

## **INVESTING IN AMERICA AND THE AMERICAN PEOPLE**

From the first days of the Administration, the President has moved swiftly to deliver results for the American people. While challenges remain, America has made historic progress as we continue to grow the economy from the middle out and bottom up and ensure America can compete to win in the global economy. Since President Biden took office, the economy has added about 15 million jobs—while core inflation fell to two percent over the last six months of 2023. The actions taken by the Administration have supported that progress—and set the stage for a more prosperous, healthier, and safer future.

Under the President's leadership, the Administration has focused on investing in America and the American people, including by signing into law historic legislation such as the American Rescue Plan, the Bipartisan Infrastructure Law, the CHIPS and Science Act, and the Inflation Reduction Act. These investments—by supporting a manufacturing boom, revitalizing American infrastructure, expanding high-quality education and healthcare, and investing in communities too often left behind—have helped to reverse decades of chronic underfunding of vital priorities all while supporting the Nation's greatest resource: the American people. Importantly, their gains are only beginning to be

felt. Over the coming years, the consequences of these investments—and the new jobs, innovation, and benefits they will bring—will continue to spread throughout American communities with the ongoing implementation of the landmark legislation the President has signed into law. At the same time, they set the stage for continued progress under the President's leadership to lower costs, create new good-paying jobs, keep families safe and healthy, and bolster the Nation's leadership on the world stage.

The Budget protects and builds on this progress with proposals for responsible, pro-growth investments in America and the American people. The Budget includes proposals that lower costs for the American people, expand access to high-quality healthcare, support America's workforce, confront the climate crisis, expand opportunity, and protect America at home and abroad. The Budget upholds the President's commitment to protecting Medicare and Social Security for this and future generations. The Budget builds on the President's record to date while achieving meaningful deficit reduction through measures that reduce wasteful spending and ask the wealthy and large corporations to pay their fair share.

## **LOWERING COSTS FOR THE AMERICAN PEOPLE**

The President's top economic priority is lowering costs for American families. Thanks to the Inflation Reduction Act, the United States is lowering costs for prescription drugs, healthcare,

and energy for tens of millions of Americans, in a fiscally responsible way. The Administration's actions to eliminate junk fees and promote greater competition across the American economy are

playing a key role in lowering costs. The Budget builds on this critical work to lower costs and give families more breathing room.

**Accelerates Negotiations of Lower Drug Prices and Expands Access to Prescription Drugs.** Thanks to action taken by the Administration, millions of seniors are saving money on their drug costs, and the Administration announced the first 10 drugs for which prices will be negotiated as it continues implementation of the Inflation Reduction Act. The Budget builds on this success by significantly increasing the pace of negotiation, bringing more drugs into negotiation sooner after they launch, expanding inflation rebates and \$2,000 out-of-pocket prescription drug cost cap beyond Medicare and into the commercial market, and other steps to build on the Inflation Reduction Act drug provisions. In addition, the Budget extends the \$35 cost-sharing cap for a month's supply of a covered insulin product to the commercial market. For Medicaid, the Budget includes proposals to ensure Medicaid and the Children's Health Insurance Program (CHIP) are prudent purchasers of prescription 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. The Budget also limits Medicare Part D cost-sharing for high-value generic drugs, such as those used to treat hypertension and hyperlipidemia, to no more than \$2 per month for Medicare beneficiaries. To speed up development and increase access to safe and affordable biosimilar medicines, the Budget streamlines and modernizes the Food and Drug Administration's (FDA) premarket review. The Budget also includes funding for continued implementation of the No Surprises Act, which protects Americans across the Nation from surprise medical bills.

**Lowers Child Care Costs.** From the beginning of this Administration, the President and Vice President have been focused on child care costs as a critical challenge for families. When child care is reliable, high-quality, and affordable, parents can make ends meet, advance in their careers, and stay in the workforce—while

children benefit from opportunities to socialize with peers. The President is committed to providing relief to families, and the Budget creates a historic new program under which working families with incomes up to \$200,000 per year would be guaranteed affordable, high-quality child care from birth until kindergarten, with most families paying no more than \$10 a day, and the lowest income families paying nothing. This would provide a lifeline to the parents of more than 16 million children, saving the average family over \$600 per month in care costs, per child, and giving parents the freedom to select a high-quality child care setting. This investment could help hundreds of thousands of women with young children enter or re-enter the workforce more quickly. The President's Council of Economic Advisers found that recent Federal investments in child care have increased labor force participation among mothers with young children by roughly three percentage points, equivalent to over 300,000 more women in the labor force. The President's proposal would also ensure that early care and education workers receive fair and competitive pay. In addition, the Budget provides \$8.5 billion for the Child Care and Development Block Grant, a 44-percent increase since the first year of the Administration, which would continue to serve school-age children, while most children under age six would be served through the new program. The Budget also expands a tax credit to encourage businesses to provide child care benefits to their employees.

**Reduces the Cost of Education Pathways that Connect to Growing Jobs.** Ensuring all Americans benefit from the jobs created by the Investing in America agenda is critical to growing the economy from the middle out and the bottom up. High college prices deter many young people from attending the colleges that would be best for them. The Budget includes a \$12 billion mandatory Reducing the Costs of College Fund that would fund three strategies to lower college costs for students. First, the fund would provide competitive awards for public institutions that affordably deliver a quality education, allowing those schools to use those funds either to serve more students or to share best practices so

that other schools can become more affordable. Second, the Classroom to Career fund would also provide over \$7 billion for States to provide access to at least 12 credits of transferable career-connected dual enrollment credits to students while in high school—credits that can enable students to obtain postsecondary degrees more affordably. Third, the fund would support evidence-based strategies, such as the City University of New York’s Accelerated Study in Associated Programs Associate Program model, which increase college graduation rates, reduce cost burdens for students, and lower costs per graduate.

**Increases Affordable Housing Supply to Reduce Housing Costs.** The President believes that all Americans should be able to afford a quality home. The Budget builds on previous investments and actions by this Administration to boost housing supply and lower housing costs, particularly for lower- and middle-income households. The Budget invests \$1.3 billion in the HOME Investment Partnerships Program (HOME) to construct and rehabilitate affordable rental housing and provide homeownership opportunities. To further address the critical shortage of affordable housing in communities throughout the Nation, the Budget provides \$20 billion in mandatory funding for a new Innovation Fund for Housing Expansion, which would be a competitive grant program for municipalities and other entities that develop concrete plans for expanding housing supply, with additional funding for housing affordability pilots. The Budget also provides \$7.5 billion in mandatory funding for new Project-Based Rental Assistance contracts to incentivize the development of new climate-resilient affordable housing. The Budget expands the existing Low-Income Housing Tax Credit and proposes a new Neighborhood Homes Tax Credit. Together these proposals would expand the supply of safe and affordable housing, bring new units to market, and ultimately help curb cost growth across the broader rental market.

**Expands Access to Homeownership and Reduces Down Payments for First-Time and First-Generation Homebuyers.** The Budget proposes a new Mortgage Relief Credit to help

increase access to affordable housing. The proposal includes a new tax credit for middle-class first-time homebuyers of up to \$10,000 over two years to ease affordability challenges. In addition, to unlock starter home inventory for first-time homebuyers and help middle-class families who are “locked in” to their current homes due to lower mortgage rates at the time of purchase, this proposal also includes a credit of up to \$10,000 for one year to middle-class families who sell their starter home—a home at or below the area median home price—to another owner-occupant. The Budget also provides \$10 billion in mandatory funding for a new First-Generation Down Payment Assistance program to help address homeownership and wealth gaps. In addition, the Budget preserves the Administration’s progress in expanding access to homeownership for underserved borrowers, including many first-time and minority homebuyers, through Federal Housing Administration (FHA) and Ginnie Mae credit guarantees. In 2023, first-time homebuyers accounted for over 80 percent of FHA-insured home purchase loans. The Budget also includes up to \$50 million for a HOME down payment assistance pilot program that would reduce mortgage down payments for first-generation as well as low wealth first-time homebuyers.

**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, but many families who are eligible do not receive assistance due to limited funding. The Budget proposes \$32.8 billion in discretionary funding, an increase of \$2.5 billion over the 2023 level, and assumes Public Housing Agencies will draw \$963 million from HCV program reserves to maintain and protect critical services for all currently assisted families. The Budget also reflects the Administration’s continued commitment to expand assistance, supporting an additional 20,000 households, particularly those who are experiencing homelessness or fleeing, or attempting to flee, domestic violence or other forms of gender-based violence. 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 400,000 ELI veteran families, paving a path to guaranteed assistance for all who have served the Nation and are in need. Since the beginning of this Administration, Department of Housing and Urban Development (HUD) has expanded voucher assistance to over 100,000 additional families, and the Budget continues this progress by expanding voucher access to hundreds of thousands of families.

**Reduces Home Heating and Water Costs.** The Budget provides \$4.1 billion for the Low Income Home Energy Assistance Program (LIHEAP). Reducing household energy and water costs continues to be a priority for the Administration, as reflected in the \$7 billion in additional funding the Administration has secured for LIHEAP since 2021. LIHEAP helps families access home energy and weatherization assistance—vital tools for protecting vulnerable families’ health in response to extreme weather and climate change. In addition, since the Low Income Household Water Assistance Program expired at the end of 2023, the Budget proposes to allow States the option to use a portion of their LIHEAP funds to provide water bill assistance to low-income households.

**Lowers Energy Costs and Catalyzes Clean Energy and Economic Growth in Rural Communities.** The Budget builds on the \$13 billion provided in the President’s historic Inflation Reduction Act for rural development programs at the Department of Agriculture (USDA) 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. Rural communities are critical to achieving the goal of 100 percent clean electricity by 2035. The Budget provides \$1 billion for loan guarantees for renewable energy systems

and energy efficiency improvements for farmers and rural small businesses, and \$6.5 billion in authority for rural electric loans to support additional clean energy, energy storage, and transmission projects that would create good-paying jobs. In addition, the Budget includes \$53 million in zero-interest loans for the Rural Energy Savings Program, which would help rural Americans implement durable cost-effective energy efficiency measures in their homes, which lowers energy costs and contributes to the President’s clean energy goals. The Budget also provides \$10 million in Rural Community Facilities Grants specifically for rural communities making an energy transition away from outdated energy sources, facilitating emerging infrastructure needs.

**Connects More Americans to Affordable, High-Speed, and Reliable Internet.** The President is committed to ensuring that every American has access to affordable broadband internet. Thanks to the Bipartisan Infrastructure Law: the Affordable Connectivity Program has provided high-speed Internet service to over 23 million eligible low income households at low or no cost; the Department of Commerce (Commerce) has allocated nearly \$42 billion in Broadband Equity, Access, and Deployment program funding to all 50 States, the District of Columbia, and five Territories to deploy reliable high-speed Internet service; and USDA has provided \$2.3 billion to people living and working across 35 States and Territories, which is expected to expand broadband access to more than 137,000 households. Installing high-speed internet creates high-paying union jobs and strengthens local economies, which leads to increased job and population growth, lower unemployment rates, and new business formation. Reliable internet is also crucial for Americans to access healthcare services through telehealth. Building on the \$2 billion for USDA broadband programs provided in the Bipartisan Infrastructure Law for 2023, the Budget provides \$112 million for the ReConnect program, which provides grants and loans to deploy broadband to unserved areas, especially tribal areas. Building on the demonstrated successes enabled by the \$14 billion provided in the Bipartisan Infrastructure Law, the



Budget includes the Administration's pending supplemental request for \$6 billion to continue the Affordable Connectivity Program in 2024 and the Administration will work with the Congress to secure additional funding for this important need in 2025 and beyond.

