



FACT SHEET

# How Trump's FY 2019 Budget Hurts Communities of Color

By Rejane Frederick, Connor Maxwell, and Silva Mathema February 16, 2018

President Donald Trump's FY 2019 budget<sup>1</sup> is poised to continue a relentless attack on hard-fought protections and gains won by communities of color over the course of several generations<sup>2</sup>--all to pay for the \$1.5 trillion in tax cuts<sup>3</sup> he gave to corporations and millionaires. Here are just a few examples of the many ways in which President Trump's budget harms communities of color:

- **Dismantles the health care system:** President Trump's budget calls for the repeal of the Affordable Care Act (ACA). An analysis of a previous U.S. Senate repeal bill found that doing so would leave 8.7 million people of color without Medicaid coverage by 2026.<sup>4</sup> That number includes 2.9 million African Americans; 4.7 million Hispanic people; and 1.2 million Asian Americans, Native Hawaiians, Pacific Islanders, American Indians, Aleutians, Eskimos, and people of two or more races. The budget slashes \$306 billion in federal funding<sup>5</sup> over 10 years from Medicaid and places punitive work requirements on certain enrollees—which would disproportionately affect women, African Americans, and Native Americans.<sup>6</sup>
- **Slashes food assistance:** President Trump plans to slash the nation's Supplemental Nutrition Assistance Program (SNAP) by roughly 31 percent,<sup>7</sup> jeopardizing access to food for 8 million African Americans, 7.7 million Hispanic Americans, 1.3 million Asian Americans, 560,000 Native Americans, and 431,000 people of two or more races.<sup>8</sup>
- **Slashes housing assistance:** President Trump's budget proposal would cut \$8.8 billion from the U.S. Department of Housing and Urban Development (HUD),<sup>9</sup> which supports housing for more than 9 million people, including 4.2 million African Americans and 1.8 million Hispanic Americans.<sup>10</sup> The budget slashes the Fair Housing Initiatives Program by 2.6 million,<sup>11</sup> which is designed to provide fair housing enforcement and education. This move will hamstring the ability of fair housing organizations to prevent and eliminate discrimination in housing, which is still prevalent 50 years after the passage of the Fair Housing Act.<sup>12</sup>

President Trump also cuts \$114 million from HUD funding for programs that both increase and rehabilitate sorely needed affordable housing stock and community facilities in Native American Tribes and Alaskan Native villages.<sup>13</sup> Fully 40 percent<sup>14</sup> of the housing on the Indian reservations are in subpar condition compared with just 6 percent outside of Native communities.

- **Undermines access to justice and environmental protections:** President Trump eliminates the Legal Services Corporation,<sup>15</sup> which provided legal aid services to roughly 2 million people in 2016<sup>16</sup> across the United States, 27.8 percent of whom are African American and 17.6 percent are Hispanic Americans. Also, President Trump undercuts the U.S. Department of Justice's Civil Rights Division—whose mission is to protect Americans from discrimination—by proposing to eliminate<sup>17</sup> 27 positions from an already understaffed department.<sup>18</sup>

Trump's budget<sup>19</sup> and infrastructure proposal<sup>20</sup> call for drastic reductions to environmental initiatives<sup>21</sup> charged with monitoring, evaluating, and remediating environmental hazards, further jeopardizing the health and safety of communities of color, which are more likely to be exposed to pollution and situated near toxic waste sites.<sup>22</sup>

- **Undermines economic opportunity and labor protections:** Trump reduces the budget of the U.S. Commerce Department's Minority Business Development Agency (MBDA) by \$24 million,<sup>23</sup> which is the only federal agency exclusively focused on providing people of color supports to start and grow their own businesses.<sup>24</sup> He also eliminates the U.S. Department of Labor's Migrant and Seasonal Farmworker Training program,<sup>25</sup> which funds programs geared towards increasing the employment opportunities and earnings of migrant and seasonal farmworkers.
- **Undermines access to education:** President Trump eliminates the 21st Century Community Learning Centers program,<sup>26</sup> which provided high-quality after-school programs<sup>27</sup> to 1.2 million low-income students of color from 2014 to 2015; the Comprehensive Literacy Development Grants program which supports efforts to improve reading comprehension; and the Federal Supplemental Educational Opportunity Grant Program, which helps students with the greatest need for financial aid.

