

SUMMARY OF DAMAGE FROM TRUMP'S 2020 BUDGET

March 21, 2019

Note: all figures are for 10 years unless otherwise noted.

TOPLINES

- **Trump's budget cuts trillions of dollars from critical services that benefit working families to pay for his 2017 tax cuts that cost \$2 trillion and mostly benefit the wealthy and corporations.** Trump proposes to cut include health care, education, housing, nutrition, Social Security disability benefits, college aid and more services working families need.
- **Trump's budget gives away another \$1.1 trillion in tax cuts that would go mainly to wealthy individuals.**
- **Trump cuts \$1.4 trillion from Medicare, Medicaid and the Affordable Care Act to pay for his tax cuts**—hurting seniors, families, children and people with disabilities. It also repeals preexisting condition protections for millions.

TRUMP'S TAX BREAKS PRIMARILY BENEFIT THE WEALTHY

- Trump's budget gives away another \$1.1 trillion in tax cuts to individuals, most of which go to the wealthy. ([Committee for a Responsible Federal Budget](#))
- Trump's budget would extend 2017 tax cuts set to expire in 2025, for another four years in the new 10-year budget window. These include individual tax cuts, pass-through business tax cuts that benefit individuals, and estate tax cuts.
- The House approved similar tax-cut legislation in 2018. Analyses showed that:
 - The richest 1% would get a \$40,000 average tax cut. Bottom 40% (incomes below \$55,000) would get an average tax cut of \$285—less than \$1 a day. [[Tax Policy Center](#)]
 - The richest fifth would get 65% of the tax cuts; middle fifth would get 10%; poorest fifth would get 2% [[Institute on Taxation and Economic Policy](#)]

OVERALL NON-DEFENSE DISCRETIONARY (NDD) CUTS

NDD programs include a wide range of public services such as education, environmental protection, food safety, housing assistance, homeland security, medical research, transportation, veterans' medical care and more.

- **Total of \$1.1 trillion in cuts.** ([House Budget Cttee](#))
- After 10 years, services and programs will be cut by 24% from today's levels, and by 41% adjusted for inflation. [[Center on Budget and Policy Priorities](#)]

SERVICE CUTS TO HEALTH CARE, NUTRITION & PEOPLE WITH DISABILITIES

- **Total of \$1.4 trillion in healthcare cuts**
- **Medicaid and Affordable Care Act (ACA) cuts:** \$777 billion ([CBPP](#))
 - \$478 billion cut from health exchange subsidies ([Families USA](#))
 - \$130 billion in Medicaid-only cuts ([CBPP](#))
 - Between 5 to 6 million people would lose health coverage ([CBPP](#))
 - 1.7 million from the funding cuts
 - 1.4 million to 4.0 million from work requirements to get Medicaid
 - ACA and related Medicaid improvements provide health care to more than 20 million, about half due to private insurance coverage through the ACA marketplaces. ([CBPP](#))
 - Would **repeal pre-existing condition protections** for between 52 million and 130 million non-elderly Americans. ([Kaiser Family Foundation](#) and [Center for American Progress](#))
- **Medicare cuts:** Nearly \$600 billion ([CBPP](#)). Medicare serves [60 million seniors](#).
- **SNAP nutrition cuts:** \$220 billion ([House Budget Cttee](#)) SNAP serves [41 million people](#).
- \$84 billion cut, mainly from **Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI)**, which mostly serve people with disabilities who have very low incomes. ([House Budget Cttee](#))
- **Details on effects of Trump budget on the ACA:**
 - Budget incorporates 2017's failed Graham-Cassidy-Heller-Johnson Affordable Care Act repeal. ([Families USA](#)) Brookings estimated 21 million would lose coverage from this legislation, but not clear if that would be the effect from the Trump budget. ([Brookings](#))
 - On Medicaid, proposes to block grant the program, repeals state expansion, cuts funding and establishes national work requirements ([Families USA](#))
 - For the ACA marketplace, repeals protections for preexisting conditions, does away with mandated essential services, and cuts funding for subsidies in the exchanges ([Families USA](#)). Preexisting condition protections prevent insurance companies from raising premiums for a wide range of health conditions (including diabetes, high blood pressure, pregnancy and mental illness) and stop insurance companies from refusing coverage for essential health benefits (Rx drugs, maternity care, mental health and substance abuse treatments).
 - Proposes a new "Market-Based Health Care Grant," which would make funds available to subsidize enrollment of expansion adults in the marketplace. No guarantee that consumers who lose Medicaid coverage would enroll in or could afford marketplace coverage. ([Families USA](#))

MORE CUTS TO SERVICES

- **College aid cuts:** \$207 billion from student loan programs, worsening the student debt crisis and making it harder for students to attend college ([House Budget Cttee](#))
- **Major federal agency cuts in 2020 alone** ([CBPP](#)):
 - EPA: 31%
 - Transportation: 19%
 - Housing and Urban Development: 18%. For more details [go here at CBPP](#).
 - Agriculture: 13%
 - Health and Human Services: 12%
 - Education: 12%