

Weekly Administration Update 4.7.2026

Note: growth[period] provides these updates weekly as a courtesy to our clients. To add additional people to the list to receive future updates, please write Hunter Congdon at hcongdon@growthprd.com

1. US Government-wide Updates

- President Trump released his budget for the 2027 fiscal year this past Friday. The budget request to Congress is non-binding and is usually more a reflection of the Administration's priorities rather than a true indication of what Congress will decide to fund. However, given the Administration's willingness to use extraordinary measures to block funding to programs Congress authorized and provide funding to programs Congress did not, this year's budget document carries more weight than usual. The budget proposes a record \$1.5 trillion in funding for the Department of Defense while cutting civilian agencies by about 10%. More details on the President's budget can be found in the Agency-Specific Updates section below.

2. Geopolitical Risk Updates *featuring Senior Partner for Global Geopolitical Risk Management Mirriam-Grace MacIntyre*

- President Trump's latest ultimatum to Iran to open the Strait of Hormuz or face attacks to power plants and bridges is set to expire at 8pm Eastern tonight. As of this writing neither side has moved significantly from its earlier stance, raising the prospect of further escalation.
- As the conflict enters its sixth week, the threat to US businesses especially overseas remains elevated, with Iran and its proxies seeking to inflict damage through cyberattacks or terror attacks.
- Global oil prices remain elevated as many countries are taking measures to ration fuel in the face of shortages. However, the number of ships successfully transiting the Strait of Hormuz is steadily increasing, with vessels from Pakistan, China, India, Iraq and even France confirmed to have successfully transited the waterway. Those vessels are understood to have made payments to Iran to facilitate safe passage.

3. Canada Updates *from growth[period]'s Canadian affiliate, GW Group*

- A new Nanos poll suggests growing willingness among Canadians to serve in the Armed Forces in the event of a major conflict, with 24% open to full-time service (up from 12% in late 2025) and 32% willing to serve part-time. The survey also found generally positive public attitudes toward the military, with a majority expressing pride in the Armed Forces and support for others joining. The shift comes amid rising global tensions and increased federal

defence spending aimed at strengthening military capacity and recruitment. Read more from the Nanos [here](#).

- Canada's New Democratic Party (NDP) has elected its new leader, Avi Lewis. Lewis is longtime activist and film maker, with roots in the party coming from his late father's leadership of the provincial NDP and late grandfather's leadership of the federal NDP. Lewis campaigned on a left-leaning platform focused on wealth taxes, green energy, and expanded social programs. His victory has come with backlash from provincial NDP leaders in the provinces of Alberta and Saskatchewan over his stance on oil and gas. Lewis is taking over the party as it seeks to rebuild following a historic electoral defeat in the last general election. Read more from the Globe and Mail [here](#).
- A new Nanos poll shows the governing Liberal Party of Canada leading the Conservative Party of Canada by 15 points in national ballot support. Jobs and the economy remain the top issue, shaping voter preferences. Prime Minister Mark Carney also holds a lead over Conservative leader Pierre Poilievre as the preferred choice for prime minister, by more than 30 points. Read more from Nanos [here](#).

4. US Agency-Specific Updates

- **DoD** – The President's budget requests a topline number of \$1.5 trillion for defense in 2027, of which \$1.15 trillion would be the base budget, with an additional \$350 billion to come from a reconciliation bill. The baseline number represents a 28% increase from 2026 enacted levels, and the topline number represents a 44% overall increase. The request includes major increases for the Navy for shipbuilding and for the Space Force for R&D, and plans for funding for the Golden Dome to come through reconciliation. More detailed budget documents are expected to be released in the coming weeks. The highest ranking officer in the Army, Gen. Randy George, was fired last week by Secretary Hegseth, his departure comes more than a year before his term as Chief of Staff was due to expire. Lt. Gen. Christopher LaNeve, the Vice Chief of Staff, is expected to replace him. This follows last year's dismissals of the Chairman of the Joint Chiefs of Staff, Chief of Naval Operations, Air Force Vice Chief of Staff, and others. Last week the Army finally released the RFP for its \$50 billion IT and professional services vehicle, MAPS, launching the latest phase of that lengthy procurement. The services are also moving aggressively to incorporate CMMC requirements into solicitation language across procurements.