**Eliminates the Origination Fee on Student Loans.** The Budget builds on the President's historic actions to reduce student debt and the cost of college by eliminating the origination fees charged to borrowers on every new Federal student loan. These unnecessary fees burden anyone

who needs to borrow to help get an education and cost American families billions of dollars.

**Bolsters Antitrust Enforcement.** The Budget proposes \$288 million for the Antitrust Division of the Department of Justice (DOJ), an increase of \$63 million over the 2023 enacted level and \$103 million over the 2021 enacted level, to strengthen antitrust enforcement efforts to promote vigorous marketplace competition and reduce costs and raise wages for the American people.

## STRENGTHENING AMERICANS' RETIREMENT SECURITY BY HONORING THE PROMISE OF MEDICARE AND SOCIAL SECURITY

Prior to the creation of Social Security nearly 90 years ago, almost half of all American seniors lived in poverty—including some seniors who had worked their entire lives. Before Medicare was signed into law almost 60 years ago, many seniors' basic needs went unmet without health-care to count on. Social Security and Medicare are more than Government programs, they are a promise—a rock-solid guarantee that generations of Americans have counted on—that after a life of hard work, you will be able to retire with dignity and security. As the President has made clear, he will reject any efforts to cut or undermine 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 by firmly opposing benefit cuts to either program and by embracing reforms that would protect and strengthen these programs. The President remains committed to working with the Congress to protect Medicare and Social Security for this and future generations.

**Strengthens Medicare by Requiring High-Income Americans to Contribute Their Fair Share and Reducing Prescription Drug Costs.** The Budget extends solvency of the Medicare Hospital Insurance (HI) trust fund indefinitely by modestly increasing the Medicare

tax rate on incomes above \$400,000, closing loopholes in existing Medicare taxes, and directing revenue from the Net Investment Income Tax into the HI trust fund as was originally intended. Current law allows certain wealthy business owners avoid Medicare taxes on some of the profits they get from passthrough businesses. The Budget closes the loophole that allows certain business owners to avoid paying Medicare taxes on these profits and raises Medicare tax rates on earned and unearned income from 3.8 percent to 5 percent for those with incomes over \$400,000. In addition, the Budget directs an amount equivalent to the savings from the proposed Medicare 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. In particular, the Administration looks forward to working with the Congress to responsibly strengthen Social Security based on the following principles:

- No benefit cuts. The President opposes policies that cut benefits, as well as proposals to privatize Social Security.
- Extending solvency by asking the highest-income Americans to pay their fair share.

The President believes that protecting Social Security should start with asking the highest-income Americans to pay their fair share.

- Improving financial security for seniors and people with disabilities. The President supports efforts to improve Social Security benefits, as well as Supplemental Security Income benefits, for seniors and people with disabilities, especially for those who face the greatest challenges making ends meet.
- Ensuring that Americans can access the benefits they have earned. The President supports investments in Social Security Administration (SSA) services so that seniors and people with disabilities can access the benefits they have earned.

Consistent with the final principle, the Budget invests in staff, information technology (IT), and other improvements at SSA, providing an increase of \$1.3 billion, a nine-percent increase from the 2023 enacted level. These funds would improve customer service at SSA's field offices, State disability determination services, and tele-service 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.

### **Protects Seniors' Health and Dignity.**

The Budget invests \$150 billion over 10 years to strengthen and expand Medicaid home and community-based services, allowing elderly and individuals with disabilities to remain in their homes and stay active in their communities, and improving the quality of jobs for home care workers. The Budget also increases funding for senior nutrition services to ensure seniors continue to receive healthy meals by eight percent above the 2023 level, and 21 percent over the 2021 level. In addition, the Budget proposes to shift funding for nursing home surveys from discretionary to mandatory beginning in 2026, and increase funding to cover 100 percent of statutorily-mandated surveys, which would guard against negligent care and ensure that Americans receive high-quality, safe services within these facilities. The Budget also continues to build on the President's commitment to protect the Nation's seniors through a comprehensive agenda that: improves the safety and quality of nursing home care; addresses the backlog of complaint surveys from nursing home residents; expands financial penalties for underperforming facilities; requires greater transparency of nursing facility ownership; and increases the inspection of facilities with serious safety deficiencies.

## **PROTECTING AND EXPANDING ACCESS TO HIGH-QUALITY HEALTHCARE AND CREATING HEALTHIER COMMUNITIES**

The Administration has achieved monumental gains in its commitment to protect and expand Americans' access to quality, affordable healthcare. Since taking office, the President has: delivered the resources necessary to end the COVID-19 emergency; built on the success of the Affordable Care Act to further close the uninsured gap; reduced Americans' healthcare premiums and prescription drug costs; finally allowed Medicare to negotiate for lower prescription drug prices; acted to protect millions of consumers from surprise medical bills and junk fees; made progress

on bold new goals as part of the Biden Cancer Moonshot; and created new efforts dedicated to preventing, detecting, and treating devastating diseases like cancer and Alzheimer's disease. The Administration recognizes that by investing in the health and well-being of the American people, healthier, safer, and more productive communities can be created. The Budget protects the progress this Administration has made while proposing additional investments to address the challenges that remain, including further expanding access to high-quality healthcare, responding to mental

health needs, and strengthening America's public health infrastructure.

### ***Putting High-Quality Healthcare Within Reach***

**Expands Access to Quality, Affordable Healthcare.** The President and the Vice President believe that healthcare is a right, not a privilege. With enrollment in marketplace coverage at an all-time high, the Budget builds on the incredible success of the Affordable Care Act by making permanent the expanded premium tax credits that the Inflation Reduction Act extended and providing Medicaid-like coverage to individuals in States that have not adopted Medicaid expansion, paired with financial incentives to ensure States maintain their existing expansions. For Medicaid and CHIP, the Budget allows States to extend the existing 12-month continuous eligibility for all children to 36 months, and allows States to provide continuous eligibility for children from birth until they turn age six. Further, the Budget prohibits enrollment fees and premiums in CHIP. The President also supports eliminating Medicaid funding caps for Puerto Rico and other Territories while aligning their matching rate with States—and moving toward parity for other critical Federal programs including Supplemental Security Income and the Supplemental Nutrition Assistance Program.

**Supports Family Planning Services for More Americans.** Americans deserve access to the healthcare they need, including contraception and family planning services, which are essential to ensuring control over personal decisions about their own health, lives, and families. 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 Budget includes \$390 million, a 36-percent increase above the 2023 enacted level, for the Title X Family

Planning program to increase the number of patients served to 3.6 million.

**Promotes Maternal Health and Health Equity.** The United States has the highest maternal mortality rate among developed nations, and rates are disproportionately high for Black, American Indian, Alaska Native, and rural women. Since 2021, funding to reduce maternal mortality has grown by over \$190 million, demonstrating the Administration's commitment to addressing needs in this area. The Budget continues this progress by including \$376 million, an increase of \$82 million above the 2023 enacted level to support the ongoing implementation of the *White House Blueprint for Addressing the Maternal Health Crisis*, launched by the Vice President, to reduce maternal mortality and morbidity rates, and address the highest rates of perinatal health disparities. The Budget expands Medicaid maternal health support services during the pregnancy and post-partum period by incentivizing States to reimburse a broad range of providers including doulas, community health workers, peer support initiatives, and nurse home visiting programs. In addition, the Budget builds on the success of the more than 40 States that answered the Vice President's call to extend Medicaid postpartum coverage for 12 months, eliminating gaps in health insurance at a critical time for all women.

### ***Saving Lives by Advancing Behavioral Healthcare***

**Strengthens Mental Health Parity Protections.** The Budget requires all health plans to cover mental health and substance use disorder benefits, ensures that plans have an adequate network of behavioral health providers, and improves the Department of Labor's (DOL) ability to enforce the law. In addition, the Budget includes \$275 million over 10 years to increase the Department's capacity to ensure that large group market health plans and issuers comply with mental health and substance use disorder requirements, and to take action against plans and issuers that do not comply.

**Expands Coverage and Invests in Behavioral Healthcare Services.** In 2022, almost a quarter of adults suffered from mental illness, 13 percent of adolescents had serious thoughts of suicide, and overdose deaths continued near record highs. As a core pillar of his Unity Agenda, the President released a national strategy to transform how to understand and address mental health in America—and the Budget makes progress on this agenda by improving access to care for individuals and communities. The Budget makes significant investments in expanding the 988 Suicide and Crisis Lifeline that is projected to respond to 7.5 million contacts from individuals in distress in 2025 alone. The Budget: expands mental healthcare and support services in schools; expands the Centers for Disease Control and Prevention’s (CDC) suicide prevention program to additional States, as well as tribal and territorial jurisdictions; and invests in strengthening the behavioral health workforce—including integration of behavioral health services into primary care settings. The Budget also expands access to behavioral health services through significant investments in Certified Community Behavioral Health Clinics and Community Mental Health Centers. In addition, the Budget provides \$1 billion to advance Health IT adoption and engagement in interoperability for certain behavioral health providers. The Administration is also implementing the Bipartisan Safer Communities Act—the single largest investment to support student mental health in history, which would help hire and train over 14,000 school-based mental health professionals across the Nation.

**Expands Access to Treatment for Substance Use Disorder.** The Administration has made historic advances in expanding access to treatment for opioid use disorder, including signing into law a bipartisan provision to expand the number of medical providers who can initiate buprenorphine treatment for opioid use disorder from 129,000 to nearly two million, a 15-fold increase that can expand treatment to rural and underserved areas. Funding for States, Territories, and Tribes through the Substance Use

Prevention, Treatment, and Recovery Services Block Grant and the State Opioid Response grant program has grown by a combined seven percent since 2021, expanding access to prevention, harm reduction, treatment, and recovery support services nationwide. The Budget builds on these accomplishments by increasing funding for the State Opioid Response grant program, which has provided treatment services to over 1.2 million people and enabled States to reverse more than 500,000 overdoses with over nine million purchased overdose reversal medication kits. The Budget also invests in a new technical assistance center to strengthen health providers’ understanding and treatment of women’s mental health and substance use.

### ***Driving Healthcare Innovation and Discovering Future Treatments***

**Advances Progress toward Biden Cancer Moonshot Goals.** The President and First Lady reignited the Biden Cancer Moonshot to mobilize a national effort to end cancer as we know it—spurring tremendous action across the Federal Government and from the public and private sectors, and building a strong foundation for the work ahead. To date, the Biden Cancer Moonshot has announced roughly 50 new programs, policies, and resources to address five priority actions including: improving access to cancer screening; understanding and addressing environmental and toxic exposures; making progress on cancer prevention; driving innovation to reach communities and individuals; and boosting support for patients, families, and caregivers. More than 100 private companies, non-profits, academic institutions, and patient groups have also stepped up with new actions and collaborations. The Budget makes significant investments to work toward the President and First Lady’s signature Biden Cancer Moonshot goal of reducing the cancer death rate by at least 50 percent over the next 25 years and improving the experience of people who are living with or who have survived cancer. These investments include an increase of more than \$2 billion across the National Cancer



Institute, FDA, CDC, cancer projects at the Advanced Research Projects Agency for Health, and additional mandatory funds for the Indian Health Service (IHS) beginning in 2026.

**Enhances Biodefense and Public Health Infrastructure.** Over the past three years, substantial progress has been made toward developing and implementing transformational capabilities to increase the Nation's ability to respond to and prepare for emerging health threats. Building upon this progress, the Budget invests \$9.8 billion in both discretionary and mandatory Prevention and Public Health Fund funding, an increase of \$499 million over the 2023 enacted level, to bolster public health capacity to enable CDC to better serve and protect the American public. These resources would continue to strengthen State, tribal, local, and territorial health departments, enhance public health data systems and collection, and improve the core immunization program. In addition, the Budget includes \$20 billion in mandatory funding for HHS public health agencies in support of the Administration's biodefense priorities as outlined in the 2022 *National Biodefense Strategy and Implementation Plan for Countering Biological Threats, Enhancing Pandemic Preparedness, and Achieving Global Health Security*.

