

The National Council of Social Security Management Associations, Inc.
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Bipartisan Budget Agreement For Fiscal Year (FY) 2018 and 2019 Appropriations

Yesterday, after months of discussions and negotiations, Senate leaders announced a bipartisan budget deal that would increase discretionary spending over the next two years. The deal would provide \$296 billion in additional funding for Fiscal Years (FY) 2018 and 2019, and also suspend the debt ceiling until March 1, 2019.

Defense spending caps would be raised by \$80 billion in FY 2018 and \$85 billion in FY 2019. The agreement would raise nondefense spending, which includes the Social Security Administration's (SSA) administrative funding, by \$63 billion in FY 2018 and \$68 billion in FY 2019. The spending caps would be "deemed" enforceable under House and Senate budget rules. The agreement does not prevent any eventual action on an FY 2019 Budget Resolution, but it remains to be seen what will happen on that front.

Although appropriators traditionally control where the money goes, the bipartisan agreement assumes that certain nondefense programs would receive specific allocations. The deal assumes that Congress will provide the following:

- \$20 billion for infrastructure projects like surface transportation, rural broadband and clean drinking water;
- \$6 billion over two years for anti-opioid and mental health efforts;
- \$5.8 billion for Child Care Development Block Grants;
- \$4 billion to rebuild veterans' hospitals and clinics;
- \$4 billion for college affordability programs, including those for police officers, firefighters and teachers;
- \$4 billion to help clear out a Veterans Affairs health care maintenance backlog; and
- \$2 billion for the National Institutes of Health (NIH).

Various documents are circulating on the Hill that mention increased funding for SSA, but specific allocations have yet to be determined. We have been in close communication with Hill contacts and others and will continue to provide additional information as it becomes available.

Excerpt from "2018 Budget Agreement Overview" (Minority Memo)

Democrats secured an increase in funding for the Social Security Administration so that seniors and other beneficiaries get better services from regional offices.

- *Since FY2010, the SSA Administration and expenses account, which supports claim processing, drop-in centers, and the hotline, has received a cut of 16 percent, adjusted for inflation.*

- *This is a loss of 10,000 employees, 64 closed field offices and reduced hours. Claims appeals and even routine inquiries are taking longer to process.*
- *This is impacting people at a very real level and causing not only frustration, but sometimes financial hardship.*

Excerpt from “Bipartisan Budget Agreement of 2018”

3. The Congressional Leaders agree to work with the leaders of the appropriations committees to ensure that the following non-defense spending priorities are funded in the fiscal year 2018 omnibus and the fiscal year 2019 appropriations bills at levels exceeding those provided in fiscal year 2017. Specific spending decisions shall be left to the members of the appropriations committees, but the Leaders will work to ensure that the resulting legislation complies with the terms and spirit of this agreement. The ranking members of the House and Senate Appropriations committees shall be consulted on conference subcommittee allocations, and the Leaders agree those allocations should be consistent with this agreement. Increased Funding for Non-defense discretionary priorities includes:

g. Adequate Funding for Taxpayer and Social Security Administrative Services – Congressional leaders agree to adequate funding for the Internal Revenue Service and the Social Security Administration to satisfy the demand for constituent services and tax administration.

The budget agreement would also provide \$89.3 billion in additional emergency funds for hurricane-affected communities, including \$4.9 billion in increased Medicaid funding for Puerto Rico and the U.S. Virgin Islands. This is \$8 billion more than the disaster aid bill the House passed in December.

The agreement would also extend authorization of the Children’s Health Insurance Program (CHIP) for the next 10 years and authorize \$7 billion in total funding for community health centers for two years. It would close the Medicare Part D prescription drug benefit “donut hole” for seniors in 2019 and fund a number of other health-related programs.

The agreement does not address Deferred Action for Childhood Arrivals (DACA).

Following Congress’ approval of this framework, which is expected later today, the House and Senate Appropriations Committees will begin writing the FY 2018 omnibus appropriations measure that will fund the entire federal government for the rest of FY 2018 at the higher levels. We will share additional details and information regarding SSA’s recommended funding levels as the FY 2018 omnibus advances.

Update on H.R. 4547, the *Strengthening Protections for Social Security Beneficiaries Act of 2017*

On Monday, February 5, 2018, H.R. 4547, the *Strengthening Protections for Social Security Beneficiaries Act of 2017*, was passed by the House. The vote was 396-0. NCSSMA worked with members and staff of the House Subcommittee on Social Security and we indicated our support for this legislation when it was first introduced by Subcommittee Chairman Sam Johnson (R-TX-3) and Ranking Member John Larson (D-CT-1) in December. The measure has now been referred to the Senate Finance Committee, and we will continue to indicate our support for this legislation and work with Members of Congress and staff as it works its way through the legislative process.

Update on S. 1887, the *Direct Hire of Students and Recent Graduates Act of 2017*

On Monday, February 5, 2018, S. 1887, the *Direct Hire of Students and Recent Graduates Act of 2017*, was reported out of the Senate Homeland Security and Governmental Affairs Committee (HSGAC) and placed on the Senate Legislative Calendar on General Orders. As part of the Government Managers Coalition (GMC), NCSSMA has been a strong supporter of the legislation, introduced by Sen. James Lankford (R-OK) last fall. We will continue to work for passage of the bill in the Senate and advancement in the House, either through taking up a Senate-passed bill or introduction of a companion measure.

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