

## Office of Governor Mark Dayton & Lt. Governor Tina Smith

## President Trump's Budget in Minnesota

In a Letter, Governor Dayton Has Expressed His Concerns about the Impacts of Proposed Federal Budget Cuts in the Lives of Minnesotans

Governor Mark Dayton <u>delivered a letter</u> to Minnesota's Congressional Delegation concerning federal budget cuts proposed by President Donald Trump. Governor Dayton's letter details the many ways in which the President's budget would negatively impact Minnesotans and do harm to our communities. This easy-to-read guidepost for the letter demonstrates how Minnesota communities could be impacted if President Trump's budget becomes law.

## HOW PRESIDENT TRUMP'S BUDGET WOULD IMPACT MINNESOTANS

514,578 Low-Income Minnesotans The Republican budget proposed by President Trump would eliminate Community Service Block Grants, which help local communities improve the lives of people in poverty. In 2015, this funding helped serve 514,578 low-income Minnesotans in 201,262 families. These funds, guided by local innovation with the help of Community Action Agencies, are critical tools for reducing the incidence of poverty in our state.

Air Service in
Bemidji, Brainerd,
Chisholm,
Hibbing, Thief
River Falls, and
International Falls

The Republican budget proposed by President Trump would eliminate funding for the U.S. Department of Transportation's Essential Air Service airport program. Five Minnesota communities receive EAS funding, including Bemidji, Brainerd, Chisholm/Hibbing, International Falls and Thief River Falls. The Essential Air Service (EAS) program was put into place to guarantee that small communities that were served by certificated air carriers before airline deregulation maintain a minimal level of scheduled air service. Without EAS funding, commercial airlines are likely to suspend service to these communities in favor of more lucrative routes.

1,284 Senior Citizens	The Republican budget proposed by President Trump would eliminate the U.S. Department of Labor's Senior Community Service Employment Program. This program provides people age 55 and older with job training to help them return to work. Last year alone, 1,284 Minnesota seniors benefitted from the program.
339,900 Minnesotans, Especially Kids, Seniors, and Persons with Disabilities	The Republican budget proposed by President Trump would eliminate the Low Income Home Energy Assistance Program (LIHEAP). This essential program helps low-income households – including many Minnesota seniors – keep the heat on in the winter. Last year alone, Minnesota received \$114 million from the federal program, helping 339,900 Minnesotans in 133,000 households stay warm during the winter months. Of those households, 35 percent were home to at least one senior citizen, 40 percent were home to a person with a disability, and 22 percent were home to children under the age of 6.
2,800 Low-Income Renters	The Republican budget proposed by President Trump would cut federal rental assistance by \$2 billion, making it much more difficult for over 2,800 low-income Minnesotans to pay their rent.
274,319 People in Greater Minnesota	The Republican budget proposed by President Trump would eliminate Small Cities Community Development Block Grants that are used to rehabilitate homes and revitalize downtown areas in Greater Minnesota. These funds help employ construction workers, engineering firms, non-profit workers, and local government staff. Last year alone, 267,319 low-to middle-income Minnesotans and 900 commercial businesses benefitted from funding for projects in Greater Minnesota. Another 6,000 benefitted from clean water infrastructure projects, and 100 jobs were created as a result of economic development.
500 Schools and 560 Teachers	The Republican budget proposed by President Trump would eliminate the U.S. Department of Education's Supporting Effective Instruction State Grants Program. This program serves the highest poverty school districts, helping train and retain great teachers. Minnesota currently receives \$31.7 million from the program, benefitting 500 Minnesota schools. The President's proposed cuts would eliminate approximately 560 teaching positions, impacting thousands of schoolchildren.
23,517 Low-Income Children	The Republican budget proposed by President Trump would eliminate the U.S. Department of Education's 21 <sup>st</sup> Century Community Learning Centers Program. This program serves poor children enrolled in after school programs designed to help them read and provide them a safe place to learn before and after school. Last school year, these programs served 23,517 low-income Minnesota students attending 384 different schools.

10,000 Visually Impaired Minnesotans	The Republican budget proposed by President Trump would eliminate \$3 million that Minnesota receives from the U.S. Department of Education's State Library Program. This funding benefits 10,000 visually impaired Minnesotans who receive services through the state's Braille and talking book libraries, which reaches 368 public libraries and universities across Minnesota.
69 Programs Helping First-Generation College Students	The Republican budget proposed by President Trump would cut the U.S. Department of Education's TRIO programs by 10 percent, or \$92 million. TRIO is a set of federally-funded college opportunity programs that motivate and support students from disadvantaged backgrounds in their pursuit of a college degree. There are 69 TRIO programs in 31 colleges and universities across Minnesota.
61,000 Students at 158 Schools	The Republican budget proposed by President Trump includes a 35 percent cut to the U.S. Department of Education's Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP), and freezes future grants from being awarded. GEAR UP provides grants to states and partnerships to provide services at high-poverty middle and high schools, and to provide college scholarships to low-income students. Minnesota's GEAR UP grant ends this year. If the state is denied future funding, over 61,000 students would lose support for college preparation and access, 158 schools and over 40 higher education partners would be impacted, and about 20 full-time jobs would be eliminated.
27,000 Students	The Republican budget proposed by President Trump would eliminate the U.S. Department of Education's Federal Supplemental Educational Opportunity Grant Program. This program provides financial assistance to undergraduate students who are pursuing a higher education. About 27,000 Minnesota students benefit from financial assistance provided through this program.
122,103 Students	The Republican budget proposed by President Trump would cut \$3.9 billion from the U.S. Department of Education's Pell Grant Program. This cut would eliminate the opportunity for summer Pell Grant funding. The President's budget would also provide no increase in eligibility, no inflationary adjustment, and no savings in State Grants. In 2015 alone, 122,103 Minnesota students received over \$408 million in Pell Grant funding to help make higher education more affordable.
114,134 Student Workers	The Republican budget proposed by President Trump would make significant cuts to the U.S. Department of Education's Work Study Program, and eliminate all work study opportunities for graduate

