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Special Edition

President Biden Unveils FY 2023 Budget Request

The White House on March 28, 2022, [released](#) President Joe Biden's \$5.8 trillion [proposed budget](#) for federal spending in fiscal year (FY) 2023. The president's budget proposal serves as a fiscal blueprint for the administration's policy priorities and signals to Congress on what the White House hopes to accomplish over the coming years. It also provides a detailed look at how the president's spending and revenue proposals would affect federal deficits and debt. It includes the administration's assumptions about how those policies would affect economic growth, inflation and interest rates.

The budget calls for \$5.8 trillion in spending in FY 2023, or 4.5 percent of gross domestic product (GDP). The proposal would raise taxes on billionaires and corporations, and increase spending on both military and domestic priorities; it includes \$1.6 trillion in discretionary funds – \$813 billion for defense and \$769 billion for non-defense. Notably, the budget omits the president's climate and social spending package, the Build Back Better Act, Ukraine aid and additional COVID-19 relief.

- **Spending:** By the end of the budget window, the budget would increase spending by nearly \$1.4 trillion over the next 10 years, compared to Office of Management and Budget's (OMB) baseline. As a share of GDP, spending would reach 23.9 percent of GDP, more than 3 percentage points higher than the 50-year average by 2032. Over the next decade, spending would average 23.4 percent of GDP.
- **Deficits:** The budget assumes projected deficits totaling \$14.4 trillion over the next decade. OMB estimates the deficit will increase from \$1.4 trillion this year to nearly \$1.8 trillion in 2032. Deficits are projected to exceed \$1 trillion every year over the next decade.



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- Nevertheless, Congress controls the purse strings. With the release of the president's full budget, Congress will now begin drafting spending bills. The government is funded through 12 appropriations – or spending – bills that need to be passed by both chambers and signed into law by the president. Those spending bills can be passed along party lines in the House, where Democrats control a slim majority. But they need 60 votes in the Senate, which is split 50-50.

President Biden's Requests Across-the-Board Increases for Federal Agencies:

Department	Fiscal 2021 Enacted	Fiscal 2022 Enacted	Fiscal 2023 Budget Request	Budget Increase from FY 2022
Agriculture	\$27.8 billion	\$23.7 billion	\$28.5 billion	+4.8 billion
Commerce	\$11.4 billion	\$8.9 billion	\$11.7 billion	+2.1 billion
Defense	\$715 billion	\$709 billion	\$773 billion	+64 billion
Education	\$102.8 billion	\$73 billion	\$88.3 billion	+15.3 billion
Energy	\$46.1 billion	\$41.8 billion	\$48.2 billion	+6.4 billion
Health and Human Services	\$131.7 billion	\$110.4 billion	\$127.3 billion	+16.9 billion
Homeland Security	\$52.0 billion	\$52.7 billion	\$56.7 billion	+4 billion
Housing and Urban Development	\$68.7 billion	\$60.3 billion	\$71.9 billion	+11.6 billion
Interior	\$17.4 billion	\$14.7 billion	\$17.5 billion	+2.8 billion
Justice	\$35.2 billion	\$33.6 billion	\$37.7 billion	+4.1 billion
Labor	\$14.2 billion	\$12.5 billion	\$14.6 billion	+2.1 billion
State	\$63.5 billion	\$57.9 billion	\$67.6 billion	+9.7 billion
Transportation	\$25.6 billion	\$25.5 billion	\$26.8 billion	+1.3 billion
Treasury	\$14.9 billion	\$13.5 billion	\$16.2 billion	+2.7 billion
Veterans Affairs	\$113.1 billion	\$111.1 billion	\$135 billion	+23.9 billion
Army Corps of Engineers	\$6.8 billion	\$7.8 billion	\$6.6 billion	-1.2 billion
Environmental Protection Agency	\$11.2 billion	\$9.2 billion	\$11.9 billion	+2.7 billion

The following budget details have been released:

U.S. Department of Agriculture (USDA)

- The U.S. Department of Agriculture's (USDA) FY 2023 budget request is \$28.5 billion in discretionary funding, a \$3.3 billion or 13.4 percent increase from the 2022 enacted level.
- **Rural Utilities Service:**
 - \$6.5 billion in electric loans to construct, acquire and improve electric infrastructure, including renewable energy, electric transmission, distribution, smart grid technology, energy efficiency, grid resiliency and security enhancements
 - \$300 million in new funding to support decarbonization of the electric grid in order to meet the administration's goal of zero carbon electricity by 2035
 - \$15 million for new technical assistance funding to support the **Rural Clean Energy Initiative**
 - \$600 million in budget authority to continue the **Broadband Pilot Program (ReConnect)**, an increase of \$113 million above FY 2022 enacted levels; this amount builds on the \$2 billion provided in the Infrastructure Investment and Jobs Act (IIJA) (P.L. 117-58) for the rural e-connectivity program
 - \$60 million for **Distance Learning and Telemedicine (DLT) grants**, a decrease of \$2.5 million below FY 2022 enacted levels, and
 - \$1.4 billion in regular direct loans and \$50 million in guaranteed loans for water and waste disposal facilities to provide safe and sanitary water services
- **Rural Housing Service:**
 - \$30 billion loan level for the **Guaranteed Single Family Housing program**, the same as FY 2022 enacted levels
 - \$400 million for the **Section 538 Guaranteed Loans for Multi-Family Housing**, an increase of \$150 million above FY 2022 enacted levels
 - \$75 million in budget authority for the **Multi-Family Housing Preservation and Revitalization program**, an increase of \$41 million above FY 2022 enacted levels
 - \$2.8 billion in **Community Facilities Direct Loans**, the same as FY 2022 enacted levels
 - \$500 million in **Community Facilities Guaranteed Loans**, a decrease of \$150 million below FY 2022 enacted levels
 - \$52 million in **Community Facilities Grants**, an increase of \$12 million above FY 2022 enacted levels, and
 - \$12 million for **Rural Community Development Initiative Grants**, an increase of \$6 million above FY 2022 enacted levels
- **Rural Business-Cooperative Service:**
 - \$1.5 billion for the **Business and Industry (B&I) Guaranteed Loan Program**, an increase of \$250 million above FY 2022 enacted levels
 - \$37 million in budget authority for the **Rural Business Development Grant Program**, the same as FY 2022 enacted levels
 - \$15 million in **Rural Economic Development Grants** and \$75 million in **Rural Economic Development Loans**, and increase of \$25 million above FY 2022 enacted levels
 - \$6 million in budget authority for the **Rural Microentrepreneur Assistance Program**, a decrease of \$500,000 below FY 2022 enacted levels
 - \$30.7 million for **Rural Cooperative Development Grants**, an increase of \$3.1 million above FY 2022 enacted levels, and
 - \$20 million in loans, a decrease of \$30 million below FY 2022 enacted levels, and \$30 million in grants, an increase of \$17.5 million above FY 2022 enacted levels, for the **Rural Energy for America Program (Section 9007)**, an increase of in addition to the mandatory funding of \$50 million for renewable energy systems and energy efficiency improvements

- **Food and Nutrition Service:**
 - \$111 billion for the **Supplemental Nutrition Assistance Program (SNAP)**, a decrease of more than \$29 billion below FY 2022 enacted levels
 - \$6 billion for the **Special Supplemental Nutrition Program for Women, Infants and Children (WIC)**, the same as FY 2022 enacted levels, and
 - \$464 million for the **Commodity Assistance Program (CAP)**, an increase of \$23.93 million above FY 2022 enacted levels
- **Natural Resources and Environment:**
 - \$318 million for **Forest and Rangeland Research** to continue investments in scientific research priorities, including improving the understanding of climate change, increasing adaptation and resilience to climate change and pursuing nature-based climate solutions
 - \$2.7 billion for **Wild Fire Management Activities** focusing critical investments in hazardous fuels treatments, firefighter compensation and supporting the objectives of the agency's 10-year strategy to confront the nation's wildfire crisis
- **Farm Production and Conservation:**
 - \$35 million for the **Livestock Indemnity Program**
 - \$135 million for the **Emergency Assistance for Livestock, Honey Bees and Farm-Raised Fish Program**
 - \$593 million for the **Environmental Quality Incentives Program (EQIP)**
 - \$423 million for the **Conservation Stewardship Program (CSP)**

