

Weekly Economic Snapshot

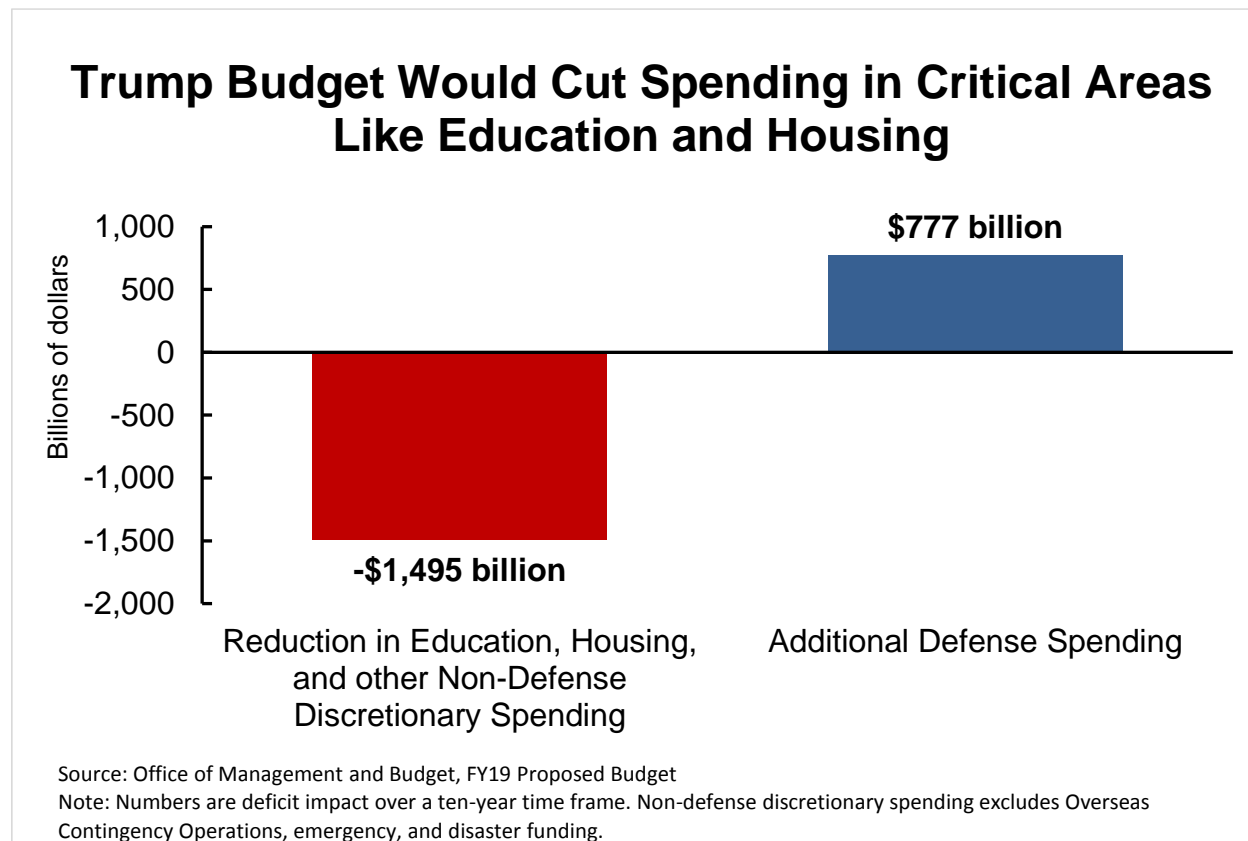
February 26, 2018

Joint Economic Committee Democratic Staff

Economic Facts for This Week

- Under the 2019 proposed Trump budget, non-defense discretionary spending, which includes education, infrastructure, and housing assistance, among other key services, would be [42 percent below](#) 2017 levels by 2028.
- American workers are facing a [retirement crisis](#): half of all households near retirement have \$12,000 or less in formal retirement savings.
- The [black community](#) in America accounted for a combined \$1.2 trillion in economic spending activity in 2016, an amount that is projected to reach \$1.5 trillion by 2021. Yet the unemployment rate for black workers is the highest among all racial groups at 7.7 percent, more than double the rate for white workers.
- New research finds that Deferred Action for Childhood Arrivals (DACA) has a [significant impact](#) on the educational and labor market decisions of undocumented youth, resulting in a 15 percent increase in high school graduation rates, a 45 percent decrease in teenage births, and a boost in productivity.

Chart of the Week



The president's recently released budget proposes steep cuts to non-defense discretionary spending, which includes housing, education, infrastructure, food assistance, and other investments critical for working families. Over the next ten years, the budget would reduce Supplemental Nutrition Assistance Program (SNAP) benefits [by nearly 30 percent](#), cancel housing vouchers for roughly 200,000 households, and cut support for income assistance and work programs for families with children.

Many of these changes would shift costs onto states that are [already buckling](#) under budgetary shortfalls. The Republican tax bill's capping of the state and local (SALT) tax deduction, which allowed states [to spend more](#) on important public services, may make it even more difficult for localities to compensate for declining federal support.

ICYMI

- A small share of borrowers now owes the bulk of [student loan debt](#) in America, and data suggests that this group may struggle to repay their loans.
- A study using administrative data from Sweden reveals that working at a firm with family-friendly policies like paid leave reduces the [motherhood wage penalty](#), though it does not entirely close the gender wage gap.
- Recent research from the Urban Institute [examines](#) who would be impacted by Kentucky's newly approved Medicaid work requirements, finding that many of the enrollees with the highest risk of losing coverage will have difficulty finding work due to barriers such as health limitations and a lack of internet connectivity.

Coming This Week

- *Monday 10:00 am:* New Home Sales (for Jan 2018): <https://www.census.gov/construction/nrs/pdf/newressales.pdf>
- *Wednesday 8:30 am:* Gross Domestic Product (for Q4 2017, second estimate): https://www.bea.gov/newsreleases/news_release_sort_national.htm
- *Thursday 8:30 am:* Jobless Claims (for week ending 2/24): <https://www.dol.gov/ui/data.pdf>
- *Friday 10:00 am:* Consumer Sentiment (for February): <http://www.sca.isr.umich.edu/>