

CDF-NY Summer Policy Series

September 2017

House's Budget Resolution Does Not Prioritize America's Vulnerable Populations

While the House Budget Committee's 2018 budget resolution does not propose cuts as deep as the President's budget request, it still draconian and disregards the bipartisan agreement set in place by the Budget Control Act (BCA) of 2011 by increasing defense funding higher than the BCA caps and sequestration permit and proposing that non-defense funding be reduced below the level set by the BCA. It fails to prioritize the nation's most vulnerable populations as the non-defense discretionary programs targeted for cuts are ones that ensure that low-income children and struggling individuals have equal access to opportunities. In New York, these budget cuts would deprive disadvantaged children and adults of basic necessities and push them deeper into poverty. Key risks in the budget resolution include:

Cuts in funding for the Department of Health and Human Services

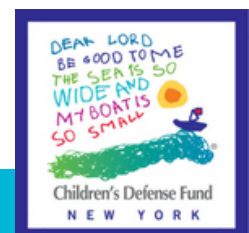
- **Historical reductions in Medicaid.** The House's Affordable Health Care Act offers states the choice between a per capita cap and a block grant to cover healthcare costs. Imposing these options would reduce Medicaid funding and force states to pit children's needs against other vulnerable groups. Eligibility would either be limited or the services provided would have to be reduced. Low income children and families would suffer the most because they would have to pay more for reduced benefits, or not receive the care they need. Over 2 million children in New York (nearly half of the State's child population) are covered by Medicaid.¹ The proposed changes to this program seriously threatens critical medical care and the well-being of these children.
- **Reduction in funding for anti-hunger programs.**
 - The House Budget proposes significant cuts to the Supplemental Nutrition Assistance Program (SNAP), the nation's most important anti-hunger program. In Fiscal Year 2016, SNAP provided critical food assistance for 1 in 7 New York State residents.² Almost 42% of those who benefited from this program in New York are working families.³

This summer CDF-NY interns worked with staff on the 2017 CDF-NY Summer Policy Series. Joy Dartey is the primary author of this paper.

¹ Children's Defense Fund, *Children's Health Coverage in New York: Medicaid and CHIP*, (New York: Children's Defense Fund, 2017), <http://www.cdfny.org/research-library/publications/2017/new-york-medicaid-chp-data.pdf>.

² Center on Budget and Policy Priorities, "New York - Supplemental Nutrition Assistance Program," Center on Budget and Policy Priorities | Informing Debates. Shaping Policy. Producing Results, last modified March 7, 2017, http://www.cbpp.org/sites/default/files/atoms/files/snap_factsheet_new_york.pdf.

³ Ibid.



The budget proposes to take food away from these hardworking, low wage families who are struggling to feed their children and make ends meet.

- The Budget also calls for significantly reducing the number of schools able to participate in the Community Eligibility Provision (CEP), a federal option that allows high-poverty schools to offer free breakfast and lunch to all students. During the 2016-2017 academic year, 1,561 schools across New York State adopted the CEP, enabling them to provide nutritional meals to over 600,000 children who live in households that have limited food budgets.⁴ The proposed budget would dramatically shrink this effective program, impacting over 500 participating schools in New York (a third of the schools that adopted the program) and preventing students in these schools from getting the free nutritious meals they need.⁵

Cuts in funding for the Department of Housing and Urban Development

Cuts to the Community Development Block Grant program, the Choice Neighborhoods Initiative and insufficient funds allocated for rental assistance programs. The proposed budget would significantly reduce funding for critically important affordable housing resources and put housing vouchers necessary for preserving public housing units for needy families with children, low income seniors and people with disabilities at risk. New York State would lose 14,063 housing vouchers under the House plan in 2018 alone.⁶ And without housing assistance, low income families and children would be forced to move into the already overburdened shelter system or be at risk of homelessness. Considering that New York State had the largest increase of any state in its homeless population (25,649 more people) between 2007 and 2015 due in part, to the scarcity of affordable housing, the House's budget cuts in these programs would significantly exacerbate the State's homelessness problem.⁷

Cuts in funding for education programs that exist to even the playing field for all students

- **Deep cuts to student financial aid initiatives like the Pell Grant program and student loans.** The budget proposes that the maximum Pell Grant award for the lowest income students be reduced from \$5920 to \$4860.⁸ It also calls for cuts in student loans, increasing borrowers' costs in the next decade. In the 2014-15 academic year alone, 495,349 students in New York State received Pell Grants.⁹ Even with this assistance, the average debt of students attending public 4 year

⁴ Hunger Solutions New York, *The Community Eligibility Provision*, (Hunger Solutions New York, n.d), file:///C:/Users/jdartey/Desktop/cep_infographic_7_18_17_web_version.pdf; Numbers retrieved from CEP Database, Food Research & Action Center

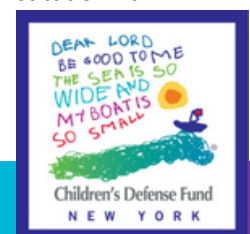
⁵ Food Research & Action Agency, *FRAC Facts: Implications of House Budget on Community Eligibility*, (Food Research & Action Agency, 2017), <http://www.frac.org/wp-content/uploads/frac-facts-implications-house-budget-cep.pdf>.

⁶ Douglas Rice/Center on Budget and Policy Priorities, "House Funding Bill Cuts 140,000 Housing Vouchers," Center on Budget and Policy Priorities, last modified July 20, 2017, <https://www.cbpp.org/blog/house-funding-bill-cuts-140000-housing-vouchers>.

⁷ New York State Office of the State Comptroller, *Homeless Shelters and Homelessness in New York State: An Overview Exclusive of New York City*, (New York, 2016), <https://www.osc.state.ny.us/audits/allaudits/093016/16d3.pdf>.

⁸ Sharon Parrott, "Commentary: House GOP Appears Set on Making College Less Affordable for Millions of Students," Center on Budget and Policy Priorities, last modified July 27, 2017, https://www.cbpp.org/federal-budget/commentary-house-gop-appears-set-on-making-college-less-affordable-for-millions-of#_ftn2.

⁹ U.S Department of Education, "Distribution of Federal Pell Grant Program Funds by Institution and Award Year," Home | U.S. Department of Education, accessed August 9, 2017, <https://www2.ed.gov/finaid/prof/resources/data/pell-institution.html>.



institutions and private non-profit 4 year institutions in New York was \$29,320.¹⁰ Slashing the Pell Grant and the Student Loan Programs would increase the financial burden of low income students and possibly negatively affect their chances of enrolling and successfully completing college or attending college at all.

- **No funding for the Teacher Quality Partnerships, Supporting Effective Instruction Grant and School Leader Recruitment and Support Programs.** These are all programs that are designed to ensure that teachers, school administrators and leaders are well equipped to meet the needs of their diverse students. They exist because they are necessary for student achievement. The New York State Education Department works to offer knowledge, skills and opportunities to all of its residents but it would be impossible to fulfill this mission if these programs that support school leaders are eliminated.

The dramatic reduction in critical resources that assist struggling families meet their basic need to provide food and shelter to their children is immoral. It hurts our most vulnerable citizens, and State and local governments, and even the most impactful non-profits, do not have the resources to remediate the harm that would be done by this budget.

¹⁰ The Institute of College and Access, "Project on Student Debt | State by State Data," What We Do | The Institute for College Access and Success, accessed August 9, 2017, <http://ticas.org/posd/map-state-data#>.

