

Principles for the Federal Budget

Hispanics—a young, aspiring, and growing segment of the American people—want a budget that can help create a bright future for all. Like many other Americans, some Latinos feel left behind by an uneven economic recovery following the Great Recession. For example, there are about 27 million Latinos in the labor force, but nearly 11 million of those workers earn poverty-level wages. The federal budget, which should reflect the highest priorities and values of our society, offers an opportunity to invest in a more inclusive economic agenda that puts workers, families, and students at the forefront.

UnidosUS (formerly the National Council of La Raza) works to improve opportunities for the 56.6 million Hispanics in this country and has developed the following principles based on an assessment of the priorities of Latino voters and their families. With the recognition that there are many key functions, like national security, that must be accounted for in the budget, policymakers must not lose sight of the needs of millions of Americans. We advocate for a budget that promotes inclusivity and equity for all. Toward that end, we will measure any budget proposals against the following principles that aim to put the needs of the American people first. We support a budget that:

1. **Protects the most vulnerable from cuts.** The federal budget should preserve and increase funding for programs designed to aid those most in need—seniors, children, people with disabilities, and those living in poverty. These are particularly important to the Latino community, especially children, as they are more likely to live in poverty than other groups. Initiatives to help families afford food, housing, and health care; support education; and assist seniors and disabled people are crucial elements to a stable, healthy, and thriving community. Any decrease in funding for the millions served by these programs would undermine economic growth and widen inequality.
2. **Creates good quality, higher paying jobs for the unemployed, under-employed, and low-wage worker.** Job creation that will support economic security and well-being should be an aim of the federal budget. A good job that will put food on the table and a roof over heads remains a top concern for Latinos, who continue to face rates of unemployment higher than the national average. Investing in infrastructure and training

workers can spur growth that affects more individuals and communities. However, those investments must be equitable and benefit communities everywhere, including rebuilding public housing and schools, roads, water systems, and public transit. Targeted infrastructure investments and hiring from communities needing jobs the most will help the economy grow and prosper, making it easier to reduce the deficit and pay the debt.

3. **Promotes the opportunity for those working hard to move up the economic ladder.**

The United States has a long history of one generation investing in the next to create opportunities for economic advancement, and a federal budget should reflect that tradition. Economic mobility continues to be out of reach for many Latino families as they face a wealth gap where the average Latino family has only 10 cents for every \$1 of wealth held by a typical White family. Funding for programs offering paths to asset-building including homeownership and higher education can help close wealth gaps. Additionally, changes to the tax code should be inclusive, progressive, and equitable to increase benefits for low-income households to promote financial stability and wealth-building for more people.

4. **Shares responsibility fairly across income levels for deficit reduction.** A federal budget should aim to attain shared responsibility for reducing the deficit, with revenue coming from those who have yet to pay their proportionate share, including the wealthy and corporations. Latinos and other communities of color bore the brunt of spending cuts under sequestration and already face a shredded safety net. Our economy has benefitted in the past with revenue increases from those who benefit the most from our economy—corporations and wealthy individuals—combined with federal investments to support communities, workers, and families. This combination has created jobs and boosted income and can likely do so again if targeted in an equitable manner.