President Trump seeks to freeze the maximum Pell Grant award—which helps nearly two-thirds of African American students and half of Latino students pay for college—at their current level of \$5,920, for the next decade.<sup>28</sup> Even now, Pell Grants cover less than one-third of the total tuition costs of a four-year degree.<sup>29</sup> The administration also eliminates the subsidized student loan program,<sup>30</sup> which provides interest-free loans for students with financial needs, and chops funding for the Federal Work-Study program by \$790 million,<sup>31</sup> which helps undergraduate and graduate students

with severely limited means pay for their education through part-time employment. Notably, some of the work-study program's funding was restored in the budget addendum<sup>32</sup> following the recent congressional budget deal.

- **Hurts immigrants:** The Department of Homeland Security is asking for \$782 million<sup>33</sup> to add 2,750 more immigration enforcement officers and U.S. Border Patrol agents. A bigger deportation force will only terrorize immigrant communities across the nation. The budget also proposes that U.S. taxpayers pay for an unnecessary border wall by putting \$1.6 billion<sup>34</sup> in 2019—out of a total of \$18 billion requested to build it. And the real cost of constructing the entire wall could be much more, as high as \$66.9 billion.<sup>35</sup>

President Trump is planning<sup>36</sup> to penalize immigrants for being “likely” to use essential government assistance such as health benefits, nutritional assistance, and educational assistance. The budget further cracks down<sup>37</sup> on the ability of undocumented parents to claim the Child Tax Credit (CTC) and Earned Income Tax Credit (EITC) for their qualifying children. This type of requirement is estimated to take benefits away from 3 million children<sup>38</sup> in low-income immigrant families.

The president's budget is requesting \$2.8 billion<sup>39</sup> to maintain a daily occupancy of 52,000 detention beds—a massive increase from 39,324<sup>40</sup> beds in fiscal year 2017. The higher number of beds means many vulnerable individuals,<sup>41</sup> such as asylum seekers, will be kept in detention centers. This provision is a boon to the private prison industry—and with less oversight and lack of accountability, there is a greater chance that the detainees are mistreated in these private prisons.

Additionally, the budget cuts funding to the U.S. Refugee Admissions Program program by 11 percent<sup>42</sup> relative to actual spending in 2017. It also cuts funds for essential transitional, medical, and other support services,<sup>43</sup> which includes vital resources to provide cash and medical benefits, case management, employment services, and English language services.

*Rejane Frederick is an associate director for the Poverty to Prosperity Program at Center for American Progress. Connor Maxwell is the research associate for Progress 2050 at the Center. Silva Mathema is a senior policy analyst of Immigration Policy at the Center.*

---

## Endnotes

1 The White House, “An American Budget” (2018), available at <https://www.whitehouse.gov/wp-content/uploads/2018/02/msar-fy2019.pdf>.

2 Connor Maxwell and Danyelle Solomon, “52 Harms in 52 Weeks: How the Trump Administration Hurt Communities of Color in 2017,” Center for American Progress, January 10, 2018, available at <https://www.americanprogress.org/issues/race/reports/2018/01/10/444806/52-harms-52-weeks/>.

3 Dylan Matthews, “Republican Tax Plan Leaves a \$1.5 Trillion Bill for the Middle Class to Pay,” Vox, December 8, 2017, available at <https://www.vox.com/policy-and-politics/2017/12/8/16751032/senate-house-republican-tax-plan-deficit-spending-cuts>.

4 Michele Jawando and Connor Maxwell, “How Medicaid Cuts Would Hurt People of Color: A State-by-State Breakdown,” Center for American Progress, July 27, 2015, available at <https://www.americanprogress.org/issues/race/news/2017/07/25/436614/medicaid-cuts-hurt-people-color-state-state-breakdown/>.

