## IMPACT OF THE

## 2016 REPUBLICAN BUDGET

## IN MASSACHUSETTS

A report prepared by Sen. Elizabeth Warren

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Republicans in the United States Congress recently forced through a budget resolution that would eliminate important benefits for middle-class families, while giving billions of dollars in new tax cuts to the wealthiest Americans. The budget could cripple key benefits for seniors and students, weaken Medicare and Medicaid, and hurt hundreds of thousands of Massachusetts families.

This analysis provides additional information about the damage the Republican budget will inflict on Massachusetts families. Senator Warren voted against this budget, which could:

- Cost 56,000 jobs in Massachusetts. The Republican budget calls for cutting billions of dollars in roads, bridges, and mass transit, research, education, and health care investments. Those cuts would cost an estimated three million jobs nationwide, including more than 56,000 jobs in the state.<sup>1</sup>
- Raise taxes for nearly 200,000 working families in Massachusetts. The Republican budget could allow key portions of the Earned Income Tax Credit which provides a tax credit of up to \$6,143 for families earning between \$14,590 and \$52,471 to expire, resulting in a tax increase for an estimated 195,000 Massachusetts families.<sup>2</sup>
- Raise costs for 131,000 Massachusetts college students. The Republican House budget calls for freezing Pell Grants for low-income students, which could increase the cost of attending college for 131,000 Massachusetts residents.<sup>3</sup> This could affect students at 78 Massachusetts colleges including almost 18,000 students in the UMass system.<sup>4</sup> The Republican Senate budget calls for cutting mandatory funding for Pell Grants by \$90 billion. Table 1 contains information on the Massachusetts colleges that have the most Pell Grant recipients.

<sup>1</sup> DPCC, Republican Budget Would Harm Massachusetts' Economy (March 2015) (online at http://www.dpcc.senate.gov/files/documents/2015BudgetEconomy/MassachusettsEconomy2015.pdf).

<sup>2</sup> The White House: Fact Sheet: Republican Budget Resolutions: Same Failed Top-Down Economics for Massachusetts (Mar. 24, 2015) (online at https://www.whitehouse.gov/sites/default/files/docs/state\_by\_state\_gop\_budget\_impacts.pdf).

<sup>3</sup> The White House: Fact Sheet: Republican Budget Resolutions: Same Failed Top-Down Economics for Massachusetts (Mar. 24, 2015) (online at https://www.whitehouse.gov/sites/default/files/docs/state\_by\_state\_gop\_budget\_impacts.pdf).

<sup>4</sup> Department of Education, Distribution of Pell Grant Recipients by Type and Control of Institution, Award Year 2012-2013 (online at https://www2.ed.gov/finaid/prof/resources/data/pell-inst-12-13.xls).



Table 1: The Republican Budget Cuts Funding for Massachusetts College Students			
School	Total Pell Grant \$	Total Pell Grant Recipients	
UMass-Amherst	\$23,633,033	6,007	
UMass-Boston	\$19,886,775	5,087	
Quinsigamond Community College	\$15,044,721	4,731	
Bristol Community College	\$14,003,647	4,638	
Northern Essex Community College	\$13,353,812	4,326	
Holyoke Community College	\$13,340,494	4,243	
North Shore Community College	\$12,970,409	4,136	
UMass-Lowell	\$15,173,480	3,946	
Massasoit Community College	\$11,350,345	3,412	
Bridgewater State College	\$12,097,313	3,142	

- Cut healthcare programs serving more than 85,000 Massachusetts women and children. The Republican budget calls for cutting funds for the National Breast and Cervical Cancer Early Detection Program (eliminating funding for breast cancer screenings for an estimated 400 Massachusetts women), reducing grants for childhood vaccines (cutting a total of approximately \$640,000 from these grants in Massachusetts, eliminating funding to pay for vaccines received by an estimated 9,234 Massachusetts children), cutting funding for the Maternal and Child Health Block Grant by approximately \$400,000, eliminating funding for services such as prenatal care and well-child services for an estimated 75,000 Massachusetts women and children, and cutting approximately \$800,000 for the STOP Violence Against Women Program.<sup>5</sup>
- Raise Medicare costs for nearly all Massachusetts seniors. The Republican budget would repeal the Affordable Care Act, which closed the Medicare Part D donut hole, provided free preventative care, and saved billions of dollars for seniors. Under the Republican budget, an estimated 79,800 Massachusetts seniors would pay an average of \$920 more annually for prescription drugs costing these seniors a total of over \$73 million. The Republican budget would also end free Medicare preventative health care for an estimated 900,000 Massachusetts seniors. Table 2

<sup>5</sup> DPCC, Republican Budget Puts Special Interests Ahead of Massachusetts Women (Mar. 2015) (online at http://www.dpcc.senate.gov/files/documents/2015BudgetWomen/MassachusettsWomen2015.pdf).

