



## Low-Income Families, Children, Adults with Disabilities and Seniors Have the Most to Lose Under the Administration's Budget Plan

**The Administration's Fiscal Year 2018 budget proposal would slash roughly \$2.5 trillion over the next decade from anti-poverty programs that help struggling low-income families. These programs provide access to nutritious food, keep a roof over their heads and allow access to affordable health care. Congress must reject this proposal.**

**Esubalew Dadi**  
**June 2017**

The Administration's budget proposal cuts approximately \$2.5 trillion in federal funding from anti-poverty programs that serve as a lifeline for millions of Americans, according to a recent report by the Center on Budget and Policy Priorities.<sup>1</sup> Over the next decade, the budget would:

- Cut \$1.85 trillion in Medicaid and Affordable Care Act (ACA) funding, exceeding the cuts in the legislation passed by the U.S. House by more than \$500 billion. These cuts come from slashing the ACA's subsidies that help low- and moderate-income families afford private health insurance coverage, repealing the ACA Medicaid expansion and altering the financial structure of Medicaid into a per capita cap or block grant program.
- Cut \$193 billion in food assistance for children, the elderly, the unemployed and poor working families.
- Cut \$72 billion in programs that serve poor seniors and people with disabilities.

The Florida Policy Institute has written extensively on the negative impact of the American Health Care Act (AHCA) passed by the U.S. House. The AHCA would severely threaten access to vital health care services for more than 4 million Floridians, including children, seniors and adults with disabilities. It would increase the state's already high level of uninsured residents and shift \$7 billion in Medicaid costs to the state over the next decade. The President's budget would only compound Florida's problems under the AHCA. It would expose Floridians to prohibitively expensive out-of-pocket medical expenses, including the risk of over-reliance on emergency rooms in lieu of physician visits.

The devastating impact of these cuts would be two-fold, as the same people who would be hurt the most by the AHCA – poor residents – would see their livelihood at risk under the massive funding cuts to poverty-reduction programs. The programs, namely the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF) and Supplemental Security Income (SSI), serve as a touchstone for children, the elderly, people with disabilities and the working poor.

The **Supplemental Nutrition Assistance Program (SNAP)** would face \$193 billion in funding cuts (a more than 25 percent cut) over the next decade, shifting approximately \$9 billion in costs to Florida during the same period.<sup>2</sup> SNAP is a lifeline for almost 3.6 million Floridians, including children, seniors and people with disabilities, providing access to food and nutrition assistance,<sup>3</sup> lifting low-income families from poverty and improving their health and well-being.

Between 2009 and 2012, SNAP has lifted more than 500,000 Floridians out of poverty,<sup>4</sup> while injecting federal dollars that boost the state's economy. In Fiscal Year (FY) 2015-16, SNAP injected roughly \$5.7 billion into Florida's economy,<sup>5</sup> as recipients spent these dollars at local stores. Moody's Analytics estimates that, in a weak economy, \$1 in SNAP benefits generates about \$1.70 in local economic activity.<sup>6</sup>

Recent data indicate that 8.1 million Florida households are struggling to afford adequate, nutritious food.<sup>7</sup> Cutting food assistance for these families would seriously impact their health and economic security, forcing them to choose between paying for rent and putting food on the table. The Administration's budget would only exacerbate this problem.

The proposed cuts would effectively obliterate SNAP, one of the most effective anti-hunger and anti-poverty programs in the country. The funding cuts would force Florida to take drastic actions to accommodate the loss of federal funding, which could mean restricting eligibility levels and instituting prohibitively difficult program requirements. It could force the state to eliminate an option that supports working families who are paying a relatively large share of their income in rent and/or child care costs, leaving these families with fewer resources to afford healthy food.

Currently, SNAP benefits are fully funded by the federal government, while the state is only responsible for 50 percent of administrative costs. Any cost shifting would require the state to either make up the difference or take the aforementioned hurtful actions.

**Temporary Assistance for Needy Families (TANF)** stands to lose roughly \$21.6 billion over the next decade.<sup>8</sup> TANF is intended to provide cash assistance to families with children to meet basic needs, such as paying for rent and utilities, while preparing them for work so that they can effectively transition to the workforce. On average, 49,000 Floridians received support from the TANF program in FY 2015.<sup>9</sup> The maximum monthly support for a family of three is \$303,<sup>10</sup> which has not been adjusted for inflation and is actually one-third less than its original value. Eligibility in Florida is currently limited to those living far below the federal poverty level (\$20,420 for family of three).<sup>11</sup>

Cuts to TANF would be harsh for Floridians. The state's TANF program is already failing to reach families who need support: Only 11 out of 100 TANF-eligible families received support in FY 2015, compared to 55 out of 100 families in 1996, when the welfare reform law first went into effect.<sup>12</sup>

A reduction in funding to this program would likely result in the state further stiffening its already restrictive TANF eligibility criteria, leaving thousands of Floridians with few options, if any, to make ends meet. There were 3.1 million Floridians (15.7 percent) living below the federal poverty level in 2015, including 210,000 families living in deep poverty (less than \$10,210 for a family of three). Any cut in funding further disadvantages Florida families who are seeking to work their way out of poverty.

**Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI)** stand to lose \$72 billion over the next decade under the Administration's budget,<sup>13</sup> putting at risk thousands of children with disabilities and elderly residents, including individuals who no longer work due to medical impairment.

SSI provides monthly cash assistance to Floridians aged 65 and older, and individuals with disabilities (such as those who are blind) who have limited financial resources.<sup>14</sup> There were 575,000 low-income Floridians receiving SSI benefits, including roughly 139,000 elderly residents and 436,000 Floridians with disabilities, as of December 2016.<sup>15</sup>

SSI is the single source of federal income support targeted to families caring for children with disabilities such as Down Syndrome, cerebral palsy and autism, reaching only the lowest-income and most severely impaired children.<sup>16</sup> These are vulnerable families facing higher costs, more demands on their time and more financial insecurity than families not caring for a child with a disability.<sup>17</sup>

Slashing anti-poverty programs would hit people with disabilities especially hard. People with disabilities are poorer than other Americans — and even at the same income levels, they are much more likely to experience material hardships such as struggling to put food on the table, being forced out of their homes, having their electricity disconnected or going without needed medical care. These programs help millions of people with disabilities meet their basic needs; for example, more than one-fourth of SNAP participants have a disability. Any budget cuts to SNAP, housing and other crucial safety net programs would hurt many vulnerable Americans — particularly people with disabilities.

As of January 2016, a single SSI-eligible person received \$733 per month to meet his or her basic needs. Generally, more than half of SSI recipients receive basic monthly SSI assistance, since they do not have other sources of income.<sup>18</sup> Many of the SSI recipients are automatically eligible for Medicaid and over 60 percent also get SNAP. Roughly one-quarter receive housing assistance.<sup>19</sup>

Florida has a disproportionate share of elderly residents, including low-income seniors. In four Florida counties, more than one-third of the population is aged 65 or older.<sup>20</sup> Thus, it is critically important to recognize the demographic shift that the state is facing.

The SSI beneficiary population in Florida is growing at a higher rate than the national average (35 percent growth in adults who are blind and/or have disabilities, compared with 21 percent nationally, and 36 percent growth in the aged population, compared with a five percent reduction nationally).<sup>21</sup>

SSDI, an integral part of Social Security, provides modest but crucial support to workers who can no longer support themselves due to a serious and long-lasting medical impairment.<sup>22</sup> There were more than 500,000 Floridians who received support from SSDI as of December 2016.<sup>23</sup> SSDI is an earned benefit (through paid payroll tax contributions) that offers vital protection for millions of workers.<sup>24</sup> Clearly, a funding cut of this magnitude would limit their access to support from the program, further accelerating their risk of vulnerability to economic and health hardships.

The proposed funding cuts would trigger tough decision-making on the part of state lawmakers to accommodate the loss of federal funding. Such actions could include cutting support from vital public services such as education and transportation, or — more likely — instituting drastic eligibility and benefit level cuts to anti-poverty programs, exposing many families and children to health and economic hardships.

It is crucial that adequate funding focus on the unique needs of our most vulnerable - low-income children, the elderly and adults with disabilities. It is incumbent upon Congress to support and improve services that build strong communities. All citizens deserve a decent quality of life, and those in temporary crisis deserve help in becoming self-sufficient.

---

<sup>1</sup> Greenstein, Robert. 2017. *Trump Budget Proposes Path to a new Gilded Age*. Center on Budget and Policy Priorities. Accessed via: [http://www.cbpp.org/press/statements/greenstein-trump-budget-proposes-path-to-a-new-gilded-age?utm\\_source=CBPP+Email+Updates&utm\\_campaign=d2402569e8-EMAIL\\_CAMPAIGN\\_2017\\_05\\_23&utm\\_medium=email&utm\\_term=0\\_ee3f6da374-d2402569e8-111121633](http://www.cbpp.org/press/statements/greenstein-trump-budget-proposes-path-to-a-new-gilded-age?utm_source=CBPP+Email+Updates&utm_campaign=d2402569e8-EMAIL_CAMPAIGN_2017_05_23&utm_medium=email&utm_term=0_ee3f6da374-d2402569e8-111121633)

<sup>2</sup> Dean, Stacy. 2017. *President's Budget Would Shift Substantial Costs to States and Cut Food Assistance for Millions*. Center on Budget and Policy Priorities. Accessed via: [http://www.cbpp.org/sites/default/files/atoms/files/5-23-17fa.pdf?utm\\_source=CBPP+Email+Updates&utm\\_campaign=64ab8683e7-EMAIL\\_CAMPAIGN\\_2017\\_05\\_23&utm\\_medium=email&utm\\_term=0\\_ee3f6da374-64ab8683e7-111121633](http://www.cbpp.org/sites/default/files/atoms/files/5-23-17fa.pdf?utm_source=CBPP+Email+Updates&utm_campaign=64ab8683e7-EMAIL_CAMPAIGN_2017_05_23&utm_medium=email&utm_term=0_ee3f6da374-64ab8683e7-111121633) p. 4

