget builds on this record of progress through additional proposals to continue lowering everyday costs for the American people—from health insurance

and prescription drugs, to higher education and housing, to utilities and child care.

**Lowers Healthcare Costs.** The President believes that healthcare should be a right, not a privilege. With enrollment in affordable health coverage at an all-time high, the Budget builds on the success of the Affordable Care Act by making permanent the expanded premium tax credits that the Inflation Reduction Act extended. The Budget also provides Medicaid-like coverage to individuals in States that have not adopted Medicaid expansion, paired with financial incentives to ensure States maintain their existing expansions.

**Reduces Drug and other Healthcare Costs for All Americans.** The Budget builds upon the Inflation Reduction Act to continue lowering the cost of prescription drugs. For Medicare, this includes further strengthening its newly established negotiation power by negotiating more drugs and bringing drugs into negotiation

sooner after they launch. The Budget also proposes to limit Medicare Part D cost-sharing for high-value generic drugs, such as certain generic drugs used for chronic conditions like hypertension and high cholesterol, to no more than \$2. For Medicaid, the Budget includes proposals to ensure Medicaid and the Children's Health Insurance Program (CHIP) are prudent purchasers of prescriptions drugs, such as authorizing the Department of Health and Human Services (HHS) to negotiate supplemental drug rebates on behalf of interested States in order to pool purchasing power. For the commercial market, the Budget includes proposals to curb inflation in prescription drug prices and cap the prices of insulin products at \$35 for a monthly prescription.

**Expands Access to Affordable, High-Quality Early Child Care and Learning.** The Budget advances the President's goal of ensuring that all families can access affordable, high-quality child care and free, high-quality preschool, helping children learn, giving families breathing room, and growing the economy. The President's plan enables States to increase child care options for more than 16 million young children and lower costs so that parents can afford to send their children to the high-quality child care program of their choice, allowing them to go to work or pursue training with the peace of mind that their children are being set up for a lifetime of success.

The Budget also funds a Federal-State partnership that provides high-quality, universal, free preschool, offered in the setting of a parent's choice—from public schools to child care providers to Head Start—to support healthy child development and ensure children enter kindergarten ready to succeed. The proposal enables States to increase preschool access and quality. The Budget provides access to high-quality preschool to all of the approximately four million four-year-old children in the Nation, and gives States the flexibility to expand preschool to three-year-olds after preschool is available to all four-year-olds. The estimated cost of these child care and preschool investments is \$600 billion over 10 years.

For 2024, the Budget also provides \$22.1 billion for HHS's existing early care and education programs, an increase of \$2.1 billion over the 2023 enacted level. This includes \$9 billion for the Child Care and Development Block Grant, an increase of nearly \$1 billion over the 2023 enacted level, to expand access to quality, affordable child care for families across the Nation. The Budget helps young children enter kindergarten ready to learn by providing \$13.1 billion for Head Start, an increase of \$1.1 billion over the 2023 enacted level. In addition, the Budget includes \$500 million for a demonstration program in the Department of Education to create or expand free, high-quality preschool in school or community-based settings, including Head Start, for children eligible to attend Title I schools.

**Increases Affordable Housing Supply to Reduce Costs.** To address the critical shortage of affordable housing in communities throughout the Nation, the Budget includes \$59 billion in mandatory funding and tax incentives aimed at increasing the affordable housing supply. The Budget also includes \$10 billion in mandatory funding to incentivize State, local, and regional jurisdictions to make progress in removing barriers to affordable housing developments, such as restrictive zoning. These investments would increase the development of affordable rental and owner-occupied housing, including units affordable to extremely low-income families. By expanding the supply of housing, the Budget would help curb cost growth across the broader housing market. The Budget also provides \$1.8 billion for the HOME Investment Partnerships Program (HOME), an increase of \$300 million over the 2023 enacted level, to construct and rehabilitate affordable rental housing and provide homeownership opportunities. In addition, the Budget provides \$258 million to support 2,200 units of new permanently affordable housing specifically for the elderly and persons with disabilities, supporting the Administration's priority to maximize independent living for people with disabilities; and \$459 million for the U.S. Department of Agriculture's (USDA) rural housing programs to increase rural housing opportunities, reduce rent burdens for low-income

rural tenants, and also increase the resiliency of rural housing to the impacts of climate change. In addition, the Budget includes \$3.4 billion for the Community Development Block Grant program to help communities modernize infrastructure, invest in economic development, create parks and other public amenities, and provide social services.

**Reduces Costs for Homeowners and Expands Access to Homeownership.** To make homeownership more affordable for underserved borrowers, including first-time, low- to moderate-income, and minority homebuyers, the Federal Housing Administration (FHA) is reducing the annual mortgage insurance premiums new borrowers will pay by about one-third, saving the average FHA borrower approximately \$800 in the first year of their mortgage loan and providing continued savings for the duration of the loan. The Budget also reflects a reduction in mortgage insurance fees for Native American borrowers in the Indian Home Loan Guarantee Program, which would save borrowers over \$500 on average in their first year. To assist rural low-income homeowners, the Budget includes a new proposal to eliminate the existing low-income borrower penalty that requires individuals to repay subsidy costs for USDA's Single-Family Direct loans. The Budget also includes \$10 billion in mandatory funding for a new First-Generation Down Payment Assistance program to help address racial and ethnic homeownership and wealth gaps, as well as \$100 million for a HOME down payment assistance pilot to expand homeownership opportunities for first-generation and/or low-wealth first-time homebuyers and \$15 million to increase the availability of FHA small balance mortgages.

**Expands Access to Affordable Rent through the Housing Choice Voucher (HCV) Program.** The HCV program currently provides 2.3 million low-income families with rental assistance to obtain housing in the private market. The Budget provides \$32.7 billion, an increase of \$2.4 billion (including emergency funding) over the 2023 enacted level, to maintain services for all currently assisted families

and to expand assistance to an additional 50,000 households, particularly those who are experiencing homelessness or fleeing, or attempting to flee, domestic violence or other forms of gender-based violence. The Budget further expands assistance to another 130,000 households with funding from HCV program reserves. To further ensure that more households have access to safe and affordable housing, the Budget includes mandatory funding to support two populations that are particularly vulnerable to homelessness—youth aging out of foster care and extremely low-income (ELI) veterans. The Budget provides \$9 billion to establish a housing voucher program for all 20,000 youth aging out of foster care annually, and provides \$13 billion to incrementally expand rental assistance for 450,000 ELI veteran families, paving a path to guaranteed assistance for all who have served the Nation and are in need. In all, the Budget proposes to expand assistance to well over 200,000 additional households.

**Improves College Affordability and Expands Free Community College.** To help low- and middle-income students overcome financial barriers to postsecondary education, the Budget proposes to increase the discretionary maximum Pell Grant by \$500, expanding access to the grant to reach over 6.8 million students with money for college. This request builds on successful bipartisan efforts to increase the maximum Pell Grant award by \$900 over the past two years, and creates a path to double the award by 2029. The Budget also invests mandatory funding to expand free community college across the Nation. To lay the groundwork for this program, the Budget includes \$500 million in a new discretionary grant program to provide two-years of free community college for students enrolled in high-quality programs that lead to a four-year degree or a good paying job. In addition, the Budget provides mandatory funding for two years of subsidized tuition for students from families earning less than \$125,000 enrolled in a four-year Historically Black College and University (HBCU), Tribally Controlled College and University (TCCU), or Minority-Serving Institution (MSI).

**Lowers Home Energy and Water Costs.** The Budget provides \$4.1 billion, a \$111 million increase from the 2023 enacted level (excluding emergency appropriations), for the Low Income Home Energy Assistance Program (LIHEAP). Since the Low Income Household Water Assistance Program (LIHWAP) expires at the end of 2023, the Budget proposes to increase LIHEAP funding and allow States the option to use a portion of their LIHEAP funds to provide water bill assistance to low-income households. The Budget builds on the \$13 billion provided in the Inflation Reduction Act to reduce energy bills for families, expand clean energy, transform rural power production, and create thousands of good-paying jobs for people across rural America. The Budget provides \$30 million for grants and \$1 billion for loan guarantees for renewable energy systems and energy efficiency improvements for farmers and rural small businesses.

**Moves Goods More Quickly through the Nation’s Ports and Waterways.** The Budget continues support for modernizing America’s port and waterway infrastructure initiated under the Bipartisan Infrastructure Law—helping further address cost pressures. The Budget includes \$230 million for the Port Infrastructure Development Program to strengthen maritime freight capacity. In addition to keeping the Nation’s supply chain moving by improving efficiency, the Department of Transportation (DOT) will prioritize projects that also lower emissions—reducing environmental impact in and around the Nation’s ports.

**Builds and Protects a Fair and Resilient Food Supply Chain.** The Budget supports

ongoing actions to develop more diverse, robust, and resilient local and regional supply chains by targeting funding to increase the production capacity among smaller producers, including continuing overtime user fee relief for small and very small meat and poultry establishments as established in the American Rescue Plan. The Budget complements these targeted investments by strengthening market oversight through the Agricultural Marketing Service to support fair markets and competitive meat and poultry product prices for American families and increasing safeguards against invasive pests and zoonotic diseases through the Animal and Plant Health Inspection Service.

**Fosters Competitive and Productive Markets and Targets Corporate Concentration.** Vigorous marketplace competition through robust enforcement of antitrust law can help reduce costs and raise wages. The Budget advances this effort by including a historic increase of \$100 million over the 2023 enacted level for the Department of Justice (DOJ) Antitrust Division. The President also supports legislation that would align executives’ interests with the long-term interests of shareholders, workers, and the economy by requiring executives to hold on to company shares that they receive for several years after receiving them, and prohibiting them from selling shares in the years after a stock buyback. This would discourage corporations from using profits to repurchase stock and enrich executives, rather than investing in long-term growth and innovation.

## PROTECTING AND STRENGTHENING MEDICARE AND SOCIAL SECURITY

The President has always believed that Medicare and Social Security are a promise—a rock-solid guarantee—that generations of Americans have counted on to be able to retire with dignity and security. As the President has

made clear, he will reject any efforts to cut the Medicare or Social Security benefits that seniors and people with disabilities have earned and paid into their entire working lives. The Budget honors that ironclad commitment—not only by

firmly opposing benefit cuts to either program, but by embracing reforms that would protect and strengthen both programs. The President is committed to working with the Congress to ensure Medicare and Social Security remain strong for their beneficiaries, now and in the future.

**Protects and Strengthens Medicare.** The Budget would extend the solvency of the HI trust fund by at least 25 years, without cutting any benefits, or raising costs for people with Medicare. The Budget includes key reforms to the tax code to ensure high-income individuals pay their fair share into the HI trust fund. The Budget also directs the revenue from the Net Investment Income Tax into the HI trust fund as was originally intended. In addition, the Budget directs the savings from the Budget's proposed drug reforms into the HI trust fund.

**Protects the Social Security Benefits that Americans Have Earned.** The Administration is committed to protecting and strengthening

Social Security and opposes any attempt to cut Social Security benefits for current or future recipients. The Administration looks forward to working with the Congress to responsibly strengthen Social Security by ensuring that high-income individuals pay their fair share. In addition, the Administration looks forward to improving the Supplemental Security Income program to help low-income older Americans and people with disabilities afford their basic needs.

