

To: NASCSP
From: AnnDyl Policy Group
Re: President Trump's FY27 Budget Request
Date: April 3, 2026

Today, President Donald Trump released his administration's Fiscal Year 2027 budget request. As expected, the request proposes steep cuts to key programs within the Department of Energy (DOE) and Department of Health and Human Services (HHS). Consistent with DOE's recent reorganization (see AnnDyl's 11.20.25 note for additional information), the budget requests funds for programs historically contained in the Office of Energy Efficiency and Renewable Energy (EERE) under the Office of Critical Minerals and Energy Innovation (CMEI).

Similar to last year's request, the FY27 budget proposes the cancellation of \$15.2 billion in unobligated DOE Infrastructure Investment and Jobs Act (IIJA) programs, including unspent IIJA funds for the Weatherization Assistance Program and State Energy Program. The budget also proposes **zeroing out funding for the Low-Income Home Energy Assistance Program (LIHEAP) and the Community Services Block Grant (CSBG) Program** at the Department of Health and Human Services (HHS). The full FY27 Budget Request can be accessed [here](#), along with several factsheets.

Today's release included both the so-called "skinny budget" – a high-level summary of funding proposals for federal agencies from the Office of Management and Budget – as well as agency-specific Budget in Brief documents,¹ which provide further detail on the topline requests. Within CMEI, the FY27 request **proposes zeroing out the Weatherization Assistance Program (WAP) – matching the Administration's FY26 request.**

President Trump's budget request is **just a proposal**. It is up to the House and Senate to come to a budget agreement ultimately signed and enacted by the President. Though Republicans control Congress, appropriations bills require 60 votes of support in the Senate and consequently require bipartisan support. As a reminder, President Trump requested to zero out WAP, LIHEAP, and CSBG in FY26, **but the final appropriations package maintained or increased funding levels for these programs.**

Next Steps

Congress is operating on an accelerated timeline this FY27 appropriations cycle, with Committee deadlines set several weeks earlier than previous years. AnnDyl will support NASCSP to submit Outside Witness Testimony to both House and Senate E&W and LHHS subcommittees in support of WAP and CSBG funding. We will be sure to keep you updated on key developments as they become available.

Notably, several key members of Congress have expressed dissatisfaction with President Trump's FY26 Budget proposal.

[Senate Appropriations Committee Chair Susan Collins \(R-ME\)](#) (*via statement*): "While there are some improvements over last year's domestic discretionary budget request...the request has several shortcomings...It would also terminate worthwhile programs like LIHEAP, which helps low-income

1

families and seniors to pay their energy bills during the cold winter and hot summer months...These are proven programs that I strongly support. After careful review, Congress decisively rejected these particular cuts last year. While the Administration proposes a budget, Congress holds the power of the purse. The Senate Appropriations Committee will now hold hearings with cabinet members and agency heads to review these recommendations and to explore other fiscally responsible proposals. I hope my colleagues on the other side of the aisle, who too often worked over the last year to impede the appropriations process and shut down federal agencies, will abandon their harmful tactics and work with us to govern responsibly.”

[Senate Appropriations Committee Vice Chair Patty Murray \(D-WA\)](#) (via statement): “The vision President Trump has outlined for America in his budget is bleak and unacceptable... And after sending prices skyrocketing with his stupid tariffs and reckless war, President Trump is now proposing to eliminate programs that help families afford the basics – like LIHEAP.”

[House Appropriations Committee Ranking Member Rosa DeLauro \(D-CT-03\)](#) (via statement): “Families and hardworking people across the country are begging for lower prices, but President Trump is ignoring them and is proposing a budget that will only make the cost-of-living crisis worse... Democrats will continue to fight for investments that meet the needs of the American people and give everyone who works hard and plays by the rules a chance to succeed.”

Key Program Funding Levels

Below, find previous fiscal year funding levels and requests for key DOE and HHS programs, along with funding for the Environmental Protection Agency (EPA).

	FY24 Enacted	FY25 Enacted	FY26 Trump Request	FY26 Enacted	FY27 Trump Request
DOE	\$50.24B	\$49.8B	\$46.32B	\$49.1B	\$53.9B
DOE CMEI	N/A	N/A	N/A	\$3.033B	\$1.12B
DOE EERE Programs (within CMEI)	\$3.46B	\$3.46B*	\$888M	\$3.1B	\$215M
DOE SCEP	\$493M	\$493M*	\$0	\$457M	\$0
DOE WAP	\$366M	\$366M*	\$0	\$369M	\$0
DOE SEP	\$66M	\$66M*	\$0	\$66M	\$0
HHS LIHEAP	\$4.025B	\$4.025B*	\$0	\$4.045B	\$0
HHS CSBG	\$770M	\$770M*	\$0	\$775M	\$0

**Per Congress' FY24 Joint Explanatory Statements*

Department of Energy (DOE)

DOE IIJA Cancellations

This request would cut **\$15.2 billion** in IIJA funding, more than one fifth of DOE’s \$71.2 billion allocation from IIJA. Section 308 of *General Provisions – Department of Energy* within the President’s budget request appendices outline the proposed rescission of “unobligated balances,” including **\$191M in unspent IIJA Weatherization Assistance Program funding** (note that this proposes rescinding **\$53M more** than the Administration’s FY26 rescission proposal, which targeted \$138M) and **\$58.8M in unspent IIJA State Energy Program funding** (\$11.7M more than the Administration’s FY26 rescission proposal). Last year, neither proposed rescission was enacted by Congress.