- **DHS** – As the impasse over funding the Department of Homeland Security for 2026 continues, President Trump took action to divert reconciliation funds to meet payroll for employees across the department. Negotiations continue as Republicans consider funding DHS through reconciliation or other alternative measures to break the logjam. The Trump Administration’s 2027 budget request for DHS is \$63 billion, which represents a 3% decrease from 2025 enacted levels. The budget relies on funding coming through last year’s reconciliation bill to continue investments in ICE, CBP, the Coast Guard and the Secret Service. The biggest proposed cuts come from eliminating FEMA non-disaster grant programs and over \$700 million cut from CISA concentrated in stakeholder engagement, international affairs, school safety, and misinformation. The budget also proposes savings from privatizing TSA screening at some smaller airports and reorganizing DHS headquarters, intelligence and CWMD offices.
- **HHS** – The topline number in the President’s budget request for HHS is \$111 billion, representing a 12% decrease from this year’s enacted levels. The budget commits to investing in the establishment of the Administration for a Healthy America (AHA) to support the “Make America Healthy Again” or MAHA agenda. The budget calls for over \$5 billion in savings through reorganizations tied to the establishment of the AHA and cuts \$5 billion from the National Institutes of Health (NIH). The budget also proposes eliminating the Low Income Home Energy Assistance Program (LIHEAP), and cutting funding for ASPR, ORR, and AHRQ. Separately, HHS announced a reorganization of its technology focused functions that largely undoes changes from a 2024 reorganization. Under the new structure, the CTO, CAIO and CDO will once again report to the HHS CIO and the Office of the National Coordinator for Health IT will once again focus on nationwide health IT interoperability.
- **Transportation** – The President’s budget includes a more than 6% increase in funding for DOT, with a topline number of \$27 billion for FY 2027. This includes investments in highway infrastructure, the FAA Air Traffic Control modernization (BNATCS), and shipbuilding efforts, while also cutting some grants and electric vehicle charging programs. DOT is also moving rapidly to modernize applications and internal systems. In recent remarks at a conference, Ankur Saini, the chief product and technology officer at DOT, pointed to the recent Motus system modernization at FMCSA as a successful example.

- **VA** – The Department of Veterans Affairs would receive \$145 billion in discretionary funding in 2027 under the President’s budget proposal, representing a 9% increase from 2026 enacted levels. This includes major investments in medical care, the Electronic Health Record modernization, and construction projects. The VA is able to proceed with its Transformation Twenty-One Total Technology Next Generation 2 (T4NG2) contract vehicle after the Court of Federal Claims last week ruled in favor of the Department against 18 unsuccessful bidders who filed protests.
- **USDA** – The President’s budget requests a topline number of \$20.8 billion for USDA for 2027, a nearly 20% decrease from FY 2026 enacted levels. The request includes investments in relocating staff to regional offices and moving wildland firefighting resources to the Interior Department. Proposed reductions impact various grant programs for small businesses, universities and other organizations. In a separate development, the US Forest Service announced plans to move its headquarters from Washington DC to Salt Lake City Utah, close all of its regional offices, and close 57 out of 87 research stations nationwide.
- **Commerce** – The President’s budget requests a topline number of \$9.2 billion for the Commerce Department for 2027, about a 12% decrease from FY 2026 enacted levels. The request includes funding increases for two trade-focused sub-agencies, the ITA and BIS, as well as for shipbuilding and unmanned systems at NOAA. The budget also includes over \$2 billion from the National Telecommunications and Information Administration (NTIA), \$1 billion in cuts to NOAA research operations and grants, and cuts nearly \$1 billion from NIST, among other program cuts.
- **Education** – The President requested \$76 billion for Education in his 2027 budget, a 3% decrease from FY26 enacted levels. The budget includes a new “Make Education Great Again” or MEGA grant program, and also funds special education programs and Pell Grants, while cutting K-12 education programs, as well as some higher ed and adult education programs. The budget also continues to propose moving all or most programs to other cabinet departments in line with the President’s pledge to eliminate the agency.
- **Energy** – The President’s budget request includes a 10% increase for the Department of Energy, with a topline number of \$54 billion. Almost all of this increase goes to the NNSA for activities including modernizing the nuclear

deterrent and developing new reactor technologies. The budget also proposes cutting energy infrastructure and renewable energy projects.

