STATE FACT SHEET: House Republicans' Appropriations Bills Would Have Devastating Impacts for North Carolina

Extreme cuts would endanger public safety, harm public health, and raise costs for American families.

House Republicans have continued to demand draconian cuts to critical programs Americans rely on. Last week, Republicans on the House Appropriations Committee released their first batch of FY24 appropriations bills, providing a clearer roadmap for how their approach will impact the American people. Taking into account the bills put forward so far and House Republicans' commitment to protect defense spending, the **likely impact would be a cut of at least 30 percent** across programs including education, research, public safety, public health, and other areas.

House Republicans passed their Default on America Act earlier this month, which sets overall appropriations for FY 2024 at the same level as FY 2022. The simplest way to make the math work across all 12 appropriations bills would have been to cut everything across the board by 9 percent, including the military, veterans' medical care, border security and more. However, House Republicans have committed to protecting defense from cuts. And last week, they changed direction from the Default on America bill and took Veterans Affairs (VA) cuts off the table as well, along with maintaining border funding. But protecting veterans and border security means their cuts to everything else must go even deeper than the 22 percent we had previously calculated.

House Republicans intentionally started their appropriations process with bills that largely avoid major cuts, an attempt to continue to hide the impact of their approach on the American people. But with the four appropriations bills House Republicans have put forward so far, it is possible to calculate how much House Republicans will have to cut programs across the remaining bills to meet their overall target. The math is unequivocal. Based on the four bills to date and the commitment to protect defense, other areas will need to be cut by at least 30 percent, with severe impacts on programs including cancer research at the National Institutes of Health, Meals on Wheels for seniors, preschool and childcare for thousands of children, as well as on veterans' programs outside the Department of Veterans Affairs.

<u>House Republicans' draconian appropriations bills would mean \$1.7 billion fewer federal grant dollars invested in North Carolina, including cuts that would:</u>

- Cut 160 Rail Safety Inspections in North Carolina. At a time when train derailments are wreaking havoc on community safety, House Republicans' Default on America Act would lead to 160 fewer rail safety inspection days and 1,200 fewer miles of track inspected in North Carolina next year alone. Since the Norfolk Southern train derailment, bipartisan Senators have called for more rail inspections, not fewer.
- Eliminate 13,300 Preschool and Child Care Slots in North Carolina. The Default on America Act would mean 6,600 children in North Carolina lose access to Head Start slots and 6,700 children lose access to child care—undermining our children's education and making it more difficult for parents to join the workforce and contribute to our economy.

- Raise Housing Costs for 21,000 North Carolinians. Under the Default on America Act, 21,000 families in North Carolina would lose access to rental assistance, including older adults, persons with disabilities, and families with children, who without rental assistance would be at risk of homelessness. The House Republican Default on America Act would also mean as many as 1,280 families across North Carolina who are homeless, at risk of homelessness, or attempting to flee domestic violence would lose access to emergency housing vouchers.
- Worsen Social Security and Medicare Assistance Wait Times for 2.4 million North Carolina Seniors. Under the House Republicans' Default on America Act, people applying for disability benefits would have to wait at least two months longer for a decision. With fewer staff available, 2.4 million seniors and people with disabilities in North Carolina would be forced to endure longer wait times when they call for assistance for both Social Security and Medicare.
- Deny 940 North Carolinians Access to Treatment for Opioid Use Disorder. The Default on America Act would deny access to opioid use disorder treatment for more than 940 people in North Carolina through the State Opioid Response grant program—denying them a potentially life-saving path to recovery.
- **Gut Funding for Low-Income Students.** The Default on America Act would cut approximately **\$161 million** in funding for schools serving low-income children—equivalent to removing nearly **2,400** teachers and specialized instructional support personnel from classrooms, impacting an estimated **760,000** students.
- **Cut Support for Students with Disabilities.** Under the Default on America Act, as many as **190,000** children in North Carolina with disabilities would face reduced supports—a cut in IDEA funding equivalent to removing approximately **2,000** teachers and related services providers from the classroom.
- Make College More Expensive for 201,100 North Carolinians. The Default on America Act would reduce the maximum award for Pell Grants by \$1,400, likely eliminating it altogether for 3,800 students in North Carolina, while making it harder for the remaining 197,300 recipients to attend and afford college.
- Deny 26,000 North Carolinians Access to Workforce Development Services. The Default on America Act would result in 26,000 fewer North Carolinians receiving job training and employment services provided through the Department of Labor's workforce development funding. These harmful cuts would deprive businesses of the skilled workforce they need to thrive, and would cut off worker pathways to good jobs.

And while most of the bills Republicans put forward last week did not make deep cuts, the agriculture bill released last week cuts funding to levels we have not seen since 2006 and slashes funding for critical programs Americans count on. Cuts in the bill would mean pulling loans from distressed farmers, pulling funding to help rural energy and utility providers bring affordable, reliable clean energy to communities and significantly crippling the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) which safeguards the health of millions of women, infants, and children.

This analysis assumes an across-the-board reduction of roughly 30% compared to currently enacted FY 2023 levels for non-defense discretionary accounts. This aligns with the House Republicans' Default on America Act, which would return discretionary spending to FY 2022 levels on an ongoing basis while exempting defense spending, taking into account House Republicans' appropriations bills that have been released thus far. The total federal dollars cut in each state represents a 30% reduction across federal discretionary grant programs using FY23 state allocations for the 27 largest federal grants, excluding grants included in released bills adjusted for remaining grants as though they were evenly distributed.