<sup>3</sup> US Department of Agriculture. 2016. *Supplemental Nutrition Assistance Program (SNAP) State Activity Report Fiscal Year 2015*. p. 5. Accessed via: <http://www.fns.usda.gov/sites/default/files/snap/2015-State-Activity-Report.pdf>

<sup>4</sup> Sherman, Arloc and Danilo Trisi. 2015. *Safety Net More Effective than Previously Thought*. Center on budget and Policy Priorities. Accessed via: <http://www.cbpp.org/research/poverty-and-inequality/safety-net-more-effective-against-poverty-than-previously-thought>

<sup>5</sup> Supra at 3

<sup>6</sup> Center on Budget and Policy Priorities. 2016. *Policy Basics: Introduction to the Supplemental Nutrition Assistance Program (SNAP)*. Accessed via: <http://www.cbpp.org/research/policy-basics-introduction-to-the-supplemental-nutrition-assistance-program-snap>

---

<sup>7</sup> Coleman-Jensen, Alisha et al. 2016. *Household Food Security in the United States in 2015*. p. 21. Accessed via: <https://www.ers.usda.gov/webdocs/publications/79761/err-215.pdf?v=42636>

<sup>8</sup> White House. 2017. Budget of the U.S Government, A New Foundation for American Greatness. p. 37, Table S-6. p. 37. <https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/budget/fy2018/budget.pdf>

<sup>9</sup> U.S Department of Health and Human Services. 2017. *TANF: Average Monthly Number of Families, Fiscal and Calendar Year 2015*. Accessed via: [https://www.acf.hhs.gov/sites/default/files/ofa/2015\\_family\\_tan.pdf](https://www.acf.hhs.gov/sites/default/files/ofa/2015_family_tan.pdf)

<sup>10</sup> Florida Department of Children and Families. 2016. *Temporary Assistance for Needy Families (TANF), An Overview OF program Requirements*. p. 10. Accessed via: [https://www.dcf.state.fl.us/programs/access/docs/TANF\\_101\\_final.pdf](https://www.dcf.state.fl.us/programs/access/docs/TANF_101_final.pdf)

<sup>11</sup> Stanley, Megan et al. 2016. *TANF Cash Benefits Have Fallen By more Than 20 percent in Most States and Continue to Erode*. Center on Budget and Policy Priorities. p. 12 and 15. Accessed via: <http://www.cbpp.org/research/family-income-support/tanf-cash-benefits-have-fallen-by-more-than-20-percent-in-most-states>

<sup>12</sup> Special data request from the Center on Budget and Policy Priorities on Florida's TANF-to-Poverty ratio. The TANF-to-Poverty ratio metric uses two-year averages of TANF cash assistance caseload so that the data are comparable to the two-year poverty rate estimates from the US Census Bureau.

<sup>13</sup> Supra at 1

<sup>14</sup> Social Security Administration. *Supplemental Security Income (SSI)*. p. 4 Accessed via: <https://www.ssa.gov/pubs/EN-05-11000.pdf>

<sup>15</sup> Social Security Administration (SSA). *Congressional Statistics, December 2016, Number of recipients of federally administered SSI payments and total monthly payments, December 2016* Accessed via: [https://www.ssa.gov/policy/docs/factsheets/cong\\_stats/2016/fl.html](https://www.ssa.gov/policy/docs/factsheets/cong_stats/2016/fl.html)

<sup>16</sup> Romig, Kathleen. 2017. *SSI: A Lifeline for Children with Disabilities*. Center on budget and policy Priorities. Accessed via: <http://www.cbpp.org/research/social-security/ssi-a-lifeline-for-children-with-disabilities>

<sup>17</sup> Ibid (Emphasis added)

<sup>18</sup> Center on Budget and Policy Priorities. 2015. *Policy Basics: Introduction to Supplemental Security Income Program*. Accessed via: <http://www.cbpp.org/research/social-security/policy-basics-introduction-to-supplemental-security-income>

<sup>19</sup> Ibid

<sup>20</sup> Kent Lauren. 2015. *Where do the oldest American Live?* Pew Research Center. Accessed via: <http://www.pewresearch.org/fact-tank/2015/07/09/where-do-the-oldest-americans-live/>

<sup>21</sup> Alker, Joan. 2017. *Changes in Health Care Policy: How Could Florida be Affected?* p. 32. Georgetown University, Center for Children and Families. Accessed via: <https://ccf.georgetown.edu/wp-content/uploads/2017/03/FINAL-Alker-Florida-Webinar-Slides.pdf>

<sup>22</sup> Center on Budget and Policy Priorities. 2016. *Chart Book: Social Security Disability Insurance*. <http://www.cbpp.org/research/social-security/chart-book-social-security-disability-insurance>

<sup>23</sup> Center on Budget and Policy Priorities (CBPP) analysis of Census Bureau Data from 2015 American Community Survey, 1 Year Estimate (data available upon request)

<sup>24</sup> Ibid