**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 vaccine-preventable diseases. The Budget proposes 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. To help end the HIV epidemic, the Budget eliminates barriers to accessing pre-exposure prophylaxis—also known as PrEP—for Medicaid beneficiaries and proposes a new mandatory program to guarantee PrEP at no cost for all uninsured and underinsured individuals and provide essential wrap-around services. The Budget also invests in State and local efforts to promote equity and protect civil rights through a new initiative to modernize outdated criminal statutes with a discriminatory impact on HIV-positive individuals. 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. The Budget also expands the Vaccines for Children (VFC) program to include all children under age 19 enrolled in CHIP and covers the vaccine administration fee for all VFC-eligible uninsured children.

## SUPPORTING AMERICA'S WORKFORCE AND PREPARING AMERICA'S ECONOMY FOR 21<sup>ST</sup> CENTURY CHALLENGES

The President's economic strategy is rooted in what has always worked best for this Nation: investing in America and the American people. Since the President took office, the economy has added about 15 million new jobs—including nearly 800,000 manufacturing jobs—more Americans are working than at any point in American history, a record number of Americans have started small businesses, and America continues to outpace its global peers in the speed and breadth of our economic recovery from the COVID-19 pandemic. The President's plan is modernizing and rebuilding America's infrastructure, promoting

a flexible and dynamic workforce, empowering workers and creating good jobs here at home, fueling healthy competition in the marketplace, and reinvigorating manufacturing and industry across the Nation. The Budget builds on this proven record of economic success with additional proposals to secure America's position as the strongest economy in the world by: continuing to invest in manufacturing and making more in America; ensuring workers and entrepreneurs have the skills and supports to thrive; and creating good-paying jobs in emerging fields.

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

**Continues Implementation of the President’s Historic Bipartisan Infrastructure Law.** The Budget provides a total of \$78.4 billion for highway, highway safety, and transit formula programs, supporting the amounts authorized for year four of the Bipartisan Infrastructure Law. This includes \$62.1 billion in obligation limitation funding for the Federal-aid Highways program, an increase of \$3.3 billion above the 2023 enacted level and \$15.7 billion above the enacted level for 2021, the year prior to enactment of the Bipartisan Infrastructure Law. This funding would support the continued repair and upgrading of the Nation’s highways and bridges. The Budget also includes \$14.3 billion for Transit Formula Grants, a \$645 million increase above the 2023 enacted level, to support core capital and planning programs for transit agencies across the Nation, as well as transit research, technical assistance, and data collection. The Budget also reflects an additional \$9.5 billion in advance appropriations provided by the Bipartisan Infrastructure Law for bridge replacement and rehabilitation, electric vehicle charging infrastructure, and other programs to improve the safety, sustainability, and resilience of America’s transportation network.

**Maintains World Leading Research through the CHIPS and Science Act Investments.** The Budget invests \$20 billion across major research agencies, an increase of \$1.2 billion above the 2023 level, to boost American innovation and re-establish American leadership in research and scientific discovery. At the National Science Foundation (NSF), these investments include support for regional innovation programs, investments in emerging technologies—such as artificial intelligence (AI) and quantum information science—and science, technology, engineering, and mathematics (STEM) workforce programs. Funding for Commerce’s National Institute for Standards and Technology would support activities responsive to the Administration’s Executive Order 14110, “Safe, Secure and Trustworthy Development and Use of Artificial Intelligence” and fund construction and

maintenance of research and development facilities. In the Department of Energy’s (DOE) Office of Science, the Budget supports AI, high performance computing to improve climate modeling, clean energy technologies including fusion, and positions the United States to meet the demand for isotopes.

**Prioritizes Investment in the Federal Aviation Administration (FAA).** The Budget provides \$17.5 billion in discretionary budget authority for FAA, an increase of \$2.1 billion above the 2023 enacted level, less Congressionally Directed Spending. This funding supports robust hiring and training of air traffic controllers started in 2023, to rebuild the pipeline of new controllers needed to safely meet projected air traffic demands. The Budget also continues FAA’s multiyear effort of reforming aircraft certification, as well as increasing its safety oversight capabilities. The Budget proposes a five-year, \$8 billion mandatory program to significantly modernize FAA’s major facilities and radars. This effort would ensure that the American people and all travelers can continue to depend on a safe, modern, and efficient aviation system. In addition, the Administration proposes to increase the fuel tax for high-end business jets, to better align the costs of the services provided to those users on the system.

**Builds on Investments for a Safe and Efficient Passenger and Freight Rail Network.** The Budget expands on the Bipartisan Infrastructure Law’s already significant investments toward improving the safety and efficiency of the Nation’s rail network. This includes \$2.5 billion for grants to Amtrak, along with \$250 million for the Consolidated Rail Infrastructure and Safety Improvements program, which is in addition to the \$13.2 billion in rail funding directly provided by the Bipartisan Infrastructure Law. The Budget also increases funding for critical rail safety programs.

**Supports the Administration’s Goal of Replacing All Lead Pipes and Invests in Critical Water Infrastructure.** To help protect families from the health hazards of lead

pipes, the Budget provides a total of \$101 million to two Environmental Protection Agency (EPA) grant programs dedicated to remediating lead contamination in drinking water—the Reducing Lead in Drinking Water grant program and the Voluntary School and Child Care Lead Testing and Reduction Grant Program—an increase of \$53 million over the 2021 enacted level. This investment, along with other programs at EPA that can be used for lead projects, builds on the historic \$15 billion in direct funding for lead pipe replacement through the Bipartisan Infrastructure Law and underscores the President’s commitment to ensuring access to safe drinking water and creating good-paying jobs in the process. In addition, the Budget provides a total of \$2.4 billion for EPA’s State Revolving Funds for drinking water and wastewater infrastructure, an increase of more than \$1 billion over the 2023 enacted level for those programs. The Budget also provides \$350 million in HUD grants for States, local governments, and nonprofits to reduce lead-based paint and other health hazards, especially in the homes of low-income families with young children. The Budget targets \$67 million at HUD specifically to prevent and mitigate lead-based paint and housing-related health hazards, such as fire safety and mold, in public housing, an increase of \$2 million above 2023 levels.

**Strengthens American Leadership in Space.** The Budget includes \$7.8 billion for the Artemis program, which would bring astronauts—including the first women, first people of color, and first international astronauts—to the lunar surface as part of a long-term journey of science and exploration. The Budget invests in new systems to assist lunar surface science and exploration activities, including a small lunar rover and a large cargo lander that would be used to deliver larger rovers and habitats to the surface in the 2030s.

### ***Supporting Workers, 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 Budget would restore the full Child Tax Credit enacted in the American Rescue Plan, which helped cut child poverty nearly in half in 2021 to its 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 18 million children in the lowest-income families from receiving the full credit, and allow families to receive monthly advance payments. The President also calls on the Congress to make permanent the Earned Income Tax Credit expansion for workers not raising children in their homes, which would boost the income of 19 million very low-paid workers.

**Provides National, Comprehensive Paid Family and Medical Leave and Proposes Paid Sick Days.** The vast majority of America’s workers do not have access to employer-provided paid family leave, including 73 percent of private sector workers. Among the lowest-paid workers, who are disproportionately women and workers of color, 94 percent lack access to paid family leave through their employers. In addition, 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 to ensure that all eligible workers can take up to 12 weeks to 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, find safety from domestic violence, dating violence, sexual assault, or stalking—otherwise known as “safe leave”; or up to three days to grieve the death of a loved one. 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. Further, the President continues to call 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 for safe leave.

**Empowers and Protects Workers.** Workers power America’s economic prosperity, building the economy from the middle out and bottom up. To ensure workers are treated with dignity and respect in the workplace, the Budget invests \$2 billion in DOL’s worker protection agencies. These investments would build upon the nearly \$100 million increase in base appropriations for these agencies since the beginning of the Administration, in addition to the \$200 million in American Rescue Plan funding the Administration secured for the agencies to address the unprecedented COVID-19 emergency. The Budget would enable DOL to protect workers’ wages and benefits, ensure that children are working only in conditions that are safe and legal, address the misclassification of workers as independent contractors, and improve workplace health and safety. Since 2019, DOL has seen an 88-percent increase in children being employed illegally by companies. The Administration is focused on preventing and addressing child labor exploitation, and has assessed more than \$16 million in child labor penalties. The Budget also includes additional funding to combat exploitative child labor, including among migrant children, who are particularly vulnerable. For the Equal Employment Opportunity Commission, the Budget supports implementation and enforcement of the Pregnant Workers Fairness Act, and advancement of pay equity through the collection and analysis of employer pay data. The Budget also supports the Agency’s work to ensure that employers’ use of automated employment systems, including those that incorporate AI, does not result in discrimination against employees or job applicants in any of a wide range of job-related activities, including recruitment, selection, retention, pay, or promotion. The Budget also includes funding to strengthen the National Labor Relations Board’s capacity to enforce workers’ right to organize and collectively bargain for better wages and working

conditions. The Budget proposes instituting and significantly increasing penalties for employers that violate workplace safety and health, wage and hour, child labor, equal opportunity, and labor organizing rules. The Budget also includes funding to implement the significant reforms to employer-sponsored retirement plans enacted in the SECURE 2.0 Act of 2022, helping to ensure that workers’ retirement plans are always protected.

**Broadens Access to Registered Apprenticeships.** The Budget increases support for Registered Apprenticeships, an evidence-based earn-and-learn model that is a critical tool for training future workforces for good jobs in the clean energy, construction, semiconductor, transportation and logistics, education, health, and other growing and in-demand industries. The Budget invests \$335 million, a \$50 million increase above the 2023 enacted level, and supports expanding existing Registered Apprenticeship programs in clean energy-related occupations. This investment would also be used to increase the number of workers from historically underrepresented groups, including people of color, women, and people with disabilities, who participate in Registered Apprenticeships.

**Expands Access to Capital for Small Businesses.** Building on the historic growth in small business applications under the President and Vice President’s leadership, the Budget supports historic lending levels across the Small Business Administration’s (SBA) business lending programs, including: the 7(a) business loan guarantee; capital for major fixed assets, otherwise known as a 504 loan guarantee; the Small Business Investment Company (SBIC) program; and Microloan programs. The over \$58 billion in lending provided in the Budget would address the need for greater access to affordable capital, particularly in underserved communities. The Budget proposes a new direct 7(a) lending program, which would further enable SBA to address gaps in access to small dollar lending. In addition, increasing the authorized lending level for the SBIC program by 16 percent to \$7 billion would significantly expand the availability of venture capital funding for small businesses.



## **CONFRONTING THE CLIMATE CRISIS WHILE SPURRING CLEAN ENERGY INNOVATION, INCREASING RESILIENCE, AND PROTECTING NATURAL RESOURCES**

Since taking office, the President has delivered on the most ambitious climate, clean energy, conservation, and environmental justice agenda in history by: signing into law the largest investment in climate action ever; protecting more than 26 million acres of lands and water; mobilizing and training the next generation of workers for good-paying jobs in clean energy, conservation and resilience; and advancing the Justice40 Initiative, which directs 40 percent of the overall benefits from key Federal investments to disadvantaged communities. This includes the Administration's work to continue implementation of the Inflation Reduction Act and the Bipartisan Infrastructure Law—the largest investments that any country has made in clean energy, energy security, clean air and water, and combatting climate change in history. The Budget protects and builds on this monumental progress, making pro-growth investments in clean energy across the Nation, cutting energy bills for families, creating good-paying jobs, and safeguarding and modernizing American communities and infrastructure.