- **HUD** – HUD would receive \$73 billion in discretionary budget authority in 2027 per the President’s budget proposal, representing a 13% cut from FY 2026. FHA operations would receive increased funding, as well as a new initiative to fight fraud, waste and abuse. The budget proposal eliminates the Community Development Block Grant program, and also cuts homeless assistance and programs flagged as “DEI”.
- **Interior** – The President’s budget request proposes funding the Interior Department at \$16 billion, which represents a 13% decrease from the levels Interior has been funded for FY 2026. The proposal includes new funding for beautification of the nation’s capital and restoration of Utah’s Great Salt Lake, as well as for the Park Police and the proposed new consolidated wildland firefighting organization. Proposed cuts would impact the Bureau of Reclamation as well as renewable energy programs, and other programs characterized as wasteful or duplicative.
- **Justice** – The Department of Justice would be funded at \$41 billion in 2027 under the President’s budget proposal released last Friday. This represents a 13% increase from 2026 levels. The proposal includes major funding increases for EOIR and FBI, violent crime and drug trafficking task forces, and establishes a new National Fraud Division. The budget proposal cuts some state and local grant programs as well as “woke” programs and offices.
- **Labor** – The Department of Labor would see a 26% decrease in funding in 2027 compared to 2026 under the President’s budget proposal, with a topline funding number of \$10 billion. This includes the elimination of the Job Corps program entirely, and cuts to OSHA and the Office of Federal Contract Compliance Programs.
- **State** – The 2027 budget request for State is \$35.6 billion, which represents a 30% decrease from FY 2026. The budget includes \$13 billion for critical minerals, as well as funding for targeted foreign aid through the America First Opportunity Fund, counter-drug trafficking efforts, and foreign military financing. The budget cuts humanitarian assistance, global health and food aid programs, as well as funding to the UN and international organizations.
- **Treasury** – The Treasury Department faces a 12% budget cut under the President’s Budget, with a topline number of \$11.5 billion requested. The budget includes limited investments in international trade and tariff financing

resources, as well as major funding cuts to the CDFI grants program and to the IRS.

- **EPA** – The President’s budget proposes a massive 52% funding cut for EPA, bringing their budget down to \$4.2 billion. This includes cuts to grants programs, the Superfund program, and R&D, while focusing remaining funds on permitting reforms and drinking water.
- **NASA** – The President’s budget includes \$19 billion for NASA, representing a 23% decrease from 2026. The budget retains investments in the Artemis program, with the goal of landing astronauts on the moon by 2028 and establishing a moon base by the 2030s, while cutting scientific research and funding for the International Space Station.
- **SBA** – The President’s budget requests a 67% cut to the Small Business Administration’s budget, asking for \$329 million to fund this agency, cutting loan programs and staff.
- **NARA** – Edward Forst, the head of the General Services Administration, has been tapped to also serve as the acting head of the National Archives and Records Administration. Secretary of State Marco Rubio held the post in an acting capacity for much of 2025. President Trump has yet to announce a nominee for Archivist.

Previous Update 3.31.2026

1. US Government-wide Updates

- The Office of Management and Budget has said that it expects to send the President’s full 2027 budget request to Congress by the end of this week. The White House had previously said it expected to request a topline defense spending number of \$1.5 trillion, but the final figures are still to be announced.
- President Trump last week announced members of his President’s Council of Advisors on Science and Technology. Most of those named are executives from the tech industry, such as Mark Zuckerberg, Jensen Huang, Larry Ellison, and Michael Dell. The panel also includes some nuclear fusion executives and a physics Nobel laureate.

2. Geopolitical Risk Updates *featuring Senior Partner for Global Geopolitical Risk Management Mirriam-Grace MacIntyre*

- The Houthis in Yemen, one of Iran's last remaining proxy groups in the region with significant military capabilities, launched attacks on Israel over the weekend. The entry of the Houthis into the conflict threatens that the Red Sea could once again face closure, further restricting shipping routes in the region. Most of the oil from Saudi Arabia that has been able to be exported since the effective closure of the Strait of Hormuz has gone through the Red Sea.
 - As indirect talks between the US and Iran continue, President Trump has said he could order attacks against Iranian energy and water infrastructure if a deal is not reached soon. The two sides remain far apart on most points, complicating any rapid resolution of the ongoing situation.
 - With prospects for an immediate resolution to the conflict appearing slim, other countries are beginning to take additional measures. Iran has allowed some tankers through the Strait of Hormuz, mostly from Pakistan, India and China. Several countries have acted to ration fuel supplies, and the G7 and EU member states are discussing a possible cap on energy prices.
 - During a forum in Beijing last week, China sought to position itself as a force of stability in the world amidst ongoing conflicts in several regions. This comes as China is engaged in a quiet effort to map the ocean floor across the Pacific, Arctic and Indian oceans. The program, carried out by Chinese research vessels, will help China build critical data for submarine operations.
 - French authorities thwarted an attempted bombing of a Bank of America office in Paris last week thought to be linked to Iran. As the conflict continues, the threat of attacks of this nature against US companies globally will remain elevated. US companies should be constantly evaluating the threat picture and maintain detailed prevention and response plans.
 - Iran is also ramping up its use of coordinated and sophisticated cyber attacks. All US companies but especially government contractors are potential targets. Iran is known to use social engineering as part of these attacks, including recently sending mass texts to Israeli mobile users during a missile attack with a purported link to shelter locations that actually installed spyware on the mobile device.
3. Canada Updates *from growth[period]'s Canadian affiliate, GW Group*
- Canada has reached NATO's defense spending target of two% of GDP for the first time since the Cold War, with more than \$60 billion spent in 2025 following an increase under Prime Minister Mark Carney. The government

accelerated spending years ahead of previous plans, citing global instability and pressure from allies, particularly the US, as key drivers. New investments have gone toward military pay, equipment, infrastructure, and building a domestic defense industry, alongside efforts to speed up procurement.