The Budget also invests in staff, information technology, and other improvements at the Social Security Administration (SSA), providing an increase of \$1.4 billion, a 10-percent increase from the 2023 enacted level. These funds would improve customer service at SSA's field offices, State disability determination services, and teleservice centers for retirees, individuals with disabilities, and their families. The Budget also adds staff to process more disability claims and reduce the amount of time claimants have to wait for decisions on vital benefits.

## INVESTING IN THE FOUNDATIONS OF AMERICA'S ECONOMIC STRENGTH

The President's economic strategy is producing results for the American people. Since the President took office, the economy has added more than 12 million new jobs—including more than 800,000 manufacturing jobs—the unemployment rate is at the lowest level in 54 years, and the last two years were the strongest two years for small business applications on record. The President's plan is rebuilding America's infrastructure, promoting workers, making the economy more competitive, and fueling a manufacturing boom that is strengthening parts of the Nation that have long been left behind while creating good jobs for workers, including those without college degrees. The Budget builds on this record of economic progress through additional proposals to continue fueling a resurgence in American manufacturing and investing in infrastructure, supporting workers and entrepreneurs, improving education, and expanding access to housing.

### *Boosting American Manufacturing and Investing in Infrastructure and Emerging Technologies*

**Continues Implementation of the President's Historic Bipartisan Infrastructure Law.** Implementation of President's historic Bipartisan Infrastructure Law is already well underway. The Budget builds on this progress by providing a total of \$76.1 billion for highway, highway safety, and transit formula programs, supporting the amounts authorized for year three of the Bipartisan Infrastructure Law. This includes \$60.1 billion for the Federal-Aid Highway program, an increase of \$1.3 billion compared to 2023 enacted, to continue repairing and upgrading the Nation's highways and bridges and build out a national network of electric vehicle chargers to help reach the President's climate goals—as well as \$14 billion to support

transit agencies across the Nation. The Budget also provides \$4.6 billion for DOT to advance the Nation's most urgent and complex transportation infrastructure projects, in conjunction with the significant resources provided in the Bipartisan Infrastructure Law. These funds would support transformational projects that would increase safety, improve mobility for commuters and freight traffic, and spur shared economic growth. Building on the \$1 billion provided in the Bipartisan Infrastructure Law for 2024 for operating and maintaining Army Corps of Engineers—Civil Works program's (Corps) infrastructure, the Budget invests in the Corps' continued operations, maintenance, and improved reliability.

**Tackles 21<sup>st</sup> Century Aviation Challenges.** The Budget provides \$16.5 billion in discretionary budget authority for the Federal Aviation Administration. This funding would continue the hiring and training surge of air traffic controllers started in 2023 to rebuild the pipeline of new controllers needed to meet projected traffic demands. The Budget increases investment in the facilities and systems that comprise the National Airspace System (NAS) by over \$500 million to \$3.5 billion, to address maintenance and modernization and to ensure the NAS continues to safely accommodate the growth in traditional commercial aviation traffic alongside new entrants from the commercial space, unmanned aircraft, and advanced air mobility industries. The Budget also includes continued investment in FAA's multiyear effort of reforming aircraft certification, as well as increasing its safety oversight capabilities.

**Invests in American Manufacturing.** To build on the ongoing resurgence of American manufacturing, the Budget provides \$375 million for the National Institute of Standards and Technology's (NIST) Industrial Technology Services, a \$163 million increase above the 2023 enacted level. This includes a \$98 million increase to Manufacturing USA to support the progress of NIST's existing manufacturing institute, funding for a new institute to be launched in 2023, and \$60 million to be awarded

competitively across the Government-wide network of manufacturing institutes to promote domestic production of institute-developed technologies. The Budget includes \$277 million, a \$102 million increase over the 2023 enacted level, for the Manufacturing Extension Partnership, a public-private partnership with centers in every State that offers advisory services to an increasingly diverse set of small and medium enterprises so they can thrive in the global economy. The Budget also includes funding to help strengthen U.S. global leadership in the technologies of the future by accelerating the development of key technologies and establishing dynamic, collaborative networks for research and innovation.

**Strengthens U.S. Leadership in Emerging Technologies.** The Budget provides \$25 billion, an increase of approximately \$6.5 billion from the 2023 enacted level, for CHIPS and Science Act-authorized activities. This includes \$11.3 billion at the National Science Foundation (NSF), \$8.8 billion at the Department of Energy's (DOE) Office of Science, \$1 billion at NIST and \$4 billion at the Department of Commerce's (Commerce) Economic Development Administration (EDA). These investments include \$1.2 billion for the CHIPS and Science Act-authorized Directorate for Technology, Innovation, and Partnerships within NSF to help accelerate and translate scientific research into innovations, industries, and jobs. The Directorate will work with programs across the Agency and with other Federal and non-Federal entities to expedite technology development in emerging areas that are crucial for U.S. technological leadership. The Budget provides \$300 million to invest in NSF's Regional Innovation Engines program, bringing together State and local governments, institutions of higher education, labor unions, businesses, and community-based organizations across the Nation to galvanize use-inspired research, technology translation, and workforce development. Within DOE's Office of Science, the Budget supports cutting-edge research at the national laboratories and universities and building and operating world-class scientific user facilities and the largest investment in fusion

energy in history. The Budget requests more than \$4 billion at EDA to fund grants that enable the growth of Regional Technology and Innovation Hubs Program that foster the geographic diversity of innovation and create quality jobs in underserved and vulnerable communities across the Nation.

### ***Supporting Workers, Families, Entrepreneurs, and Small Businesses***

**Cuts Taxes for Families with Children and American Workers.** The Budget would expand key tax cuts benefitting lower- and middle-income workers and families. The President is calling for the restoration of the full Child Tax Credit enacted in the American Rescue Plan, which cut child poverty in half in 2021, to the lowest level in history. The Budget would expand the credit from \$2,000 per child to \$3,000 per child for children six years old and above, and to \$3,600 per child for children under six. In addition, the Budget would permanently reform the credit to make it fully refundable, so that it no longer excludes children in the lowest-income families, and allow families to receive monthly advance payments. The President also calls on the Congress to make the Earned Income Tax Credit expansion for childless workers permanent, which would help pull low-paid workers out of poverty.

**Provides National, Comprehensive Paid Family and Medical Leave.** The vast majority of America's workers do not have access to paid family leave, including three out of four private sector workers. Among the lowest-paid workers, who are predominately women and workers of color, 92 percent have no access to paid family leave through their employers. As many as one in five retirees leave the workforce earlier than planned to care for an ill family member, which negatively impacts families as well as the Nation's labor supply and productivity. The Budget proposes to establish a national, comprehensive paid family and medical leave program administered by SSA. The program would: provide workers with progressive, partial

wage replacement to take time off for family and medical reasons; include robust administrative funding; and use an inclusive family definition. The Budget would provide up to 12 weeks of leave to allow eligible workers to take time off to: care for and bond with a new child; care for a seriously ill loved one; heal from their own serious illness; address circumstances arising from a loved one's military deployment; or find safety from domestic violence, sexual assault, or stalking. The Budget would also provide up to three days of leave to grieve the death of a loved one. The Administration looks forward to continuing to work with the Congress to make this critical investment and strengthen America's economy.

**Calls for Paid Sick Leave for All Workers.** Millions of workers in America have to choose between a needed paycheck—or even a job—and taking care of a family member or themselves when they are sick. Workers without paid sick days are more likely to go to work when sick, send their child to school when sick, and do without the healthcare they need to get better. Paid sick days are also good for business, leading to lower employee turnover, increased productivity, and reducing the spread of contagious diseases. The President calls on the Congress to require employers to provide seven job-protected paid sick days each year to all workers and ensure that employers cannot penalize workers for taking time off to address their health needs or the health needs of their families or to seek safety from domestic violence, dating violence, sexual assault, or stalking.

**Empowers and Protects Workers.** The Budget invests \$2.3 billion, an increase of \$430 million above the 2023 enacted level, in the Department of Labor's (DOL) worker protection agencies. The Budget would enable DOL to protect workers' wages and benefits, combat exploitative child labor, address the misclassification of workers as independent contractors, and improve workplace health and safety. The Budget also provides resources to support vigorous enforcement of the Family and Medical Leave Act of 1993, especially where

employers have retaliated against or otherwise penalized employees for taking federally protected leave from work. Similarly, the Budget increases funding for the National Labor Relations Board (NLRB) and the Equal Employment Opportunity Commission (EEOC), to help level the playing field for workers, protecting their right to fair representation and better working conditions and secure equal opportunity for workers from all walks of life. The Budget would also strengthen the EEOC's steadfast enforcement of the Americans with Disabilities Act of 1990 to help protect the right of individuals with disabilities to full, equitable participation in the workplace.

**Expands Penalties when Employers Violate Workers' Rights to Organize, Receive Fair Wages, and Have a Safe and Healthy Workplace Free from Discrimination.** Employers often receive only a slap on the wrist—at most—when they fire or retaliate against workers for exercising their right to organize and collectively bargain, steal wages from workers, force workers to work in unsafe conditions, exploit children, or otherwise flagrantly violate the Nation's labor laws. To deter employers from violating workers' rights, ensure those who do violate their rights are held accountable, and level the playing field for responsible employers, the Budget proposes instituting and meaningfully increasing penalties at DOL, EEOC, and NLRB for employers that violate workplace safety, health, wage and hour, child labor, equal opportunity, and labor organizing rules.

**Expands Workforce Training that Provides Pathways to Good Jobs.** The Budget invests in effective, evidence-based training models that would ensure all workers—particularly women, workers of color, those living in rural areas, workers with disabilities, and others underrepresented in growing fields—have the skills they need to compete for and secure good jobs. The Budget provides \$200 million for a new Sectoral Employment through Career Training for Occupational Readiness program to support the development and expansion of public-private partnerships between employers, education and training providers, and community-based groups

to equitably deliver high-quality training focused on growing industries. The Budget invests \$335 million, a \$50 million increase above the 2023 enacted level, in Registered Apprenticeship, an evidence-based earn-and-learn model that is a critical tool for training future workforces in the construction, clean energy, semiconductor, transportation and logistics, education, and other growing and in-demand industries. The Budget also invests \$100 million, a \$35 million increase above the 2023 enacted level, to build community colleges' capacity to work with the public workforce development system and employers to design and deliver high-quality training programs in communities across the Nation.