### ***Reducing Greenhouse Gas (GHG) Emissions, Advancing Clean Energy, and Investing in Climate Science and Innovation***

**Reduces GHG Emissions and Tackles the Climate Crisis.** The Budget builds on the historic climate investments made in the Inflation Reduction Act and Bipartisan Infrastructure Law, and includes over \$2.8 billion in EPA climate-related programs to address the climate crisis by: reducing GHG emissions; expanding upon the GHG Reporting Program and Sinks inventory; implementing provisions in the American Innovation and Manufacturing Act of 2020 to continue phasing out the production and import of hydrofluorocarbons; advancing equitable implementation of EPA authorities and directives in Indian Country; and engaging with the global community to respond to the shared challenge of

building resilience in the face of climate impacts. The Budget includes \$10.6 billion in DOE climate and clean energy research, development, demonstration, and deployment programs. This funding advances efforts crucial for achieving the goal of a 50- to 52-percent reduction from 2005 levels of economy-wide net GHG pollution in 2030 and economy-wide net-zero emissions no later than 2050, while also cutting energy bills for American families and building U.S. leadership in the global clean energy economy.

**Creates Jobs by Building Clean Energy Infrastructure.** The Budget provides \$1.6 billion for DOE, more than double above the 2021 enacted level and 29 percent above the 2023 enacted level, to support clean energy workforce and infrastructure projects across the Nation, including: \$385 million to weatherize and retrofit homes of low-income Americans; \$113 million to create good jobs and ensure reliable supply chains by manufacturing clean energy components here at home; \$95 million to electrify tribal homes and transition tribal colleges and universities to renewable energy; and \$102 million to support utilities and State and local governments in building a grid that is more secure, reliable, resilient, and able to integrate electricity from clean energy sources. These investments, which complement and bolster the historic funding in the Bipartisan Infrastructure Law and Inflation Reduction Act, create good-paying jobs while driving progress toward the Administration's climate goals, including carbon pollution-free electricity by 2035.

**Continues to Advance Clean Energy Development on Public Lands.** The Budget includes \$142 million, an increase of \$31 million above the 2023 enacted level, to continue the Administration's progress in deploying clean energy on public lands and waters, spurring economic development and creating thousands of good-paying jobs. The Budget supports the leasing, planning, and permitting of solar, wind, and geothermal energy projects, and associated

transmission infrastructure that would help mitigate the impacts of climate change and support the Administration's goal of deploying 30 gigawatts of offshore wind capacity by 2030 and 25 gigawatts of clean energy capacity on public lands by 2025.

**Strengthens and Accelerates Permitting Activities.** The Budget supports environmental permitting capacity to ensure the effective and efficient delivery of modernized infrastructure across the Nation while promoting positive environmental and community outcomes. The Budget includes over \$1 billion to support environmental review and permitting processes that are effective, efficient, and transparent, guided by the best available science and shaped by early and meaningful public engagement and input. For example, the Budget continues to propose expanding 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 National Oceanic and Atmospheric Administration (NOAA) Fisheries to expedite the Endangered Species Act of 1973 consultations.

**Builds the Clean Energy Innovation Pipeline.** The Budget includes \$10.7 billion across DOE, the National Aeronautics and Space Administration (NASA), NSF, Department of Defense (DOD), and other agencies to support researchers and entrepreneurs transforming innovations into commercial clean energy products, including in areas such as: offshore wind; industrial heat; sustainable aviation fuel; and grid infrastructure. Across DOE, the Budget provides over \$325 million to support the research, development, and demonstration of technologies and processes to increase the domestic supply of sustainable critical minerals and materials essential for several clean energy technologies. The Budget provides more than \$500 million for green aviation at NASA; over \$500 million for clean energy research at NSF; and \$845 million for DOE Department-wide efforts to accelerate the viability of commercial fusion energy, coordinating academia, national laboratories, and the private sector, which supports the Bold Decadal Vision

for Commercial Fusion Energy. The Budget also funds eight crosscutting DOE Energy Earthshots initiatives which could substantially reduce the cost of energy for the American consumer through innovations in clean energy generation, energy efficiency, and storage. In addition to the amounts above, the Budget includes the Administration's pending supplemental request for \$2.2 billion to acquire low-enriched uranium (LEU) and high-assay low-enriched uranium (HALEU), which coupled with a long-term ban on imports of LEU and HALEU from Russia, would prompt sufficient private sector investment to reinvigorate U.S. uranium enrichment and reduce America's current dependence on Russian enriched uranium imports. The Budget also includes the pending supplemental request for \$300 million to safeguard the Strategic Petroleum Reserve, which is a critical energy security asset that has historically protected American consumers in times of emergency oil shortages.

**Advances Climate Science.** The Budget includes \$4.5 billion for climate research across NASA, NOAA, NSF, and other agencies. This includes \$150 million at NASA to develop the next-generation land-imaging mission, otherwise known as Landsat Next, and more than \$600 million for NASA in research grants to enhance understanding of Earth systems, including climate and natural hazards. The Budget includes \$900 million for NSF, an increase of \$236 million above the 2023 enacted level. This investment supports a broad portfolio of research that includes: atmospheric composition; water and carbon cycles; climate resilience technologies including for communities heavily affected by climate change; and social, behavioral, and economic research on human responses to climate change, among other topics. The Budget also includes \$275 million at the Department of the Interior (DOI) to continue to leverage science to better understand the impacts of climate change, and to inform and improve land management practices from the Federal to the local level. The Budget invests \$407 million at DOE to support fundamental research, including modeling and scientific user facilities to enable enhanced predictability of dynamically changing climate, environmental,

and Earth systems, which includes predictability of climate trends and extremes that influence the design and deployment of next generation energy systems.

### ***Strengthening Resilience***

**Strengthens Climate Resilience in Communities and Ecosystems.** Across America, communities are enduring historic and catastrophic flooding, wildfires, extreme heat, drought, and more, while longer-term changes in temperature affect ecosystems and the economies that depend on them. The intensifying impacts of climate change are costing lives, disrupting livelihoods, and causing billions of dollars in damages. The Budget provides \$23 billion in climate adaptation and resilience across Commerce, DOI, the Department of Homeland Security (DHS), USDA, Army Corps of Engineers, EPA, and DOD to address the increasing severity of extreme weather events fueled by climate change. This includes resources for flood hazard mapping, including the development of new data to support future flood conditions so that communities and Americans have the most up-to-date information regarding their flood risk, and investments to mitigate the impacts of extreme heat in low-income and disadvantaged communities. The Budget also provides funding to assist farmers, ranchers, and forestland owners with production goals in the face of a changing climate while conserving, maintaining, and restoring natural resources on their lands. Overall, the Budget supports enhanced and coordinated provision of climate information and tools to support decision making across the Nation.

**Invests in America's Brave Wildland Firefighters.** The Budget builds on the Administration's historic investments in the wildland firefighting workforce at USDA and DOI by supporting the implementation of permanent and comprehensive pay reform, the enhancement of health services, the hiring of additional permanent and temporary wildland firefighters to increase capacity, and the improvement of Government housing. These investments, totaling \$522 million over the comparable

2023 enacted funding levels, would help address long-standing recruitment and retention challenges, increase the Departments' capacity to complete critical risk mitigation work, and further the Administration's commitment to build a more robust and resilient wildland firefighting workforce as the frequency and intensity of catastrophic wildfires continue to increase due to climate change.

**Increases Drought Resilience.** 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 2025 for western water infrastructure through the Bipartisan Infrastructure Law, as well as the nearly \$4.6 billion provided by the Inflation Reduction Act for drought mitigation and domestic water supply projects through the Bureau of Reclamation.

**Reduces Housing Insecurity and Strengthens Climate Resiliency in Rural Communities.** Adequate affordable housing has been a long-standing problem in rural communities—one that is exacerbated by low energy efficiency of the aging housing stock, meaning higher costs to families. To help address this, the Budget proposes additional funding for USDA multifamily and single-family housing, and again proposes to eliminate the existing low-income borrower penalty that requires individuals to repay subsidy costs for USDA Single-Family Direct loans—a requirement that only exists for rural housing. The Budget provides strong support for USDA's multifamily housing and housing preservation programs. Through these investments, the Administration advances equity in support of underserved communities by reducing rent burdens for low-income borrowers and preserving low-income tenant-based housing in rural America. The Budget again proposes to reduce operating costs and increase the resiliency of rural housing to the impacts of climate change through a proposal to require energy and water efficiency improvements and green features in USDA's rural

housing programs that include construction, such as housing repair loans and grants.

**Supports and Expands the American Climate Corps.** Last year, the Administration announced the launch of the American Climate Corps (ACC) to mobilize a new, diverse generation of more than 20,000 clean energy, conservation, and climate resilience workers, and this year, the first cohort of ACC members will begin their service. The ACC will provide job training and service opportunities on a wide range of projects that tackle climate change in communities around the Nation. AmeriCorps is supporting this new initiative by standing up an ACC hub to provide centralized coordination across seven agencies—AmeriCorps, USDA, DOI, Commerce, DOE, DOL, and EPA—who are charged with implementing the ACC. The Budget provides \$15 million to support and expand AmeriCorps' ACC hub and \$23 million to support over 1,700 additional ACC members, as well as \$8 billion in mandatory funding to support an additional 50,000 ACC members annually by 2031. This builds on additional investments to support climate-related workforce development and service initiatives across all seven ACC agencies.

**Delivering for Communities Often Left Behind.** The Administration continues to take bold steps and prioritize efforts to deliver environmental justice in communities across the United States, including implementing the President's Justice40 Initiative and keeping up the momentum of the historic Bipartisan Infrastructure Law and Inflation Reduction Act environmental justice investments. The Budget bolsters these efforts by supporting several key initiatives to accelerate energy equity and justice for historically excluded communities to benefit all Americans, and by investing nearly \$1.5 billion across EPA in support of environmental justice efforts, including investments that would support cleaner air and cleaner water in frontline communities. This includes a new \$25 million grant to develop Direct Implementation Tribal Cooperative Agreements to carry out crucial EPA programs in Indian Country with an emphasis on addressing the impacts of climate change.

**Reduces Health and Environmental Hazards for At-Risk Communities.** The Budget provides \$8.2 billion to address legacy waste and contamination in communities used during the Manhattan Project and the Cold War for nuclear weapons production, as well as other key investments in programs that reduce environmental hazards like EPA's Superfund program, Brownfields program, and Toxic Substances Control Act enforcement. The Administration would ensure the investments for the management of toxic chemicals, including per- and polyfluoroalkyl substances, cleanup of legacy pollution, and long-term stewardship of these sites align with the Justice40 Initiative to benefit disadvantaged communities.

**Invests in Clean Air.** The Budget provides a total of \$1.5 billion for EPA's Office of Air and Radiation, an increase of \$690 million since the beginning of the Administration, to continue the development of national programs, policies, and regulations that control air pollution and radiation exposure. This funding includes a historic \$187 million for the Atmospheric Protection Program to support implementation and compliance with GHG emission standards and to tackle the climate crisis at home and abroad. Also included is \$100 million for the Diesel Emissions Reduction Act grant program, which funds grants and rebates to reduce harmful emissions from diesel engines, and \$70 million for the Targeted Airshed Grants program, which helps reduce air pollution in the most polluted nonattainment areas. The Administration continues to support investment in EPA's work of limiting emissions of harmful air pollutants and tackling the climate crisis.

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

**Achieves the Administration's Historic Climate Finance Pledge.** The Budget provides a path to achieving the President's \$11 billion commitment for international climate finance, including \$3 billion for the *President's Emergency Plan for Adaptation and Resilience (PREPARE)*.