U.S. Department of Commerce (DOC)

- The Department of Commerce's FY 2023 budget request is \$11.7 billion in discretionary funding, a \$2.7 billion increase from the FY 2022 enacted level. The department describes this budget request as key to "driving U.S. innovation and global competitiveness, fostering inclusive capitalism and equitable economic growth, addressing the climate crisis, expanding opportunity and discovery through data and providing 21st century service."
 - \$6.9 billion for the **National Oceanic and Atmospheric Administration (NOAA)** to advance what the agency describes as a "Climate-Ready Nation," including:
 - \$2.3 billion for the next generation of weather satellites at NOAA
 - \$1.3 billion for the **National Weather Service**
 - \$350.4 million to implement the president's Executive Order (EO) on *Tackling the Climate Crisis at Home and Abroad*
 - An increase of \$212.5 million over FY 2022 to support offshore wind energy, ocean and coastal mapping and charting, and developing key weather and space observations infrastructure
 - A \$102.7 million increase in funding for investments in NOAA facilities, and
 - \$39.2 million to execute on equity goals laid out by the Biden Administration
 - \$1.5 billion for the **Bureau of the Census**, including \$160 million for the 2020 Census, \$252 million for the 2030 Census preparation, \$245.6 million for the American Community Survey and \$170 million for Economic Census
 - \$140.9 million for the **Bureau of Economic Analysis**, including \$2 million in new funding to provide space economy statistics that measure the impact of commercial space-related industries and \$2.7 million to measure the distribution of personal income by decile and by state
 - \$502.5 million for the **Economic Development Administration (EDA)** for grant programs and operating expenses, including:

- \$80.5 million for the **Assistance to Coal Communities** program
- \$50 million to establish a new recompute pilot
- a \$10.5 million increase for the **Economic Adjustment Assistance** program, and
- a \$8 million increase for the **STEM Apprenticeship Program** to increase the availability of these grants
- \$630.8 million for the **International Trade Administration (ITA)**, including \$1 million to ITA to implement the records management program
- \$199.5 million for the **Bureau of Industry and Security**, including \$36.2 million to support the national information and communication technology and services (ICTS) supply chain and \$10 million in new funding to strengthen national security efforts to counter new threats from Russia and China
- \$110 million for the **Minority Business Development Agency (MBDA)** to implement the Minority Business Development Act of 2021, including:
 - an increase of \$29.7 million to stand up two regional offices, and
 - an increase of \$32.2 million to establish a Rural Business Center Program and expand the agency's Flagship Business Center Program
- \$4.1 billion for the **U.S. Patent and Trademark Office (USPTO)**
- \$1.467 billion for the **National Institute of Standards and Technology (NIST)**, including:
 - \$975 million for the Scientific and Technical Research and Services which would boost funding for NIST's Laboratory Programs and Standards Coordination and Special Programs and provide \$2.7 million for the Baldrige Performance Excellence Program
 - \$372 million for Industrial Technology Services (ITS) which would provide \$275 million for the Hollings Manufacturing Extension Partnership (MEP) and \$97 million for Manufacturing USA
 - \$120 million for NIST construction of research facilities to address the major utility infrastructure maintenance backlog and modernize and upgrade IT networks
 - \$100.6 million for cybersecurity and privacy activities, and
 - \$5.8 million to build a diverse scientific workforce at the agency
- \$67.6 million for the **National Telecommunications and Information Administration (NTIA)** with a particular focus on expanding broadband access and adoption in rural areas, including:
 - \$27.4 million for NTIA's broadband program for mapping efforts and technical services
 - \$14.2 million for NTIA's domestic and international policies
 - \$12.7 million for NTIA's advanced communications research program
 - \$8.9 million for NTIA's spectrum management program, and
 - \$4.4 million to support 911 call centers

U.S. Department of Defense (DOD)

- The Department of Defense's FY 2023 budget request is \$773 billion, which is an increase of \$44.5 billion (5.75 percent) above FY 2022 enacted levels and an increase of \$69.3 billion (9.8 percent) above FY 2021 enacted levels. The White House describes this budget request as "one of the largest investments in our national security in history."
- The request also includes a five-year budget blueprint that will see discretionary funding for the DOD projected to grow approximately \$20 billion each year for the next five fiscal years.
- The budget request continues the Biden Administration's stance on directing war and enduring operation costs are included within the base budget request, rather than as a separate Overseas Contingency Operation (OCO) request.

- The White House's posture and plus-up in military programs reflects a shift in resources to match priorities and ongoing determent efforts against Russia and China. Specifically, the request includes:
 - nearly \$1.8 billion to support a free and open, connected, secure and resilient Indo-Pacific Region and the Indo-Pacific Strategy
 - \$400 million for the Countering the People's Republic of China Malign Influence Fund
 - \$682 million for Ukraine, an increase of \$219 million above the 2021 enacted level, to counter Russian malign influence and to meet emerging needs related to security, energy, cybersecurity issues, disinformation, macroeconomic stabilization and civil society resilience
 - \$6.9 billion for the European Deterrence Initiative, up from a \$3.6 billion request in FY 2022
 - investment in cybersecurity programs to protect the country from malicious cyber actors and cyber campaigns. These priorities include strengthening cyber protection standards for the defense industrial base and investing in the cybersecurity of DOD networks.
- As the country recovers from the COVID-19 pandemic, the president's DOD budget request enhances biodefense and pandemic preparedness providing robust funding for programs that support the administration's priorities, strategies and plans as outlined by the Office of the Assistant Secretary for Health Affairs, Chemic and Biological Defense Program and Biological Threat Reduction Program.
 - The budget supports enhanced investments in medical countermeasures, including vaccines, diagnostics, and therapeutics research and manufacturing; clinical research and testing; early warning and real-time monitoring; biosafety and biosecurity; and threat reduction activities with global partners.
- The Pentagon also seeks to boost research and development of new technologies such as artificial intelligence (AI), microchips and hypersonic weapons, invests in key technologies and sectors of the U.S. industrial base such as microelectronics, casting and forging, and critical materials, and prioritizes nuclear modernization and missile defense. Specifically, the budget request includes:
 - \$130.1 billion on research and development, which is a 9.5 percent increase from FY 2022 and is the largest on record
 - \$34.4 billion for nuclear modernization
 - \$24.7 billion for missile defense programs, and
 - \$27.6 billion for space missile warning, missile tracking and space launch efforts
- Funding is included for U.S. nuclear triad and modernization programs, including the nuclear command-and-control and communications network, largely related to the implementation of the forthcoming National Defense Strategy (NDS).
 - With regard to the NDS, the budget also optimizes a force structure to build a Joint Force that is "lethal, resilient, sustainable, survivable, agile and responsive." The budget supports DOD's plan to upgrade capabilities by redirecting resources to new technologies in high-priorities platforms.
- The budget request continues the Biden Administration's focus on climate and energy resilience. The request supports warfighting operations by examining the security implications of climate-induced extreme weather and to adapt DOD platforms and military installations to protect mission critical capabilities. Additionally:
 - the budget request supports efforts to plan for and mitigate the impacts of climate change and improve the resilience of DOD facilities and operations
 - the budget invests in power and energy performance, which makes U.S. forces more agile, efficient and survivable in a complex and changing environment

- The change in policies and priorities globally also include a change in discretionary funding for the country's armed services. Specifically, the president's budget includes funding for:
 - **Air Force:** The request is seeking \$234.1 billion for FY 2023, up from \$182 billion provided by Congress for FY 2022. The request is looking to shed Cold War-era planes and older drones and invest more in modern aircraft.
 - **Army:** The Army would see a slight increase to \$177.5 billion in FY 2023, compared to the \$174.7 billion that Congress approved for FY 2022, approximately a 1.6 percent increase.
 - **Navy:** The Navy request is \$180.5 billion, up about \$8 billion from the current level.
 - **Marine Corps:** The budget request is for \$50.3 billion, nearly a 1.8 percent increase from the FY 2022 enacted level of \$49.5 billion.
 - **Space Force:** The request is for \$24.5 billion for FY 2023, a boost from \$17.4 billion that it requested for FY 2022. Investing in satellites to track missiles remains a key priority.