<sup>6</sup> The White House: Fact Sheet: Republican Budget Resolutions: Same Failed Top-Down Economics for Massachusetts (Mar. 24, 2015) (online at https://www.whitehouse.gov/sites/default/files/docs/state\_by\_state\_gop\_budget\_impacts.pdf).

<sup>7</sup> DPCC, Republican Budget Puts Special Interests Ahead of Massachusetts Seniors Health Care (Mar. 2015)



contains information on the number of seniors in each county who would lose these important benefits.

Table 2: Estimated Number of Massachusetts Seniors Losing Key Medicare Benefits Under Republican Budget			
County	Seniors Losing Donut Hole Coverage	Seniors Losing Free Preventative Care	
Barnstable	2,222	25,055	
Berkshire	7,645	86,219	
Bristol	266	3,005	
Dukes	9,754	110,009	
Essex	1,082	12,203	
Franklin	1,082	12,203	
Hampden	6,540	73,761	
Hampshire	1,978	22,303	
Middlesex	17,309	195,213	
Nantucket	115	1,299	
Norfolk	8,428	95,048	
Plymouth	6,580	74,212	
Suffolk	7,113	80,224	
Worcester	9,686	109,245	

- Cut funding for approximately 26,000 nursing home residents. The Republican House budget calls for cuts to the Medicaid program of \$24 billion over 10 years.8 This could result in benefit or payments cuts for an estimated 1.6 million state residents - including approximately 26,000 residents in nursing homes whose care is paid for by Medicaid.9
- Cut support for an estimated 860,000 Massachusetts residents who depend on food stamps. The Republican House budget would cut funding for the Supplemental Nutrition Assistance Program (SNAP) by \$2 billion over the next decade – reducing food-aid by an average of over \$2,300 for each of the 860,000 Massachusetts residents who receive federal food aid. 10 These cuts could affect approximately

http://dpcvotes.senate.gov/resources/docs-released/st-114-1-59 files/Massachusetts.pdf

<sup>8</sup> The White House: Fact Sheet: Republican Budget Resolutions: Same Failed Top-Down Economics for Massachusetts (Mar. 24, 2015) (online at https://www.whitehouse.gov/sites/default/files/docs/state\_by\_state\_gop\_budget\_impacts.pdf).

<sup>9</sup> American Health Care Association, Long Term Care Stats (June 2013).

<sup>10</sup> The White House: Fact Sheet: Republican Budget Resolutions: Same Failed Top-Down Economics for Massachusetts



160,000 residents of Suffolk County, 140,000 in Hampden County, and 120,000 each in Middlesex and Worcester Counties.

• Cut access to Head Start for 570 children and reduce funding for up to 150,000 Massachusetts children with disabilities. The Republican budget could cut access to Head Start for 570 Massachusetts children, reduce funding for disadvantaged children in the state by almost \$20 million (funding for approximately 25,000 students) and cut education funding for children with disabilities by \$7.9 million - cuts that could affect up to 150,000 Massachusetts students.<sup>11</sup>

There's more. The budget would also make significant cuts to job training and employment services, which could cut off job training to an estimated 46,000 residents, cut over \$84 million in federal funding for affordable housing (cuts that could affect approximately 5,000 low-income families), and even reduce federal research funding by an estimated \$30 million for Massachusetts colleges and laboratories.<sup>12</sup>

The Republicans also plan to use the excuse of a must-pass budget to roll back key consumer protections in the Dodd Frank Act. The Consumer Financial Protection Bureau is on the cutting board in the hopes of turning a watchdog into a lapdog, just as Republican efforts to weaken the law would leave the big banks freer to load up on risks – and let the American taxpayers bail them out. The budget would also leave in place massive tax loopholes and benefits that allow the wealthiest Americans to pay less in taxes than most middle-class Americans.

The Republican budget is a blueprint for the Republican vision of the future: the rich will get richer and the powerful will get more powerful. Our children, our college students, our seniors, and our workers would be left behind. This is not how we build a future. We owe it to our children to fight back against this budget.

[Mar. 24, 2015] (online at https://www.whitehouse.gov/sites/default/files/docs/state\_by\_state\_gop\_budget\_impacts.pdf).

11 The White House: Fact Sheet: Republican Budget Resolutions: Same Failed Top-Down Economics for Massachusetts [Mar. 24, 2015] (online at https://www.whitehouse.gov/sites/default/files/docs/state\_by\_state\_gop\_budget\_impacts.pdf). Department of Education, Data Display: Massachusetts: Identification of Children with Disabilities (online at https://www2.ed.gov/fund/data/report/idea/partbspap/2013/ma-acc-stateprofile-11-12.pdf).

12 The White House: Fact Sheet: Republican Budget Resolutions: Same Failed Top-Down Economics for Massachusetts (Mar. 24, 2015) (online at https://www.whitehouse.gov/sites/default/files/docs/state\_by\_state\_gop\_budget\_impacts.pdf). DPCC, Republican Budget Would Harm Massachusetts' Economy (March 2015) (online at