A signature initiative, PREPARE supports more than half a billion people in developing countries to adapt to and manage the impacts of climate change. The Budget also supports a \$500 million 2025 contribution through mandatory funding to finance the Green Climate Fund, as part of the \$3 billion multiyear pledge to expand climate adaptation and mitigation projects in developing

countries, and \$100 million for the Amazon Fund to combat deforestation and preserve the world's largest tropical rainforest. The Budget builds on historic international climate finance progress made over the course of the Administration, in which estimated 2023 levels of \$9.5 billion represent a near-six-fold increase from 2021.

## EXPANDING OPPORTUNITY, ADVANCING EQUITY, AND DELIVERING FOR COMMUNITIES NATIONWIDE

Since taking office, the President has fought to create opportunity and advance equity—not as a one-year project, but as part of a sustained commitment to make the promise of America real for every American, including rural communities, communities of color, women and girls, tribal communities, Lesbian, Gay, Bisexual, Transgender, Queer, and Intersex individuals, people with disabilities, and communities impacted by persistent poverty. Since day one, the Administration has made significant progress advancing equity across the Federal Government, including by reinvigorating Federal civil rights enforcements, prioritizing the advancement of gender equity and equality, expanding access to opportunities in underserved communities, increasing food security, advancing efforts to end homelessness, improving children's education, upholding the United States' promise to tribal communities, and honoring the Nation's commitment to America's veterans and servicemembers. The Budget builds on that progress by making historic investments to support the advancement of all Americans—especially in underserved communities—and combat racial and gender disparities across the Nation, including in health, education, and economic opportunity.

### *Investing in American Families*

**Supports a Strong Nutrition Safety Net.** The Budget provides \$8.5 billion for critical nutrition programs, including \$7.7 billion to fully fund participation in the Special Supplemental

Nutrition Program for Women, Infants, and Children (WIC), which is critical to the health of pregnant women, new mothers, infants, and young children. This program helps low-income families put nutritious food on the table and addresses racial disparities in maternal and child health outcomes. In the *Biden-Harris Administration National Strategy on Hunger, Nutrition, and Health*, the Administration set goals to help more individuals experiencing food insecurity access Federal nutrition assistance programs. By investing in outreach and modernization, WIC would reach 800,000 more women, infants, and children each month, providing vital nutrition assistance to nearly seven million individuals, up from 6.2 million in 2021. The Budget supports enhanced benefits for fruits and vegetables to improve nutritional outcomes and reduce food insecurity among children consistent with the recommendations by the National Academies of Science, Engineering, and Medicine. In addition, the Budget includes an emergency contingency fund that would provide additional resources, beyond the \$7.7 billion, when there are unanticipated cost pressures. The Budget also includes \$15 billion over 10 years to allow more States and schools to leverage participation in the Community Eligibility Provision to provide healthy school meals at no cost to an additional nine million children.

**Advances Efforts to End Homelessness.** The Budget provides \$4.1 billion, an increase of \$427 million over the 2023 level, for Homeless Assistance Grants to continue supporting

approximately 1.2 million people experiencing homelessness each year and to expand assistance to approximately 25,000 additional households, specifically survivors of domestic violence and homeless youth. In addition, the Administration plans to use approximately \$100 million in program recaptures to fund coordinated interventions to support nearly 11,000 additional homeless individuals and families. These new resources support the Administration's commitment to the goals laid out in the *All In: Federal Strategic Plan to Prevent and End Homelessness* and build on efforts that have expanded assistance to roughly 140,000 additional households experiencing homelessness since the President took office. The Budget also provides \$505 million, or \$6 million above the 2023 level, for Housing Opportunities for Persons with AIDS, serving a population with a disproportionately high rate of homelessness and providing a critical link to services. The Budget further reflects the Administration's commitment to make progress toward ending homelessness by providing \$8 billion in mandatory funding for the acquisition, construction, or operation of housing to expand housing options for people experiencing or at-risk of homelessness, as well as \$3 billion in mandatory funding for grants to provide counseling and emergency rental assistance to older adult renters at-risk of homelessness.

### ***Expanding Access to Quality Education and Supporting Students***

**Builds a Strong Foundation for Families with Universal Pre-K and Head Start.** The Budget funds voluntary, universal, free preschool for all four million of the Nation's four-year-olds and charts a path to expand preschool to three-year-olds. High-quality preschool would be offered in the setting of the parent's choice—from public schools to child care providers to Head Start. In addition, the Budget increases Head Start funding by \$544 million to support the Administration's goal to reach pay parity between Head Start staff and public elementary school teachers with similar qualifications over time. Together these proposals would support healthy child development, help children enter

kindergarten ready to learn, and support families by reducing their costs prior to school entry and allowing parents to work.

### **Addresses Critical Educator Shortages.**

While the education sector has faced shortages in critical staffing areas for decades, these shortages have grown worse since the COVID-19 pandemic, highlighting the importance of retaining educators and building strong, diverse pipelines into the profession. Since 2021, the Administration has supported schools in addressing educator shortages, including by supporting the expansion of evidence-based pathways such as residencies and grow your own programs, which may be provided through teacher registered apprenticeships. The Budget includes \$90 million for Supporting Effective Education Development, \$95 million for the Teacher Quality Partnership program, and doubles funding to \$30 million for the Hawkins Centers of Excellence program, to expand the number of prospective teachers who have access to comprehensive, high-quality pathways and improve the diversity of the teacher pipeline. The Budget also includes critical investments in recruitment and retention of teachers and school leaders, and provides \$173 million for the Teacher and School Leader Incentive Fund.

**Increases Support for Children with Disabilities.** To support high-quality special education services for over seven million Pre-K through 12 students with disabilities, the Budget provides \$14.4 billion for Individuals with Disabilities Education Act (IDEA) State Grants, a \$200 million increase over the 2023 enacted level. Since 2021, the Administration has secured a \$1.3 billion, or 10-percent increase in annual funding for the program as well as an additional \$2.6 billion in American Rescue Plan funds to help students with disabilities recover from the COVID-19 pandemic. The Budget also invests \$545 million in IDEA Grants for Infants and Families to provide early intervention services to infants and toddlers with disabilities. To address nationwide special educator shortages, the Budget also invests \$125 million, which is \$10 million above the 2023 enacted level, in grants to prepare special education and early

intervention personnel—addressing another critical educator shortage area.

**Supports Students in Schools with High Rates of Poverty.** The disruptive effects of the COVID-19 pandemic on student learning and well-being have added new urgency to the work of schools. The Budget includes \$8 billion in mandatory funding to provide Academic Acceleration and Achievement Grants to high-need school districts to help close opportunity and achievement gaps and speed the pace of learning recovery. These grants would support evidence-based strategies to increase school attendance, provide high-quality tutoring and student supports, and expand learning time, including both in the summer and in extended day or afterschool programs. To help ensure that every student receives the high-quality education and support they deserve, the Budget also provides \$18.6 billion for Title I, a \$200 million increase above the 2023 enacted level. This funding amount is \$2.1 billion higher than when the President took office, reflecting the President's strong commitment to expanding support for every American student. Title I, which reaches 90 percent of school districts across the Nation, delivers critical funding to public schools in low-income communities so they can provide their students with the learning opportunities needed to recover academically from the COVID-19 pandemic and be successful after graduation.

**Improves College Affordability and Provides 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 \$100 and thereby expand the reach of the program to over 7.2 million students. The Budget builds on successful bipartisan efforts to increase the maximum Pell Grant award by \$900 over the past two years—the largest increase in more than 10 years. The Budget provides a path to double the maximum award by 2029 for students attending public and non-profit institutions. The Budget excludes for-profit institutions from the mandatory increases due to evidence these institutions are least likely to provide

good outcomes for students. The Budget also expands free community college across the Nation through a Federal-State partnership. In addition, the Budget provides 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).

**Expands Institutional Capacity at HBCUs, TCCUs, MSIs—including HSIs—and Community Colleges.** The Budget increases institutional capacity at HBCUs, TCCUs, MSIs—including HSIs—and under-resourced institutions, including community colleges, by providing an increase of \$93 million above the 2023 enacted level. The Budget funding level is \$329 million higher than the 2021 enacted level, underscoring the President's commitment to increasing funding to historically under-served institutions. The Budget also doubles funding by providing \$100 million for four-year HBCUs, TCCUs, and MSIs to expand research and development infrastructure at these institutions, a program the President has championed since his first year in office to address historic disparities in Federal research and development funding to HBCUs, TCCUs, and MSIs.

**Promotes Equity in STEM Education and Workforce Training.** In support of the CHIPS and Science Act's priority of building a diverse, STEM-capable workforce, the Budget provides \$1.4 billion for STEM education and workforce development programs at NSF that have an emphasis on diversity, equity, inclusion, and accessibility. The Budget also includes funding for programs focused on increasing the participation of groups historically underrepresented in science and engineering fields, including women and girls and people of color, by supporting: curriculum program design; research on successful recruitment and retention methods; development of outreach or mentorship programs; and fellowships. The Budget also includes \$256 million in funding to build capacity for advancing energy research and developing a new energy workforce through programs at HBCUs, TCCUs, MSIs,

tribal colleges, community colleges, and emerging research institutions. The Budget also provides \$46 million to NASA's Minority University Research and Education Project, to increase competitive awards to MSIs to recruit and retain underrepresented and underserved students in STEM fields.

**Bolsters Mental Health Supports for All Students.** The mental health of students, teachers, and school staff is essential for their overall well-being and continued academic recovery, and continues to be a high priority of the Administration, which has delivered an additional \$2.1 billion to mental health programs since 2021. Research shows that students who receive social, emotional, mental, and behavioral supports have better outcomes, including performing better academically. The Budget provides a combined total of \$216 million for mental health programs, including \$200 million from the Bipartisan Safer Communities Act, a 900-percent increase in program funding since 2021. These funds would help increase the number of school-based counselors, psychologists, social workers, and other mental health professionals in K-12 schools.

### ***Honoring America's Commitments to America's Veterans and Servicemembers***

**Expands Healthcare, Benefits, and Services for Environmental Exposures.** The Sergeant First Class Heath Robinson Honoring our Promise to Address Comprehensive Toxics Act of 2022 (PACT Act) represented the most significant expansion of Department of Veterans Affairs (VA) healthcare and disability compensation benefits for veterans exposed to burn pits and other environmental exposures in 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 certain environmental hazards—and ensure there is sufficient funding available to cover these costs without shortchanging other elements of veteran medical care and benefits

delivery. The Budget continues this commitment and includes \$24.5 billion for the TEF in 2025, through funds appropriated by the Fiscal Responsibility Act (FRA), which is \$19.5 billion above the 2023 enacted level.

**Strengthens VA Medical Care and Invests in Critical Veteran Medical Facilities.** The Budget provides a total of \$112.6 billion in discretionary medical care funding in 2025, equal to the 2025 advance appropriation request. In addition, the Budget, through funds appropriated by the FRA, includes \$21.5 billion in TEF for medical care, bringing the medical care total to \$134 billion in 2025, an \$11.5 billion increase over the 2023 enacted level. 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, including a \$2 billion investment for non-recurring maintenance to improve medical facility infrastructure, and continued efforts to address the opioid and drug overdose epidemic. The Budget also includes \$2.8 billion in budgetary resources for construction and expansion of critical infrastructure and facilities.