**Modernizes, Protects, and Strengthens Unemployment Insurance (UI).** The UI program provides a critical safety net for workers who have lost a job through no fault of their own, and helps protect the economy as a whole from further damage during downturns. UI was critical in helping millions of Americans through unexpected job losses during the COVID-19 pandemic. However, the pandemic also exposed vulnerabilities in the program. The Budget invests \$3.7 billion, an increase of \$522 million above the 2023 enacted level, to modernize, protect, and strengthen the UI program. This includes investments aimed at tackling fraud, including funding to support more robust identity verification for UI applicants, help States develop and test fraud-prevention tools and strategies, and allow the DOL's Office of Inspector General to increase its investigations into fraud rings targeting the UI program. In addition, the Budget proposes a comprehensive legislative package of program integrity proposals designed to provide States with new tools and resources to combat UI fraud and improper payments while ensuring equity and accessibility for all claimants. The Budget also proposes principles to guide future efforts to reform the UI system, including improving benefit levels and access, scaling UI benefits automatically during recessions, expanding eligibility to reflect the modern labor force, improving State and Federal solvency through more equitable and progressive

financing, expanding reemployment services, and further safeguarding the program from fraud.

**Broadens Access to Capital for Small Businesses.** The Budget supports historic lending levels across the 7(a), 504, Small Business Investment Company (SBIC), and Microloan programs. The nearly \$58 billion in lending provided in the Budget would address the need for greater access to affordable capital, particularly in underserved communities. Increasing the authorized lending level for the SBIC program by 20 percent to \$6 billion would significantly expand the availability of venture capital funding for small businesses.

**Supports Minority-Owned Business to Narrow Racial Wealth Gaps.** The Budget increases the capacity of the Minority Business Development Agency by providing the full \$110 million authorized in the Bipartisan Infrastructure Law, which would bolster services provided to minority-owned, including women of color-owned, enterprises by expanding the Business Center program, funding Rural Business Centers, opening new regional offices, and supporting innovative initiatives to foster economic resiliency.

### ***Making Historic Investments in Education***

**Invests in High-Poverty Schools.** To help ensure that every student receives a high-quality education, the Budget provides \$20.5 billion for Title I, a \$2.2 billion increase above the 2023 enacted level. This funding would continue historic progress over the past two years, as the Congress has enacted a total increase of \$1.9 billion for Title I since 2021. Title I delivers critical funding to 90 percent of school districts across the Nation, helping them to provide students in low-income communities the academic opportunities and support they need to succeed. This increase in funding addresses chronic funding gaps between high-poverty schools—which disproportionately serve students of color—and their wealthier

counterparts and would help schools sustain critical investments in accelerated learning and other areas that were made with American Rescue Plan funds.

**Increases Support for Children with Disabilities.** Every child with a disability should have access to the high-quality early intervention, special education services, and personnel needed to thrive in school and graduate ready for college or a career. The Budget invests \$16.8 billion in Individuals with Disabilities Education Act (IDEA) grants to support special education and related services for more than seven million students with disabilities in grades Pre-K through 12, an increase of \$2.1 billion above the 2023 enacted level. The Budget also invests \$932 million in IDEA Part C grants—an increase of \$392 million above the 2023 enacted level—which support early intervention services for infants and families with disabilities that are critical to supporting children’s developmental and academic outcomes. The increased funding would support States in implementing important reforms to expand enrollment of underserved children, including children of color, children from low-income families, and children living in rural areas. The Budget also includes funding to develop tools and programs to support children with disabilities in military families and other highly mobile populations.

**Expands Institutional Capacity at HBCUs, TCCUs, MSIs, and Community Colleges.** The Budget increases institutional capacity at HBCUs, TCCUs, MSIs, and under-resourced institutions, including community colleges, by providing an increase of \$429 million above the 2023 enacted level. This significant funding includes \$350 million for four-year HBCUs, TCCUs, and MSIs to expand research and development (R&D) infrastructure at these institutions. These capacity enhancements complement the Budget’s proposal for two years of subsidized tuition for students from families earning less than \$125,000 enrolled in a four-year HBCU, TCCU, or MSI.

## EXPANDING ACCESS TO HIGH-QUALITY HEALTHCARE AND STRENGTHENING PUBLIC HEALTH INFRASTRUCTURE

Since the President took office: a record-setting 16.3 million people signed up for health coverage through the Affordable Care Act; the national uninsured rate has hit an all-time low; and the Administration has taken action to protect millions of consumers from surprise medical bills, cap insulin prescriptions for Medicare beneficiaries at \$35 per month, lower healthcare premiums, close the “family glitch” loophole, protect American’s access to reproductive healthcare, allow Medicare to negotiate for lower prescription drug prices, and supercharge efforts to end cancer as we know it. The Budget expands on this progress through a package of proposals that would expand access to high-quality healthcare and strengthen America’s public health infrastructure.

### *Expanding Access to High-Quality Healthcare*

**Expands Access to Quality, Affordable Healthcare.** The Budget invests \$150 billion over 10 years to improve and expand Medicaid home and community-based services, such as personal care services, which would allow older Americans and individuals with disabilities to remain in their homes and stay active in their communities as well as improve the quality of jobs for home care workers and support family caregivers. Because community health centers—which provide comprehensive services regardless of ability to pay—serve one in three people living in poverty and one in five rural residents, the Budget puts the Health Center Program on a path to double its size and expand its reach. To bolster the healthcare workforce, the Budget expands the National Health Service Corps, which provides loan repayment and scholarships to healthcare professionals in exchange for practicing in underserved areas, and the Teaching Health Center Graduate Medical Education Program, which trains residents in community-based healthcare clinics in rural and high need areas. The Administration also looks forward to

working with the Congress on ways to strengthen Medicare and Medicaid through measures such as improving access to dental, hearing, and vision coverage.

**Supports Family Planning Services for More Americans.** For more than 50 years, Title X family planning clinics have played a critical role in ensuring access to a broad range of high-quality family planning and preventive health services. Most Title X clients live in poverty and the uninsured rate of Title X users is twice the national average, making the Title X family planning program a critical part of the public health safety net. The program has served as a point of entry into care for nearly 195 million people over its more than 50-year history. The Budget includes \$512 million, a 79-percent increase above the 2023 enacted level, for the Title X Family Planning program to increase the number of patients served to 4.5 million.

**Advances Maternal Health and Health Equity.** The United States has the highest maternal mortality rate among developed nations, and rates are disproportionately high for Black and American Indian and Alaska Native women. The Budget includes \$471 million to: support the ongoing implementation of the *White House Blueprint for Addressing the Maternal Health Crisis* and to reduce maternal mortality and morbidity rates; expand maternal health initiatives in rural communities; implement implicit bias training for healthcare providers; create pregnancy medical home demonstration projects; and address the highest rates of perinatal health disparities, including by supporting the perinatal health workforce. In addition, the Budget requires all States to provide continuous Medicaid coverage for 12 months postpartum, eliminating gaps in health insurance at a critical time. To address the lack of data on health disparities and further improve access to care, the Budget strengthens collection and evaluation of sociodemographic data.

**Supports Rural Health.** Rural America faces persistent disparities in access to healthcare, including higher uninsured rates, limited healthcare provider availability, and rural hospital closures. Providing Medicaid-like coverage to individuals in States that have not adopted Medicaid expansion under the Affordable Care Act, as the Budget proposes, is critical for rural communities. The Budget also includes investments to improve the health of rural communities, including by helping rural hospitals stay open, expanding the pipeline of rural healthcare workers, and facilitating access to quality care. The Budget provides assistance to rural hospitals at-risk of closure and to support expansion of hospital service lines to meet rural communities' needs. The Budget also supports rural healthcare workforce development and training programs and telehealth. Recognizing that rural communities have higher rates of suicide, and high rates of overdose deaths and mental illness, the Budget provides dedicated funding to rural communities, including rural health clinics, to support behavioral health. The Budget also supports the financing and infrastructure of rural healthcare through USDA's Rural Development Programs.

**Guarantees Adequate and Stable Funding for the Indian Health Service (IHS).** The Administration is committed to upholding the United States' trust responsibility to tribal nations by addressing the historical underfunding of IHS. The enactment of an advance appropriation for 2024 for IHS was a historic and welcome step toward the goal of securing adequate and stable funding to improve the overall health status of American Indians and Alaska Natives. Building on the advance appropriation, the Budget requests an additional \$3 billion in 2024 for a total of \$8.1 billion in discretionary resources. In addition, the Budget reclassifies contract support costs and leases as mandatory for a total of \$9.4 billion in discretionary and mandatory resources in 2024. The Budget proposes all IHS resources as mandatory beginning in 2025.

### ***Strengthening Public Health and Improving Health Outcomes***

**Advances the Cancer Moonshot Goals.** The Cancer Moonshot Initiative aims to reduce the cancer death rate by at least 50 percent over the next 25 years, and improve the experience of people who are living with or have survived cancer, their families, and caregivers. Reaching these goals will require progress in ways to prevent, detect, and treat cancer and ensure that the tools we have and those we develop along the way reach more Americans. Investments across the Cancer Cabinet agencies would be targeted to priority actions including: 1) close the screening gap; 2) understand and address environmental exposure; 3) decrease the impact of preventable cancers; 4) bring cutting-edge research through the pipeline to patients and communities; and 5) support patients and caregivers. The Budget includes \$1 billion for dedicated Cancer Moonshot activities across the Centers for Disease Control and Prevention (CDC), IHS, the Health Resources and Services Administration, and the Food and Drug Administration, as well as a total investment at the National Cancer Institute (NCI) of \$7.8 billion to drive progress on ways to prevent, detect, and treat cancer. In addition, the Budget proposes to increase mandatory funding for the 21st Century Cures Act Beau Biden Cancer Moonshot initiative at NCI through 2026. The Budget also provides an increase of \$1 billion for the Advanced Research Projects Agency for Health, for a total of \$2.5 billion, to drive innovative health research and speed the implementation of breakthroughs that would transform the treatment, prevention, and early detection of cancer and other diseases. As the Administration works to address the single biggest driver of cancer deaths in this Nation—smoking—the Budget also includes a total investment of \$257.5 million in tobacco prevention and control efforts at CDC, including tobacco cessation activities to help Americans quit.

**Transforms Behavioral Healthcare.** The United States is facing a behavioral health crisis. Recently enacted legislation, such as the Bipartisan Safer Communities Act, takes significant steps to address this crisis and the Administration is implementing these behavioral health and school mental health investments. Still, much more can be done. Nearly one in four adults 18 and older, and one in three adults aged 18 to 25, had a mental illness in the past year. Suicide is the second leading cause of death for young people ages 10 to 24 and teen girls, in particular, are experiencing record high levels of violence, sadness, and suicide risk. More than 46 million people had a substance use disorder, nearly 94 percent of whom did not receive treatment. For people with private health insurance, the Budget expands coverage of mental health benefits and strengthens the network of behavioral health providers. For people with Medicare, the Budget lowers patients' costs for mental health services, requires parity in coverage between behavioral health and medical benefits, and expands coverage for behavioral health providers. The Budget provides historic investments in the behavioral health workforce, youth mental healthcare, Certified Community Based Behavioral Health Clinics, Community Mental Health Centers, and mental health research. The Budget strengthens access to crisis services by investing in the 988 Suicide and Crisis Lifeline to address 100 percent of estimated contacts, scaling follow-up crisis services, and expanding CDC's suicide prevention program to all States, the District of Columbia, and 18 tribal and territorial jurisdictions.

