

New Cuts, Lasting Impact on North Carolina

By Tiffany Plusnick
Staff writer

Several NC officials are concerned that recent cuts in federal programs to help disabled and low-income families will affect Chapel Hill and Carrboro residents this year and in the years extending beyond it.

“It's going to be pretty difficult for state and local governments to make up the money that the federal government might withhold,” said State Rep. Allen Buansi, D-Chapel Hill.

This past summer, President Donald Trump signed H.R.1, nicknamed the “One Big, Beautiful Bill,” into law, which passed significant cuts to federal education programs and health services. This month, the U.S. Senate received a [new proposal](#) that could cut another \$4.7 billion cut to Title I education funding.

In response, Buansi stressed how reliant local governments are on federal aid.

The primary sources of funding for public education in North Carolina include county governments, the state government, and the federal government, mainly through the Department of Education.

“Orange County, we do fund schools at a high level, but federal dollars are critical for filling the gaps, especially for our most vulnerable students, like those from low-income backgrounds or with intellectual and developmental disabilities.” Buansi said.

This reliance on federal funding means that any potential cuts from Washington could have serious consequences at the local level, a concern voiced by Orange County officials.

The past summer, local officials braced for possible program cuts due to concerns around federal funding with H.R.1.

“While the funding was ultimately secured and cuts were avoided, the experience highlighted the volatility local governments face when federal support is uncertain,” said Andy Jenks, Chief Communications Officer at Chapel Hill-Carrboro city schools.

Jamezetta Bedford, chair of Board of Commissioners in Orange County, emphasized the local impact federal cuts could have. She voiced concerns on health and human services.

While the county gets federal money for services such as Medicaid, transit and housing, recent cuts have led to work requirements for SNAP benefits. The cost of enforcing those requirements falls on local governments.

“We're still waiting to see how Medicaid cuts will be handled by the General Assembly,” Bedford said.

Locally, the Board of County Commissioners sets per-pupil and capital funding levels for schools each June, revising the county manager’s recommended budget as needed.

But while commissioners can sustain local support, federal money remains crucial for ensuring that all students, particularly those most in need, have access to essential programs and services.

According to the [N.C. Department of Health and Human Services](#), hundreds of thousands of North Carolinians are expected to lose health coverage because of changes in H.R.1.

With the “One Big, Beautiful Bill,” there will be federal changes to Medicaid that will pull \$22.5 billion out of North Carolina’s economy over the next 10 years. The measure is expected to leave more than 250,000 North Carolinians without health care. In addition, more than 1.4 million North Carolina residents rely on SNAP.

Hannah Jones, Press Assistant at NCDHHS, shared a statement on the impacts of the federal bill.

“These cuts not only impact the people that rely on them directly but also strain the systems and communities that hold us all together,” said Jones.

Buansi echoed those concerns, stressing the broader challenge for state and local governments.

According to him, it will be challenging for state and local governments to compensate for any funding the federal government may decide to cut.

“... we need people to know the power of the attorney general like Jeff Jackson to hold the federal government accountable to make sure that it is dispersing those federal funds,” Buansi adds.

Federal funding plays an important role because it fills gaps that local and state budgets cannot always cover. The board of commissioners mainly deals with local funds, including the county budget, capital spending and special district taxes. Federal funding is also crucial for specialized services.

“There is no way that county tax revenues can make up for federal cuts. We would have to make budget reductions and reduce services,” Bedford said.