- 5 Seth Hanlon and others, "Trump's Budget Reveals that He Wants Everyday Americans to Pay for His Tax Cuts for the Wealthy," Center for American Progress, February 12, 2018, available at <https://www.americanprogress.org/issues/economy/news/2018/02/12/446453/trumps-budget-reveals-wants-everyday-americans-pay-tax-cuts-wealthy/>.
- 6 Katherine Gallagher Robbins and Rachel West, "Trump's Medicaid Work Requirements Could Put At Least 6.3 Million Americans at Risk of Losing Health Care," Center for American Progress, January 12, 2018, available at <https://www.americanprogress.org/issues/poverty/news/2018/01/12/444953/trumps-medicaid-work-requirements-put-least-6-3-million-americans-risk-losing-health-care/>.
- 7 Hanlon and others, "Trump's Budget Reveals that He Wants Everyday Americans to Pay for His Tax Cuts for the Wealthy,"
- 8 Maxwell and Solomon, "52 Harms in 52 Weeks: How the Trump Administration Hurt Communities of Color in 2017,"
- 9 The White House, "An American Budget," p. 63.
- 10 Maxwell and Solomon, "52 Harms in 52 Weeks: How the Trump Administration Hurt Communities of Color in 2017,"
- 11 U.S. Department of Housing and Urban Development, "Fair Housing and Equal Opportunity Programs" (2018), p. 31-1, available at <https://www.hud.gov/sites/dfiles/CFEO/documents/34%20-%20FY19CJ%20-%20FHEO%20-%20Fair%20Housing%20Programs.pdf>.
- 12 Michela Zonta and Sarah Edelman, "Toward Jobs and Justice: Where You Live Matters" (Center for American Progress, 2017), available at <https://www.americanprogress.org/issues/economy/reports/2017/01/09/296114/toward-jobs-and-justice/>.
- 13 The White House, "An American Budget," p. 50.
- 14 National Congress of American Indians, "Housing & Infrastructure," available at <http://www.ncai.org/policy-issues/economic-development-commerce/housing-infrastructure> (last accessed February 2018).
- 15 Hanlon and others, "Trump's Budget Reveals that He Wants Everyday Americans to Pay for His Tax Cuts for the Wealthy,"
- 16 Legal Services Corporation, "Grantee Client Demographics," available at <https://www.lsc.gov/state-data-grantee-client-characteristics> (last accessed February 2018).
- 17 U.S. Department of Justice, "General Legal Activities: Civil Rights Division" (2018), available at <https://www.justice.gov/file/1033091/download>.
- 18 Sadie Gurman, "Official's departure adds to strain of vacancies at Justice," *Washington Post*, February 13, 2018, available at [https://www.washingtonpost.com/politics/officials-departure-adds-to-strain-of-vacancies-at-justice/2018/02/13/7aca7e38-1082-11e8-a68c-e9374188170e\\_story.html?utm\\_term=.03514df9622d](https://www.washingtonpost.com/politics/officials-departure-adds-to-strain-of-vacancies-at-justice/2018/02/13/7aca7e38-1082-11e8-a68c-e9374188170e_story.html?utm_term=.03514df9622d).
- 19 Hanlon and others, "Trump's Budget Reveals that He Wants Everyday Americans to Pay for His Tax Cuts for the Wealthy,"
- 20 The White House, "Legislative Outline for Rebuilding Infrastructure in America" (2018), p. 35, available at <https://www.whitehouse.gov/wp-content/uploads/2018/02/INFRA-STRUCTURE-211.pdf>.
- 21 United States Environmental Protection Agency, "National Environmental Policy Act Policies and Guidance," available at <https://www.epa.gov/nepa/national-environmental-policy-act-policies-and-guidance> (last accessed February 2018).
