



**BACKGROUND:
 House Budget Cuts Target Children**

This chart represents the direct cuts to children's programs, yet we know that the negative impact on children will be much broader when you consider how their parents will also suffer. Voices estimates that \$1 of every \$5 of the House cuts will be cut from benefits to vulnerable children – a full 19.5 percent of the total cuts in the House bill.

Program	Nature of cut	Dollar amount over 5 years	Number of children affected
Medicaid	Cost-sharing	Some unknown fraction of \$2.9 billion	6 million
Medicaid	Benefits package change	Most (but not all) of \$3.9 billion	6 million
Food stamps change	Elimination of categorical eligibility category	\$645 million	225,000 children and parents
Food stamps change	Extension of ineligibility period for legal aliens	\$275 million	Change directly affects 75,000 legal adults; children (some immigrants, some citizens) in their households will have less food.
Child support	Reduction of federal obligation of program costs	\$4.9 billion	Unknown
Child welfare	Elimination of Rosales decision and change in handling preventive services	\$600 million	Between 4,000 and 5,000 children in California, alone, received federal funds due to Rosales.

Additional blows to children include:

- **Medicaid** - The two federal Medicaid changes will lead to reduced *state* spending on health care:
 - \$2.9 billion over 5 years for the benefits change, and
 - \$1.9 billion for the cost sharing.Some significant portion of that will be at the expense of children.
- **Child Support** - The child support cuts must be measured in income lost to children -- \$8 billion over 5 years and \$24 billion over 10 years in uncollected support.
- **Food Stamps** - The food stamps changes mean that in some states, children will also lose their automatic eligibility for free school breakfast and lunch. This means that 40,000 children will be at risk of being ineligible for free meals, having to pay for reduced price meals, having additional paperwork—or being discouraged by paperwork from obtaining the free or reduced price meals they are entitled to.
- **Work Requirements** - The bill includes significant new work requirements for families moving from welfare to work. CBO estimates that those work requirements will cost an additional \$8.3 billion in child care for children while their parents meet the additional work requirements. In addition, CBO estimates that \$4.8 billion is needed to just keep pace with inflation, so that the child care caseloads do not drop. The bill includes only \$500 million in new child care money—meaning that it would create a \$12 billion gap in unfunded child care. Most likely, states will shift child care from working families to pay for the additional child care needed by families moving from welfare to work. As a result, children in working families will lose their access to educational, safe child care.