**Prepares for Future Pandemics and Other Biological Threats.** The United States must catalyze advances in science, technology, and core capabilities to prevent and prepare for future biological threats, which could emerge with increasing frequency. The Budget includes \$20 billion in mandatory funding for HHS public health agencies in support of the Administration's pandemic prevention and preparedness and biodefense priorities as outlined in the 2021 *American Pandemic Preparedness: Transforming Our Capabilities* plan and 2022 *National Biodefense Strategy and Implementation Plan*

for *Countering Biological Threats, Enhancing Pandemic Preparedness, and Achieving Global Health Security (National Biodefense Strategy and Implementation Plan)*. The Budget also includes \$400 million in new discretionary resources within the Administration for Strategic Preparedness and Response to prepare for pandemics and biological threats, as well as key discretionary investments for the Biomedical Advanced Research and Development Authority and the Strategic National Stockpile to support advanced development and procurement of vaccines, therapeutics, and diagnostic capabilities against known and unknown high priority threats. In addition, the Budget includes mandatory funding to catalyze development of drugs that address the pandemic threat of antimicrobial resistance. The Budget proposes key new HHS authorities to improve preparedness, incorporating lessons learned from recent public health emergencies, such as to enhance the visibility and the resilience of the medical product supply chain.

**Invests in the Treatment and Prevention of Infectious Diseases.** The Budget invests in the treatment and prevention of infectious diseases, including Hepatitis C, HIV, and other vaccine-preventable diseases, by supporting comprehensive programs that would expand access to curative and preventive medications. The Budget includes a new mandatory proposal for a national program to significantly expand screening, testing, treatment, prevention, and monitoring of Hepatitis C infections in the United States, with a specific focus on populations with high infection levels. This program would support Federal procurement of life-saving treatments, while bolstering provider capacity and related public health efforts such as testing, communication, and surveillance. The Budget invests \$850 million in the Ending the HIV Epidemic Initiative across HHS to aggressively reduce new HIV cases, increase access to pre-exposure prophylaxis (also known as PrEP), and ensure equitable access to services and support for those living with HIV. The Budget also reduces Medicaid costs by eliminating barriers to accessing PrEP for Medicaid beneficiaries and proposes a new mandatory program to: guarantee PrEP at no cost for all uninsured and underinsured individuals;

provide essential wrap-around services through States, IHS, tribal entities, and localities; and establish a network of community providers to reach underserved areas and populations. In addition, the Budget proposes a new Vaccines for Adults program to provide uninsured adults with access to routine and outbreak vaccines at no cost and expands the Vaccines for Children program to include all children under age 19 enrolled in the Children’s Health Insurance Program.

**Supports Survivors of Domestic Violence and Other Forms of Gender-Based Violence.** The Budget proposes significant increases to support and protect survivors of gender-based violence, including \$519 million for the Family Violence Prevention and Services (FVPSA)

program to support domestic violence survivors—double the 2023 enacted level. This amount continues funding availability for FVPSA-funded resource centers, including those that support the Lesbian, Gay, Bisexual, Transgender, Queer, and Intersex community. The Budget would provide additional funding for domestic violence hotlines and cash assistance for survivors of domestic violence, as well as funding to support a demonstration project evaluating services for survivors at the intersection of housing instability, substance use coercion, and child welfare. In addition, the Budget would provide over \$66 million for victims of human trafficking and survivors of torture, an increase of nearly \$17 million from the 2023 enacted level.

## **TAKING HISTORIC ACTION TO LOWER ENERGY PRICES, CREATING CLEAN ENERGY JOBS WHILE CONFRONTING THE CLIMATE CRISIS, AND PROTECTING CLEAN AIR AND WATER**

Under the President’s leadership, the United States is leading the world in: building a clean energy economy; tackling the climate crisis; creating clean energy jobs; protecting America’s communities from climate disasters; advancing environmental justice; and cutting energy bills for hard working families. The Administration is continuing to implement the Inflation Reduction Act and the Bipartisan Infrastructure Law—the largest investments that any country has made in clean energy, energy security, climate change, and clean air and water in history—which is already galvanizing the Nation’s clean energy transition and making solar panels, energy efficient homes, and electric cars more affordable for American families. The Budget invests in clean energy across America, bringing jobs to rural communities and cities, leaving no one behind.

### ***Cutting Energy and Water Bills for American Families and Creating Clean Energy Jobs***

**Creates Jobs Building Clean Energy Infrastructure and Cuts Energy Cost for American Families.** Clean energy has become a centerpiece of the American economy. The Budget invests nearly \$4.5 billion to create good paying jobs building clean infrastructure projects all across the Nation. The Budget supports clean energy workforce and infrastructure projects across the Nation, including: \$1.8 billion to weatherize and retrofit low-income Americans’ homes; \$83 million to electrify tribal homes and transition tribal colleges and universities to renewable energy; and \$107 million for the Department of Energy’s Grid Deployment Office to support utilities and State and local governments in building a grid that is more secure, reliable, and resilient and that integrates increasing levels of renewable energy. These investments, which complement and bolster the historic funding in the Bipartisan Infrastructure Law and Inflation Reduction Act, would create

high-quality jobs while driving progress toward the Administration’s climate goals, including carbon pollution-free electricity by 2035. The Budget supports efforts at the Department of the Interior (DOI) to meet the Administration’s goal of deploying 30 gigawatts of offshore wind capacity by 2030 and also provides \$60 million to expand offshore wind permitting activities at the National Oceanic and Atmospheric Administration (NOAA) to allow NOAA to use the best available science to help meet the Administration’s deployment goal while protecting biodiversity and promoting sustainable ocean co-use.

**Makes Historic Investments in Cutting-Edge Research to Advance Clean Energy Innovation.**

The Budget provides \$16.5 billion to support climate science and clean energy innovation. The Budget proposes over \$5.1 billion to fund a broad portfolio of research to improve understanding of the changing climate and inform adaptation and resilience measures across multiple agencies, including DOI, National Aeronautics and Space Administration, Commerce, NSF, and others. The Budget supports U.S. preeminence in developing innovative technologies that accelerate the transition to a clean energy economy by investing more than \$11.3 billion. To boost American innovation and reestablish American leadership in research and scientific discovery, the Budget also provides a historic investment of \$8.8 billion for DOE’s Office of Science and \$1.2 billion at NSF, advancing toward the CHIPS and Science Act authorizations to support: global leadership in the technologies of the future; advancing the Nation’s understanding of climate change; identifying and accelerating novel technologies for clean energy; and positioning the U.S. to meet the demand for isotopes. The Budget also includes \$1 billion for fusion, the largest ever investment in the promise of a clean energy power source.

**Cuts Climate Warming Pollution.** The Budget invests in reducing climate warming pollution toward achieving the President’s target to cut carbon emissions 50 to 52 percent by 2030. These investments include an additional

\$64.4 million at the Environmental Protection Agency (EPA) to implement the American Innovation and Manufacturing Act of 2020 and continue phasing out potent greenhouse gases known as hydrofluorocarbons. The Budget supports \$1.2 billion in DOE industrial decarbonization activities, including a DOE Industrial Technologies joint strategy team to drive adoption of industrial decarbonization solutions, expanded R&D efforts in the new Industrial Efficiency and Decarbonization Office, and \$160 million to support at least two large-scale industrial decarbonization projects directly benefitting disadvantaged communities funded through the Office of Clean Energy Demonstrations.

**Accelerates American Manufacturing and Deployment of Clean Energy Technologies.**

The Budget also includes \$75 million for the Department of Energy to carry out the President’s recent determinations under the Defense Production Act to enhance domestic supply chain capacity for key climate technologies. To build on the resurgence of American manufacturing, the Budget complements funding provided in the Inflation Reduction Act by providing robust support for Loan Program Office administrative expenses to originate and oversee the ambitious growth in the financing of clean energy and advanced technology vehicle manufacturing projects envisioned in the Inflation Reduction Act.

**Increases Permitting Capacity.** The Budget invests in environmental permitting programs to expedite delivery of new and modernized infrastructure. The Budget also proposes to expand existing transfer authority by enabling Federal agencies to transfer funds provided under the Bipartisan Infrastructure Law to the U.S. Fish and Wildlife Service and NOAA Fisheries to improve efficiencies and increase capacity for environmental planning and consultation. Together with existing law, this proposal would accelerate and improve environmental reviews in support of responsible development of priority infrastructure projects and energy solutions.

## **Strengthening Resilience**

**Bolsters Community Resilience to Climate Change.** The Budget invests more than \$23 billion for climate resilience across DOI, USDA, Department of Homeland Security (DHS), and the Department of Defense (DOD). These investments would help build communities' resilience to floods, wildfires, and storms, improve conservation and ecosystem management, strengthen America's disaster response capabilities, increase the resiliency of rural housing to the impacts of climate change while reducing rent burdens, and ensure the resilience of the Nation's defense to climate change. The Budget includes \$500 million for flood hazard mapping, including the development of new data to support future flood conditions, as well as funding to sustain the Civilian Climate Corps. The Budget's investments complement historic funding provided for climate resilience through the Bipartisan Infrastructure Law and Inflation Reduction Act.

**Strengthens Conservation.** The Budget supports efforts to restore, conserve, and protect the natural world. The Budget invests significant resources across the six key focus areas in the America the Beautiful Initiative; invests in providing greenspace in underserved communities; supports tribal co-stewardship and co-management; and supports the first-ever national nature assessment. The Budget also provides \$26 million to develop the Conservation and Stewardship Atlas, which would help inform conservation decisions. The Budget also provides nearly \$1.2 billion to increase conservation adoption across privately owned land through the Natural Resources Conservation Service. These investments complement the historic funding provided for restoration, conservation and protection of public lands and waters through the Bipartisan Infrastructure Law, Inflation Reduction Act, Great American Outdoors Act, National Parks and Public Land Legacy Restoration Fund, and Land and Water Conservation Fund.

**Strengthens the Nation's Frontline Defenses against Catastrophic Wildfires and Provides Long-Term Investments in the Wildland Firefighting Workforce.** As both the frequency and intensity of catastrophic wildfires are expected to increase due to climate change, the Budget provides for critical mitigation and response efforts and invests in America's Federal wildland firefighting workforce. The Budget invests in the Federal wildland firefighting workforce by ensuring that no Federal wildland firefighter makes less than \$15 an hour and by creating a new comprehensive and equitable compensation structure. In addition, the Budget increases the size of the workforce and supports additional mental and physical health services for the workforce. Together, these efforts would help address long-standing recruitment and retention challenges, build upon the historic reforms in the Bipartisan Infrastructure Law, and ensure that the workforce receives the enhanced support it needs to continue meeting evolving mission demands. The Budget provides the USDA \$323 million to support ongoing implementation of the 10-year *Wildfire Crisis Strategy* to increase the scale of fuel and restoration treatments within high-risk "firesheds" as part of the Administration's comprehensive, nationwide response to the threat of catastrophic wildfire to natural resources, communities, and infrastructure. The Budget also provides \$314 million for DOI to help reduce the risk and severity of wildfires through fuels management and restore lands devastated by catastrophic fire.

