

## 2025 Budget Reconciliation State Fact Sheet

### Texas

Many of the spending and tax changes proposed in the “One Big Beautiful Bill Act” would have devastating impacts on the nation’s students and their families. Major reductions to the Pell Grant program, investments in a national private school voucher program, cuts to Medicaid, and drastic reductions to SNAP could have a crippling effect on vulnerable student populations whose families rely on these safety nets to meet their basic needs and achieve academic and workforce success.

## Pell Grant Recipients

The House budget reconciliation bill proposes changes to the definition of full-time enrollment for maximum Pell Grant eligibility from 24 to 30 credits per year and eliminates funding for students enrolled less than half-time, impacting 2 out of 3 Pell Grant recipients, limiting the ability of students to work and go to school. While the current Senate version does not contain these changes that narrow Pell eligibility, we continue to oppose their inclusion in any final reconciliation package.

Over 1.5 million low-income borrowers, or roughly 1 in 4 Pell Grant recipients, will see a nearly \$1,500 decrease in their maximum award due to increasing the credit-hour requirement. Additionally, about 1.4 million, or 20%, of Pell Grant recipients would lose their Pell Grant funding entirely due to the limitation on awards for less than half-time enrollment, which would disproportionately impact thousands of working and parenting students. Additionally, roughly [45% of students with disabilities](#) receive Pell Grants; many of these students likely take reduced course loads due to the nature of their disability, and would encounter significant challenges if the full-time enrollment definition was changed. Nearly 50% of incarcerated students would lose access to Pell Grants and access to college under this proposal, undermining the restoration of Pell eligibility that President Trump signed into law for this population.

- Across Texas, there are approximately 486,235 Pell recipients (34% of students) enrolled in colleges and universities that could have their grant awards reduced or eliminated.
- In Texas, over 143,000 Pell Grant recipients would be at risk of losing their entire grant
- Approximately 313,000 Pell Grant recipients could see a \$1,500 decrease in their award amount.
- The four largest institutions in Texas could take a significant hit:
  - o 23% of Lone Star College System students receive Pell Grants — that's over 15,500 students
  - o 23% of Dallas College students receive Pell Grants — that's approximately 14,700 students

- o 19% of Texas A & M University-College Station students receive Pell Grants — that's roughly 11,000 students
- o 37% of Houston Community College students receive Pell Grants — that's nearly 17,600 students

## National Private School Voucher Program

Rather than investing in public schools, which more than 90% of students attend, the “One Big Beautiful Bill Act” now being considered by the Senate would create **a federal voucher program, giving away as much as \$10 billion per year of federal taxpayer dollars to subsidize private school tuition.**

Rather than targeting families from low-income backgrounds, students in households with incomes up to 3x the median gross income would have access private school scholarships.

- In Texas, students with families making as much as \$227,340 can receive scholarships for private school tuition and other related expenses.

Private school vouchers also don't equate to real access to choice. Across the country, nearly half of school-aged children (44%), don't have any private schools within two miles of their home, and availability is very limited compared to the size of the student population.

In Texas:

- Just 46% of school-aged children live within two miles of any private school.
- 9,095 public schools serve 96% of Texas's 5.8 million students, compared to 4% in just 1,714 private schools.

## Cuts to Medicaid

The cuts to Medicaid being proposed as part of budget reconciliation would have devastating impacts on families and school communities, especially those serving students from low-income backgrounds and students with disabilities.

The proposed cuts to Medicaid would have devastating impacts on school communities, especially those serving students from low-income backgrounds and students with disabilities.

**Medicaid is not just a healthcare program; it's one of the largest funding streams for K-12 school in the country.** Each year, Medicaid provides [\\$7.5 billion dollars to schools for critical health services](#) to help students succeed both in and outside the classroom.

**Medicaid provides nearly 30 million students in public schools' access to the physical and mental health services students need to excel academically.**

- Schools receive [between \\$4-\\$6 billion in Medicaid reimbursements for services provided](#). The proposed Medicaid cuts would have a direct impact on states' ability to continue providing services without cuts to other programs.
- In addition to school-based care, millions of children could lose access to medical insurance that helps ensure students can come to school ready to learn, including:
  - 3.1 million children up to age 18 who are enrolled in Texas' Medicaid program [\(Source\)](#)
  - 43% of Black children under age 18 and 44% of Latino children under age 18 have public health insurance, putting them at risk for significant reductions in services [\(Source\)](#)
  - In Texas, roughly 170,000 (9%) college students rely on Medicaid, putting vulnerable students at risk of losing their healthcare.

## Reductions to SNAP

For many school-aged kids, SNAP is the difference between having meals at home or relying solely on school lunch as their only source of nutrition. A hungry child cannot learn, and no child in America should have to sit in a classroom distracted by an empty stomach. [Every \\$1 in SNAP benefits generates \\$1.54 in economic activity](#), and for children, the impact is even higher. Due to the importance of adequate nutrition for children's health and development, every \$1 invested in nutrition assistance for children returns \$62 in value.

- **Cuts to SNAP will reverse the progress our country has made toward ending childhood hunger and malnutrition.**
  - SNAP supports sustainable nutrition access for participants by reducing food insecurity by as much as 30% and is even more effective among the most vulnerable populations including children, leading to improved health outcomes, lower overall healthcare expenses, decrease in chronic absenteeism due to illness, and thus improved academic outcomes.
  - SNAP served 23.9% of all children in the state of Texas up to age 17 in 2022, or 1.79 million children [\(Source\)](#)
- **Proposed changes to SNAP would drastically cut student access to free school meals.**
  - Students whose families lose access to SNAP benefits outside of school would no longer have automatic access to free school meals and drastic changes to the Community Eligibility Provision would severely limit the number of schools able to provide school meals to all students.
  - In Texas, over 1.6 million students could [lose access](#) to free school meals.

- **College students are also in crisis.** Cuts to SNAP would have a devastating impact on college students, particularly our students of color, students from low-income backgrounds, and students experiencing homelessness.
  - o In 2020 alone, nearly 1 in 4 college students [reported](#) experiencing food insecurity, and over 2.2 million of those students faced very low food security, meaning they frequently had to skip meals or eat less because they couldn't afford food.
  - o Despite these disparities, [far too few college students participate](#) in SNAP due to bureaucratic red tape. We should be removing barriers and expanding access to SNAP to address college hunger — not eliminating benefits and restricting access further.
  - o In Texas, over 181,000 (9.6%) college students are enrolled in SNAP and could be at risk of losing access to this vital lifeline.