- Canada's Trans Mountain pipeline, which carries crude and refined petroleum products from Alberta to the coast of British Columbia, is expected to reach full capacity by spring 2026, ahead of schedule due to an increase in global demand driven by the Middle East energy crisis. Disruptions to oil flows, particularly through the Strait of Hormuz, have pushed Asian buyers to seek more Canadian oil. The pipeline was operating at 80-90% capacity a year ago.
- Last week, Canada's Natural Resource Minister Tim Hodgson, was in Texas at the CERAWEEK energy conference promoting Canada as a reliable energy supplier. The Minister shared plans to expand oil, gas, LNG, and critical minerals amid a global energy crisis.

4. US Agency-Specific Updates

- **DoD** – A federal judge issued a preliminary injunction in favor of Anthropic amidst its confrontation with the Pentagon. While this early court victory is a positive sign for the merits of Anthropic's case, the supply chain risk designation remains in place as the litigation continues. The AI company had been in a dispute with the War Department over the terms of use of its AI models, which escalated into a court battle.
- **GSA** – GSA's market research-as-a-service (MRAS) tool is seeing expanded use as agencies address staffing shortfalls. There are 6,742 fewer contracting officers in the government this year than last year. GSA stores every RFI and every response from MRAS in a database to help inform future market research efforts.
- **DHS** – Congress is now on a two week recess after the House and the Senate could not agree on a compromise to fund DHS. On Friday President Trump signed an executive order directing some funds from last year's OBBB Act to go towards TSA payroll. With some money now reaching agents, long security screening lines at airports have started to recede, but a long-term resolution remains out of reach. Secretary Mullin moved swiftly to rescind a much-criticized order from previous Secretary Noem that required her personal review of any contract greater than \$100,000. This change may speed up the contracting process at DHS, though much of the acquisition workforce

remains impacted by the shutdown. The Coast Guard is planning to release a solicitation next month for its “Acquisition Superhighway” project aimed at unifying and streamlining procurement workflows. The Coast Guard received a major influx of funding through the OBBB Act.

- **Energy** – The Department of Energy released its request for applications for the \$293 million Genesis Mission that seeks to use AI to leverage scientific data across the government to make more scientific advances. Projects should address one of the 26 challenges the Department identified, ranging from nuclear energy to microelectronics. The Trump Administration last week also announced the Department of Education would be vacating its underutilized headquarters building and handing it over to the Energy Department to use as a replacement for its aging headquarters building. The Education workforce will move to leased space nearby, and the government would avoid over \$300 million in deferred maintenance costs to the existing Department of Energy headquarters.
- **VA** – A former VA official John Windom who led the Department’s Electronic Health Record modernization project is facing criminal charges for failing to disclose thousands of dollars in cash, casino chips and gift cards he received while leading the EHR effort. The program is continuing under new leadership, but has faced some delays.
- **USPS** – President Trump made three more nominations to the USPS board last week. The postal workers union criticized the nominees as “unknown” to the industry. This comes as the Postal Service faces a huge budget shortfall next year that will require either additional funding from Congress, higher postage rates, or cuts to service.
- **Interior** –According to reporting by Federal News Network, the Interior Department is moving forward with a consolidation that would bring IT employees into the Office of the Secretary, and they would no longer address bureau-specific tech problems at the various component agencies. An Interior spokesperson said in a statement that “We are modernizing the Department to improve efficiency, coordination, and the quality of information we deliver to the American people.”.



For more than 18 years, growth[period]’s management consulting, business development, geopolitical risk, strategy and transaction advisory services have focused on serving the principal challenges faced by companies in highly regulated industries. We are nationally recognized as a leading provider to growing and established firms seeking assistance to complete sophisticated corporate and technology transactions; manage entry into the federal government contracting industry; assist with navigating the federal marketplace; represent them in partnering agreements; and/or advise them on diligence matters. With deep roots globally, growth[period] has more than 70 experts and offices in multiple markets across the United States, Canada, Latin America, Asia and Europe. For more information, please visit www.growthprd.com.