**Increases Resilience to the Effects of Drought.** The Budget helps ensure communities across the West have access to a resilient and reliable water supply by investing in rural water projects, water conservation, development of desalination technologies, and water recycling and reuse projects. The Budget complements the nearly \$1.7 billion provided in 2024 for western water infrastructure through the Bipartisan Infrastructure Law, as well as the nearly \$4.6 billion that was provided by the Inflation Reduction Act for drought mitigation and domestic water supply projects through the Bureau of Reclamation. The Budget provides

funding to address the ongoing drought in the western United States, including funding for WaterSMART, Central Valley Project drought activities, and implementation funding for the Drought Contingency Plans to conserve water in the Colorado River System, which is at historically low levels. The Budget also requests new funding at DOE to invest in desalination.

**Invests in Flood Risk Management and Mitigation.** The Budget invests in programs that help communities address the risks associated with floods. Investments include over \$1 billion for the Corps to address coastal and inland flood risks and \$175 million for flood mitigation grants through the Federal Emergency Management Agency (FEMA).

### ***Protecting Clean Air and Water While Advancing Environmental Justice and Delivering for Communities Left Behind***

**Advances Equity and Environmental Justice.** The Administration continues to prioritize efforts to deliver environmental justice in communities across the United States, including meeting the President’s Justice40 commitment to ensure at least 40 percent of the benefits of Federal investments in climate and clean energy reach disadvantaged communities, including rural and tribal communities. The Budget bolsters these efforts by investing nearly \$1.8 billion across EPA to support creating high-quality jobs, clean up pollution, advance racial equity, and secure environmental justice for communities that bear the brunt of toxic pollution and impacts of climate change. The Budget provides EPA \$246 million for civil enforcement efforts, which includes funding to increase enforcement efforts in communities with high pollution exposure. The Budget provides DOE with \$66 million to implement the Department’s Justice40 efforts and strengthen the Department’s environmental justice mission, including \$54 million for the Office of Economic Impact and Diversity and \$12 million for Legacy Management. It also provides \$70 million for Community Capacity Building initiatives in the Office of Environmental Management and

the National Nuclear Security Administration (NNSA) for areas of persistent poverty around the Department’s sites, and \$50 million for the newly established Office of State and Community Energy Programs to launch a new Energy Burden Reduction Pilot to retrofit low-income homes with efficient electric appliances and systems. In addition, the Budget invests \$35 million for the Corps in technical and planning assistance, in 23 studies, and in the construction of 33 projects to help disadvantaged and tribal communities address their water resources challenges in line with the President’s Justice40 Initiative—including funding for the Tribal Partnership Program.

**Supports the President’s Goal of Accelerating the Replacement of All Lead Pipes and Upgrades the Nation’s Drinking Water and Wastewater Infrastructure.** The Budget provides EPA \$219 million for two grants dedicated to remediating lead contamination in water—Reducing Lead in Drinking Water and Lead Testing in School and Child Care Program Drinking Water—an increase of \$163 million over the 2023 enacted level. The Budget also funds other grants and loans that can be used for lead service line replacements. The Budget updates the cross-Government Lead Pipe Replacement Funding Inventory that was published for the first time with the 2023 Budget. The Budget also provides EPA more than \$4 billion for water infrastructure, an increase of \$1 billion over the 2023 enacted level. These resources would advance efforts to upgrade drinking water and wastewater infrastructure nationwide, with a focus on decreasing health disparities in underserved and rural communities that have historically been overlooked.

**Supports Legacy Energy Communities.** To address changes in the energy economy, the Budget continues to invest in strategic planning, partnership development, and training and reemployment activities for displaced workers. The Budget provides \$20 million to support the Department of Labor’s role in the multi-agency Partnerships for Opportunity and Workforce and Economic Revitalization (also known as POWER+)

Initiative, which aims to assist displaced workers and transform local economies and communities transitioning away from fossil fuel production to new, sustainable industries. The Budget also includes \$67 million for the Department of Labor's (DOL) Workforce Opportunities for Rural Communities, a program—administered in partnership with the Appalachian Regional Commission, the Delta Regional Authority, and the Northern Border Regional Commission—that aims to help these communities develop local and regional workforce development strategies that promote long-term economic stability and opportunities for workers, especially those connected to the energy industry.

**Reduces Health and Environmental Hazards for At-Risk Communities.** The Budget includes \$8.3 billion for DOE's Environmental Management program to support the cleanup of communities used during the Manhattan Project and Cold War for nuclear weapons production. The Budget also provides \$196 million for the Office of Legacy Management to ensure cleanup remedies at these sites remain protective of human health and the environment. The Budget also provides \$356 million for EPA's Superfund program to continue cleaning up some of the Nation's most contaminated land and respond to environmental emergencies and natural disasters, as part of a cancer prevention strategy. In addition, an estimated \$2.5 billion in Superfund tax revenue would be available to EPA in 2024. The Administration would ensure that investments for the cleanup of legacy pollution support the Justice40 Initiative to benefit disadvantaged communities.

**Tackles Per- and Polyfluoroalkyl Substances (PFAS) Pollution.** PFAS are a set of man-made chemicals that threaten the health and safety of communities across the Nation, disproportionately impacting historically disadvantaged communities. To tackle PFAS pollution, the Budget provides approximately \$170 million, \$44 million over the 2023 Budget request, for EPA to continue working toward commitments made in the *2021 PFAS Strategic Roadmap: EPA's Commitments to Action 2021-2024*, including: increasing America's knowledge of PFAS impacts to human health and ecological effects; restricting use to prevent PFAS from entering the air, land, and water; and remediating PFAS that have been released into the environment.

### ***Doubling Down on America's Global Climate Leadership***

**Increases Global Energy Security, Infrastructure, and Resilience.** The Budget supports the President's pledge to: more than quadruple international climate finance; and request more than \$3 billion for the *President's Emergency Plan for Adaptation and Resilience (PREPARE)*. This includes a \$1.6 billion contribution to the Green Climate Fund and a \$1.2 billion loan to the Clean Technology Fund. The Budget also advances new tools, such as loan guarantees, to reassert U.S. leadership in the Indo-Pacific by financing energy security and infrastructure projects and reducing reliance on volatile energy supplies and prices. The Budget also builds resilience to better prepare for and respond to extreme weather events and other disasters.

## **ADVANCING EQUITY, SECURITY, AND OPPORTUNITY, AND STRENGTHENING AMERICAN DEMOCRACY**

From the start of the Administration, the President has been focused on strengthening America's democracy, expanding opportunities for all Americans and making communities

more safe, just, and equitable. The President signed a Day One Executive Order to promote equity across the Federal Government, increased Federal contract dollars flowing to

small disadvantaged businesses, made historic investments in HBCUs, TCCUs, and MSIs, invested in community policing, and bolstered civil rights enforcement. The Administration reaffirmed this commitment to equity through a second Executive Order, issued earlier this year, that builds on these successes. Last year, the President signed the first significant piece of legislation to address the epidemic of gun violence in 30 years, the Bipartisan Safer Communities Act, which is now being implemented across Government. In addition to proving that democracy can deliver for the American people, the President has secured key reforms to bolster U.S. democratic institutions, including signing into law the bipartisan Electoral Count Reform Act of 2022. The Budget continues to advance these goals by tackling crime, making America's communities safer, reforming the criminal justice system, advancing equity and opportunity for all Americans, delivering results for tribal communities, and making robust investments to strengthen America's democracy.

### ***Making America's Communities Safer by Preventing, Reducing, and Combating Crime***

**Invests in Federal Law Enforcement to Combat Gun Violence and Other Violent Crime.** The Budget makes robust investments to bolster Federal law enforcement capacity. The Budget includes \$17.8 billion, an increase of \$1.2 billion above the 2023 enacted level, for DOJ law enforcement, including a total of nearly \$2 billion for the Bureau of Alcohol, Tobacco, Firearms, and Explosives to expand multijurisdictional gun trafficking strike forces with additional personnel, increase regulation of the firearms industry, and implement the Bipartisan Safer Communities Act. The Budget includes \$1.9 billion for the U.S. Marshals Service to support personnel dedicated to fighting violent crime, including through fugitive apprehension and enforcement operations. The Budget also provides \$51 million to the Federal Bureau of Investigation (FBI) to support the continued implementation of enhanced background checks

required by the Bipartisan Safer Communities Act. In addition, the Budget provides a total of \$2.9 billion for the U.S. Attorneys, which includes 130 new positions to support the prosecution of violent crimes.

**Supports State, Local, and Tribal Law Enforcement and Public Safety.** The Budget provides \$4.9 billion in discretionary resources for State and local grants and \$30 billion in mandatory resources to support States, local, and tribal efforts to protect U.S. communities and promote public safety. This includes \$537 million for the COPS Hiring Program discretionary topline, an increase of \$213 million or 66 percent over the 2023 enacted level. The Budget also includes \$717 million, an \$86 million increase, in Tribal Public Safety and Justice funding at DOI.

**Reinvigorates Federal Civil Rights Enforcement.** In order to address longstanding inequities and strengthen civil rights protections, the Budget invests \$252 million, an increase of \$62 million over the 2023 enacted level, in the DOJ Civil Rights Division. These resources would support police reform via pattern-or-practice investigations, the prosecution of hate crimes, enforcement of voting rights, and efforts to provide equitable access to justice.

**Prioritizes Efforts to End Gender-Based Violence.** The Budget proposes \$1 billion to support implementation of programs through the Violence Against Women Act of 1994 (VAWA), which was recently reauthorized and strengthened in 2022. This is a \$300 million or 43-percent increase over the 2023 enacted level, which was the highest funding level in history. The Budget supports substantial increases for longstanding VAWA programs, including key investments in legal assistance for victims, transitional housing, and sexual assault services. The Budget strongly supports underserved and tribal communities by providing \$35 million for culturally-specific services, \$10 million for underserved populations, \$15 million to assist enforcement of tribal special domestic violence jurisdiction, and \$3 million to support tribal Special Assistant U.S. Attorneys. The Budget also provides \$14 million to address

technological abuse through funding new VAWA programs to address cybercrimes against individuals. In addition, the Budget provides \$120 million, an increase of \$65 million above the 2023 enacted level, to the Office of Justice Programs for the Sexual Assault Kit Initiative to address the rape kit backlog, and for the Regional Sexual Assault Investigative Training Academies Program.

**Reforms the Federal Criminal Justice System.** The Budget leverages the capacity of the Federal justice system to advance criminal justice reform initiatives and serve as a model for reform that is comprehensive, evidence-informed, and high-impact to enhance public safety and advance equity. The Budget supports key investments in First Step Act of 2018 (FSA) implementation, including the continuation and expansion of the historic collaboration between the Bureau of Prisons (BOP) and DOL for a national initiative to provide comprehensive, intensive, and market-driven workforce development services and reentry to people in the Federal prison system, both during their time in BOP facilities and after they are transferred to community placement. In total, the Budget continues to invest \$409 million in base resources for FSA implementation, to support rehabilitative programming, improve conditions of confinement, and hire additional FSA-dedicated programmatic staff. The Budget also invests \$300 million to support the first year of a new 10-year Accelerating Justice System Reform program, with a total of \$14.7 billion in mandatory funding requested over the following nine years. This program would provide State, local, and tribal governments with additional resources for crime prevention.

