



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

May 16, 2018

The Honorable Rodney Frelinghuysen
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

On May 9, 2018, the Commerce, Justice, and Science Subcommittee considered the fiscal year (FY) 2019 Commerce, Justice, Science, and Related Agencies Appropriations bill. Overall, according to information provided in the Subcommittee press release, the bill appears to decrease funding by about \$3.2 billion, or nearly 5 percent below the FY 2019 Budget request. The Administration appreciates the opportunity to weigh in on this bill.

The President's FY 2019 Budget request, as amended, accounts for the Bipartisan Budget Act of 2018 (BBA's) new Defense and non-Defense discretionary spending caps for FY 2019. As we have noted in previous letters as well as the FY 2019 Budget, the Administration strongly supports the overall defense levels included in the BBA. However, given the Nation's long-term fiscal constraints and the need to right-size the Federal Government, the Administration does not support spending at the BBA's non-Defense caps.

The Administration appreciates that the Subcommittee bill includes funding for critical priorities, including:

- National Aeronautics and Space Administration (NASA). The bill provides the requested funding for the Administration's efforts to lead an innovative program of exploration with commercial and international partners to enable human expansion across the solar system, including initial funding for a lunar robotic lander program, a lunar-orbit gateway to mature long-duration human exploration capabilities, and a program to establish new commercial space station capabilities in low-earth orbit.
- Federal Law Enforcement. The bill strongly supports the Department of Justice's (DOJ) law enforcement components including the Federal Bureau of Investigation; the Drug Enforcement Administration (DEA); the Bureau of Alcohol, Tobacco, Firearms, and Explosives; the Organized Crime and Drug Enforcement Task Forces; the U.S. Marshals Service; and Federal Prisoner Detention by providing a total of \$16.5 billion. These resources would support efforts to address key priorities including drug trafficking, immigration enforcement, violent crime, and counterterrorism.

- Immigration Judges (IJs). The bill provides \$630 million for DOJ's Executive Office of Immigration Review (EOIR), which would fund 100 new IJs and support staff. These resources are vital to the Administration's immigration enforcement efforts because they increase EOIR's adjudicatory capacity to more efficiently address a growing caseload and the alarmingly large backlog of immigration-related cases.
- Combating the Opioid Crisis. The bill fully funds anti-opioid efforts across DOJ, providing over \$2.7 billion for DEA in support of its efforts to eliminate prescription drug diversion and abuse, counteract growing heroin and fentanyl availability, and enhance law enforcement safety in dealing with these deadly substances. The bill also provides \$380 million for Comprehensive Addiction and Recovery Act grants including the Comprehensive Opioid Abuse Program, Drug Courts, Residential Substance Abuse Treatment, and Prescription Drug Monitoring Programs.
- 2020 Decennial Census. The bill provides \$4.5 billion for the Census Bureau's Periodic Censuses and Programs at the Department of Commerce, to continue preparations to conduct a modern, efficient, and accurate 2020 Decennial Census. This level supports all planned testing, preparations, and scale up in operations while also reducing programmatic risk—by providing funding certainty—as the Census Bureau enters this critical phase of the program.
- Weather Satellites. The bill provides \$1.6 billion for the Department of Commerce's National Oceanic and Atmospheric Administration's (NOAA) procurement activities, which supports, among other things, acquisition of NOAA's weather satellites. The FY 2019 Budget request proposed organizational changes to NOAA's polar orbiting satellite programs, which are funded within this account, and the Administration looks forward to working with the Committee to adopt these changes that would lower costs without impacting the projected launch schedules.

However, the bill underfunds key investments in critical areas supported in the FY 2019 Budget request and/or includes funding that the Administration believes is not in line with the overall restraint in non-Defense spending reflected in the FY 2019 Budget request, including:

- National Science Foundation (NSF). The bill provides \$8.2 billion for NSF, \$408 million above the FY 2018 enacted level and \$703 million above the FY 2019 Budget request. The FY 2019 Budget request is sufficient to achieve the agency's mission and maintain current operations.
- NASA Education. The bill provides \$90 million, \$10 million below the FY 2018 enacted level, for NASA's Office of Education. The FY 2019 Budget request proposes to eliminate this office and redirect its funds to higher priorities.
- State and Local Grants. While the Administration appreciates the overall support provided by the Subcommittee for State and local law enforcement assistance grants, the Administration urges the Committee to provide the full request of \$140 million for DOJ's Violent Gang and Gun Crime Reduction/Project Safe Neighborhoods

program. This program would help to create safer neighborhoods through sustained reductions in gang violence and gun crime.

- **Trade Enforcement.** The bill does not provide the requested funding for the International Trade Administration (ITA) and Bureau of Industry and Security (BIS) trade enforcement programs within the Department of Commerce, which directly support the Administration's efforts to address unfair trade practices impacting U.S. businesses and national security. The funding increases requested in the FY 2019 Budget for ITA and BIS are necessary to allow these bureaus to utilize their statutory authorities to investigate export control and trade violations and enforce export control and trade laws as well as conduct critical industrial base studies. The Administration urges the Committee to provide this funding that would support both free and fair trade for U.S. businesses and the protection of critical U.S. industries for the purposes of national security.
- **Economic Development Administration (EDA).** The bill continues to provide funding for EDA within the Department of Commerce, which the Administration proposed to eliminate. The Congress has failed to reauthorize EDA's Economic Development Assistance Programs since the authorization expired in 2009 and independent reviews of EDA's programs by the Government Accountability Office have identified these programs as duplicative of other Federal, State, and local efforts.
- **Manufacturing Extension Partnership (MEP) program.** The bill continues to provide funding for the National Institute of Standards and Technology's MEP program within the Department of Commerce. The Administration proposed to eliminate Federal funding for MEP centers, which subsidize advisory and consulting services for private sector manufacturing companies, and transition the program to non-Federal funding sources consistent with the original intent of this program.

The Administration urges the Committee to include in the bill the amendments requested in the FY 2019 Budget in section 218 of the DOJ General Provisions. The amendments proposed by section 218 would prevent State and local government officials from prohibiting or restricting any law enforcement entity or official from complying with a lawful civil immigration detainer request, and would authorize the Department of Homeland Security and DOJ to make Federal grant awards subject to State and local cooperation with immigration enforcement activities and requests.

In addition, the FY 2019 Budget request reflects the Administration's desire to bring more Federal spending under the caps reached in the 2018 BBA by limiting the use of changes in mandatory programs, or CHIMPs, that generate no net outlay savings to offset real increases in discretionary spending. While there are programmatic reasons for some CHIMPs, most of them simply push the availability of funding from one year to the next, or rescind money from a program that no one actually expected would be spent. The Administration encourages the Committee to achieve its discretionary topline while minimizing the use of CHIMPs. Specific to this bill, the Administration looks forward to working with the Committee to reform the Crime Victims Fund—by far the largest CHIMP—to cap receipts going into the fund and to provide predictable and sufficient funding for crime victims and victim services.

As the Committee takes up the Commerce, Justice, Science and Related Agencies Appropriations Subcommittee bill, the Administration looks forward to working with you to address these concerns.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mick Mulvaney", with a large, sweeping flourish underneath.

Mick Mulvaney
Director

cc: The Honorable John Culberson
The Honorable José Serrano

Identical Letter Sent to The Honorable Nita Lowey