U.S. Department of Education (ED)

- The Department of Education's (ED) FY 2023 budget request is \$88.3 billion, which is a \$15.3 billion or 21 percent increase above the FY 2021 appropriation. No programs were eliminated or consolidated; however, when comparing FY 2022 enacted with the FY 2023 request, there are some program cuts: 34 programs equated to \$287 million. FY 2022 enacted also included \$392 million in congressionally directed spending that is not included in the FY 2023 request.
- The FY 2023 budget request includes five core themes: supporting students through pandemic response and recovery; boldly addressing opportunity and achievement gaps; supporting a talented and diverse educator workforce; making higher education inclusive and affordable; and building pathways through higher education that lead to successful careers.
- ED budget highlights include:
 - The FY 2023 budget request provides \$161 million to the department's **Office for Civil Rights** to increase the support for Civil Rights Enforcement and protect equal access to education through the enforcement of civil rights laws, such as Title IX of the Education Amendments of 1972.
 - The FY 2023 budget request provides a blueprint to double the maximum **Pell Grant** by 2029. The administration intends to work with Congress to ensure inclusion of students who are Deferred Action for Childhood Arrivals (DACA) recipients into federal student aid programs.
 - Several programs would see a slight decrease in funding, as the **Federal Supplemental Education Opportunity Grant Program** will receive \$880 million, \$15 million less than FY 2022 funding levels. In addition, the **Federal Work-Study** program would receive \$1.19 billion, less than its current \$1.21 billion.
 - Pre-K and K-12 Highlights:
 - The FY 2023 budget provides an additional \$3.3 billion over 2021 enacted levels – the largest two-year increase ever – for **Individuals with Disabilities Education Act (IDEA) Grants to States**, with a total of \$16.3 billion to support special education and related services for students in grades Pre-K through 12.
 - The FY 2023 budget request is committed to providing historic investments in schools with high-poverty rates by including funding to advance the goal of providing a high-quality education to every student.
 - The FY 2023 budget request includes \$36.5 billion for **Title I**, including \$20.5 billion in discretionary funding and \$16 billion in mandatory funding, which more than doubles the program's funding compared to the 2021 enacted level.
 - The FY 2023 budget request includes \$1 billion to double the number of school counselors, nurses, and mental health professionals in K-12 schools, especially in the most underserved schools that are recovering from COVID-19 pandemic disruptions.

It also includes \$468 million investment in **Full-Service Community Schools** and partnerships to provide integrated student supports.

- The FY 2023 budget request provides \$200 million for a new **Career-Connected High Schools Initiative** within **Career and Technical Education National Programs**, which will support competitive grants to partnerships of local educational agencies, institutions of higher education and employers to support early enrollment in postsecondary and career-connected coursework; work-based learning opportunities; and academic and career-connected instruction across the last two years of high school and the first two years of postsecondary education.
 - The request outlines a \$100 million investment for the **Sectoral Employment through Career Training for Occupational Readiness program**, which promotes partnerships between community colleges and employers to help train workers for jobs in growing industries. In addition, President Biden requested an additional \$68 million for **registered apprenticeship programs**, totaling \$303 million for FY 2023.
 - The FY 2023 budget includes \$468 million for **Community Schools**; this is an increase of \$438 million above the 2021 enacted level. \$25 million of this amount will help school districts implement integrated student supports focused on addressing a range of student and family needs providing resources through cross-agency efforts and partnerships with community-based organizations and other family support providers external to the school site.
 - The FY 2023 budget provides \$1.075 billion for the **English Language Acquisition (ELA) program**; this is \$278 million above the 2021 enacted level, a 35 percent increase, which includes additional funding to provide technical assistance and build local capacity to better support multi-language learners attain English proficiency and achieve academic success.
- Higher Education Highlights:
- The FY 2023 budget provides \$2.65 billion to the department's **Office of Federal Student Aid (FSA)**, an \$800 million increase compared to the 2021 enacted level. The funding will better serve students and borrowers to finance their postsecondary education and assist with repayment.
 - The FY 2023 budget request increases the maximum **Pell Grant** by \$2,175 over the 2021-2022 award year to \$8,670 for award year 2023-2024, through a combination of discretionary and mandatory funding, to provide additional federal grant assistance for low-and middle income college students.
 - The FY 2023 budget request includes funding for institutional capacity at **Historically Black Colleges and Universities (HBCUs), Tribally Controlled Colleges and Universities (TCCUs), Minority Serving Institutions (MSIs)** and low-resourced institutions, including community colleges, by providing an increase of \$752 million over the 2021 enacted level. Included in this amount is \$450 million in new investments to improve the research capacity of HBCUs, MSIs and TCCUs to expand the research capacity of institutions that have historically been underrepresented. The FY 2023 budget request includes \$20 million for the Augustus Hawkins Centers of Excellence to support teacher preparation programs at HBCUs, TCCUs and MSIs.
 - The FY 2023 budget request includes significant increases in the **TRIO** programs, which provide educational opportunity outreach programs designed to motivate and support students from disadvantaged backgrounds. There is a \$200 million increase from 2021 enacted levels to expand services that promote access and completion in higher education for underserved individuals.

U.S. Department of Energy (DOE)

- The Department of Energy's FY 2023 budget proposes a total of \$48.2 billion for DOE, an increase of \$3.3 billion from the FY 2022 enacted level.

- The budget commits to execute IIJA programs according to the implementation plan, including: battery technology and manufacturing; buildings, training and workforce programs; clean hydrogen manufacturing recycling research, development and demonstration (RD&D); energy efficiency programs; marine, hydropower and hydroelectric technology; solar energy technology and manufacturing; and wind energy technology.
- The budget also includes a placeholder for clean energy tax credits and other energy provisions in the Build Back Better legislation, which remains on hold.
- DOE budget highlights include:
 - The budget includes \$4 billion for the **Office of Energy Efficiency and Renewable Energy (EERE)**, a 25 percent increase over \$3.2 billion in FY 2022.
 - Includes \$200 million for a **Solar Manufacturing Accelerator** to diversify and strengthen the supply chain for solar energy technologies, while also enhancing the domestic capability to produce technologically advanced solar energy components.
 - The budget includes \$297 million for the **Office of Electricity (OE)**, an increase of \$20 million from FY 2022 enacted levels, to accelerate the RD&D and deployment of technologies and solutions to cut energy costs through low-cost clean energy resources, equitably reach net-zero emissions by 2050 and create good-paying jobs.
 - The **Office of Fossil Energy and Carbon Management (FECM)** would receive \$893 million for operations and \$7.49 billion for RD&D and deployment activities, including:
 - \$2.5 billion for carbon storage validation and testing program
 - \$600 million for activities that support critical material innovation, efficiency and alternatives under section 7002(g) of the Energy Act of 2020, including coal-to-products activities and other recovery technologies, and
 - \$100 million for the carbon capture technology program
 - The budget includes \$202 million for the **Office of Cybersecurity, Energy Security, and Emergency Response (CESER)**, which leads the department's efforts to secure U.S. energy infrastructure against all hazards, reduce the risks of and impacts from cyber events and other disruptive events, and assist with restoration activities. This is an increase of \$16.2 million from FY 2022 enacted levels.
 - The budget more than doubles funding for the **Advanced Research Projects Agency–Energy (ARPA-E)** to expand the office's scope to include climate adaptation and resilience innovations. The budget includes \$700 million for ARPA-E, an increase of \$250 million from FY 2022 levels.
 - Includes \$34 million for the **Office of Economic Impact and Diversity** to play a critical role in implementing the department's Justice40 efforts and equity action plan
 - The budget also proposes a \$1 billion mandatory investment to launch a **Global Clean Energy Manufacturing** effort intended to "build resilient supply chains for climate and clean energy equipment through engagement with allies, enabling an effective global response to the climate crisis while creating economic opportunities for the United States to increase its share of the global clean technology market."
 - The budget includes \$2.1 billion for the new Under Secretary for Infrastructure focused on clean energy infrastructure – large-scale demonstration and deployment. Three new offices to support clean energy infrastructure deployment include: 1) **Grid Deployment Office**, 2) **State and Community Energy Program** to work more closely with states, localities, and communities to in the planning and deployment of decarbonization solutions, and 3) **Manufacturing and Energy Supply Chains** to ensure that the energy industrial base is supported by a clean, resilient, domestic supply chain.
 - The budget includes \$90 million to build out the new **Grid Deployment Office (GDO)** to execute DOE's Building a Better Grid initiative to modernize and upgrade the nation's electric transmission lines.
 - The budget includes \$727 million for a new **Office of State and Community Energy Programs (SCEP)** within the Office of the Under Secretary for Infrastructure to partner with state and local organizations to accelerate the deployment of clean energy