**Reforms the Juvenile Justice System.** The Budget proposes \$760 million for juvenile justice programs, an increase of \$360 million over the 2023 enacted level, to bolster diversionary juvenile justice strategies.

**Counters Cyber Threats.** The Budget expands DOJ's ability to pursue cyber threats through investments that support efforts to build cyber investigative capabilities at FBI

field divisions nationwide. These investments include an additional \$63 million for more agents, enhanced response capabilities, and strengthened intelligence collection and analysis capabilities. These investments are in line with the *National Cybersecurity Strategy* that emphasizes a whole-of-Nation approach to addressing the ongoing cyber threat.

### ***Expanding Opportunity, Advancing Equity, and Delivering for Tribal Communities***

**Advances Efforts to End Homelessness.** To prevent and reduce homelessness, the Budget provides \$3.7 billion, an increase of \$116 million over the 2023 enacted level, for the Department of Housing and Urban Development (HUD) Homeless Assistance Grants to meet renewal needs and expand assistance to approximately 25,000 additional households, including survivors of domestic violence and homeless youth. These targeted resources would support the Administration's recently released *Federal Strategic Plan to Prevent and End Homelessness*. The Budget also provides \$505 million for Housing Opportunities for Persons with AIDS, serving a population with a disproportionately high rate of homelessness and providing a critical link to services.

**Prevents Evictions.** To assist renters in accessing resources to avoid eviction, make the legal process during eviction proceedings fairer, and mitigate future housing instability, the Budget provides \$3 billion in mandatory spending for competitive grants to promote and solidify State and local efforts to reform eviction policies by providing access to legal counsel, emergency rental assistance, and other forms of rent relief.

**Advances Equity by Preventing and Redressing Housing Discrimination.** The Budget provides \$90 million to support State and local fair housing enforcement organizations and to further education, outreach, and training on rights and responsibilities under Federal fair housing laws. The Budget also invests in HUD

staff and technical assistance to affirmatively further fair housing and reduce barriers that restrict housing and neighborhood choice.

**Expands Access to Credit to Underserved Communities.** The Budget provides \$341 million for the Community Development Financial Institutions (CDFI) Fund, an increase of \$17 million, or five percent, above the 2023 enacted level, which provides historically underserved and often low-income communities access to credit, capital, and financial support to grow businesses, increase affordable housing, and reinforce healthy neighborhood development. To better address the shortage of long-term affordable credit for development projects in disadvantaged communities and unlock up to \$500 million in financing support, the Budget also includes a \$10 million subsidy for the CDFI Fund’s Bond Guarantee Program.

**Advances Child and Family Well-Being in the Child Welfare System.** The Budget proposes to expand and incentivize the use of evidence-based foster care prevention services to keep families safely together and reduce the number of children entering foster care. The Budget provides States with support and incentives to place more foster children with relatives or other adults who have an existing emotional bond with the children and fewer children in group homes and institutions, while also providing additional funding to support youth who age out of care without a permanent caregiver. The Budget proposes to nearly double flexible funding for States through the Promoting Safe and Stable Families program, and proposes new provisions to expand access to legal representation for children and families in the child welfare system. In addition, the Budget proposes to make the adoption tax credit refundable and to extend the credit to legal guardianships. This would reduce the financial burden on low- and moderate-income families wishing to pursue adoption, as well as for families who opt for legal guardianship.

**Increases Food Security.** The Budget strengthens Federal nutrition assistance programs to increase food security, including in

underserved communities. As called for in the *Biden-Harris Administration National Strategy on Hunger, Nutrition, and Health*, the Budget provides over \$15 billion over 10 years to allow more States and schools to leverage participation in the Community Eligibility Program to provide healthy and free school meals to an additional nine million children. The Budget includes \$6.3 billion to fully fund the 6.5 million individuals expected to participate in the Special Supplemental Nutrition Program for Women, Infants, and Children.

**Delivers Significant Funding to Tribal Communities.** The Administration is committed to upholding the Federal Government’s trust and treaty responsibilities to Tribes and Native communities. Building on the historic advance appropriation for IHS for 2024, the Budget requests \$9.4 billion in discretionary and mandatory resources in 2024, and proposes all resources as mandatory beginning in 2025. Building on feedback from extensive tribal consultations, the Budget provides \$4.7 billion for DOI’s tribal programs, more than \$690 million above the 2023 enacted level, including investments that would support public safety and justice, social services, and educational needs to uphold Federal trust responsibilities and advance equity for Native communities—and continue efforts to address the crisis of Missing and Murdered Indigenous Persons. The Budget also provides over \$1 billion in HUD funding to support tribal efforts to expand affordable housing, improve housing conditions and infrastructure, and increase economic opportunities for low-income families. To ensure that tribal communities have safe, reliable water supply, the Budget builds on investments in the Bipartisan Infrastructure Law by providing \$2.8 billion in mandatory funding to the Indian Water Rights Settlement Completion Fund to cover the costs of enacted and future water rights settlements, as well as operations and maintenance costs.

**Supports Economic Opportunity in Rural Communities.** The Rural Partners Network (RPN) is an all-of-Government program led by USDA that partners with rural and tribal people

to access resources and funding to create local jobs, build infrastructure, and support long-term economic stability on their own terms. The Budget provides \$32 million to expand RPN. Through RPN, USDA is hiring new full-time Federal staff who are from the region to work hand-in-hand with RPN community leaders. This investment will also support <https://Rural.gov>, a one-stop-shop for all rural communities to access Federal resources.

**Strengthens American Democracy.** The Administration continues to prioritize efforts to restore and strengthen American democracy. To provide State and local election officials with a sustained funding stream for critical capital investments in America's election infrastructure and increased staffing and measures to ensure security and better serve voters, the Budget proposes \$5 billion in new election assistance

funding to be allocated over 10 years. The Budget includes \$1.5 billion for AmeriCorps, a \$166 million increase above the 2023 enacted level, to: support increasing the living allowance provided to AmeriCorps members so that national service is a more accessible pathway to success; and create opportunities for Americans to serve together in common purpose. The Budget also invests \$73 million to support American history and civics education programs, an increase of \$50 million over the 2023 enacted level, to help students understand the U.S. Constitution and how the United States system of Government works and build the skills required to fully participate in civic life. In addition, the Administration will work with the Congress to support independent local journalism to better inform Americans about the matters that impact their lives and hold the powerful accountable.

## KEEPING AMERICA SAFE AND CONFRONTING GLOBAL CHALLENGES

Even as he has taken decisive action to strengthen America at home, the President has worked with allies and partners around the world to confront pressing global challenges. Under the President's leadership, America has rallied the world to support the people of Ukraine as they defend their sovereignty against Russia's brutal invasion. The Administration has reinvigorated crucial partnerships, fostered democracy and economic prosperity, advanced global health, furthered gender equity and equality around the world, invested in the U.S. immigration system, and strengthened America's military. At the same time, the President has taken action to honor the Nation's sacred obligation to veterans by signing into law the bipartisan Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics Act of 2022 (PACT Act), the most significant bill in American history to address veterans' exposure to burn pits and other toxic substances. The Budget builds on this progress through proposals to continue: addressing threats to global security and strengthening the U.S. military; addressing

pressing global challenges; securing the border and strengthening the U.S. immigration system; and honoring America's commitment to veterans, servicemembers, families, caregivers, and survivors.

**Strengthens the Military to Meet America's Defense Needs.** The Budget continues to ensure that U.S. Soldiers, Sailors, Airmen, Marines, and Guardians remain the best trained and equipped fighting forces in the world. The Budget places additional emphasis on foundational investments to sustain current weapon systems and support increased training across the Department, while pursuing technological enhancements to extend the service life of materiel vital to the warfighter. At the same time, the Budget strengthens DOD's civilian workforce as a critical contributor to the Nation's security. In addition, the Budget continues the recapitalization and optimization of the four public Naval Shipyards to meet future submarine and carrier maintenance requirements. In line with the *National Defense Strategy*, the Budget

optimizes force structure to build a Joint Force that is lethal, resilient, sustainable, survivable, agile, and responsive. The Budget supports DOD's plan to upgrade capabilities by redirecting resources to cutting-edge technologies in high-priority platforms.

**Supports Ukraine, European Allies, and Partners.** The Budget provides over \$6 billion to support Ukraine, the United States' strong alliance with the North Atlantic Treaty Organization (NATO), and other European partner states by prioritizing funding to enhance the capabilities and readiness of United States, allied, and partner forces in the face of continued Russian aggression.

**Promotes Integrated Deterrence in the Indo-Pacific and Globally.** To sustain and strengthen deterrence, the Budget prioritizes The Peoples Republic of China (PRC) as America's pacing challenge in line with the *National Defense Strategy*. DOD's 2024 Pacific Deterrence Initiative highlights \$9.1 billion of key investments the Department is making, focuses on strengthening deterrence in the region, and demonstrates the Department's long-term commitment to the Indo-Pacific. DOD is building the concepts, capabilities, and posture necessary to meet these challenges, working to integrate deterrence efforts across the United States Government and with U.S. allies and partners.

**Counters Malign Influence.** To assert U.S. leadership in strategic competition with the PRC, the Budget includes \$400 million for the Countering PRC Influence Fund. In addition, the Budget requests \$753 million for Ukraine to continue to counter Russian malign influence and to meet emerging needs related to security, energy, cybersecurity, disinformation, macroeconomic stabilization, and civil society resilience. The Budget also requests continued Foreign Military Financing loan and loan guarantee authority to ensure availability of a financing tool to help America's partners invest in U.S. equipment.

**Counters Persistent Threats.** While focused on maintaining robust deterrence against the

PRC and Russia, the Budget also enables DOD to counter other persistent threats including those posed by North Korea, Iran, and violent extremist organizations.

**Modernizes the Nuclear Deterrent.** The Budget provides \$37.7 billion to DOD to maintain a strong nuclear deterrent as a foundational aspect of integrated deterrence, for the security of the Nation and U.S. allies. The Budget supports the U.S. nuclear triad and the necessary ongoing nuclear modernization programs, to include the nuclear command, control, and communication networks. In addition, the Budget provides \$23.8 billion to the Department of Energy's NNSA to make historic investments in the Nation's nuclear security enterprise to implement the President's Nuclear Posture Review; support a safe, secure, and effective nuclear stockpile; reduce nuclear risks; and provide nuclear power to the U.S. Navy.

**Strengthens Democracy and Defends Human Rights Globally.** The Budget provides more than \$3.4 billion to advance democratic governance and foster democratic renewal. The Budget would strengthen free and independent media, fight corruption, bolster democratic institutions, advance technology for democracy, promote gender equality and women's civic and political participation, and defend free and fair elections and political processes. Within this total, the Budget includes \$345 million for the President's Initiative for Democratic Renewal, \$25 million for the President's new African Democratic and Political Transitions initiative, as well as targeted increases for "bright spot" countries experiencing democratic opportunities.