**Prioritizes Mental Health Services, Suicide Prevention, and Sexual Assault Prevention for Military Servicemembers and Veterans.** The Budget invests \$135 million within VA research programs, together with \$17.1 billion within the VA Medical Care program, to increase access to quality mental healthcare, with the goal of helping veterans take charge of their treatment and live full, meaningful lives. In addition, the Budget provides \$583 million to further advance the Administration's veteran suicide prevention initiatives, including continued support of the Veterans Crisis Line's 988 and additional support for VA's National Suicide Prevention Strategy. The Budget also includes funding to support DOD's efforts on Suicide Prevention and Response and implements recommendations from the Suicide Prevention and Response Independent Review Committee. This funding would support improving the delivery of mental healthcare, addressing stigma and other barriers to care, revising suicide prevention



training, and promoting a culture of lethal means safety within the military. The Budget also includes funding to support DOD's efforts on Sexual Assault Prevention designed to increase awareness, provide support mechanisms to victims, and significantly reduce the environment for, tolerance of, and occurrence of sexual assault in the Joint Force.

#### **Supports Women Veterans' Healthcare.**

The Budget invests \$13.7 billion for women veterans' healthcare, including \$1.1 billion toward women's gender-specific care. More women are choosing VA healthcare than ever before, with women accounting for over 30 percent of the increase in enrolled veterans over the past five years. These investments support comprehensive specialty medical and surgical services for women veterans, improve maternal health outcomes, increase access to infertility counseling and assisted reproductive technology, and eliminate copayments for contraceptive coverage. The Budget also improves the safety of women veterans seeking healthcare at VA facilities by supporting implementation of the zero-tolerance policy for sexual harassment and assault.

**Bolsters Efforts to End Veteran Homelessness.** The President believes that every veteran should have permanent, safe, and sustainable housing with access to healthcare and other supportive services. The Budget invests \$3.2 billion to end current veteran homelessness and prevent veterans from becoming homeless in the future. In addition to investments made in VA programs, the Budget for HUD provides \$13 billion in mandatory funding to expand the HCV program to reach an additional 400,000 ELI veteran families, paving a path to guaranteed assistance for all who have served the Nation and are in need.

**Invests in Overdose Prevention and Treatment Programs.** The Budget invests \$713 million toward opioid use disorder prevention and treatment programs for veterans, including using predictive analytics to stratify a patient's risk of overdose, provide augmented care as appropriate, and to support programs

authorized in the Jason Simcakoski PROMISE Act. In addition, investments contribute to distribution of naloxone to veterans, which, according to researchers with the VA Palo Alto Health Care System, has demonstrated success in effective utilization of the lifesaving opioid overdose reversal medication, and development of an opioid safety toolkit that provides clinicians materials that aid in decisions related to safe opioid prescribing and non-opioid pain management options.

#### **Fulfills 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 seek to increase access to behavioral health providers. The Budget also continues to support the establishment of universal pre-school for military children at DOD Education Activity schools, both stateside and overseas, to ensure no military child faces barriers to accessing early childhood education due to where their parents are stationed. The Budget provides critical funding for the VA Program of General Caregivers Support Services, as well as \$2.9 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.

#### **Supports Economic Security for Military Families.**

Military families, like their civilian counterparts, increasingly look to rely upon dual incomes. However, the 21-percent unemployment rate experienced by active-duty military spouses makes that a difficult goal to achieve and maintain. The President continues to prioritize efforts to make the Federal Government the employer of choice for military spouses. In addition, the Administration understands that access to high-quality, affordable child care is a necessity for working families, and a military readiness issue. The Budget continues to support increases to high-quality child care for military families via the Child Care Workforce Initiative. The Budget also proposes to increase the income eligibility

threshold for the Basic Needs Allowance from 150 percent to 200 percent of the Federal Poverty Guidelines.

### ***Delivering for Tribal Communities***

**Guarantees Adequate and Stable Funding for IHS.** The Administration is committed to upholding the United States' 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 for IHS that will provide needed improvements in access to care and the overall health status of American Indians and Alaska Natives. The Budget requests \$8 billion in discretionary resources in 2025, including increases for clinical services, preventative health, facilities construction, contract support costs, and tribal leases. Beginning in 2026, the Budget proposes all resources as mandatory. Mandatory funding would close longstanding service and facility shortfalls over time, improve access to high-quality healthcare, and fund key Administration priorities such as the Biden Cancer Moonshot. The Budget also proposes to reauthorize and increase funding for the Special Diabetes Program for Indians, which has been critical in lowering the prevalence of diabetes in Indian Country.

**Honors Commitments to Support Tribal Communities.** Incorporating feedback from tribal consultations, the Budget continues to provide robust support for indigenous communities in keeping with U.S. Federal trust responsibilities while working to advance equity. The Budget includes \$4.6 billion for DOI's tribal programs, \$514 million above the 2023 enacted level and more than \$1 billion over the 2021 enacted level, to support public safety and justice, human and social services, and education. The Budget continues to propose reclassification of Contract Support Costs and the Indian Self-Determination Act Section 105(l) leases as mandatory spending, beginning in 2026, to provide certainty for tribal communities in meeting these ongoing

requirements with dedicated funding. Budget resources across DOI's tribal programs build on historic investments in the American Rescue Plan and complement Inflation Reduction Act and Bipartisan Infrastructure Law investments to ensure long-term success in addressing critical infrastructure and climate adaptation needs in indigenous communities. The Budget supports the Administration's commitment to prioritize restoration of healthy and abundant wild salmon, steelhead, and other native fish populations in the Columbia River Basin, and honor the United States' obligations to tribal nations. This includes \$145 million through the Corps of Engineers, a 123-percent, or \$80 million increase above the 2023 enacted level, \$19 million through the Bureau of Reclamation, and \$34 million through NOAA to enhance restoration efforts in the watershed.

**Invests in Affordable Housing in Tribal Communities.** Native Americans are seven times more likely to live in overcrowded conditions and five times more likely to have inadequate plumbing, kitchen, or heating systems than all U.S. households. The Budget provides \$1.1 billion, a \$33 million increase above the 2023 level, at HUD to support tribal efforts to expand affordable housing, improve housing conditions and infrastructure, and increase economic opportunities for low-income families. Of this total, \$150 million would prioritize activities that advance resilience and energy efficiency in housing-related projects.

**Commits to Tribal Water Rights Settlements Funding.** The Budget builds on Bipartisan Infrastructure Law investments by providing \$2.8 billion in additional mandatory funding to the Indian Water Rights Settlement Completion Fund, as well as \$226 million in discretionary funding to meet existing settlement obligations. This funding would ensure stable, dedicated funding for tribal water rights settlements, which is crucial for safe, reliable water supplies to improve public and environmental health and support economic opportunity in tribal communities.

## PROTECTING AMERICA AT HOME AND ABROAD

From taking action to combat hate in America's communities, tackling gun violence, and strengthening trust in the Nation's democratic institutions, to defending freedom around the globe, and rebuilding key alliances, the Administration has taken decisive action to strengthen America at home and abroad, all with the goal of keeping Americans safe. The Budget builds on this progress with proposals to continue: investing in State, local, tribal, and Federal law enforcement; advancing much-needed reforms to the criminal justice system; reducing gun violence and crime; revitalizing U.S. alliances and partnerships, confronting global threats and strengthening America's military; securing the border and strengthening the U.S. immigration system; advancing U.S. national security to Out-Compete China and counter Russian aggression; and addressing pressing global challenges.

### ***Tackling Crime, Reducing Gun Violence, and Making America's Communities Safer***

**Invests in Federal Law Enforcement to Combat Gun Violence and Other Violent Crime.** The Budget makes significant investments to bolster Federal law enforcement capacity to strengthen public safety. The Budget includes \$17.7 billion, an increase of \$1.1 billion above the 2023 enacted level and \$2.6 billion above the 2021 enacted level, for DOJ law enforcement, including \$2 billion for the Bureau of Alcohol, Tobacco, Firearms and Explosives to: effectively investigate and prosecute gun crimes; expand multijurisdictional gun trafficking strike forces; increase regulation of the firearms industry; bolster crime-solving ballistics, gunshot residue, and other forensic technologies as well as analysts; and implement the Bipartisan Safer Communities Act. The Budget includes \$1.9 billion for the U.S. Marshals Service (USMS) to support efforts to reduce 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, a key provision of the Bipartisan Safer Communities Act. In addition, the Budget provides a total of \$2.8 billion for the U.S. Attorneys, which includes funding for 50 new attorneys to prosecute violent crimes. The Budget also requests \$15 million for the Jabara-Heyer NO HATE Act, an increase of \$5 million over the 2023 enacted level.

### **Pursues New Mandatory Investments to Combat Violent Crime and Support Victims.**

The Budget builds upon the Safer America Plan by investing an additional \$1.2 billion over five years to launch a new Violent Crime Reduction and Prevention Fund to give Federal, State, local, tribal, and territorial law enforcement the dedicated, seasoned, and full support they need to focus on violent crime. This investment includes hiring new Federal law enforcement agents, prosecutors, and forensic specialists to address violent crime, expand Federal operations to combat fentanyl and apprehend dangerous fugitives, and support for the hiring of 4,700 detectives at the State and local level to solve homicides, non-fatal shootings, and other violent crimes to drive down the high rate of unsolved violent crimes and the lengthy delays that undermine public trust and public safety. In addition, \$28 million is provided to expand the USMS's Operation North Star, which has taken more than 6,700 of the most dangerous State and local fugitives off the street since 2021, to 100 more cities over five years, including 20 more cities in 2025 in order to drive down violent crime. This investment also expands Drug Enforcement Administration (DEA) Operation Overdrive, which uses a data-driven, intelligence-led approach to identify and dismantle violent drug trafficking networks, to 50 more cities that are experiencing high rates of gun violence and fentanyl overdoses for 45-day operations. The Budget also requests \$7.3 billion to replenish the Crime Victims Fund and ensure a stable and predictable source of funding is available to support critical victim service and compensation programs over the next decade.

### **Combats Narcotics Trafficking Networks.**

The Budget provides \$3.3 billion to the DEA to combat drug trafficking, including \$1.2 billion to combat opioid trafficking, save lives, and make communities safer. The Budget invests an additional \$18 million in Domestic Counter-Fentanyl Threat Targeting Teams at the Drug Enforcement Administration to enhance America's fight against the transnational criminal networks pushing deadly illicit fentanyl in America's communities. These interdisciplinary teams of special agents, intelligence analysts, and data experts would map criminal organizations and build cases that lead to the dismantling of entire drug trafficking networks and the deprivation of hundreds of millions of dollars to the Sinaloa and Jalisco cartels. In addition, the Budget provides \$494 million in grants supporting efforts to address substance use, including \$190 million for the Comprehensive Opioid, Stimulant, and Substance Use Program, \$95 million to support Drug Courts, and \$51 million for anti-drug task forces.

### **Disrupts the International Synthetic Drug Trade.**

The Budget includes \$169 million across the Department of State and the U.S. Agency for International Development (USAID) to counter fentanyl and other synthetic drug production and trafficking, which is 58 percent above 2023 enacted levels. These resources would counter the worldwide flow of fentanyl and other synthetics that endanger public safety and health, and contribute to tens of thousands of drug-overdose deaths in the United States annually.

