



# FY2027 PRESIDENTIAL BUDGET REQUEST

Analysis by Department

Office of Management and Budget | April 2026 | Released April 3, 2026

## Executive Summary

The White House Office of Management and Budget (OMB) released President Trump's FY2027 Budget Request on April 3, 2026. This analysis provides a department-by-department factual summary of proposed funding levels, increases, and reductions. All figures cited are drawn directly from the budget document. This analysis does not editorialize on the merits of individual proposals.

*Note: This report is a neutral summary of stated budget proposals. Dollar figures represent discretionary budget authority (BA) unless otherwise noted. Comparisons are to FY2026 enacted levels.*

## Top-Line Budget Numbers

### Defense vs. Non-Defense Allocation

The FY2027 request reflects a significant reallocation from non-defense to defense spending:

- Total national defense request: \$1.5 trillion (44% increase over FY2026 enacted level)
- Non-defense discretionary: proposed 10% cut vs. FY2026 enacted level
- Working Families Tax Cut Act (WFTCA): cited as achieving nearly \$2 trillion in savings (mandatory spending reforms enacted in FY2026)
- First standalone rescissions package since 1992: \$9 billion rescinded
- Pocket rescission of foreign aid: \$5 billion eliminated

### Proposed Discretionary Funding by Department

The following table summarizes requested FY2027 discretionary budget authority for departments covered in the budget document:

Department	FY2026 Enacted	FY2027 Request	Change (\$)	Change (%)
Agriculture (USDA)	\$25.7B	\$20.8B	~ <b>-4.9B</b>	<b>-19%</b>
Commerce	\$10.5B	\$9.2B	~ <b>-1.3B</b>	<b>-12.2%</b>
Education	\$78.8B	\$76.5B	~ <b>-2.3B</b>	<b>-2.9%</b>
Energy (DOE)	~\$49.1B*	\$53.9B	<b>+\$4.8B</b>	<b>+~10%</b>
Health & Human Services (HHS)	\$126.9B	\$111.1B	~ <b>-15.8B</b>	<b>-12.5%</b>
Homeland Security (DHS)	CR Level**	Proposed	<b>N/A</b>	<b>N/A</b>
Housing & Urban Dev. (HUD)	N/A	Proposed	<b>N/A</b>	<b>N/A</b>
Defense / War Dept.	~\$1.04T	\$1.5T	<b>+\$460B</b>	<b>+44%</b>
Veterans Affairs (VA)	N/A	Proposed	<b>N/A</b>	<b>N/A</b>

*\* DOE FY2026 baseline excludes WFTC funding for comparison purposes per OMB methodology. \*\* DHS FY2026 appropriations bill was not enacted; figures reflect last continuing resolution annualized level.*

## Department-by-Department Analysis

### Department of Agriculture (USDA)

Proposed FY2027 request: \$20.8 billion in discretionary BA, a \$4.9 billion (19%) reduction from FY2026 enacted.

#### Major Investments

- Reaching Rural America: +\$50 million, Funds USDA reorganization, relocating headquarters staff to regional hubs, and privatization of the USDA South Building.
- Forest & Wildland Fire Management: Funding to expand domestic timber production (E.O. 14225) and consolidate wildland fire management under the U.S. Wildland Fire Service at the Department of the Interior (E.O. 14308).

#### Major Reductions & Eliminations

- National Institute of Food and Agriculture Formula Grants: ~510 million. Shifts from formula grants to competitive awards.
- Community Facilities Grant Earmarks: ~659 million. Returns program to low-cost lending; eliminates congressionally-directed non-competitive grants added since 2022.
- McGovern-Dole Food for Education Program: ~240 million. Eliminates international food aid program, citing logistical costs and market disruption concerns.
- Rural Business Service: ~82 million. Eliminated as duplicative of SBA programs.
- Agricultural Marketing Service: ~61 million. Eliminates grants deemed to have insufficient competitive award processes.

### Department of Commerce

Proposed FY2027 request: \$9.2 billion, a \$1.3 billion (12.2%) reduction from FY2026 enacted.

