STATE FACT SHEET:
MAGA House Republicans' Default on America Act Would Have Devastating Impacts for Wisconsin

Extreme bill would cut veterans' health care, jeopardize public safety, and raise costs for families—even as House Republicans separately push for trillions in tax cuts skewed to the wealthy and big corporations

Congressional Republicans are holding the nation's full faith and credit hostage in an effort to impose devastating cuts that would hurt veterans, raise costs for hardworking families, and hinder economic growth. The Default on America Act would cut veterans' health care, education, Meals on Wheels, and public safety, take away health care from millions of Americans, and send manufacturing jobs overseas. [Outside economists say](#) that if enacted, the Default on America Act would "increase the likelihood" of a recession and result in 780,000 fewer jobs by the end of 2024. And House Republicans are demanding these cuts while separately advancing proposals to add over $3 trillion to deficits through tax cuts and giveaways skewed to the wealthy and big corporations.

The Default on America Act stands in sharp contrast with [President Biden's Budget](#), which invests in America, [lowers costs for families](#), protects and strengthens Medicare and Social Security, and [reduces the deficit by nearly $3 trillion](#) over 10 years, while ensuring no one making less than $400,000 per year pays a penny more in new taxes.

The Default on America Act would mean at least $840 million fewer federal grant dollars invested in Wisconsin, including cuts that would:

Jeopardize Transportation Safety and Infrastructure

- **Cut 140 Rail Safety Inspections in Wisconsin.** At a time when train derailments are wreaking havoc on community safety, House Republicans' Default on America Act would lead to **140** fewer rail safety inspection days and **430** fewer miles of track inspected in Wisconsin next year alone. Since the Norfolk Southern train derailment, bipartisan Senators have called for more rail inspections, not fewer.

- **Jeopardize Air Safety by Shutting Down at Least 9 Air Traffic Control Towers in Wisconsin.** The Default on America Act would shut down services at **9** Contract Air Traffic Control Towers in Wisconsin, likely also require shut down of additional Federally-staffed facilities, and increase wait times at TSA security check points at large airports across the country by over 2 hours.

- **Withhold Vital Transportation Infrastructure Funding.** Under the Default on America Act, Wisconsin would stand to lose nearly **$80 million** in funding for transit and highway infrastructure projects all across the state.

Raise Costs for Families

- **Eliminate 5,500 Preschool and Child Care Slots in Wisconsin**. The Default on America Act would mean **3,300** children in Wisconsin lose access to Head Start slots and **2,200** 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.

- **Strip Nutrition Food Assistance from Women and Children in Wisconsin.** The Default on America Act would also mean **24,000** women, infants, and children would lose vital nutrition assistance through the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), increasing child poverty and hunger.

- **Raise Housing Costs for 7,000 Wisconsinites.** Under the Default on America Act, **7,000** families in Wisconsin 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 **720** families across Wisconsin who are homeless, at risk of homelessness, or attempting to flee domestic violence would lose access to emergency housing vouchers.

Harm Seniors, Older People, and Veterans

- **Threaten Medical Care for 116,600 Wisconsin Veterans.** The House Republicans' Default on America Act would result in 30 million fewer outpatient visits for our nation's veterans all across the country. That means **116,600** veterans could lose access outpatient visits in Wisconsin, leaving them unable to get appointments for care like wellness visits, mental health services, and substance disorder treatment.

- **Worsen Social Security and Medicare Assistance Wait Times for 1.4 million Wisconsin 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, **1.4 million** seniors and people with disabilities in Wisconsin would be forced to endure longer wait times when they call for assistance for both Social Security and Medicare.

- **Jeopardize Food Assistance for 14,000 Older Adults in Wisconsin.** House Republicans are [threatening](#) food assistance for up to **14,000** older adults in Wisconsin with the Default on America Act's harsh new eligibility restrictions in the Supplemental Nutrition Assistance Program (SNAP).

Jeopardize Health Coverage and Access to Care

- **Deny 300 Wisconsinites Access to Treatment for Opioid Use Disorder.** The Default on America Act would deny access to opioid use disorder treatment for more than **300** people in Wisconsin through the State Opioid Response grant program—denying them a potentially life-saving path to recovery.

Hurt Children and Students and Undermine Education and Job Training

- **Gut Funding for Low-Income Students.** The Default on America Act would cut approximately **$53 million** in funding for schools serving low-income children—equivalent to removing nearly **900** teachers and specialized instructional support personnel from classrooms, impacting an estimated **390,000** students.

- **Cut Support for Students with Disabilities.** Under the Default on America Act, as many as **123,000** children in Wisconsin with disabilities would face reduced supports—a cut in IDEA funding equivalent to removing approximately **800** teachers and related services providers from the classroom.

- **Slash Mental Health Support for Students.** The Default on America Act would limit educators' abilities to address student mental health issues, including through suicide and drug use prevention, by cutting funding dedicated to creating healthy learning environments in Wisconsin schools by about **$2.4 million**.

- **Eliminate Student Debt Relief.** The Default on America Act would eliminate President Biden's one-time student debt relief plan, denying much needed emergency student loan relief of up to $20,000 from **302,000** approved applicants across Wisconsin recovering from the effects of the pandemic. It would also block the creation of new, more affordable student loan repayment plans, such as the President's proposal to cut undergraduate loans payments in half.

- **Make College More Expensive for 84,700 Wisconsinites.** The Default on America Act would reduce the maximum award for Pell Grants by nearly $1,000, likely eliminating it altogether for **1,200** students in Wisconsin, while making it harder for the remaining **83,500** recipients to attend and afford college.

- **Deny 10,700 Wisconsinites Access to Workforce Development Services.** The Default on America Act would result in **10,700** fewer Wisconsinites 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.

This analysis assumes an across-the-board reduction of roughly 22% compared to currently enacted FY 2023 levels for non-defense discretionary accounts. That aligns with Congressional Republicans' Default on America Act, which would return discretionary spending to FY 2022 levels on an ongoing basis while exempting defense spending. The total federal dollars cut in each state represents a 22% reduction across federal discretionary grant programs using FY23 state allocations for the 29 largest federal grants adjusted for remaining grants as though they were evenly distributed.

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