HOW PROPOSED BUDGET CUTS HARM CHILDREN

FIRST FOCUS ON CHILDREN

The U.S. House of Representative's recent passage of H.R. 2811 uses the full faith and credit of the United States as a bargaining chip for extremely harmful spending cuts to non-defense discretionary spending and unacceptable changes in Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and Medicaid. These proposed crushing spending cuts and policy changes would cause severe harm to the health, safety, and well-being of our children, families, and people in need around the country, and ask those who are most vulnerable to shoulder our nation's debt. H.R. 2811 aims to significantly decrease non-defense discretionary funding by 22% or more in the first year at a time when costs of every-day necessities are rising. **According to USDA's Economic Research Service**, at-home food costs rose 10.2% from 2022-2023. **Median household rent increased 15% from 2021 to 2022 in the United States** and that increase was even higher in many metro areas with median national asking rent surpassing $2,000 per month. **The cost to a family of child care for two children** in a center was more than annual mortgage payments in 44 states and the District of Columbia, and the cost of child care for an infant at a center was more than in-state tuition at a public university in 24 states and D.C. Furthermore, if defense and veterans' health programs are protected as pledged by many lawmakers, **other non-defense discretionary programs could be slashed by nearly 60% at the end of ten years**!

The legislative proposal would negatively impact all aspects of our children's daily lives, increase hardship, and jeopardize their future while proposing less than a year of protection from a devastating debt default. At the same time, H.R. 2811 fails to disclose tax-related priorities that have significant impacts on the government's ability to raise revenue, leaving in place the 2017 tax breaks for profitable corporations and the wealthiest that are **a major driver of our national debt**. This proposal would not support future generations as some have stated and instead, would reverse progress made in recent years to invest in our children and undermine programs such as SNAP, TANF, and Medicaid that are so critical to children's well-being today and in the future.

Below, First Focus on Children pulls together information from the administration and other sources on the negative impacts to children under these potential cuts and policy changes.

Here are the administration's complete responses to Representative Rosa DeLauro's (D-CT) inquiry about the potential impacts of the budget cuts proposed by the House majority.

Department of Agriculture

The Department of Agriculture analyzed two possible scenarios for the scale of cuts proposed by House leadership .One assumes a funding level equal to that of fiscal year 2022 and the other assumes a 22 percent reduction in funding for Government programs, which would mean a reduction of about **$6.15 billion for USDA in FY 2024**.

Bureau: Food and Nutrition Service
Program: Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
Reduction Amount: Up to $1.4 billion

WIC is a federally funded nutrition assistance program with an average monthly participation currently projected to be 6.5 million in fiscal year (FY) 2024. Under both reduction scenarios (FY22 level and a 22 percent reduction), State WIC programs would have to reduce participation and establish waiting lists using the priority system provided in regulation. In the first scenario, nearly 250,000 monthly participants would not receive benefits. A 22 percent decrease would only allow the program to support about 5.07 million participants–a reduction of approximately 1,180,000 participants from the FY22 monthly average and 1,500,000 participants from current FY24 participation projections. Since the late 1990's, the appropriations committees' bipartisan practice has been to provide enough funds for WIC to serve all eligible applicants. When funds are not sufficient to support caseload, WIC agencies implement a priority waiting list of individuals. The first to lose benefits would be non breastfeeding postpartum women and individuals certified solely due to homelessness or migrancy, followed by children. This means some of the participants needing benefits the most would be cut off. In addition, Nutrition Services and Administration funding provided to States would be reduced, which would hinder State agencies' ability to provide services in a timely manner and result in losses of WIC related State and local jobs.

Bureau: Rural Development, Rural Housing Service
Program: Rental Assistance
Reduction Amount: Up to $325 million

The Rental Assistance Program helps eligible low-income tenants, in the USDA-financed multi-family housing, pay no more than 30 percent of their incomes for rent. Approximately 288,000 tenants receive the benefit of rental assistance in almost all the apartment complexes financed by Rural Development. The House Republican leadership's planned reduction would cause between 40,000 and 63,000 current recipients to lose rental assistance. The average annual income of families and individuals receiving rental assistance (generally female-headed households, elderly, and the disabled) is approximately $12,501. These Americans are the least able to absorb any increase in the rent due to the loss of rental assistance. Loss of this rent supplement may cause property owners to increase rents, making the units unaffordable to the very low-income residents who have few options for decent, affordable housing. With the loss of rental assistance, or higher vacancies resulting from very low-income Americans being unable to afford higher rents, many properties would be unable to pay all their operating costs. Owners may be unable to maintain the property and allow it to fall into despair, or the properties may become delinquent in their loan payments. Currently, the USDA has 160 multifamily properties in the foreclosure process, which may increase with reduction in rental assistance. Ongoing delinquencies will lead to defaults and foreclosure and may result in long-term loss of affordable housing in rural communities in future years.