technologies and practices through place-based strategies involving a wide range of government, community and business stakeholders, including:

- \$100 million to launch the **Low-Income Home Energy Assistance Program (LIHEAP)** pilot to retrofit and decarbonize low-income households
 - \$502 million for the **Weatherization Assistance Program**
 - \$105 million for **Energy Future Grants** to support state, local and tribal governments in novel approaches to deploying clean energy and meeting energy needs at the local level
- The budget includes \$214 million for the new **Office of Clean Energy Demonstrations**, which was established in the IIJA to deliver clean energy and industrial decarbonization demonstration projects at scale in partnership with the private sector to launch or accelerate market adoption and deployment of technologies, as part of an equitable transition to a decarbonized energy system and economy.
 - The **Title 17 Loan Guarantee Program**, DOE's financing authority to commercialize energy and minerals projects, would receive \$150 million for credit subsidies and \$5 billion in new lending authority, which includes additional support for domestic critical mineral supply chains. The budget includes explanatory language on new Loan Program Office (LPO) lending authority to mineral production, processing and recycling.

U.S. Food and Drug Administration (FDA)

- The budget includes \$8.4 billion for the Food and Drug Administration (FDA), a nearly 34 percent increase over FY 2022 appropriated funding.
- For makers of human and animal food intended to be sold and consumed in the United States, the president's budget request for the FDA is an indication of the Biden Administration's intent to enhance FDA's surveillance and compliance efforts, improve its cooperation with state and foreign government agencies to conduct these activities and to increase its utilization of new technologies to identify and address instances of food safety lapses.
- Coupled with the FDA's proactive food safety efforts under the updated provisions (enacted under the FDA Food Safety Modernization Act or FSMA) of the Food, Drug and Cosmetic Act (FD&CA), domestic and foreign produce, packaged food and ingredient makers of both human and animal food should be aware of and prepared for continued and vigilant regulatory oversight by the FDA and entities with which it has contracts or cooperative agreements. Such entities include state agencies and, in the case of foreign foods, foreign government agencies and private entities authorized to conduct FDA inspections. The FDA estimates that well over half – and up to two-thirds – of FSMA compliance and enforcement activities will be conducted by state officials acting pursuant to a contract or cooperative agreement with the agency.
- Key funding levels for FDA programs include:
 - \$1.602 billion for **Food Safety and Nutrition**, \$76 million in additional funding to enhance food safety efforts, including:
 - \$58.9 million for the **New Era of Smarter Food Safety** initiative to reduce foodborne illnesses
 - \$13.5 million in new funding for the **Healthy and Safe Food For All Initiative** to improve health equity through nutrition and reduce exposure to harmful chemicals and toxins in food
 - \$20 million for **Maternal and Infant Health and Nutrition** to address toxics in baby food, safety and nutritional review of infant formula, and nutrition work specific to infants, toddlers, and pregnant and breastfeeding women
 - \$19.7 million for **Emerging Chemical and Toxicology** issues regulated by the **Center for Food Safety and Applied Nutrition (CFSAN)**
 - \$4.2 billion for **Medical Product Safety**, including priorities on animal drug regulation and supply chain, medical device cybersecurity, ending the opioid epidemic, medical device supply chain support, to develop a predictive toxicology roadmap, and to increase safety and oversight for marketed drug products.

- \$20 million for the **Cancer Moonshot Initiative** to cut the death rate from cancer by at least 50 percent over the next 25 years
- Increases FDA's contribution to the **Pandemic Preparedness Plan**, proposing \$1.63 billion in new resources for spending over five years to expand regulatory capacity on vaccines and therapeutics, improve information technology (IT) and physical infrastructure, and to strengthen work with international partners.
- Includes several legislative proposals to allow FDA to better respond to public health emergencies such as the COVID-19 pandemic, including:
 - enhanced authorities related to shortages of drugs, medical devices and foods (including infant formula)
 - additional tools to allow FDA to continue certain oversight activities when inspections are not feasible
 - expanded authorities for information sharing with the states, and
 - additional authorities for destruction of products which present a significant public health concern
- The budget would provide FDA with several new authorities, including:
 - increase oversight of cosmetics and dietary supplements
 - modernize the **tobacco user fee framework** to allow for a fair distribution of tobacco user fee assessments to all regulated tobacco products

U.S. Department of Health and Human Services (HHS)

- Public health infrastructure and pandemic preparedness (\$81.7 billion total across multiple agencies)
 - \$18 million to evaluate the effects of telehealth on health quality, safety, equity, access, utilization, outcomes and value
 - more than \$50 billion to research, develop and manufacture vaccines and therapeutics, and expand our clinical laboratory infrastructure to protect against future threats
 - \$975 million for the Strategic National Stockpile (an increase of \$130 million)
 - \$9.3 billion to expand vaccine administration programs and new provisions to consolidate all vaccine coverage under Medicare Part B
 - \$600 million to build a resilient public health infrastructure
 - \$353 million to mount a global public health response and \$748 million for Centers for Disease Control and Prevention (CDC) efforts to protect Americans from global health threats
 - \$1.5 billion to support the CDC's efforts to respond to infectious disease outbreaks
 - \$45 million to study the effects of long term COVID-19
 - New secretarial authorities to grant certain flexibilities during future public health emergencies, including Emergency Use Authorization of drugs and devices without patient cost-sharing and laboratory testing flexibilities
 - New funding to boost domestic manufacturing to shore up medical supply chains
 - \$402 million – a \$174 million increase – to support CDC environmental health activities, and
 - \$250 million to support data modernization and forecasting to identify future threats
- Medical innovation and research
 - \$92 million to support the revamped Cancer Moonshot Initiative
 - \$49 billion (a 9.6 percent increase) in National Institutes of Health (NIH) funding, including \$5 billion for the Advanced Research Projects Agency for Health (ARPA-H) to drive biomedical breakthroughs
 - \$268 million to support Agency for Healthcare Research and Quality (AHRQ) research on health costs, quality and outcomes
 - \$4.2 billion for the FDA to improve medical product safety and cybersecurity
 - \$34 million (a \$24 million increase) to optimize FDA inspections