#### Major Investments

- Trade Enforcement & Investment Accelerator: +\$110 million, \$10M for International Trade Administration enforcement; \$100M for U.S. Investment Accelerator (E.O. 14255).
- Bureau of Industry and Security (BIS): +\$215 million, described as the largest single investment in bureau history; funds new Special Agent hires for export control enforcement and Section 232 investigations.
- NOAA Shipbuilding & Unmanned Systems: +\$135 million, New vessel and UxS platform procurement supporting fisheries management and ocean exploration.
- ESA/MMPA Permitting Consolidation: Consolidates permitting into a single program at the Department of the Interior.

#### Major Reductions & Eliminations

- NTIA Digital Equity Program: ~2.2 billion. Cancels program previously planned for broadband equity grants.
- NOAA Operations, Research & Grants: ~1.6 billion. Eliminates climate-related and educational grant programs.
- NIST: ~993 million. Eliminates Manufacturing Extension Partnership and Circular Economy Program.

- Economic Development Administration (EDA): ~449 million. Eliminates EDA programs entirely.
- ITA Global Markets: ~150 million. Reduces international commercial service posts.
- Minority Business Development Agency (MBDA): ~47 million. Eliminates agency; budget cites a 2024 federal court ruling finding certain MBDA practices unconstitutional.

## Department of Education

Proposed FY2027 request: \$76.5 billion, a \$2.3 billion (2.9%) reduction from FY2026 enacted. Budget explicitly states intent to put the Department "on a path to elimination."

### Major Investments

- Title I: \$18.4 billion maintained, no net reduction in core funding for disadvantaged schools.
- MEGA Grants (new): \$2 billion, consolidates 17 existing K-12 grant programs into a single flexible block grant to states.
- Special Education (IDEA): +\$539 million, increases to \$15.9 billion; includes \$489M increase for IDEA State Grants and \$50M increase for Infants and Families program.
- Federal Pell Grants: +\$10.5 billion, total of \$33 billion to address a congressionally-created funding shortfall; maximum award held at \$6,335.
- Charter Schools: \$500 million, expansion of charter school program.
- Workforce Pell (via WFTC): Expands Pell eligibility to short-term workforce programs.

### Major Reductions & Eliminations

- K-12 Program Consolidations & Eliminations: ~8.5 billion total. Consolidates 17 programs (\$6.5B) into MEGA grants; eliminates 12 programs (\$2.1B) including Teacher Quality Partnership, Comprehensive Centers, English Language Acquisition (~890M), and Migrant Education (~428M).
- Office of Career, Technical, and Adult Education (OCTAE): ~1.5 billion. Career/Technical Education transferred to Department of Labor; Adult Education eliminated.
- Higher Education Program Eliminations: ~2.7 billion. Includes elimination of Minority-Serving Institutions Programs (~354M), FIPSE (~136M), and International/Foreign Language Education (~81M).

## Department of Energy (DOE)

Proposed FY2027 request: \$53.9 billion, a \$4.8 billion (~10%) increase from FY2026 enacted, excluding WFTC funding. Net increase driven by defense/nuclear programs; civilian energy programs face reductions.

### Major Investments

- National Nuclear Security Administration (NNSA): \$32.8 billion, +\$3.6 billion (12%) increase. Funds new warhead development, infrastructure modernization, and naval reactor technology.
- Energy Dominance: +\$4.7 billion, \$3.5B for firm baseload power deployment; \$1.2B for AI infrastructure across seven supercomputers at national laboratories.
- Critical Minerals Production: +\$394 million, domestic supply chain development and pilot-scale demonstrations.
- Strategic Petroleum Reserve (SPR): +\$89 million, restores infill readiness capacity.
- Energy-Water Security: +\$75 million, joint program with NSF targeting drought-prone regions.

## Major Reductions & Eliminations

- IIJA Green Energy Funding Cancellation: ~15.2 billion, proposes cancellation of Infrastructure Investment and Jobs Act funding for renewables, carbon capture, and related technologies.
- Energy Efficiency & Renewable Energy (EERE): Office abolished in FY2026; replaced by Office of Critical Minerals and Energy Innovation at \$1.1 billion.
- Office of Science: ~1.1 billion. Eliminates climate change and environmental research programs; maintains AI, quantum, fusion, and critical minerals research.
- Environmental Management: ~386 million. Reduces to \$8.2 billion; \$3 billion retained for Hanford site cleanup.
- ARPA-E: ~150 million. Refocused on AI, critical materials, and fusion fuels; discontinues EV and carbon capture funding.

