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CBPP STATEMENT

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Trump's Budget Plan Continues Agenda of Hurting Those He Pledged to Help

Statement of Sharon Parrott, CBPP President, on partial details of President Trump's 2026 budget:

The Trump Administration's partial budget plan released today is just its latest repudiation of the Trump campaign's promises to help people struggling at the margins of the economy — an economy that President Trump's misguided tariff policies are threatening to tank.

This partial budget does not discuss the President's intended tax breaks — tilted to the well off — or policies he will include (like those he supports as part of the reconciliation bill) to take food assistance and health coverage away from people who need them to meet their basic needs and to make college more expensive. The full budget will come later. But while the Administration's partial plan is limited to the part of the budget that Congress funds through the annual appropriations process, its proposal to cut that funding by nearly one-quarter is plenty bad enough, harming people, communities, and the economy.

During the campaign, President Trump said, "As soon as I get to office, we will make housing much more affordable." But his budget proposes a devastating cut to rental assistance — which makes rent affordable for 10 million people — reducing funding by $27 billion below the amount provided in 2025 across five programs. This would cause millions of people to lose assistance they need to pay the rent each month, placing them at risk of eviction and homelessness.

These cuts would likely grow even deeper over time, since the budget would also consolidate multiple rental assistance programs into to a block grant that would be more vulnerable to cuts in the future. The budget also would impose a two-year time limit on rental assistance (apparently except for seniors and people with disabilities), a policy that would abruptly evict or end assistance for many low-paid workers and others who aren't able to afford market rents after that period.

In addition, the budget proposes severe cuts to other housing programs, such as sharply reducing funding for housing and other services for people experiencing homelessness, cutting housing resources for Indigenous people, and eliminating funding for local agencies protecting people from housing discrimination and other fair housing violations, and block grants that fund affordable housing and community development at the local level.

The President also said "your heating and air conditioning, electricity, gasoline — all can be cut down in half," but this budget eliminates LIHEAP, the program that helps low-income households afford to heat and cool their homes; reduces availability of the most affordable sources of energy — solar and wind — by cutting efforts to bring these sources online and make them available in low-income communities; and cuts programs that reduce energy waste.

As the President's ill-conceived trade policies threaten to tip the country into a recession later this year, the budget disinvests from key sources of long-run economic growth. The budget cuts the National Science Foundation by more than half and the National Institutes of Health by about 40 percent. This is short-sighted: NSF and NIH funding supports foundational research that spurs innovation, leading to greater economic growth. The private sector will not support this work because there is no financial incentive to do so.

The budget also disinvests from America's future workers, cutting $4.5 billion from K-12 education despite the Trump campaign's statement that "we are going to keep spending our money" on education.

Most fundamentally, the budget fails to propose a serious agenda for the U.S. economy or for people who haven't been included enough in the country's overall prosperity. The budget presents no agenda for addressing housing or child care affordability, improving educational outcomes for those our education system doesn't serve well, maintaining and strengthening innovation, or broadening opportunity.

And today's funding request again breaks President Trump's repeated promises to protect Social Security, including "Save Social Security. Don't destroy it." On paper, the Administration provides the same amount of funding next year as this year, but this is not enough to keep up with inflation, fixed expenses, and growing demand as the number of Social Security recipients grows as the population ages. The Administration has already pushed out 7,000 Social Security Administration staff despite having the money to pay them, and it has already made it harder for seniors and people with disabilities to get the Social Security benefits they've earned. This is not what Congress intended when it passed this year's budget.

The Administration is claiming these massive cuts are necessary under the guise of fiscal responsibility, but the proposed $2.5 billion cut to IRS funding — primarily for tax enforcement — reveals that any commitment to fiscal responsibility is limited. Funding for IRS enforcement pays for itself multiple times over: it provides the staff and technology to catch wealthy tax cheats and encourage everyone to pay the taxes they legally owe.

The Administration justifies many cuts by saying that states are better positioned to cover the costs of various public services and infrastructure needs. This ignores the federal government's important role in ensuring adequate investment nationwide, including in states and communities that face more economic challenges. The problems would be compounded by potentially large cost shifts in Medicaid and SNAP being considered in Congress. States would face even greater challenges — and the impacts on people and communities would grow — in a recession when state revenues fall but they still have to balance their budgets.

The President's budget counts on funding in the emerging tax and budget bill for immigration enforcement. With that, it continues to prioritize a mass deportation apparatus that has gone too far already by disappearing people without due process and ending lawful immigration status for hundreds of thousands of people.

Since taking office, the Trump Administration, often acting through DOGE, has unilaterally frozen congressionally approved funding, implemented large-scale staffing reductions that are harming public services, and threatened the security of people's personal information. Having frozen funding in contradiction to enacted funding laws, the President's budget now asks Congress to codify and continue these unilateral cuts next year, including through the proposed cuts to NIH, NSF, and the Department of Education. Codifying these cuts would make congressional supporters accomplices in this Administration's endeavor to make government less effective in finding cures for diseases, maintaining American technological leadership, and getting a good education.

The President's harmful agenda goes well beyond what was released today. The President and his congressional allies are moving forward on a budget and tax bill that deeply cuts health coverage through Medicaid, food assistance through SNAP, and college aid to partially pay for expensive tax cuts skewed to the wealthy.

At the same time, the President's chaotic, indiscriminate, and steep tariffs have sharply increased the risk of recession, which could lead to a rise in unemployment and the number of people who need help to afford the basics, just as those supports are slated for cuts.

Policymakers of both parties in Congress need to see this budget, and this entire agenda, for what it is — a direct assault on people, communities, and the economy — and plan a better course for the country.

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