	students. In 2015, 114,134 Minnesota graduate students had opportunities to work because of this program.
44,000 Low-Income Households, Especially Kids, Seniors, and Disabled Persons	The Republican budget proposed by President Trump would eliminate the U.S. Department of Energy's Low-Income Weatherization Assistance Program. This program provides grants to states to improve energy efficiency in low-income homes – saving Minnesotans money, and reducing energy use. On average, the program reduces a household's energy bill by 30 – 45 percent. Since 2005, over 44,000 Minnesota households have benefitted from the program. Last year alone, 2,789 Minnesotans were served, including 455 elderly Minnesotans, 357 persons with disabilities, and 461 children.
\$3.3 Million for Energy Innovation and Emergencies	The Republican budget proposed by President Trump would eliminate the U.S. Department of Energy's State Energy Program. The program provides funding to carry out programs tailored to individual state's needs, including energy-related economic development work, private sector energy innovation, and state-driven energy system and infrastructure planning. SEP is also the primary mechanism for governors to plan for and mitigate energy-related emergencies. Minnesota has prioritized energy assurance and response, financial and technical assistance, and outreach and education. On average, Minnesota receives \$1 million each year as well as \$317,000 in competitive awards. Additionally, if the DOE Energy Efficiency & Renewable Energy Office Sunshot Initiative is eliminated, an additional \$2 million in current competitive grant awards would be lost.
47 Percent Cut to Environmental Protection in Minnesota	The Republican budget proposed by President Trump would cut the U.S. Environmental Protection Agency (EPA) by 31 percent. It proposes a severe 47 percent cut to the Minnesota Pollution Control Agency (MPCA), including the Great Lakes Restoration Initiative to clean up pollution in the St. Louis River, the Clean Diesel Program that targeted the reduction of pollution emissions. Other grant program cuts would severely limit the state's ability to monitor air and water quality, and to limit pollution.
Great Lakes Protection and Restoration	The Republican budget proposed by President Trump would eliminate the Great Lakes Restoration Initiative (GRLI) and the National Oceanic and Atmospheric Administration's Coastal Zone Management programs. The Minnesota Department of Natural Resources and the Minnesota Pollution Control Agency receive GRLI and NOAA funding for the following activities: \$800,000 annual grants for prevention and management of Aquatic Invasive Species in the Great Lakes Basin, \$4.5 million grant for habitat restoration and remedial action plan implementation activities in the St. Louis River Area of Concern Project, and \$896,000 lake management activities to protect water quality in Lake Superior Basin through efforts to reduce impairments and toxic

	chemicals. The Coastal Zone Management program funds \$972,000 annually for protecting streams and rivers in the Great Lakes area.
Clean Water in Small Rural Communities	The Republican budget proposed by President Trump would eliminate the U.S. Department of Agriculture's water and wastewater loan and grant program. This program provides funding for essential water infrastructure projects in small rural communities throughout Minnesota. In 2016 the program provided almost \$50 million in construction funding for Minnesota communities. The President's budget states that this program is duplicative and that rural communities can be served by private sector financing or the Environmental Protection Agency's State Revolving Funds. However private sector financing is often unaffordable for small rural communities, and while it is positive that the very important State Revolving Funds are not proposed for cuts, the small recommended increase for the SRFs would not replace the loss in funding from the elimination of the USDA program. The net result would be that many small rural communities in Minnesota would not be able to make the water infrastructure improvements they need to protect public health and the environment.
Minnesota Farmers and Agricultural Economies	The Republican budget proposed by President Trump would cut discretionary agriculture spending by the U.S. Department of Agriculture by 21 percent, which would negatively impact farms and rural communities. The President's budget would also cut the McGovern-Dole Food for Education Program by \$200 million. The program was developed to provide school lunch for students in developing countries and diminishes America's effort to decrease global food dependency and its linkage to global education. The proposed \$200 million reduction in the WIC program turns our back on the health and nutritional needs of low income Women, Infants and Children in America. In addition, the budget proposes a to be determined decrease in support for USDA farm service centers which will decrease the amount of service provided by critical county offices across rural America.
Transit Funding for Minnesota	Funding for the Federal Transit Administration's Capital Investment Grant Program (CIG), known as New Starts, Small Starts, and Core Capacity are currently funded at a level of \$2.3 billion, the level authorized in the Fixing America's Surface Transportation (FAST) Act. However, the President's budget proposes to limit the funding to projects with existing full funding grant agreements which may prohibit the extension of the Green Line (Southwest LRT) from being funded. The CIG program is important to communities — generating regional economic benefit, connecting workers to their employers, relieving congestion, and mitigating air quality in metro areas. Our metropolitan region values this program and the work of FTA as an essential partner in expanding our transit network. Critical projects such as the Orange Line

and Green Line extension projects have advanced significantly in the planning process and now rely on the CIG program for funding.

\* \* \* \* \*