DOE Office of Critical Minerals and Energy Innovation

This request would fund CMEI at \$1.12 billion in FY27. As anticipated following DOE’s reorganization, programs historically contained within EERE are now found within CMEI, including the Building Technologies Office, WAP, and SEP. Within CMEI, the DOE Budget in Brief request specifies **\$0 for Weatherization Assistance Program, \$0 for Weatherization Readiness Fund, and \$0 for WAP Training & Technical Assistance** – a drastic proposed cut from the \$369M enacted in FY26.

Per the DOE FY27 Budget in Brief:

- CMEI Overview, OMB Budget Appendix ([p.391](#)): *“The [CMEI Pillar] Office of Innovation, Affordability, and Consumer Choice will exercise DOE’s appliance standards and building codes authority, with an emphasis on fact-based analysis, process transparency, and consumer choice and affordability. The office also oversees and manages multiple state and community energy and weatherization programs. This office will promote innovation and the adoption of new and beneficial technologies for buildings and industrial applications.”*
- CMEI Appropriation Overview, DOE Budget in Brief ([p.67](#)): *“... In accordance with Administration and Departmental priorities, the FY 2027 CMEI budget request prioritizes research in critical minerals and materials, hydropower technologies, and advanced manufacturing technologies. It provides moderate support for testing and ensuring that efficiency standards are beneficial for consumers and do not stifle consumer choice while also meeting statutory requirements. This request also allocates funds for program direction to foster efficient and effective program management, and for facilities and infrastructure to support the core operations of the National Laboratory of the Rockies (NLR).”*
- CMEI Appropriation Highlights, DOE Budget in Brief ([p.67](#)): *“Innovation, Affordability, and Consumer Choice leads and supports efforts that ensure energy abundance for critical AI, defense, and cybersecurity priorities by reducing operational energy use at the residential, commercial, industrial and federal level. The request prioritizes efforts that affordably reduce operational energy use at the residential, commercial, industrial and federal level while ensuring consumer choice by funding R&D, leading public-private partnerships, administering energy management programs and grants, and overseeing appliance standards and building codes.”*

The DOE Budget in Brief refers to CMEI in parentheses as “formerly [the] Office of Energy Efficiency and Renewable Energy” ([p.2](#)). OMB’s budget overview frames EERE as “abolished”:

- Additional Language (Budget of the US Government FY 2027, OMB, [p. 16](#)): *“DOE abolished the EERE office in 2026, which was responsible for many Green New Scam efforts like research on wind energy and a slew of unpopular regulations harmful to Americans in their day-to-day lives, such as banning gas stoves and incandescent light bulbs. Consistent with DOE’s reorganization, the Budget provides \$1.1 billion for the Office of Critical Minerals and Energy Innovation. These investments advance America’s critical minerals supply chains and accelerate next-generation energy and advanced manufacturing technologies that strengthen the Nation’s energy security.”*

Department of Health and Human Services (HHS)

Low-Income Home Energy Assistance Program (LIHEAP) - budget proposes to end annual funding

The request proposes to eliminate funding for LIHEAP, asserting the program is unnecessary because “states have policies preventing utility disconnection for low-income households.”

- Additional Language (Budget of the US Government FY 2027, OMB, [p. 20](#)): *“The Administration is committed to lowering energy costs for American families by unleashing energy production. For the sixth time, the Budget proposes to end this program and instead support low-income individuals through lower energy prices and an America First economic platform. LIHEAP is unnecessary because States have policies preventing utility disconnection for low-income households, effectively making LIHEAP a passthrough benefitting utility companies, particularly in the Northeast. The program rewards States such as New York and California, two of the top recipients for LIHEAP funding, which have implemented anti-energy and anti-consumer policies that drive up home energy prices.”*

Community Services Block Grant (CSBG) Program – budget proposes to end annual funding

President Trump’s budget request proposes to end annual funding for CSBG, which provides funding to Community Action Agencies (CAAs). The proposal states that CSBG “cannot demonstrate that it is meeting its purpose, which is to reduce the causes of poverty and promote self-sufficiency.”

- Additional Language (Budget of the US Government FY 2027, [p. 21](#)): *“For the sixth time, the Budget proposes to eliminate CSBG, a duplicative slush fund for woke Community Action Agencies. Government accountability audits have noted that the program cannot demonstrate that it is meeting its purpose, which is to reduce the causes of poverty and promote self-sufficiency. In addition, CSBG funds services that are duplicative of other programs, such as nutrition programs at the Department of Agriculture (USDA) and employment and training programs at the Department of Labor and USDA, and its grantees receive support from numerous other Federal programs. Examples of wasteful spending include:*
 - *“Funding for the California Community Action Partnership Association that hosted focus groups on bringing diversity, equity, and inclusion (DEI) ‘to the forefront’;*
 - *“Funding for a Community Action Agency in Wisconsin to ‘combine clean energy with affordable housing in the pursuit of both economic and environmental justice’; and*
 - *“Funding for Head Start centers that promoted picture books about gay penguins, lessons on how to grow children’s ‘gender identity,’ and how to talk to toddlers about race.”*

- HHS ACF FY27 Justification, [p.246](#): *“These [CSBG] programs are not meeting their intended purpose to reduce poverty through services such as job training, instead focusing on equity building and green energy initiatives. Eliminating these programs will reduce waste, prevent duplication of federal funding, and promote federalism.”*

LIHEAP & CSBG Staffing Proposals

Per the HHS ACF FY27 Justification, HHS staffing levels for LIHEAP and CSBG are as follows ([p.9](#)):

HHS Discretionary Program	FY25 FTE Equivalent	FY26 FTE Equivalent	FY27 Proposed FTE Equivalent
Community Services Block Grant	18	11	0
LIHEAP	15	1	0