### **Supports State, Local, and Tribal Law Enforcement and Public Safety.**

The Budget provides \$3.7 billion in discretionary resources for State and local grants and \$30.3 billion in mandatory resources to support State, local, and tribal efforts to protect U.S. communities and promote public safety through the President's Safer America Plan. Through a combination of discretionary and mandatory investments, the Safer America Plan supports the President's goal to recruit, train, support, and hire 100,000 additional police officers for effective, accountable community policing consistent with the standards

of the Executive Order 14074, "Advancing Effective, Accountable Policing and Criminal Justice Practices To Enhance Public Trust and Public Safety." In addition, the Safer America Plan would: fund bonuses for retention of police officers; provide student loan repayment, tuition reimbursement, and higher education grant programs to incentivize service-minded candidates, including women and individuals from underrepresented communities to become officers; support pilot programs to explore more flexibility in scheduling and work arrangements; expand mental health and wellness care for police officers; and fund life-saving equipment. The Safer America Plan would further support the evidence-based training of law enforcement on topics including crime control and deterrence tactics, community engagement, use of force, interacting with people with disabilities, and responding to persons in mental health crisis and to domestic violence calls. The Safer America Plan would also further efforts to advance transparency, accountability, and safety to simultaneously strengthen public safety and public trust consistent with the standards of Executive Order 14074 through funding to support the purchase and operation of body-worn cameras, modernize police academies and training, comprehensively reform public safety systems, and combat crime to keep the Nation's streets safe. The Budget, through the Safer America Plan, provides funding for courts around the Nation to clear their backlogs and improve accountability and deterrence for people on pretrial supervision, and supports technology and data systems modernization necessary to ensure that the justice system runs efficiently and with the most current data, such as: case management systems that effectively integrate pretrial services, judicial, and law enforcement records; virtual access and notification systems to facilitate remote check-ins and hearings as appropriate and beneficial for all involved; and scheduling software to manage the increased volume of cases. The Budget also provides funding to support pretrial and post-conviction supervision staffing and systems, ensuring that persons on release are appropriately monitored and given assistance with the employment, health, housing, and other supportive services that reduce the



risk of recidivism. Specific discretionary investments include \$270 million for the COPS Hiring Program, an increase of \$45 million or 20 percent over the 2023 enacted level, and \$100 million for Community Violence Intervention (CVI) programs, an increase of \$50 million or 100 percent over the 2023 enacted level, to bolster evidence-based strategies for preventing and reducing gun violence in U.S. communities. To achieve the original goals of the Safer America Plan, the Budget requests an additional \$1.5 billion in mandatory funding to support CVI programs at the Department over the next 10 years.

**Prioritizes Efforts to End Gender-Based Violence.** The Budget proposes \$800 million to support programs under the Violence Against Women Act of 1994 (VAWA), which was reauthorized and strengthened in 2022. This is a \$100 million or 14-percent increase over the 2023 enacted level, which was the highest funding level in history. The Budget supports significant increases for longstanding VAWA programs, including key investments in sexual assault services, transitional housing, and legal assistance for survivors. The Budget strongly supports underserved and tribal communities by providing \$15 million for culturally-specific services, \$5 million for underserved populations, \$25 million to assist enforcement of tribal special domestic violence jurisdiction, \$3 million to support tribal Special Assistant U.S. Attorneys, and \$10 million for a new special initiative to address missing and murdered indigenous people. The Budget also provides \$10 million to address technology-facilitated abuse through funding new VAWA programs that address cybercrimes against individuals. In addition, the Budget provides \$55 million to the Office of Justice Programs for the Sexual Assault Kit Initiative to address the rape kit backlog.

**Reforms the Federal Criminal Justice System.** The Budget leverages the capacity of the Federal justice system to advance criminal justice reform and serve as a model that is comprehensive, evidence-based, and that enhances public safety and equity. The Budget supports key investments in First Step Act (FSA)

implementation, including continuing the historic collaboration between the Bureau of Prisons and DOL to provide comprehensive, intensive, and market-driven workforce development and reentry services for people in the Federal prison system. In total, the Budget continues to invest \$409 million in base resources for FSA implementation, to support rehabilitative programming, improve confinement conditions, and hire additional FSA-dedicated staff.

### ***Securing the Border and Strengthening the Immigration System***

**Reiterates the Administration's Request for Immediate Funding to Secure the Border, Build Capacity to Enforce Immigration Law, and Counter Fentanyl.** In October 2023, the Administration transmitted an emergency supplemental request for the Southwest border and migration issues totaling \$11.8 billion, of which \$8.7 billion was for DHS. The Budget includes, and therefore reiterates the need for, the unmet needs from the October 2023 supplemental request. In addition to urgent requirements, the request includes investments to build longer-term capacity in the areas of border security, immigration enforcement, and countering fentanyl, totaling \$2.9 billion for DHS. This amount includes: \$405 million to hire 1,300 additional Border Patrol Agents to secure the border; \$239 million to hire 1,000 additional U.S. Customs and Border Protection (CBP) Officers to stop fentanyl and other contraband from entering the United States; \$755 million to hire an additional 1,600 Asylum Officers and support staff to facilitate timely immigration dispositions; \$100 million for Homeland Security Investigations to investigate and disrupt transnational criminal organizations and drug traffickers; and \$849 million for cutting-edge detection technology at ports of entry. Taken together, these long-term capacity building investments represent the Administration's vision for ensuring the Nation's border security and immigration system can effectively respond to challenges present along the border. In addition to the Executive Office for Immigration Review (EOIR) investments, the Budget also

reiterates the \$1.7 billion for DOJ requested in the Administration's October 2023 border, immigration, and countering fentanyl supplement request. Of this amount, \$1.3 billion is requested for EOIR to fund the hiring of 375 new immigration judge teams to help reduce the immigration case backlog. In addition, the Administration appreciates the Senate's bipartisan border legislation that would make additional investments in DHS and provide authorities to bolster the Department's efforts to secure and manage the border.

**Continues to Invest in Critical Capabilities Needed for Border and Immigration Enforcement.** Strengthening border security and providing safe, lawful pathways for migration remain top priorities for the Administration. The Budget builds on the Administration's 2023 October supplemental request to include \$25.9 billion for CBP and U.S. Immigration and Customs Enforcement (ICE), an increase of \$1.9 billion 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 and 310 processing coordinators; \$127 million for border security technology between ports of entry; and \$86 million in air and maritime operational support that is central to efforts to secure the border. The Budget also includes: funds to support 34,000 ICE immigration detention beds; \$225 million to address increased transportation and removal costs; and \$34 million to combat child exploitation, forced labor, and human trafficking.

**Enables Resources to Scale Border Enforcement Capacity for Conditions on the Southwest Border.** Given the uncertainty surrounding border conditions in any given year, the Budget proposes a \$4.7 billion contingency fund to aid DHS and its components when responding to migration surges along the Southwest border. Modeled on a contingency fund provided for unaccompanied children, 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 Federal Emergency Management Agency accounts for valid surge-related obligations.

**Supports America's Promise to Refugees and Care for Unaccompanied Children.** The Budget builds on the Administration's October 2023 supplemental request and provides \$9.3 billion for 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 2025. 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. This funding would allow ORR to continue 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 \$9.3 billion, when there are unanticipated increases in the number of unaccompanied children.

**Improves Immigration Courts.** The Budget invests \$981 million, an increase of \$121 million above the 2023 enacted level, in EOIR to enhance America's immigration courts and help address the backlog of over 2.4 million currently pending cases. This funding would support 25 new immigration judge teams, which includes the support personnel necessary to ensure efficient case processing. The Budget also invests \$30 million for EOIR to partner with the U.S. Digital Service to develop and implement digital court operations strategies that would maximize each judge's adjudicatory capacity and help reduce the case backlog. In addition to EOIR investments, the Budget also reiterates the \$1.7 billion for DOJ requested in the Administration's October 2023 border, immigration, and countering fentanyl supplement request. Of this amount, \$1.3 billion is requested for EOIR to fund the hiring of 375 new

immigration judge teams to help reduce the immigration case backlog.

### ***Confronting Threats to Global Security and Strengthening America's Military***

**Reiterates the Administration's Request for Immediate Funding for Urgent National Security Priorities Related to Ukraine, Israel, and the Indo-Pacific.** In October 2023, the Administration transmitted an emergency supplemental request totaling \$92 billion to the Congress for urgent national security needs through the end of 2024, of which \$58 billion was for DOD, \$32 billion was for the Department of State and the U.S. Agency for International Development, and \$2 billion for the Department of the Treasury (Treasury). This request included \$61.4 billion to support Ukraine as it continues to defend itself against Russian aggression, \$14.3 billion to support Israel's defense against terrorism, \$10 billion for lifesaving humanitarian assistance, including for the Palestinian people, \$3.4 billion for the Submarine Industrial Base (SIB), and \$4 billion in other national security priorities. The request would also make significant and much needed investments in the American defense industrial base (DIB), benefitting U.S. military readiness and helping to create and sustain jobs across America. Absent congressional action on this emergency request, the United States would not be able to provide the necessary support to Ukraine, provide urgently needed military support to allies and partners, make critical DIB investments, or sustain lifesaving assistance and development in some of the world's most vulnerable areas. The Administration appreciates the bipartisan supplemental legislation that passed the Senate that would address these urgent needs.

**Supports Ukraine, European Allies, and Partners.** The Budget continues to provide critical support for Ukraine, the North Atlantic Treaty Organization allies, and other European partner states by prioritizing funding to enhance the capabilities and readiness of U.S., allied, and partner forces in the face of continued

Russian aggression. The Budget includes a new capital increase to the European Bank for Reconstruction and Development to maintain support to Ukraine and deliver on multilateral development bank evolution reforms. However, the Budget cannot address the critical support to Ukraine, which requires congressional action on the Administration's October 2023 national security supplemental request.

**Promotes Integrated Deterrence in the Indo-Pacific and Globally.** To sustain and strengthen deterrence, the Budget provides funding to prioritize China as America's pacing challenge in line with the *2022 National Defense Strategy*. DOD's *2025 Pacific Deterrence Initiative* highlights some of the key investments the Federal Government is making, focuses on strengthening deterrence in the region, and demonstrates the Administration'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 U.S. Government and with U.S. allies and partners.

**Underpins Commitments to Nuclear Deterrence, Nonproliferation, and Arms Control.** Nuclear deterrence remains a top priority for the Nation and is foundational to integrated deterrence. A safe, secure, and effective nuclear force deters strategic attacks and assures allies and partners. To ensure the United States' nuclear deterrent remains responsive to all threats, DOD and DOE continue to modernize the nuclear Triad, nuclear command, control, and communications, and nuclear weapons infrastructure, while strengthening extended deterrence commitments to America's allies. The Budget also supports the President's commitment to reduce nuclear risks and strengthen the global non-proliferation regime by simultaneously pursuing realistic goals for mutual, verifiable arms control and efforts to protect against the existential threats posed by weapons of mass destruction terrorism.

**Ensures Readiness across America's Armed Forces.** 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 DOD, while pursuing technological enhancements to extend the service life of material vital to the warfighter. In addition, the Budget continues the recapitalization and optimization of the four public Naval Shipyards to meet future submarine and carrier maintenance requirements.

**Invests in SIB.** DOD conducted the 2025 SIB study to determine how to complete the once-in-a-generation recapitalization of the submarine force needed to increase the United States' ability to build and sustain attack submarines to meet U.S. military requirements. The Budget also supports the Administration's commitments under the Australia-United Kingdom-United States enhanced trilateral security partnership, the first major deliverable of which was the historic decision to support Australia acquiring conventionally-armed, nuclear-powered submarines.

**Addresses Emerging Cyber Threats.** The Budget expands DOJ's ability to pursue cyber threats through investments in FBI's cyber and counterintelligence investigative capabilities. These investments sustain the FBI's cyber intelligence, counterintelligence, and analysis capabilities and include an additional \$25 million to enhance those cyber response capabilities. The Budget also includes \$5 million to expand a new section within the DOJ's National Security Division to focus on cyber threats. These investments are in line with the *National Cybersecurity Strategy* that emphasizes a whole-of-Nation approach to addressing ongoing cyber threats. The Budget also provides \$2 million for DOJ to support implementation of the Executive Order 14110, "Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence."

**Combats Terrorism and Corruption and Increases Corporate Transparency.** Treasury plays a leading role in monitoring and disrupting corruption, money laundering, terrorist financing,

the use of the financial system by malicious actors domestically and abroad, and combatting the trafficking of illicit substances such as fentanyl in American communities. The Budget provides \$231 million to the Office of Terrorism and Financial Intelligence, \$15 million above the 2023 level, to expand Treasury's capacity to provide financial intelligence and conduct sanctions-related economic analysis while continuing to modernize the sanctions process. These investments would expand Treasury's ability to craft, implement, and enforce sanctions, including the historic sanctions program targeting Russia's illegal war in Ukraine, and sanctions on key Hamas terrorist group members and financial facilitators in Gaza.