- Reauthorizations for Prescription Drug User Fee Act (PDUFA), the Generic Drug User Fee Act, the Biosimilars User Fee Act and the Medical Device User Fee Act, and
- Amends 180-day drug patent exclusivity provisions so FDA can approve subsequent generic drug applications unless/until a first applicant triggers the exclusivity period
- Behavioral health
 - New provisions to modernize Medicare mental health benefits and apply the Mental Health Parity and Addition Equity Act to Medicare
 - \$7.5 billion for grants and demos to improve Medicaid mental health provider capacity plus an additional \$55 million demo to increase substance use disorder (SUD) treatment capacity in Medicaid
 - \$4.6 billion for Substance Abuse and Mental Health Services Administration (SAMHSA) mental health activities, a \$2.5 billion increase, to expand access to crisis and early intervention services and invest in children's mental health
 - \$1.7 billion for the Community Mental Health Block Grant
 - Permanent expansion of the Community Behavioral Health Clinic Demo
 - New authorities to regulate and enforce behavioral health network adequacy and payment parity for behavioral health services among public and private plans, including requiring at least three behavioral health visits per year with no cost-sharing and disallowing states from prohibiting same-day billing for Medicaid mental and physical health visits
 - More than \$550 million for youth mental health programs and supports
 - \$447 million for Behavioral Health workforce development and burnout prevention programs
 - \$11.4 billion for opioid use disorder and overdose prevention programs
 - \$50 million to co-locate care navigators and mental health specialists in nontraditional settings
 - A \$10 million increase in mental health research
 - \$1 billion for community behavioral health clinics and community mental health centers
 - \$20 million to expand access to and collect data on mental health
 - \$22 million to expand CDC's multipronged strategy on suicide prevention, with a focus on prevention and early intervention and revamping its suicide prevention lifeline, and
 - elimination of the 190-day lifetime limit on psychiatric services under Medicare
- Access and inequities
 - Additional funding to support research on health inequities and enhanced data collection on race, ethnicity and social determinants, including alternative payment models
 - \$5.7 billion in additional funding for community health centers
 - \$790 million for community-based services
 - More than \$1.5 billion in maternal mortality and morbidity programs
 - \$553 million for family planning, teen pregnancy prevention and women's health
 - A \$2.5 billion increase in FY 2023 funding plus mandatory funding increases to strengthen the Indian Health Service over the next decade
 - \$10.65 billion for HIV prevention and treatment programs over the next decade
 - \$1.9 billion for CDC violence and gun mortality prevention programs
 - \$374 million for Rural Health programs, a \$43 million increase
 - \$2.1 billion for Health Resources and Services Administration (HRSA) workforce programs to expand access, particularly rural areas
 - \$45 million to HRSA to expand access to telehealth services
 - \$133 million to expand the diversity of health professionals
 - \$1.6 billion for chronic disease prevention and wellness programs
 - \$3.5 billion over 10 years to phase in the enhanced Medicare conversion factor update for Qualifying Alternative Payment Model (APM) Participants one year earlier to avoid a gap in incentives, and
 - Services furnished by community health workers would be covered under Medicare and exempt from cost sharing
- Investing in children
 - \$405 million to support various CDC child health and safety initiatives

- \$4.9 billion for the unaccompanied children program
 - \$932 million for child welfare and abuse prevention programs
 - \$519 million for family violence prevention programs and support services
 - \$20.2 billion for early childcare and education programs
 - \$10 billion to support foster care initiatives over the next decade, and
 - The budget does propose to decrease the investment in Children's Hospitals Graduate Medical Education (CHGME) by \$25 million to \$350 million
- Core Departmental functions
 - \$3 billion for information technology investments, including \$646 million for cybersecurity enhancements and modernizing Medicare payment systems
 - \$52 million for Office of the National Coordinator (ONC) to improve interoperability of Health IT systems and data sharing, plus new authority to issue opinions on what constitutes "information blocking"
 - Enhanced funding to strengthen HHS oversight and fraud investigations, including the 340B Program, Medicare Advantage and Medicaid managed care plans, long-term care facilities, information blocking and discrimination
 - \$15 million for a new initiative to improve the accessibility of the Centers for Medicare & Medicaid Services (CMS) data to the public and \$5 million for AHRQ to develop an all-payer claims database, and
 - \$10 million in additional funding to continue addressing the Medicare appeals backlog, which has recently been reduced by 93 percent

U.S. Department of Homeland Security (DHS)

- The Department of Homeland Security's FY 2023 budget request is \$56.7 billion in total discretionary spending, a \$2.9 billion (5.4 percent) increase from the FY 2021 enacted level. However, because of FY 2022's inclusion of \$18.799 billion for the Disaster Relief Fund, the FY 2023 request is 25.75 percent or \$19.599 billion less than FY 2022. The budget request continues the Biden Administration's shift away from the border wall and toward increasing the nation's cybersecurity capabilities, climate resilience, and research and development. Funding priorities include:
 - Bolstering federal cybersecurity and critical infrastructure security
 - The budget provides \$2.5 billion to the Cybersecurity and Infrastructure Security Agency (CISA), a \$486 million increase from the 2021 enacted level, to maintain critical cybersecurity capabilities implemented in the American Rescue Plan Act of 2021, expand network protection throughout the federal executive branch, and bolster support capabilities, such as cloud business applications, enhanced analytics and stakeholder engagement.
 - The budget also provides significant enhancements across DHS to modernize protection of systems, networks, assets and information, as required by Executive Order 14028, "Improving the Nation's Cybersecurity."
 - In addition to bolstering federal cybersecurity, the budget includes funding to ensure safe and secure elections, build and maintain critical public-private partnerships, enhance critical infrastructure protection, and prioritize and reinforce CISA's role as the national risk manager.
 - Enhancing natural disaster resilience
 - The budget provides \$3.5 billion for DHS' climate resilience programs. This includes \$507 million, a \$93 million increase from the 2021 enacted level, for the Federal Emergency Management Agency's (FEMA) flood hazard mapping program to incorporate climate science and future risks.
 - The budget also makes robust investments in FEMA's hazard mitigation grant programs, including the Building Resilient Infrastructure and Communities grant program, which

helps communities build resilience against natural disasters, including disadvantaged communities who are disproportionately at risk from climate crises.

- Upgrading research laboratory infrastructure
 - The budget makes historic investments in research and development infrastructure, providing \$89 million to improve and modernize laboratories in the DHS Science and Technology Directorate (S&T). This funding would allow S&T to replace and enhance mission-critical equipment, make necessary information technology improvements, and allow DHS to construct the Detection Sciences Testing and Applied Research Center, which would enable DHS to more efficiently and effectively test and evaluate threat screening devices, and counter homemade explosives to further secure transportation systems and other public venues.
- Investing in effective and modern border security and immigration systems
 - The budget provides \$765 million in discretionary funding for U.S. Citizenship and Immigration Services (USCIS) to efficiently process increasing asylum caseloads; address the backlog of applications for work authorization, naturalization, adjustment of status and other immigration benefits; and improve refugee processing.
 - The budget provides \$15.3 billion for the U.S. Customs and Border Protection and \$8.1 billion for the U.S. Immigration and Customs Enforcement to enforce immigration law, further secure U.S. borders and ports of entry, and effectively manage irregular migration along the Southwest border, including through \$309 million in modern border security technology and \$494 million for noncitizen processing and care costs.