## Department of Health and Human Services (HHS)

Proposed FY2027 request: \$111.1 billion, a \$15.8 billion (12.5%) reduction from FY2026 enacted. Budget establishes the "Administration for a Healthy America" (AHA) as a new organizational entity consolidating multiple sub-agencies.

### Major Investments

- MAHA / Administration for a Healthy America: New organizational structure. Investments include \$19M for nutrition services at Health Centers, \$57M for FDA AI/ML modernization and food safety, \$55M for CDC infection prevention and plastics-related food safety, and telehealth programs.

### Major Reductions & Eliminations

- NIH: ~\$5 billion. Total NIH request: \$41 billion. Eliminates three Institutes or Centers: National Institute on Minority Health and Health Disparities, Fogarty International Center, and National Center for Complementary and Integrative Health.
- AHA Consolidation Savings: ~5 billion. Consolidates and eliminates programs across HRSA, SAMHSA, CDC, and OASH into new Behavioral Health Innovation Block Grant (\$4.1 billion).
- LIHEAP: ~4 billion. Proposes full elimination for the sixth consecutive budget year.
- Community Services Block Grant (CSBG): ~775 million. Proposes elimination for the sixth consecutive budget year.
- Unaccompanied Alien Children (UAC): ~819 million. Reduced funding reflects reported decline in daily arrivals (8/day vs. prior high of 640/day); \$300M in new sponsor vetting funding provided via WFTC.
- Refugee Resettlement: ~768 million. Reflects reduced admissions and program restructuring.

## Cross-Cutting Policy Themes

The following structural themes appear across multiple departments in the FY2027 request:

### 1. Defense & Nuclear Modernization

The single largest shift in the budget is the \$460+ billion increase in national defense spending, representing a 44% increase. Within DOE, NNSA nuclear weapons funding rises 12%. The budget frames this as a response to strategic competition and the need to modernize an aging nuclear arsenal.

## 2. Non-Defense Discretionary Constraint

Across all domestic agencies, the budget applies a roughly 10% across-the-board reduction target for non-defense programs. Agencies facing the largest absolute reductions include HHS (~15.8B), USDA (~4.9B), and Commerce (~1.3B).

## 3. Agency Reorganization & Elimination

The budget proposes structural changes to multiple agencies: DOE's EERE office was abolished in FY2026; HHS is reorganized under AHA; the Department of Education is targeted for long-term elimination; USAID and the Corporation for Public Broadcasting are cited as having been eliminated in FY2026 appropriations.

## 4. Reversal of Infrastructure Law Spending

Across DOE and other agencies, the budget proposes cancellation of \$15.2 billion in Biden-era Infrastructure Investment and Jobs Act (IIJA) funding, primarily targeting clean energy infrastructure, broadband equity, and EV deployment programs.

## 5. Federal Workforce & Real Estate

The budget includes several workforce and real estate consolidation proposals: USDA is relocating headquarters staff to regional hubs and privatizing its South Building; agency staff reductions are referenced across Education, HHS, and Commerce.

## 6. Block Grant Consolidation

Multiple categorical grant programs are being restructured into consolidated block grants with increased state flexibility and fewer federal conditions. Examples include the MEGA grants (Education), Behavioral Health Innovation Block Grant (HHS), and IDEA State Grants expansion.

## Process Notes & Document Limitations

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This analysis is based on the summary volume of the FY2027 Budget as released on April 3, 2026. Readers should note the following limitations:

- The full Appendix volume contains detailed account-level appropriations language and is not fully analyzed in this summary.
- Several departments (DHS, HUD, Interior, Justice, Labor, State, Transportation, Treasury, VA, EPA, NASA, SBA) are covered in the full document but could not be retrieved in this analysis due to document length.
- The 2026 baseline for DHS reflects annualized continuing resolution levels because a full-year DHS appropriations bill was not enacted at time of budget preparation.
- The budget document is a presidential request only. Congressional action will determine final appropriated levels.
- Summary tables beginning on page 73 of the original document contain additional macro-level fiscal projections not captured in this summary.