

The High Moral Stakes of Budget Reconciliation

The GOP's "One Big Beautiful Bill" represents the largest transfer of wealth from the poor to the rich since chattel slavery. The slashing of vital services would cause a surge of economic insecurity and preventable deaths while massive hikes in military and deportation funding would perpetuate endless wars and the senseless destruction of immigrant families and their communities.

The Largest Cuts to Medicaid and SNAP Food Assistance in History

- Policy murder: The House bill's cuts to Medicaid and the Affordable Care Act, combined with new
 administrative hurdles to accessing benefits, would result in an estimated <u>51,000 preventable deaths</u> per
 year. Overall, the bills would strip health insurance from at least <u>16 million people</u> 19 for every millionaire
 household that would receive a tax cut.
- Medicaid work requirements: As many as 14.8 million people would lose Medicaid as a result of rigid, red tape-laden work requirements that are unlikely to actually increase employment. Most Medicaid enrollees already work, and those who do not are often caring for family members or attending school or have a disability. Formerly incarcerated people also face particularly high barriers to employment. The Senate bill goes beyond the House work requirements by limiting the exemption for parents to those with children ages 14 and younger.
- Hospital apocalypse: The Senate bill cuts Medicaid even more deeply than the House version by
 reducing the allowable provider taxes that many states use to fund this vital program. The threat is
 particularly severe for rural hospitals that rely more heavily on Medicaid revenue than urban facilities. More
 than 700 rural hospitals are already at risk of closure. To buy off critics, Senate leaders inserted into the bill
 a rural hospital fund that would cover only 21% of projected rural Medicaid losses.
- **SNAP costs for states:** This vital food program has always been fully federally funded, but both the House and Senate bills would require states to take on a share of the costs. This <u>unprecedented burden shift</u> would likely lead many states to cut back or even terminate food aid programs.
- Harsh SNAP work requirements: As with Medicaid, these requirements would have <u>little effect</u> on employment but would cause more children to go hungry. House work requirements would lead to 3.2 million people losing SNAP benefits in an average month, according to <u>CBO</u>. The Senate version, while slightly less rigid, would still affect access to healthy meals for millions of children.
- Cruel cuts for immigrants: Hundreds of thousands of <u>immigrants</u> in the US legally after fleeing
 persecution and violence in their home countries (refugees, asylum seekers, and people with temporary
 protected status) would lose access to <u>Medicare, ACA tax credits, and SNAP benefits</u>.

Tax Giveaways to the Wealthy and Large Corporations

Wipeout for the poor: The House and Senate tax plans would <u>overwhelmingly</u> benefit the <u>wealthiest households</u> and biggest corporations. Cuts to health care, student loans, and other vital services would wipe out the minor tax benefits for working families. A <u>CBO analysis</u> of the House bill's combined tax and spending policies finds that the poorest 10% of households would suffer a net loss of \$1,600 per year on average.

- Tax cuts for the top: Under both the <u>House</u> and the <u>Senate</u> bills, the richest 5% of Americans would receive 45% of net tax cuts. For the richest 1%, the average net tax cut would total more than \$61,000.
- **Estate tax:** Both bills would raise the amount of wealth exempted from the estate tax to \$30 million per couple, up from \$14 million before the 2017 tax reform. Wealthy heirs would enjoy a one-time tax savings of \$6.4 million while 99.8% of American families would not get a single penny from this tax cut.
- Corporate taxes: Both bills keep the corporate tax rate at 21%, a drastic reduction from the 35% pre-2018 rate despite the fact that ordinary workers have <u>not benefited</u> from this rate reduction. The Senate bill also includes more than \$1 billion in new tax breaks and subsidies for the fossil fuel industry on top of existing subsidies for the industry that accelerate climate change while costing taxpayers an estimated \$17 billion per year.
- Child Tax Credit: Despite modest increases in the maximum CTC, the bills would still deny benefits to an estimated 17 million children whose parents earn too little to receive the full credit. The House bill would require both parents to have Social Security numbers to qualify, leaving out an additional 4.5 million children who are U.S. citizens or lawful residents. The Senate version would require at least one parent to have a Social Security number, stripping this benefit from an estimated 2 million children.

Billions More for the Bloated Pentagon Budget

- President Trump is requesting a record-high \$1.011 trillion for the Pentagon and war for FY 2026. Because regular appropriations bills require a 60-vote Senate majority, the administration is maneuvering to push \$119 billion of this Pentagon budget through the reconciliation bill, which requires only a straight majority.
- One component of the Pentagon funding in the reconciliation bill is \$25 billion to begin building the "Golden Dome," a missile defense system that is economically and physically impossible and would only drain more money from social programs to enrich wealthy Pentagon contractors, including Elon Musk.

Mass Deportations and Detentions

- The reconciliation bill provides roughly another \$150 billion to arrest, detain, and deport immigrants, and for a border wall and militarization in the next few years.
- That includes \$45 billion for building new immigration detention centers, including family detention facilities
 a 364% increase on an annual basis that would primarily benefit private companies contracted to build and run detention facilities. It also includes \$51.6 billion for border wall construction.

A Moral Budget Versus Policy Violence

Instead of inflicting policy violence on the most vulnerable, Congress should harness America's abundant wealth to create a moral economy that works for all of us. By fairly taxing the wealthy and big corporations, reducing our bloated military budget, and de-militarizing immigration policy, we could free up more than enough public funds to ensure we can all survive and thrive. As our country approaches its 250th anniversary, we have no excuse for not investing our national resources in ways that reflect our Constitutional values: to establish justice, domestic tranquility, real security, and the general welfare for all.

June 30, 2025, 8 am Eastern