U.S. Department of Housing and Urban Development (HUD)

- The Department of Housing and Urban Development's FY 2023 budget request is \$71.9 billion in discretionary funding, a \$6.2 billion increase from the FY 2022 enacted level.
- The budget proposes to significantly increase access to **Housing Choice Vouchers** by calling for \$32.1 billion to renew all existing housing vouchers and to expand assistance to an additional 200,000 households. A total of \$8.8 billion is proposed for the **Public Housing Fund**, which provides grants to Public Housing Authorities to operate, maintain and make capital improvements to the approximately 1.7 million residents of public housing.
- The budget addresses the nation's homelessness crisis, providing \$3.576 billion, an increase of \$576 million, for **Homeless Assistance Grants**, to help communities reduce homelessness among families, individuals and youth, including survivors of domestic and dating violence, sexual assault, stalking and human trafficking.
- \$3.8 billion is proposed for the **Community Development Block Grant (CDBG) Program**, including \$195 million in targeted resources to remove barriers and revitalize 100 of the most historically underserved neighborhoods in the United States.
- \$35 billion is proposed for the **Housing Supply Fund**, a new mandatory program providing grants to state and local housing finance agencies and their partners to invest in strategies to increase the supply of affordable housing.
- \$2 billion is proposed for the **HOME Investment Partnerships Program (HOME Program)**, the largest federal block grant to state and local governments designed exclusively to create affordable housing for low-income households. If enacted, this would be the highest funding level for the HOME Program in nearly 15 years.
- \$15 billion is proposed to fully fund renewals and amendments in the **Project-Based Rental Assistance, Housing for Persons with Disabilities, and Housing for the Elderly Programs**, along with \$180 million for new development in **Section 202 Housing for the Elderly and Section 811 Housing for People with Disabilities**.
- The budget would provide 15 million in credit subsidies through the Federal Housing Administration (FHA) for a **Home Equity Accelerator Loan (HEAL) Pilot** that would test new loan products designed to lower barriers to homeownership for first-generation and/or low-wealth first-time homebuyers. Additionally, the budget would provide a new \$100 million set-aside under the HOME Program for the **FirstHOME Downpayment Assistance** initiative that would provide funding to states and insular areas to better support sustainable homeownership for first-generation and/or low-wealth first-time homebuyers.

- \$1.1 billion is proposed for climate resilience and energy efficiency improvements in public housing, tribal housing, multifamily-assisted housing and other assisted housing. The budget supports authorizing the **Community Development Block Grant-Disaster Recovery (CDBG-DR) program**.

U.S. Department of Interior (DOI)

- The Department of the Interior FY 2023 budget request is \$17.9 billion. The FY 2022 enacted level was \$16.44 billion. In FY 2023 an additional \$340 million is accessible through a budget cap adjustment for wildfire suppression to ensure that funds are available in the event the regular annual appropriation is inadequate to meet suppression needs.
- The FY 2023 request for the **Bureau of Indian Affairs (BIA)** is \$4.5 billion. This includes \$2.8 billion for the BIA, \$1.6 billion for the Bureau of Indian Education (BIE) and \$112.7 million for the Bureau of Trust Funds Administration. BIA estimates the budget will support staffing of 4,123 full-time equivalents (FTEs) in 2023. The FY 2022 enacted level for BIA was \$2.26 billion and \$1.28 billion for BIE.
- The budget requests \$1.6 billion for the **Bureau of Land Management (BLM)** for FY 2023. The FY 2022 enacted level was \$1.411 billion. The FY 2023 request includes investments to accelerate clean energy development to reach the goal of permitting 25 gigawatts of renewable energy on public lands by 2025. BLM estimates the budget will support 10,592 FTEs in 2023.
- The administration is requesting \$237.4 million for **Bureau of Ocean Energy Management (BOEM)** programs in FY 2023, including \$192.8 million in current appropriations and \$44.6 million in offsetting collections from offshore rental receipts and other cost recoveries. The FY 2022 enacted level was \$164 million. BOEM estimates that staffing will total 677 FTEs in 2023.
- The **Bureau of Safety and Environmental Enforcement (BSEE)** FY 2023 budget request is \$261.2 million. The FY 2022 enacted level was \$156.9 million. BSEE estimates FY 2023 staffing will total 926 FTEs in 2023, including 125 FTEs that are fully reimbursed from other accounts to provide department-wide shared services. The mission of the BSEE is to ensure the safe and responsible exploration, development and production of America's offshore energy resources through regulatory oversight and enforcement.
- The FY 2023 budget requests \$1.4 billion, for the **Bureau of Reclamation**, offset by current receipts of \$45.8 million in the Central Valley Project Restoration Fund (CVPRF). The FY 2022 enacted level was \$1.92 billion. Reclamation estimates the FY 2023 budget supports staffing of 5,280 FTEs. Reclamation's budget request focuses on core mission activities that support climate resilience, emphasizing drought and water availability, conservation of land and water, clean energy and applying science to inform resource management decisions.
- The FY 2023 budget request for **Office of Surface Mining Reclamation and Enforcement (OSMRE)** is \$271.2 million in current appropriations. The FY 2022 enacted level was \$268.1 million. OSMRE estimates that FY 2023 staffing will equal 427 FTEs in 2023. The bureau expects to recover \$40,000 of the costs to review, administer and enforce permits for surface coal mining and reclamation on federal and Indian lands in 2023. OSMRE also expects to collect \$100,000 from civil penalties under Section 518 of the Surface Mining Control and Reclamation Act (SMCRA).
- The budget request for the **U.S. Fish and Wildlife Service (FWS)** for FY 2023 is \$2 billion. The FY 2022 enacted level was \$1.64 billion. The FWS also receives \$1.8 billion in permanent appropriations, most of which is provided to states for fish and wildlife conservation and restoration. FWS estimates that staffing will equal 9,420 FTEs.
- The budget requests \$3.6 billion for the **National Park Service** for FY 2023. The FY 2022 enacted level was \$3.26 billion. The FY 2023 budget includes \$553 million for Resource Stewardship, \$279 million for Visitor Services, \$444.2 million for Park Protection, \$959 million for Facilities Operations and Maintenance, \$636.1 million for Park Support and \$217.6 million for External Administrative Costs.

U.S. Department of Justice (DOJ)

- For FY 2023, the budget proposes a total of \$37.7 billion for DOJ, an increase of 6 percent or \$2.5 billion, from enacted FY 2022 levels. Highlights include:

- The budget proposes \$6.2 billion in discretionary and mandatory funding for the **Office of Justice Programs**.
 - Of that amount, \$884 million for the new **Gun Crime Prevention Strategic Fund**, a program allowing states and localities to invest in additional law enforcement and crime prevention.
 - \$150 million would be allocated to the **Community Violence Intervention Program** to develop, implement and evaluate community violence intervention strategies.
 - **Byrne Justice Assistance Grants** would receive \$533.5 million to help states and localities protect neighborhoods, fund courts, address racial profiling and help innovate the criminal justice system.
- The administration proposed \$2.83 billion for **Community Oriented Policing Services (COPS Office)** programs to support the hiring of law enforcement and other legal personnel.
- The budget includes \$1 billion for the **Office on Violence Against Women** to fund legal, housing and other victim services programs.
- The budget request includes \$250 million in funding for the **Civil Rights Division, Office for Access to Justice** and **Community Relations Service**. Funds will be used to ensure election integrity, prosecute hate crimes and combat discrimination.
- To promote accountability among law enforcement, the administration is proposing a new \$106.3 million investment in **Body Worn Camera programs** across the FBI, U.S. Drug Enforcement Administration (DEA), U.S. Marshals Service (USMS) and Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF).
- As part of the Biden Administration's effort to address climate change and promote environmental justice, \$7.9 million in new funding will go towards the **Environment and Natural Resources Division**.
- The administration requests \$1.35 billion for the **Executive Office for Immigration Review** to reduce the backlog of immigration cases by hiring 100 new immigration judges and expanding access to virtual legal services.
- The request calls for an investment of \$273 million for the **Antitrust Division**, a 49 percent increase from enacted FY 2022 levels. With new funding, DOJ plans to strengthen its antitrust team, enforce U.S. laws and investigate potential violators.