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Department Of Education

ESEA Title I Grants to LEAs – a reduction to the FY 2022 enacted level would cut $850 million in funding from this program – a cut equivalent to removing more than 13,000 teachers and service providers from classrooms serving low-income children; a 22 percent reduction from the currently enacted level would cut approximately $4.0 billion in funding, impacting an estimated 25 million students and reducing program funding to its lowest level in almost a decade – a cut equivalent to removing more than 60,000 teachers and related service providers from classrooms serving low-income Students.

IDEA Grants to States – a reduction to the FY 2022 enacted level would cut $850 million in funding from this program – a cut equivalent to removing more than 13,000 teachers and service providers from classrooms serving low-income children; a 22 percent reduction from the currently enacted level would cut more than $3.1 billion in funding, impacting an estimated 7.5 million children with disabilities and reducing Federal support to its lowest share since 1997 – a cut equivalent to removing more than 48,000 teachers and related services providers from the classroom.

Title II-A (Supporting effective instruction State grants) and Title IV-A (Student support and academic enrichment grants) – a reduction to the FY 2022 enacted level would cut more than $35 million for these activities; a 22 percent reduction from the currently enacted level would cut more than $500 million in annual support for teachers and students, curtailing learning opportunities for teachers and school leaders, and hampering school districts' efforts to promote a well-rounded education for students in safe schools.

Department of Health and Human Services

Reductions of this level would have disastrous impacts on young children:
Funding Head Start at FY 2022 Enacted levels would eliminate at least 170,000 slots for children. A 22% reduction would eliminate more than 200,000 slots. As a result, low-income children would begin school ill-prepared to learn and less likely to succeed academically and socially, according to numerous studies.

If funding for Child Care is returned to FY 2022 levels, 105,000 child care slots would be eliminated, from a baseline of 1,843,000 in FY 2023. With a 22% reduction, 101,000 slots would disappear. Parents in these families would likely be unable to attend school or go to work.

There would be detrimental health care impacts across a variety of programs:
A 22% reduction to 988 Suicide Lifeline funding would cut contact responses by 900,000, to approximately 3.3 million contacts. Nearly 1 million people facing a suicidal, mental health or substance use crisis would be unable to access support and stabilization services.

If funding for the Low Income Home Energy Assistance Program (LIHEAP) is cut, states could reduce household funding by holding the number of recipients constant and cutting benefits, or by cutting recipients and holding benefits constant. Accordingly, if benefits were returned to their 2022 level, the average annual heating benefit could be cut from $529 to $501 (just over half the amount needed to heat the average home with natural gas and less than 25 percent of the amount needed to heat the average home with heating oil) or cut off benefits for nearly 260,000 households. A 22% reduction in LIHEAP funding could similarly reduce the average annual heating benefit to $413 (less than half the amount needed to heat the average home with natural gas and less than 20 percent of the amount needed to heat the average home with heating oil) or cut off benefits for nearly 1,150,000 households. Without LIHEAP funding, many households would be dangerously unable to heat their homes.

Department of Justice

Office of Juvenile Justice and Delinquency Prevention Title II Formula awards would be projected to be reduced by an average of $294,000. This would drop the average award from $843,000 to $549,000. Cuts from this formula program would reduce critical support to States and localities in their efforts to reform juvenile justice and strengthen prevention, early intervention, and treatment programming for at-risk and delinquent youth. Training and technical assistance that has been shown to reduce racial and ethnic disparities among youth in juvenile justice would be curtailed.

Changes to Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF) and Medicaid Would Significantly Cut Resources and Limit Access

Every child should have a fair chance to thrive. A wide range of federal programs and services work together to support that goal, but additional investments are needed to meet our children's unique and growing needs. Programs such as SNAP, TANF and Medicaid provide critical resources to children and grandchildren all around the country. The recently proposed changes to these programs would add or harshen work requirements and administrative burdens that certainly would limit access and take food, healthcare and income support away from children most in need and increase hardship for millions.

SNAP provides 14 million children — who make up nearly half of the program's participants — with access to consistent and nutritious meals to support their development. While changes to SNAP work requirements under the debt limit bill (H.R. 2811) are restricted to abled-bodied adults without dependent (ABAWD) children, children in poverty often depend on pooled resources (including SNAP benefits) from extended family members and caregivers who do not claim them as dependents. Legislative changes that tighten ABAWD work requirements also would harm youth aging out of foster care and unaccompanied homeless youth over the age of 18, who already experience high rates of unemployment and poverty and face barriers to accessing public assistance programs. **The Congressional Budget Office estimates** that the additional work requirements for Medicaid would reduce federal spending by $109 billion over 10 years. New administrative barriers could translate into state cuts that would hurt children's access and force states to ration care among children, pregnant women, people with disabilities, and others in need of healthcare. **The Center on Budget and Policy Priorities analysis estimates that 975,000 children** are in households with an adult who is subject to TANF work requirements, and all of these households with children could be at risk of losing cash assistance if proposed changes to the TANF program are made.

Policies such as work requirements that limit access to health care and effective anti-poverty programs weaken the physical and mental health, nutrition, and educational success of the next generation. Instead, policymakers must build on what works and increase access to health care, proper nutrition, and stable housing.