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May 5, 2025

GENERAL MEMORANDUM 25-003

President Trump's FY26 President's "Skinny" Budget Proposal

On May 2, 2025, President Trump transmitted an [outline](#) of his FY 2026 Budget Request to Congress. The President's budget, submitted annually to Congress, allows the administration to outline its spending priorities. This year, the request proposed Congress cut domestic non-defense discretionary spending by 23%. This includes significant reductions to several Indian Country programs.

The budget proposal outlines an adjustment to the funding for core Bureau of Indian Affairs (BIA) programs, reflecting a decrease of \$617 million. Additionally, there is a proposed cut of \$187 million to construction programs associated with Bureau of Indian Education (BIE) facilities. It also suggests a reduction of \$479 million in funding for Native American Programs and the Native Hawaiian Housing Block Grant within the Department of Housing and Urban Development. The Indian Health Service is not mentioned in the overview, However, a summary of the President's Budget Request states that it "preserves" funding for the agency.

Importantly, the budget also proposes to reduce funding for several programs for which Tribes are eligible, but it explicitly maintains the funding allocated for Indian Country. This includes the Environmental Protection Agency's Categorical Grants, the Department of Agriculture's Rural Development Program, and the National Institute of Food and Agriculture. The budget includes a \$27 million increase to the Indian Reservation Drinking Water Program within the Environmental Protection Agency.

The next step is for Congress to evaluate the proposal and draft the individual appropriations bills for FY26. Programs and priorities related to Indian Country typically receive strong bipartisan backing in both the House and Senate, especially from key appropriators. In addition, these bills require sixty votes to advance in the Senate, making the appropriations process a necessarily bipartisan collaboration. Given these factors, it seems unlikely that Congress would approve significant cuts to programs that benefit Indian Country.

While there is strong support for Indian Country in this Congress, it is essential to actively advocate for program funding and articulate potential implications of any proposed funding reductions.

Please let us know if you would like assistance in advocating these issues.

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