- 22 Clean Air Task Force and National Medical Association, "Fumes Across the Fence-Line" (2017), available at <http://www.naacp.org/climate-justice-resources/fumes-across-fence-line/>.
- 23 U.S. Government Publishing Office, "Budget of the United States Government, Fiscal Year 2019" (2018), p. 189, available at <https://www.gpo.gov/fdsys/pkg/BUDGET-2019-APP/pdf/BUDGET-2019-APP-1-6.pdf>.
- 24 U.S. Department of Commerce, "Minority Business Development Agency; Who We Are," available at <https://www.mbdba.gov/about> (last accessed February 2018).
- 25 The White House, "An American Budget," p. 64.
- 26 The White House, "An American Budget," p. 22–24.
- 27 After School Alliance, "21st Century Community Learning Centers (2017)," available at <http://afterschoolalliance.org/documents/21stCCCLC-Overview-2017.pdf>.
- 28 Hanlon and others, "Trump's Budget Reveals that He Wants Everyday Americans to Pay for His Tax Cuts for the Wealthy,"
- 29 Ibid.
- 30 Ibid.
- 31 The White House, "An American Budget," p. 25.
- 32 The White House, "Addendum to the FY 2019 Budget" (2018), p. 3, available at <https://www.whitehouse.gov/wp-content/uploads/2018/02/Addendum-to-the-FY-2019-Budget.pdf>.
- 33 The White House, "An American Budget," p. 57.
- 34 The White House, "An American Budget," p. 58.
- 35 U.S. Senator Claire McCaskill, "Potential Wall Cost of \$66.9 Billion Concerns McCaskill After Committee Staff Briefing" (2017), available at <https://www.mccaskill.senate.gov/media-center/news-releases/potential-wall-cost-of-669-billion-concerns-mccaskill-after-committee-staff-briefing>.
- 36 Shawn Fremstad, "Trump Plans New Limits on Family Immigration and Access to Services," Center for American Progress, February 12, 2018, available at <https://www.americanprogress.org/issues/immigration/news/2018/02/12/446413/trump-plans-new-limits-family-immigration-access-services/>.
- 37 Office of Management and Budget, "An American Budget: Major Savings and Reforms" (2018), p.7, available at <https://www.gpo.gov/fdsys/pkg/BUDGET-2019-MSV/pdf/BUDGET-2019-MSV.pdf>.
- 38 Jacob Leibenluft, "Tax Bill's Child Tax Credit Change Would Hurt 3 Million Children," Center on Budget and Policy Priorities, November 7, 2017, available at <https://www.cbpp.org/blog/tax-bills-child-tax-credit-change-would-hurt-3-million-children>.
- 39 U.S. Department of Homeland Security, "Budget-in-Brief, Fiscal Year 2019" (2018), p.4, available at <https://www.dhs.gov/sites/default/files/publications/DHS%20FY19%20BIB.pdf>.
- 40 U.S. Senate Committee on Appropriations, "FY2017 Additional Appropriations for the Department of Homeland Security" (2016), available at <https://www.appropriations.senate.gov/imo/media/doc/FY17%20Homeland%20Security%20Additional%20Appropriations%20-%20Final.pdf>.
- 41 Sharita Gruberg, "How For-Profit Companies Are Driving Immigration Detention Policies" (Center for American Progress, 2015), available at <https://www.americanprogress.org/issues/immigration/reports/2015/12/18/127769/how-for-profit-companies-are-driving-immigration-detention-policies/>.
- 42 U.S. Department of State, "Congressional Budget Justification, FY-2019" (2018), p. 145, available at [https://www.usaid.gov/sites/default/files/documents/1868/FY\\_2019\\_CBJ.pdf](https://www.usaid.gov/sites/default/files/documents/1868/FY_2019_CBJ.pdf).
- 43 U.S. Department of Health and Human Services, "Congressional Budget Justification, FY-2019" (2018), p.100, available at <https://www.hhs.gov/sites/default/files/fy-2019-budget-in-brief.pdf>.