

## **CSLC Statement on the Detailed Presidential Budget 2019**

On Monday, February 12, 2018, the Administration released its FY 2019 budget proposal, which includes \$500 million for the Charter Schools Program and a set aside of \$100 million for Credit Enhancement and State Charter School Facilities Incentive Grants.

While the Charter School Lenders' Coalition (CSLC) is pleased to see the Administration dedicate the same increased funding levels for the opening, expanding, and replicating high-quality public charter schools as in FY 2018, we are disappointed to see a reduction in overall support for the Department of Education. Though the reduction is not as significant as last year's budget request, in which the Administration proposed a 13.5% or \$9.2 billion cut in spending for the Department, it is still significant at a 5.3% or \$3.6 billion reduction. Overall, 39 discretionary programs in the Department would be cut, eliminated, or streamlined.

The budget proposal also targets the community development industry. Most of the Coalition's members are Community Development Financial Institutions (CDFIs), who rely on funding from the CDFI Fund (the Fund) for their core programs. The budget slashes funding for the Fund from a record-high of \$248 million down to \$14 million for administration and expenses. Without financing from the Fund, CDFIs will be forced to make dramatic programmatic cuts, which will have far-reaching, negative consequences for the families and communities we serve.

Further, the proposal once again threatens to eliminate several key housing programs, which directly affect community-based development projects, including charter schools. Some of those programs include the Community Development Block Grant Program, Choice Neighborhoods Initiative, and the HOME Investment Partnerships Program, each of which plays a part in developing new and rehabbing existing community projects.

These overall reductions and eliminations of critical community programs is particularly disheartening given the bipartisan agreement the President signed one week ago, in which the spending caps for domestic discretionary programs increased by \$68 billion for FY 2019. Rather than build on this momentum by investing in community development, the President's budget once again recommends cutting vital programs.

The Coalition echoes the sentiments of the National Alliance for Public Charter Schools, along with other leading national educational organizations, and urges the Administration and Members of Congress to consider all the ways the federal budget impacts students in both traditional public schools and public charter schools. We must all work to make the right decisions when it comes to our students.