



Education | Healthcare | Public Services

Protecting Our Kids and Communities: Impacts of the Trump Tax and Budget Cuts—A Budget Primer

In the next few weeks, Congress will take center stage as its budget process reveals whether our government is working for billionaires and big corporations or for the rest of us. Americans don't think President Donald Trump has done enough to lower the cost of everyday essentials, and his allies in the House of Representatives and the Senate are proposing budgets, through a process called reconciliation, that will make life even harder for working people.

The Republican budget plans would take food assistance and healthcare away from Americans and make college more expensive—in order to pay for defense and deportation funding and huge tax cuts for the wealthy. Trump has endorsed the plans, which cut Medicaid, despite his vow not to cut this program that low-income Americans rely on.

- ⇒ The Senate's proposal tees up a two-bill approach (border security and military spending/cuts, THEN taxes/more cuts), while the House version does just one (what Trump calls the “big, beautiful bill”).
- ⇒ The Senate approved its version 52-48, starting the process to enact huge cuts to Medicaid, the Supplemental Nutrition Assistance Program and student loans, to fund mass deportations and increase military spending.
- ⇒ Speaker Mike Johnson announced the House will vote on its more expensive bill the week of Feb. 23. The House proposal makes room for the \$4.5 trillion in tax cuts for the ultra-wealthy with at least \$1.5 trillion in cuts to programs helping millions of working families afford healthcare, food and college for their children.

Consider who's at risk under the House GOP plan:

- Nearly 70 million Americans who receive healthcare through Medicaid—the program that provides health coverage for low-income families and individuals—would lose coverage. Medicaid helps provide basic healthcare for children and adults; without it, the only healthcare they will have available is the emergency room of a hospital, which will stress an already burdened system. Without Medicaid coverage, many cancer patients won't be able to continue treatment, people will lose access to dental care and mental health services, and seniors and people with disabilities will lose coverage for long-term care services, either at home or in nursing facilities.
- More than [40 million](#) people could receive less help from SNAP to buy groceries, millions of them potentially losing their food assistance altogether. Without SNAP, children, seniors, veterans and working parents will go hungry. SNAP currently allows schools to automatically

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Randi Weingarten
PRESIDENT

Fedrick C. Ingram
SECRETARY-TREASURER

Evelyn DeJesus
EXECUTIVE VICE PRESIDENT

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provide free meals to students if at least 40 percent of their students are eligible, so free school meals also may be on the chopping block.

- About 5 million undergraduate students a year would lose federal student loans to pay for college. Millions of current and future college students and their families will face higher costs to go to college and steeper student loan payments.
- Adding to the loss of revenue from the cap on the state and local tax deduction, these budget plans would shift enormous costs to state and local governments. Medicaid represents the largest portion of federal revenues for state budgets, so the Republican plan to slash Medicaid would require state and local governments to raise taxes or cut spending to maintain current services. Most states are required to pass balanced budgets—at the same time state revenue is declining. This could mean states would be forced to eliminate coverage for children, parents, working adults or those who need long-term care; limit benefits; or cut payment rates for health plans or providers.

In advance of this week's vote, members of Congress need to hear that their constituents don't want them to give more tax breaks to the wealthy at the expense of families who are already struggling to afford food, healthcare and college. We are counting on them to stand up against these devastating cuts and honor their campaign promises to lower the cost of eggs and other expenses for working families.

We are calling on Congress to:

- Preserve public education and college access.
- Protect Medicaid and healthcare.
- Save food assistance programs.

Our elected leaders must do more to lower costs, invest in people and families, and ensure the wealthy pay their fair share.