U.S. Department of Labor (DOL)

- The Department of Labor's FY 2023 budget request is \$14.6 billion in discretionary funding, a \$1.4 billion (11 percent) increase from the FY 2022 enacted level.
- The budget proposes \$2.2 billion for worker protection agencies, which includes \$701 million for the **Occupational Safety and Health Administration (OSHA)**, \$741.7 million for the **Bureau of Labor Statistics** and \$307.7 million for the **Wage and Hour Division**.
- \$100 million is proposed for **community colleges** to build their public workforce development systems and for employers to design and implement high-quality workforce programs.
- \$3.7 billion for **Workforce Innovation and Opportunity Act (WIOA)** state grants to make employment services and training available to more dislocated workers, low-income adults and disadvantaged youth who have been hurt by the economic fallout from the pandemic. This is a \$203 million increase.
- In an effort to help underserved youth find summer and year-round work, the administration requests \$75 million for a new **National Youth Employment Program**.
- \$303 million for **Registered Apprenticeships (RA)**, an increase of \$118 million from the FY 2021 enacted level. To improve access to RAs for women, the budget doubles investment in its **Women in Apprenticeship** and **Nontraditional Occupations** grants, which provide pre-apprenticeship opportunities to boost women's participation in RA.
- \$100 million for the new multi-agency **POWER+ Initiative**, which aims to reskill and reemploy displaced workers in Appalachian communities. The request also provides \$35 million for a partnership between the Appalachian Regional Commission and the Delta Regional Authority to assist workers who lost their job as a result of the transition to clean energy.
- Originally included in the Build Back Better package, the president's request includes \$20 million for the **Civilian Climate Corps**.
- \$275 million over 10 years to require health plans to cover **mental health benefits**. This would expand DOL's oversight of compliance with mental health and substance abuse treatment requirements.

U.S. Department of Transportation (DOT)

- The Department of Transportation's (DOT) FY 2023 budget request is \$105.5 billion in mandatory and discretionary funding, a \$1.7 billion, or approximately a 1.6 percent, increase from the FY 2022 enacted level. However, this request is in addition to \$36.8 billion in advanced appropriations under the IIJA, bringing the total request to \$142.3 billion in funding for DOT next year.
 - \$18.6 billion for the **Federal Aviation Administration (FAA)** in addition to \$5 billion in advance appropriations under the Bipartisan Infrastructure Law (BIL) for a \$23.6 billion total commitment for the agency, including:
 - \$11.9 billion for operations of which \$17.5 million would go toward reforms to aircraft certification, \$11.4 million would go toward aviation safety oversight, and \$24.9 million would go toward protecting critical aviation infrastructure against cyber-attacks
 - \$3.350 billion for grants-in-aid for airports
 - \$3.015 billion for facilities and equipment of which \$536.3 million would be for air traffic control facilities, and
 - \$260.5 million for research, engineering and development
 - \$59.5 billion for the **Federal Highway Administration (FHWA)** in addition to \$9.5 billion in advance appropriations under the BIL for a \$68.9 billion total commitment for the agency, including:
 - \$29 billion for the **National Highway Performance Program**
 - \$14.1 billion for **Surface Transportation Block Grants**
 - \$3 billion for the **Highway Safety Improvement Program (HSIP)**, and
 - \$1.7 billion for the **Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT)** program
 - \$873.6 million for the **Federal Motor Carrier Safety Administration (FMCSA)** in addition to the \$134.5 million in advanced appropriations under the BIL for a \$1.008 billion total investment in the agency, including:
 - \$506 million for Motor Carrier Safety Grants in addition to \$125 million in advanced appropriations under the BIL for a \$631 million total investment in commercial motor vehicle safety
 - \$16.9 billion for the **Federal Transit Administration (FTA)** in addition to \$4.3 billion in advance appropriations under the BIL for a \$21.1 billion total commitment for transit, including:
 - \$13.634 billion in formula funding for transit agencies
 - \$2.85 billion for **Capital Investment Grants** in addition to \$1.6 in advanced appropriations under the BIL for a \$4.45 billion total investment in major capital projects and expanded transit service. This includes:
 - \$2.951 billion for **New Starts**, including \$100 million for the **Hudson Tunnel Project** that is a major component of the Gateway Program - to repair and replace the aging tunnels under the Hudson river between New York and New Jersey
 - \$456.3 million for **Core Capacity**
 - \$389.1 million for **Small Starts**, and
 - \$608.4 million for **Expedited Project Delivery (EPD) Pilot**

- \$200 million for **Transit Infrastructure** grants in addition to \$2.05 billion in advanced appropriations from the BIL for a \$2.25 billion total investment to support the following new programs:
 - \$50 million for **Zero Emission System Transformation Planning Program**: Grants for planning related to conversion of transit bus fleet to zero emission buses
 - \$100 million for **Climate Resilience and Adaptation Grants**: Grants for capital projects that improve the resilience of transit assets related to climate hazards by protecting transit infrastructure from flooding, extreme temperatures and other climate-related hazards, and
 - **Integrated Smart Mobility Pilot Grants**: Grants for no more than five planning and capital projects that support innovative approaches to mobility that will improve safety, accessibility and equity for access to community services and economic opportunities, including first and last mile options such as optimizing transit route planning and using integrated travel planning and payment systems
- \$4.7 billion for **passenger and freight rail** in addition to \$13.2 billion in advance appropriations under the BIL for a \$17.9 billion total investment in rail, including:
 - \$3 billion for **Amtrak** (\$1.2 billion for grants to the Northeast Corridor and \$1.8 for grants to the National Network) in addition to \$4.4 billion in advanced appropriations under the BIL for a \$7.4 billion total investment in the National Railroad Passenger Corporation
 - \$555 million for the **Federal-State Partnership for State of Good Repair Grant Program** (Fed-State Partnership) in addition to \$7.2 billion in advanced appropriations under the BIL for a total of \$7.755 billion for the Fed-State Partnership
 - \$500 million for the **Consolidated Rail Infrastructure and Safety Improvements (CRISI) Program** in addition to \$1 billion in advanced appropriations under the BIL for a total of \$1.5 billion for CRISI
 - \$254 million for safety and operations
 - \$245 million for the newly created **Railroad Crossing Elimination** program in addition to \$600 million in advanced appropriations under the BIL for a total of \$845 million for the new program
 - \$58 million for **Railroad Research and Development**, and
 - \$50 million for **Restoration and Enhancement Grants**
- \$2.4 billion for the **Office of the Secretary** in addition to \$3.8 billion in advance appropriations under the BIL for a \$6.2 billion investment for the office, including:
 - \$1.5 billion for **Rebuilding American Infrastructure with Sustainability and Equity (RAISE)** discretionary grants and the newly authorized **National Infrastructure Project Assistance (Mega) Grant** program in addition to the \$2.5 billion provided for these programs under the BIL
 - \$110.7 million for **Thriving Communities** to address transportation equity
 - \$81.3 million for **Essential Air Service**
 - \$48.1 million for the **Cyber Security Initiative**, and
 - \$20.5 million for the **Office of Civil Rights** to support equity initiatives.
- \$1.3 billion for the **National Highway Traffic Safety Administration (NHTSA)** in addition to \$322 million in advance appropriations under the BIL for a \$1.59 billion total investment for the agency, including:
 - \$795 million for **Highway Traffic Safety Grants**
 - \$45.1 million for rulemaking programs of which \$27.5 million will go to the **Corporate Average Fuel Economy (CAFE)** program to address fuel efficiency standards

- \$49.8 million for vehicle safety research of which \$18.1 million will go toward **Advanced Driver Assistance Systems (ADAS)** with a \$3.1 million set aside for heavy vehicle safety technologies, and
- \$11.8 million for **Automated Driving Systems (ADS)** research to advance the deployment and development of autonomous vehicles (AVs)
- \$339 million for the **Pipeline and Hazardous Materials Safety Administration (PHMSA)** in addition to \$200 million in advance appropriations under the BIL for a \$539 million total investment for the agency, including:
 - \$187.8 million for pipeline safety
 - \$74.2 million for hazardous materials safety, and
 - \$46.8 million for emergency preparedness grants
- \$906.7 million for the **Maritime Administration (MARAD)** in addition to \$450 million in advance appropriations under the BIL for a \$1.4 billion total investment for the agency, including:
 - \$318 million for the **Maritime Security Program**, and
 - \$230 million for the **Port Infrastructure Development Program (PIDP)**