### ***Addressing Pressing Global Challenges***

**Deepens Alliances and Partnerships in the Indo-Pacific to Out-Compete China.** The Budget includes more than \$2.3 billion in discretionary funding for the Department of State and the U.S. Agency for International Development to support an open, secure, and connected Indo-Pacific and implement the

Indo-Pacific Strategy to strengthen and modernize America's alliances and partnerships in this vital region. This total includes \$90 million for the Association of Southeast Asian Nations and \$50 million for the advancement of the Indo-Pacific Economic Framework for Prosperity. In addition, the Budget expands funding for U.S. diplomatic presence throughout the region, with particular focus on the Pacific Islands. The Budget also includes a new mandatory proposal to Out-Compete China and advance American prosperity through game-changing investments in infrastructure and the Indo-Pacific. This includes: \$2 billion to bolster Indo-Pacific countries through economic competitiveness and secure and resilient supply chains; \$2 billion to support "hard" infrastructure; and \$2 billion to advance the U.S. International Development Finance Corporation's equity program at scale, a key financing tool to strengthen the U.S. role in the Indo-Pacific. The Budget also proposes \$7.1 billion in economic assistance and continuation of postal services over the next 20 years for the Compacts of Free Association with the freely associated states of the Marshall Islands, Micronesia, and Palau.

**Reinforces Collective Action to Address Global Challenges.** The Budget supports continued U.S. multilateral engagement on shared global challenges at the United Nations (UN) and other international organizations. The Budget fully meets U.S. annual contributions to international organizations and pays UN peacekeeping dues on time and in full. The Budget also proposes increases for key opportunities to advance U.S. interests and compete with adversaries, including by: strengthening collective security through NATO, bolstering U.S. leadership at the UN by beginning to synchronize \$40 million in annual contributions; providing \$150 million to support a U.S. return to the UN Educational, Scientific and Cultural Organization; and contributing \$57 million to support the UN Population Fund. The Budget also requests nearly \$2.3 billion for contributions to multilateral development banks, maintaining the United States' role as the largest World Bank donor to support poverty reduction

and development in low- and middle-income countries. This includes a \$1.4 billion investment in the International Development Association (IDA), as part of the United States' pledge of \$3.5 billion in support of the most recent IDA replenishment. The Budget also proposes the largest request for the Peace Corps in history in order to sustain operations and partner with host countries to address global challenges and spur U.S. development leadership.

**Advances the Partnership for Global Infrastructure and Investment (PGII).** The Budget supports more than \$50 billion through PGII in direct foreign assistance, development and export finance, and private sector funding. PGII leverages public and private finance to advance climate and energy security, health and health security, digital connectivity, gender equity and equality, and related transportation infrastructure—all while creating opportunities for American businesses.

**Bolsters American Leadership in Global Health.** To reinforce U.S. leadership in addressing global health and health security challenges, the Budget includes \$10.9 billion, a \$370 million increase above the 2023 enacted level. This includes over \$1.2 billion to prepare for, prevent, detect, and respond to infectious disease outbreaks—including by expanding U.S. bilateral partnerships with countries to improve health security capacity. This over \$1.2 billion also includes \$500 million for the Pandemic Fund to catalyze and accelerate improvements to global health security and pandemic preparedness. The Budget also invests dedicated funds for the Administration's Global Health Worker Initiative to enhance global efforts to better train, equip, and protect the health workforce—which would strengthen countries' abilities to provide core health services and respond to crises. The Budget also increases investments in high-impact and lifesaving voluntary family planning and reproductive health programs to address significant unmet global needs for these services. The Budget sustains U.S. leadership in the Global Fund's historic seventh replenishment, providing \$2 billion for the second year of a \$6 billion

three-year pledge to save lives and accelerate the fight against HIV/AIDS, tuberculosis, and malaria.

**Enhances Biodefense and Pandemic Preparedness.** The Budget provides robust funding to support the Administration's *National Biodefense Strategy and Implementation Plan* and provide resources for the recommendations from DOD's Biodefense Posture Review.

**Advances Gender Equity and Equality Around the World.** The Administration remains steadfast in its commitment to invest in opportunities for women and girls and support the needs of marginalized communities, including the Lesbian, Gay, Bisexual, Transgender, Queer, and Intersex community. Reflective of that commitment, the Budget requests more than \$3 billion to advance gender equity and equality across a broad range of sectors.

**Bolsters Hemispheric Economic Investment and Migration Management Efforts.** In support of the Los Angeles Declaration on Migration and Protection, the Budget invests \$430 million for hemispheric migration management. This assistance would bolster stability for affected communities, enhance legal pathways and protection, and strengthen humane border management throughout the region. The Budget proposes a new regional economic opportunity fund, the Americas Partnership Opportunity Fund, to address migration management challenges faced by high and upper-middle income countries in the region. The Budget also requests up to \$40 million for the Global Concessional Financing Facility to support programs aimed at improving the lives of migrants and refugees in the Western Hemisphere and \$75 million for the Inter-American Development Bank's IDB Invest to increase private sector investment in the Americas.

**Builds Security and Prosperity in Central America and Haiti.** The Budget requests more than \$1 billion to advance the President's commitment to work with the Congress to

provide \$4 billion over four years to address the root causes of migration and improve the lives of people in Central America. Assistance would bolster localization efforts, enhance the rule of law, and support economic growth for all segments of society. Further, in response to deteriorating conditions and widespread violence in Haiti, the Budget invests \$291 million to strengthen Haiti's recovery from political, health, and economic shocks, by strengthening the capacity of the Haitian National Police, combating corruption, strengthening the capacity of civil society, responding to health emergencies and health needs, and supporting services for marginalized populations.

**Sustains U.S. Leadership on Refugee and Humanitarian Issues, including Addressing Food Insecurity.** The Budget requests more than \$10.5 billion to respond to the persisting needs of the world's most vulnerable, including those needs arising from conflict and natural disasters. The Budget supports the United States' revitalized refugee admissions program, including the resettlement of up to 125,000 refugees and related efforts, such as Uniting for Ukraine. In addition, the Budget supports the President's pledge to alleviate global food insecurity by providing nearly \$1.2 billion in bilateral agriculture and food security programming.

**Deepens Alliances through Space Exploration.** The Budget provides increased funding for two Mars missions that are partnerships with the European Space Agency, including one in which the United States is replacing Russia as a partner. The Budget would also include initial funding for a space tug that would reduce reliance on Russia and help prepare for a new era of U.S.-built commercial space stations.

**Protects Afghan Allies.** The Budget supports Enduring Welcome (EW), the whole-of-Government effort to expeditiously process the applications of America's Afghan allies, such as Afghan Special Immigrant Visa (SIV) candidates, and family reunification cases, and welcome them to the United States—while simultaneously

safeguarding national security. The Budget fully supports implementation of EW by leveraging Department of State balances estimated to enable more than \$2 billion in support in 2024, and by proposing a substantial increase to the number of SIVs available for Afghan allies.

### ***Strengthening Border Security and Improving the Immigration System***

**Enhances Border Security and Immigration Enforcement.** Strengthening border security and providing safe, lawful pathways for migration remain top priorities for the Administration. The Budget includes nearly \$25 billion for U.S. Customs and Border Protection (CBP) and Immigration and Customs Enforcement (ICE), an increase of almost \$800 million over the 2023 enacted level when controlling for border management amounts. The Budget includes funds for CBP to hire an additional 350 Border Patrol Agents, \$535 million for border security technology at and between ports of entry, \$40 million to combat fentanyl trafficking and disrupt transnational criminal organizations, and funds to hire an additional 460 processing assistants at CBP and ICE.

**Supports a Fair, Orderly, and Humane Immigration System.** The Administration is committed to improving the Nation's immigration system and safeguarding its integrity and promise by efficiently and fairly adjudicating requests for immigration benefits. The Budget includes \$865 million for the United States Citizenship and Immigration Services to process an increasing asylum caseload, reduce the historically high immigration benefit request backlog, support the Citizenship and Integration Grant Program, and improve refugee processing to advance the Administration's goal of admitting 125,000 refugees.

**Addresses the Situation at the Southwest Border.** Given elevated Southwest Border encounter levels experienced in a number of years since 2019, the Budget proposes a new \$4.7 billion contingency fund to aid the DHS and its

components when responding to migration surges along the Southwest Border. Each fiscal year, the fund would receive appropriations incrementally, and above the base appropriation, as Southwest Border encounters reach pre-identified levels. DHS would be limited to obligating funds for surge-related functions and would transfer funds to CBP, ICE, and FEMA accounts with valid surge-related obligations.

**Improves Immigration Courts.** The Budget invests more than \$1.5 billion, an increase of \$595 million above the 2023 enacted level, in the Executive Office for Immigration Review both to manage and mitigate the backlog of over 1.8 million cases currently pending in the immigration courts that this administration largely inherited from its predecessor. This funding supports 150 new immigration judge teams, which includes the support personnel required to help optimize the operation of the immigration court system. The Budget would also invest new resources in legal access programming, including \$150 million in discretionary resources to provide access to representation for adults and families in immigration proceedings. Providing resources to support legal representation in the immigration system would help make the system fairer and more equitable, while allowing for greater efficiencies in case processing.

**Supports America's Promise to Refugees.** The Budget provides \$7.3 billion to the Office of Refugee Resettlement (ORR) to help rebuild the Nation's refugee resettlement infrastructure and support the resettling of up to 125,000 refugees in 2024. The Budget also helps ensure that unaccompanied immigrant children receive appropriate support and services while they are in ORR's care and are unified with relatives and sponsors as safely and quickly as possible. The funding would allow ORR to reinforce and expand on the programmatic improvements the Administration has made, including expanding access to counsel to help children navigate complex immigration court proceedings and enhancing case management and post-release services. In addition, the Budget includes an emergency contingency fund that would provide additional

resources, beyond the \$7.3 billion, when there are unanticipated increases in the number of unaccompanied children or other humanitarian entrants, building on the contingency fund enacted for 2023.

### ***Honoring the Nation’s Commitments to America’s Veterans, Servicemembers, and Their Families, Caregivers, and Survivors***

**Expands Healthcare, Benefits, and Services for Environmental Exposures.** The PACT Act represents the most significant expansion of Veterans healthcare and disability compensation benefits for veterans exposed to burn pits and other environmental exposures in more than 30 years. As part of the PACT Act, the Congress authorized the Cost of War Toxic Exposures Fund (TEF) to fund increased costs above 2021 funding levels for healthcare and benefits delivery for veterans exposed to a number of environmental hazards—and ensure there is sufficient funding available to cover these costs without shortchanging other elements of veteran medical care and benefit delivery. The Budget provides \$20.3 billion for the TEF in 2024, which is \$15.3 billion above the 2023 enacted level.

**Prioritizes Department of Veterans Affairs (VA) Medical Care.** The Budget provides a total of \$121 billion in discretionary medical care funding in 2024, \$2.3 billion above the 2023 enacted level, together with \$17.1 billion in the TEF. In addition to fully funding inpatient, outpatient, mental health, and long-term care services, the Budget supports programs that enhance VA healthcare quality and delivery. The Budget reiterates that medical care for veterans should be considered separately from other appropriations categories in order to ensure that the needs of veterans are never traded off against other national priorities.