**Invests in AI.** The President issued a landmark Executive Order to ensure that America leads the way in seizing the promise and managing the risks of AI. The Executive Order establishes new standards for AI safety and security, protects Americans' privacy, advances equity and civil rights, stands up for consumers and workers, promotes innovation and competition, advances American leadership around the world, and more. The Budget provides funding to responsibly develop, test, procure, and integrate transformative AI applications across the Federal Government and supports the implementation of the Administration's Executive Order. Specifically, the National Institute of Standards and Technology (NIST) would establish the U.S. AI Safety Institute to operationalize NIST's AI Risk Management Framework by creating guidelines, tools, benchmarks, and best practices for evaluating and mitigating dangerous capabilities and conducting evaluations including red-teaming to identify and mitigate AI risk.

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

**Drives Inclusive and Sustainable Economic Growth and Quality International Infrastructure through the Partnership for Global Infrastructure and Investment (PGI).** The Budget advances the President's goal of mobilizing \$200 billion for infrastructure



investment in low- and middle-income countries by 2027. PGI aims to promote infrastructure development along critical economic corridors to drive inclusive and sustainable economic growth, secure energy supply chains, fortify trusted digital connectivity, and build more resilient food and health systems, as well as critical transport and logistics networks, while advancing gender equality and equity. The Budget includes approximately \$50 billion for PGI across all departments and agencies, inclusive of private sector financing leveraged, including \$250 million in flexible resources to support strategic, high-quality infrastructure to connect workers to good jobs, allow businesses to grow and thrive, and advance shared national security priorities. To further PGI goals, the Budget includes \$2 billion in mandatory funding over five years to establish the International Infrastructure Fund to combat People's Republic of China coercive financing.

#### **Strengthens Health Systems Globally.**

The Budget provides nearly \$10 billion for global health programs, which would increase support for global health programs, strengthening health systems, and pandemic preparedness. The Budget fulfills the President's commitment to the seventh replenishment of the Global Fund to Fight AIDS, Tuberculosis, and Malaria by providing \$1.2 billion to match \$1 for every \$2 contributed by other donors. The Budget also provides more than \$900 million for global health security, including \$250 million for the Pandemic Fund. The Budget invests \$30 million in new resources for the World Bank's Global Financing Facility for Women, Children, and Adolescents, a contribution anticipated to leverage at least \$210 million to strengthen health systems, and \$20 million for the Administration's Global Health Worker Initiative to better train, equip, and protect the health workforce. In addition, the Budget includes loan guarantees to the World Bank's International Bank for Reconstruction and Development to support investments in global challenges, including pandemic preparedness, which would bolster the impact of these global health activities.

#### **Secures American Presence and Commitment in the Indo-Pacific.**

The Budget provides over \$4 billion to realize a more free, open, secure, and connected Indo-Pacific that bolsters U.S. alliances and partnerships, which is nearly \$600 million above the 2023 level. This includes \$2.1 billion in bilateral and regional foreign assistance, including \$100 million for a standalone request for Taiwan military assistance, and \$20 million for the Indo-Pacific Economic Framework. The Budget includes over \$62 million in support of the Association of Southeast Asian Nations (ASEAN), demonstrating America's continued commitment to ASEAN centrality. The Indo-Pacific Strategy total also includes \$2 billion to support diplomatic presence and programs in the region, including new and planned U.S. diplomatic posts in the Pacific and Indian Oceans. The Budget requests \$7.1 billion in mandatory funding for the renewal of the Compact of Free Association relationships with the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau. The Budget reflects a substantial commitment to the Indo-Pacific and relies on the \$2 billion investment that the Administration requested in the October 2023 national security supplemental request in security assistance to fully address urgent regional security needs and deter acts of aggression.

#### **Provides Lifesaving Humanitarian Assistance and Combats Global Food Insecurity.**

The Budget provides \$10.3 billion in lifesaving humanitarian and refugee assistance to support more than 330 million people in need in more than 70 countries, in addition to the October 2023 emergency supplemental request of \$10 billion to address unprecedented global humanitarian needs. The Budget also fully supports the President's commitment to resettle up to 125,000 refugees in the United States, as well as the Enduring Welcome and Safe Mobility Office initiatives. The Budget also provides more than \$1 billion to support the President's pledge to alleviate global food insecurity, including \$100 million for the Vision for Adapted Crops and Soils, as part of the overall U.S. Government's flagship food security initiative, Feed the Future,

which works to build more resilient and sustainable food systems and nutritious food crops in underserved regions. The State Department and USAID would have to reduce lifesaving assistance around the globe without the additional \$10 billion in humanitarian assistance requested in the Administration's October 2023 national security supplemental request.

**Bolsters Sustainable, Inclusive, and Democratic Global Development.** The Budget supports the President's goal to strengthen American development efforts through local expertise and by deploying a more expansive set of development tools. The Budget provides over \$3 billion for bolstering global democracy, including \$345 million for the President's Initiative for Democratic Renewal to foster transparent and accountable governance. The Budget provides more than \$3 billion to advance gender equity and equality worldwide, including \$200 million for the Gender Equity and Equality Action Fund. The Budget also includes \$110 million in support of internet freedom, including \$50 million for the U.S. Agency for Global Media Open Technology Fund. The Budget provides \$594 million, an increase of \$37 million above the 2023 level, for USAID directed high-impact and lifesaving voluntary family planning and reproductive health

programs and America's voluntary contribution to the United Nations Population Fund. The Budget continues America's commitment to contributions for the United Nations.

**Fulfills the President's Commitment to Central America and Strengthens America's Partnership in the Western Hemisphere.**

The Budget provides approximately \$1 billion for Central American programming to meet the President's commitment to invest \$4 billion in Central America over four years to address the root causes of migration. The Budget also supports hemispheric programs to advance economic prosperity and regional security through key initiatives such as the Americas Partnership for Economic Prosperity, including \$75 million for a capital increase to the Inter-American Investment Corporation—known as IDB Invest—to advance clean energy projects, modernize agriculture, strengthen transportation systems, and expand access to financing. The Budget further reserves \$35 million in additional targeted funding for regional migration management, including \$25 million for the IDB's Migration Grant Facility to support integration efforts for migrants and host communities and address the root causes of irregular migration.

## **CUTTING THE DEFICIT BY EXPANDING AMERICA'S PRODUCTIVE CAPACITY AND PROMOTING TAX FAIRNESS**

From day one, the Biden-Harris Administration has worked to build an economy from the middle out and bottom up. The President's economic agenda has shown that investing in the Nation can go along with achieving meaningful deficit reduction. The deficit is over \$1 trillion lower than when the President took office, thanks in large part to a strong economic recovery facilitated by investments that have expanded the Nation's productive capacity and a historic vaccination program that allowed the responsible wind-down of emergency measures. In addition, the President has also signed into law significant pro-growth investments and deficit-reduction policies that

are already lowering costs for families and reinvigorating American industry and will continue to take full effect in coming years.

***Delivering on a Commitment to Fiscal Responsibility.***

The President has enacted another roughly \$1 trillion in savings over the next decade through the FRA, and through the Inflation Reduction Act provisions that empower Medicare to negotiate lower prescription drug prices, cap insulin at \$35 per month for seniors, and make

the wealthy and large corporations pay more of their fair share. To address the unfairness of 55 of the most profitable U.S. corporations paying \$0 in Federal income taxes, the President signed into law a 15-percent minimum tax on the profits of the largest corporations—those with over \$1 billion in profits. He also signed into law a surcharge on corporate stock buybacks, which encourages businesses to invest in their growth and productivity as opposed to funneling tax-preferred profits to wealthy shareholders. The Inflation Reduction Act also enacted long-overdue investments in rebuilding and modernizing the Internal Revenue Service (IRS), which raise revenue by making wealthy taxpayers and big corporations pay the taxes they owe—while improving customer service and without increasing audit rates relative to historical levels for small businesses and taxpayers making under \$400,000 per year. The Budget would build on this progress by increasing the corporate minimum tax rate to 21 percent, quadrupling the surcharge on stock buybacks, extending the IRS investment, and other important reforms.

As these investments continue to deliver for working families and communities, the Administration looks forward to building on this progress with responsible investments that continue to grow America's economy from the middle out and bottom up while improving the long-term budget outlook. The Budget proposes another \$3 trillion in deficit reduction over the next 10 years by making the wealthy and large corporations pay their fair share, closing tax loopholes, cutting wasteful spending on Big Pharma, Big Oil, and other special interests.

In addition to Medicare tax and prescription drug reforms discussed above, the Budget:

**Proposes a Minimum Tax on Billionaires.** The tax code currently offers special treatment for the types of income that wealthy people enjoy. While 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 inequity, 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 increases the rates 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 soared, their investment in their workers and 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. In addition, the Budget would raise the Inflation Reduction Act's corporate minimum tax rate on billion-dollar corporations from 15 percent to 21 percent, ensuring the biggest corporations pay more of their fair share. These policies are complemented by other proposals to incentivize job creation and investment in the United States and ensure large corporations pay their fair share.

**Denies Corporations Deductions for All Compensation Over \$1 million Per Employee.** Executive compensation has skyrocketed in recent decades, with Chief Executive Officer pay averaging more than 300 times that of a typical worker in 2022. The 2017 tax law's corporate tax cuts only made this problem worse, producing massive boosts to executive compensation while doing nothing for low- and middle-income workers. Current law denies deductions for executive compensation over \$1 million only for a small number of highly paid employees at publicly-traded C corporations. The Budget proposes to deny deductions for all compensation over \$1 million paid to any employee of a C corporation, which would discourage companies from giving their executives massive pay packages and level the playing field across C corporations.

**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 in 2021. Many of America's international partners, including many of the world's largest economies, have implemented or will soon implement this transformational agreement. The Budget proposes to do the same by reforming the international tax system to reduce the incentives to book profits in low-tax jurisdictions, stopping corporate inversions to tax havens, and raising 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.** In 2022, the President signed into law a surcharge on corporate stock buybacks, which reduces the tax advantage for buybacks over 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 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 Tax Loopholes.** The Budget 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 ultrawealthy cannot use these incentives to amass tax free fortunes; preventing the super-wealthy from abusing life insurance tax shelters; closing a loophole that benefits wealthy crypto investors; and ending a tax break for corporate jets.

**Cracks Down on Wealthy Tax Cheats.** The Inflation Reduction Act addressed long-standing IRS funding deficiencies by providing stable, multi-year funding to improve tax compliance by finally cracking down on high-income individuals and corporations who too often avoided paying their lawfully owed taxes and improve service for the millions of Americans that do pay their taxes. Already, the IRS is using these resources to crack down on tax evasion by the wealthy and big businesses. For example, the IRS is collecting taxes owed by tax-delinquent millionaires and addressing complex tax schemes used by the largest partnerships and multinational corporations, along with improving customer service and modernizing IT infrastructure. The Budget proposes to restore the full Inflation Reduction Act investment and provide new funding over the long-term to continue cutting the deficit by making sure that wealthy Americans and big corporations pay the taxes they owe.

**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 tax cuts for the wealthy—either extending tax cuts for the top two percent of Americans earning over \$400,000 or bringing back deductions and other tax breaks for these households; and
- Supports paying for extending tax cuts for people earning less than \$400,000 with additional reforms to ensure that wealthy people and big corporations pay their fair share, so that the problematic sunsets created by President Trump and congressional Republicans are addressed in a fiscally responsible manner.