U.S. Department of the Treasury

- The Department of the Treasury's FY 2023 budget request is \$16.2 billion in discretionary funding, a \$2.7 billion (20 percent) increase from the FY 2022 enacted level. This includes:
 - \$14.1 billion for the **Internal Revenue Service (IRS)**, \$2.2 billion above the FY21 enacted level. This money would fund:
 - 33.3 percent increase in Taxpayer Services, at \$3.7 billion
 - 25.3 percent increase in Enforcement, at \$6.3 billion
 - 39.2 percent increase in information technology modernization, at \$310 million
 - \$331 million for the **Community Development Financial Institutions (CDFI) Fund**, a 23 percent increase of \$61 million to increase access to capital, credit and financial support in low-income communities
 - \$210 million for the **Financial Crimes Enforcement Network (FinCEN)** for increased oversight of the financial sector and support law enforcement and investigative entities
 - \$212 million for the **Office of Terrorism and Financial Intelligence** to modern and update the sanctions process
 - \$215 million for cybersecurity to protect sensitive systems and information
- In addition to these funds, the budget request includes a number of tax policy proposals to "enhance revenues, improve tax administration, and make the tax system more equitable and efficient." These proposals include \$2.5 trillion in new tax revenues through polices including proposed tax policies:
 - **Corporate:**
 - increasing the corporate income tax rate from the current rate of 21 percent to 28 percent
 - **International:**
 - replacing the Base Erosion and Anti-Abuse Tax (BEAT) with an Undertaxed Profits Rule (UTPR), creating a domestic minimum top-up tax
 - creating a new general business credit of 10 percent of eligible expenses to onshore a U.S. trade or business
 - **Individuals, Pass-Throughs and Family-Owned Business:**

- increasing the top marginal tax rate to 39.6 percent
- imposing a 20 percent minimum tax on taxpayers with greater than \$100 million in income, including unrealized capital gains
- imposing ordinary-income tax rates on long-term capital income for taxpayers with more than \$1 million in income
- treating transfers of appreciated property by gift or death as realization events, and creating forced recognition event for non-corporate entities, such as trusts and partnerships, holding assets that have not had a tax recognition event in the prior 90 years.

U.S. Army Corps of Engineers (USACE)

- The budget request provides \$6.601 billion for the USACE Civil Works program (15.3 percent decrease from FY 2023 funding) including:
 - \$1.328 billion for **Construction** that includes:
 - \$50 million for **Innovative Funding Partnerships**: This funding will be used, in conjunction with funds provided by non-federal interests in excess of the non-federal sponsor's local cost share requirements, to accelerate the completion of construction of projects, and
 - \$3.5 million for the **Continuing Authorities Projects (CAP)**: This program is used to plan, design and implement smaller to midsized projects, with the federal cost share capped at \$10 million (or less)
 - \$4.451 billion for **Operation and Maintenance**: This program provides funding for commercial navigation, flood and storm damage reduction, environment, recreation, hydropower and water supply.
 - \$116 million for **Investigations**: This program provides funding for feasibility studies and preliminary engineering and design.
 - \$35 million for **preparedness and training of Corps staff** to enable them to assist communities during a flood, hurricane or other natural disasters
 - \$210 million for the **Regulatory Program** for permit processing
- In developing the budget, consideration was given to advancing two key objectives: 1) increasing infrastructure and ecosystem resilience to climate change and decreasing climate risk for communities; and 2) promoting environmental justice in disadvantaged communities in line with Justice40 and creating good paying jobs that provide the free and fair chance to join a union and collectively bargain.

U.S. Environmental Protection Agency (EPA)

- The Environmental Protection Agency's (EPA) FY 2023 budget request is \$11.881 billion in discretionary funding, a \$2.322 billion (24 percent) increase from the FY 2022 enacted level. The request includes:
 - A \$1.5 billion investment in environmental justice programs to meet **Justice40** commitments to ensure at least 40 percent of federal investments in climate and clean energy reach disadvantaged communities, including:
 - \$300 million for the **Environmental Justice program** to expand support for community-based organizations
 - \$100 million for a new community air quality monitoring and notification program rolled out by the agency last month
 - \$25 million to increase civil rights capacity across the agency
 - \$4 billion for water infrastructure investments, including:

- \$2.765 billion for the **Clean Water State Revolving Funds (CWSRF)** and **Drinking Water State Revolving Funds (DWSRF)**
- \$80.3 million for the **Water Infrastructure Finance and Innovation Act (WIFIA)** program
- \$1.2 billion for grant programs authorized in the **Water Infrastructure Improvements for the Nation Act of 2016 (WIIN)**, the **America's Water Infrastructure Act of 2018** and the **Drinking Water and Wastewater Infrastructure Act of 2021 (DWWIA)**
- Investments in environmental cleanup priorities, including:
 - \$1.2 billion for **Superfund**, beginning to adjust for revenue from the new Superfund tax, including \$454 million for the **Superfund Remedial** program
 - \$215 million for **Brownfields**, complementing funds provided in the BIL
 - \$10.4 million for the **Resource Conservation and Recovery Act Waste Minimization and Recycling Program**
 - \$10 million for **Solid Waste Infrastructure under State and Tribal Assistance Grants (STAG)**
- \$124 for implementation of the **Toxic Substances Control Act (TSCA)** for completion of ongoing risk evaluations and to establish a pipeline of prioritized chemicals for new risk evaluations:
 - \$126 million for protection from PFAS, including research, regulation, and remediation efforts in alignment with the Agency's **PFAS Strategic Roadmap**
 - \$4.2 million for the **Environmentally Preferable Purchasing Program** for labeling efforts
- \$213 million for civil enforcement efforts, including:
 - \$7 million for a **Coal Combustion Residuals Compliance Program**
 - \$148 million for the **Compliance Monitoring Program**
 - \$69 million for criminal enforcement efforts, including outreach to victims of environmental crimes and to develop a specialized criminal enforcement task force focused on environmental justice in partnership with DOJ
- New and bolstered investments across its climate and air portfolio, including:
 - \$100 million in grants to tribes and states to support methane emissions reductions
 - \$35 million in new resources to help phase down hydrofluorocarbon (HFCs), plus an additional \$9 million in resources for EPA's contribution to the **International Multilateral Fund (MLF)** to support the Kigali Amendment to the Montreal Protocol
 - \$300 million for the **Federal Support for Air Quality Management Program**
 - \$12.7 million for wildfire prevention and readiness
 - \$322 million for the **State and Local Air Quality Management Program**, including \$100 million in grants to tribes and states
 - Investments to reduce vehicle emissions including \$150 million for the **Diesel Emissions Reduction Act (DERA)** grant program, and \$150 million to the **Federal Vehicle and Fuels Standards and Certification Program** for developing and implementing Corporate Average Fuel Economy (CAFE) standards

For more information or questions on the president's FY 2023 budget proposal, contact the authors: [Hannah M. Coulter](#), [Jodi A. Richardson](#), [Jenny Busby](#), [Joshua David Odintz](#), [Christopher J. Armstrong](#), [Nicole M. Elliott](#), [Peter Tabor](#), [Ashley Lawrence](#), [Thomas J. Story](#), [Lauri A. Hettinger](#), [Michael Galano](#), [Isabel C. Lane](#), [Suzanne Michelle Joy](#), [Misha Lehrer](#), [Joe O'Brien](#) and [Camryn Towle](#).

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