**Prioritizes Veterans’ Mental Health Services and Suicide Prevention.** The Budget invests \$139 million within VA research programs, together with \$16.6 billion within the

VA Medical Care program, to increase access to quality mental healthcare and lower the cost of mental health services for veterans, with the goal of helping veterans take charge of their treatment and live full, meaningful lives. This effort includes support for the Commander John Scott Hannon Veterans Mental Health Care Improvement Act of 2019, clinical trials, and epidemiological studies on risk and prevention factors. In addition, the Budget provides \$559 million to further advance the Administration’s veteran suicide prevention initiatives, including continued expansion of the Veterans Crisis Line’s 988 and additional support for VA’s *National Strategy for Preventing Veteran Suicide*.

**Invests in Caregivers Support Programs.** Recognizing the critical role family caregivers play in supporting the health and wellness of veterans, the Budget provides robust funding for the Program of General Caregivers Support Services. The Budget also specifically provides \$2.4 billion for the Program of Comprehensive Assistance for Family Caregivers, which includes stipend payments and support services to help empower family caregivers of eligible veterans.

**Honors the Memory of All Veterans.** The Budget includes \$480 million to ensure veterans and their families have access to exceptional memorial benefits. These funds maintain national shrine standards at the 158 VA-managed cemeteries and provide the initial operational investment required to continue or begin activation to open three new cemeteries.

**Invests in Critical Veteran Medical Facilities.** The Budget includes \$1.6 billion in discretionary funding and \$1.9 billion in mandatory funding for construction and expansion of critical infrastructure and facilities, in addition to a \$5 billion investment in discretionary medical care for non-recurring maintenance to improve medical facility infrastructure. The Budget also provides \$164 million for grants for construction of State extended care facilities to deliver high-quality healthcare, benefits, and services for veterans.

**Fulfils America's Commitment to Military Families.** Military families are key to the readiness and well-being of the All-Volunteer Force, and therefore are critical to national security. The Budget continues to support military families by prioritizing programs, including the Secretary of Defense's Taking Care of People initiatives, that directly support military spouses, children, caregivers, survivors, and other dependents, such as expanding access to child care and Pre-K programs.

**Strengthens Programs to Prevent and Respond to Sexual Assault.** Sexual violence

in the Armed Forces is a matter of national security and military readiness. Fulfilling the President's promise to transform how the military addresses sexual assault, the Budget fully funds DOD's implementation of the recommendations of the Independent Review Commission on Sexual Assault in the Military, and advances implementation of military justice reform, including the selection and training of specialized, independent trial counsel who will assume jurisdiction over sexual assault, domestic violence, and related crimes.

## REDUCING THE DEFICIT BY ENSURING THE WEALTHY AND BIG CORPORATIONS PAY THEIR FAIR SHARE

The President's Budget builds on the economic and fiscal progress the Nation has made over the past two years: fueling economic growth; creating jobs; lowering costs for working families; and laying a strong foundation for future prosperity—all while reducing deficits and addressing long-term fiscal risks.

The Budget reflects the President's long-held belief that the best way to responsibly reduce the deficit is to grow the economy from the bottom up and middle out and invest in the foundations of the Nation's economic strength. That is why the Budget invests in smart, fully-offset investments that expand the productive capacity of the economy, give working families more breathing room, and promote broadly shared prosperity. Over the past two years, that approach has worked, with the deficit falling by a historic amount.

The President's Budget expands on this progress—proposing investments that are more than fully paid for and reducing deficits by almost \$3 trillion over the next decade by asking the wealthiest Americans and biggest corporations to finally pay their fair share. Under the President's policies, annual deficits would fall from current levels and stabilize throughout the next 10 years,

while the economic burden of debt would remain in line with historical levels.

### ***Making the Tax System More Fair***

The President believes that America needs to reward work, not wealth. Since taking office, the President has taken numerous actions and signed significant legislation to make the wealthy and large corporations pay their fair share while providing tax cuts for working families and reducing the deficit. Under his plan, no one making under \$400,000 per year will pay more in new taxes.

Building on the progress the President has already made to promote a fairer tax code, the Budget proposes additional tax reforms that would ensure the wealthy and corporations pay their fair share.

**Proposes a Minimum Tax on Billionaires.** The tax code currently offers special treatment for the types of income that wealthy people enjoy. Whereas the wages and salaries that everyday Americans earn are taxed as ordinary income, billionaires make their money in ways that are taxed at lower rates, and sometimes

not taxed at all. This special treatment, combined with sophisticated tax planning and giant loopholes, allows many of the wealthiest Americans to pay lower rates on their full income than many middle-class households pay. To finally address this glaring problem, the Budget includes a 25 percent minimum tax on the wealthiest 0.01 percent, those with wealth of more than \$100 million.

**Ensures Corporations Pay Their Fair Share.** The Budget includes an increase to the rate that corporations pay in taxes on their profits. Corporations received an enormous tax break in 2017, cutting effective U.S. tax rates for U.S. corporations to a low of less than 10 percent. While their profits have soared, their investment in the economy did not. Their shareholders and top executives reaped the benefits, without the promised trickle down to workers, consumers, or communities. The Budget would set the corporate tax rate at 28 percent, still well below the 35 percent rate that prevailed prior to the 2017 tax law. This tax rate change is complemented by other proposals to incentivize job creation and investment in the United States and ensure large corporations pay their fair share.

**Stops the Race to the Bottom in International Corporate Tax and Ends Tax Breaks for Offshoring.** For decades, countries have competed for multinational business by slashing tax rates, at the expense of having adequate revenues to finance core services. Thanks in part to the Administration's leadership, more than 130 nations signed on to a global tax framework to finally address this race to the bottom. Building on that framework, the Budget proposes to reform the international tax system to reduce the incentives to book profits in low-tax jurisdictions, stop corporate inversions to tax havens, and raise the tax rate on U.S. multinationals' foreign earnings from 10.5 percent to 21 percent. These reforms would ensure that profitable multinational corporations pay their fair share.

**Quadruples the Stock Buybacks Tax.** Last year, the President signed into law a surcharge

on corporate stock buybacks, which reduces the differential tax treatment between buybacks and dividends and encourages businesses to invest in their growth and productivity as opposed to funneling tax-preferred profits to foreign shareholders. The Budget proposes quadrupling the stock buybacks tax from one percent to four percent to address the continued tax advantage for buybacks and encourage corporations to invest in productivity and the broader economy.

**Repeals President Trump's Tax Cuts for the Wealthy and Reforms Capital Gains Tax to Ensure the Wealthy Pay Their Fair Share.** The 2017 tax law lowered rates for the wealthiest Americans, delivering massive tax cuts to the top one percent. The Budget repeals those cuts, restoring the top tax rate of 39.6 percent for single filers making more than \$400,000 a year and married couples making more than \$450,000 per year. The Budget also proposes taxing capital gains at the same rate as wage income for those with more than \$1 million in income and finally closes the carried interest loophole that allows some wealthy investment fund managers to pay tax at lower rates than their secretaries.

**Closes Medicare Tax Loopholes and Makes the Medicare Trust Fund Solvent for Another Quarter Century.** Current law lets certain wealthy business owners avoid Medicare taxes on some of the profits they get from pass-through businesses. The Budget closes the loophole that allows certain business owners to avoid paying Medicare taxes on these profits, and dedicates revenue raised by the Net Investment Income Tax (NIIT) to the Medicare HI Trust Fund, as originally intended. In addition, the Budget raises the Medicare tax rate on earned and unearned income and the NIIT rate from 3.8 percent to 5 percent for the wealthiest Americans. As discussed above, these changes, together with savings from the Budget's prescription drug reforms, would extend the solvency of the Medicare HI Trust Fund by at least 25 years.

**Closes Tax Loopholes.** The Budget also saves billions of dollars by closing other tax loopholes that overwhelmingly benefit the rich

and the largest, most profitable corporations. This includes closing the so-called “like-kind exchange loophole” that lets real estate investors defer tax indefinitely, reforms to tax preferred retirement incentives to ensure that the ultra-wealthy cannot use these incentives to amass tax free fortunes, and closing a loophole that benefits wealthy crypto investors.

#### **Addresses Expiring Tax Cuts after 2025.**

President Trump and congressional Republicans deliberately sunset portions of the Tax Cuts and Jobs Act of 2017 legislation after 2025 to conceal both the true increase in the deficit—much larger than the already-massive \$2 trillion cost estimate—and the true size of their tax breaks for multi-millionaires and large corporations. This was one of the most egregious and fiscally reckless budget decisions in modern history. The President, faced with this fiscally irresponsible legacy, will work with the Congress to address the 2025 expirations, and focus tax policy on rewarding work not wealth, based on the following guiding principles. The President:

- Opposes increasing taxes on people earning less than \$400,000 and supports cutting taxes for working people and families with children to give them more breathing room;
- Opposes cutting taxes for the wealthy—either extending tax cuts for the wealthy or bringing back tax breaks that would benefit the wealthy; and
- Supports additional reforms to ensure that wealthy people and big corporations pay their fair share, so that America pays for the continuation of tax cuts for people earning less than \$400,000 in a fiscally responsible manner and address the problematic sunsets created by President Trump and congressional Republicans.

#### ***Putting America on a Stronger Fiscal Path***

The Budget’s investments and tax reforms will reduce costs for everyday Americans, boost economic growth, create high-quality jobs, and promote shared prosperity while also improving the fiscal outlook of the United States and reducing fiscal risks over the long term.

The President has already presided over historic deficit reduction in the first two years of the Administration, while also signing into law hundreds of billions in deficit reduction in the Inflation Reduction Act. Recognizing that the United States faces fiscal challenges over the coming decades—driven by demographic pressures, an inequitable and inefficient tax system, and rising healthcare costs—the Budget not only offsets its investments, but improves the medium-term fiscal outlook. In total, the Budget reduces the deficit over the next 10 years by nearly \$3 trillion.

The policies proposed in the Budget would reduce the deficit, as a share of the economy, from current levels. Under the Budget policies, the deficit would decline over the next several years, stabilizing around five percent of GDP throughout the remainder of the 10-year window. This compares to deficits increasing to six percent by 2032 in the absence of the President’s policies.

Moreover, under the President’s Budget, the economic burden of debt would remain low and in line with recent historical experience over the next decade. The widespread, persistent and global phenomenon of falling interest rates even as debt levels increased over the past four decades has meant that the burden associated with debt over the near and medium-term has decreased substantially. Even with the recent rise in interest rates from their historic lows, rates today remain below the levels of the 1990s and 2000s.

Real interest—the Federal Government’s annual interest payments after adjusting for inflation—directly measures the cost of servicing the debt: the real resources that must go toward

paying off old debt rather than investing in the future or providing services to Americans now. Real interest has averaged about one percent of the economy since 1980, and rose to as high as two percent in the 1990s. Even as the Budget's economic assumptions anticipate an increase in real interest rates over the coming decade—a projection that is in line with private

forecasters—the Budget policies nevertheless keep real interest payments in line with the historical average.

Overall, the Budget details an economically and fiscally responsible plan to strengthen the U.S. economy, gives families more breathing room, and reduces long-term fiscal risks.

