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## FACT SHEET



# The Impacts of Proposed Fiscal Year 2018 Budget Cuts on the Latino Community

To end hunger and poverty in the United States by 2030, our country needs to support a budget that improves the lives of men, women, and children. Unfortunately, the Trump administration and Congress are proposing dramatic cuts to programs that promote economic opportunity or provide food assistance to some of the poorest families in the United States.

These budget cuts would hit the Latino community particularly hard since Latino households are up to three times more likely to experience hunger and poverty.<sup>i</sup>



#### **The Impact of Cutting SNAP**

In 2014, the Supplemental Nutrition Assistance Program (SNAP) moved 2.6 million Latinos, including 1.3 million children, out of poverty.<sup>ii</sup> Today, more than 7.7 million Latinos — living in an estimated 1 in 5 Latino-headed households—rely on SNAP to put food on the table.<sup>iii iv</sup> The average Latino family receives SNAP benefits of \$297 a month,<sup>v</sup> or \$1.06 per person per meal.

With SNAP, the typical Latino household of three can live on 1,430 each month.<sup>vi</sup> Cuts to this program could:

- Decrease the average monthly income of Latino households by up to one-third. This could leave the typical Latino family of three with only \$1,041 per month<sup>vii</sup> to take care of all of its needs (e.g., housing, food, healthcare).
- Reduce the current meal benefit of \$1.06 that Latino households receive. This will push already food-insecure Latino households even deeper into hunger.

It is hard to eat on \$1.06 per meal. It is even harder to eat on less than \$1.06 per meal. Making cuts to SNAP would be detrimental to the Latino community and make it less likely that we can end hunger by 2030.

#### The Impact of Cutting Medicaid

Medicaid is an affordable health insurance policy for low-income Americans. More than 20 million low-income Latinos benefits from Medicaid.<sup>viii</sup> Making cuts to this program would double the out-of-pocket healthcare expenses among low-income Latino households already struggling to put food on the table. This would make families choose between paying for medicine and food—and would increase hunger among Latino households.

#### The Impact of Not Expanding the EITC

Nearly 8 million Latino workers benefit from the earned income tax credit (EITC).<sup>ix</sup> Strengthening the EITC by lowering the eligibility age and increasing the current benefit for childless workers would accomplish the following:

- It would protect 750,000 Latino childless adults from being taxed into poverty.<sup>x</sup>
- <sup>o</sup> It would help more than 550,000 young Latino low-wage workers fight hunger and poverty.<sup>xi</sup> Currently, Latinos aged 21-24 represent 20 percent of young workers earning less than \$15,000 each year.<sup>xii</sup> Lowering the age of the EITC from 25 years old to 21 years old for young workers without children would increase the income for these young workers, many of whom are living below the federal poverty line.

#### The Impact of Increasing Funding for Immigration and Customs Enforcement

Increasing funding by more than \$400 million for more border patrol agents, more U.S. Immigration and Customs Enforcement (ICE) personnel, and expanded detention efforts will disproportionately hurt Latino communities.<sup>xiii</sup> Increases in raids and detentions separates parents from their households and increases the possibilities of hunger and poverty for their U.S.-born Latino children.<sup>xiv</sup>

The federal budget should shift funds to anti-hunger and poverty programs that help the 4.5 million U.S.-born children living with an undocumented parent, instead of making them more vulnerable to detention or deportation.



#### **Endnotes**

- <sup>i</sup> "Hunger and Poverty Among Latinos." Bread for the World. September 2016. http://www.bread.org/sites/default/files/latino-fact-sheet-sept-2016.pdf <sup>ii</sup> "SNAP Helps Millions of Latinos." Center on Budget and Policy Priorities. March 2017.
- https://www.cbpp.org/research/food-assistance/snap-helps-millions-of-latinos
- "" "Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2015." USDA. Page 61.
- https://fns-prod.azureedge.net/sites/default/files/ops/Characteristics 2015.pdf

<sup>iv</sup> Bread analysis: "Receipt of Food Stamps by Race: Table B22005I." American Community Survey 5-Year Estimates. https://factfinder.census.gov/faces/ tableservices/jsf/pages/productview.xhtml?pid=ACS\_15\_5YR\_B22005I&prodType=table and "SNAP Helps Millions of Latinos." Center on Budget and Policy Priorities. March 2017. https://www.cbpp.org/research/food-assistance/snap-helps-millions-of-latinos

<sup>v</sup> Ibid, Center on Budget and Policy Priorities. Bread analysis.

<sup>vi</sup> Ibid.

<sup>vii</sup> Ibid.

viii Bread analysis based on "February 2017 Medicaid and CHIP Enrollment Data Highlights." Medicaid.org https://www.medicaid.gov/medicaid/program-information/medicaid-and-chip-enrollment-data/report-highlights/index.html and "Health Coverage by Race and Ethnicity." The Henry J. Kaiser Family Foundation. March 2013. https://kaiserfamilyfoundation.files.wordpress.com/2014/07/8423-health-coverage-by-race-and-ethnicity.pdf

<sup>ix</sup> "The Earned Income Tax Credit, the Child Tax Credit, and Latinos." Center on Budget and Policy Priorities. July 2015. http://www.cbpp.org/sites/default/files/atoms/files/7-21-15tax-factsheet2.pdf

 $^{\rm x}$  Bread analysis: Center on Budget and Policy Priorities. http://www.cbpp.org/research/federal-tax/strengthening-the-eitc-for-childless-workers-would-pro-mote-work-and-reduce and http://www.cbpp.org/research/food-assistance/who-are-the-low-income-childless-adults-facing-the-loss-of-snap-in-2016

xi Bread analysis: "EITC Expansion Proposals: What's at Stake for Young Workers." CLASP.

http://www.clasp.org/resources-and-publications/publication-1/2014-09-17-Youth-EITC-Young-Workers-FINAL.pdf

<sup>xii</sup> Ibid.

xiii Bread analysis: "How Trump's Proposed Budget Will Impact People of Color." Race Forward: Colorlines. March 2017.

http://www.colorlines.com/articles/how-trumps-proposed-budget-will-impact-people-color

xiv "From Hunger to Hunger Background Paper." Bread for the World. June 2017.

