

The High Price of the GOP Economic Agenda: Making Life More Expensive for Families

By all measures, Donald Trump has failed to deliver on his [campaign promise](#) to bring down prices on day one. In fact, Trump and congressional Republicans have spent the summer advancing an economic agenda consisting of erratic tariff policies and a disastrous budget law that will further raise the cost of daily life for working families. From health care to groceries to housing and energy, the GOP's draconian economic policymaking will force US families to shell out thousands of dollars more each year to pay for daily necessities.

It's no surprise that the vast majority of Americans are concerned about the catastrophic consequences of Trump and congressional Republicans' economic agenda:

- 70% of Americans – including 76% of Independents – [are concerned](#) about Trump's Medicaid cuts.
- 68% of Americans – including 71% of Independents – [are concerned](#) that millions of Americans will lose their health insurance coverage.
- 63% of voters – including 60% of Independents – [believe](#) that Trump's actions are likely to increase their housing costs.
- 64% of Americans – including 64% of Independents – [are concerned](#) that their energy bills could increase by hundreds of dollars per year.
- 67% of Americans – including 62% of Independents – [are concerned](#) that up to 22 million people could lose some or all of their food assistance benefits.

Between Trump's tariff whiplash and the Republican budget law's sweeping cuts to basic needs programs, virtually no part of daily life will be untouched by cost increases or reduced access to care and services:

Health Care

Health costs in the US are out of control: Each year, the US spends [more than](#) \$14,500 per capita – more than any other country – on health expenditures, while non-elderly households [spend](#) an average of \$5,600, or 9% of their income, on health care. Instead of trying to alleviate this burden for families, Trump and congressional Republicans are making it worse – by gutting Medicaid, shrinking cost-saving consumer tax credits, and failing to rein in private health insurers.

- **Millions of Americans will be kicked off their health care.** The recently-passed Republican budget law cuts Medicaid by over [\\$900 billion](#) – imposing burdensome paperwork requirements on consumers, forcing states to cut Medicaid spending, and lowering Medicaid’s service quality. As a result, as many as 14.9 million Americans will be [kicked off](#) their coverage and 338 rural hospitals and 579 nursing homes throughout the country are at risk of closure.
 - See here for estimates of [Medicaid coverage losses across states](#), [at-risk rural hospitals by state](#), and [at-risk nursing homes by state, county, and zip code](#).
- **Health insurance premiums are skyrocketing.** Health insurance companies are [increasing](#) premiums for 2026 in the individual market by an average of 18%, citing cost increases including from Trump’s tariffs and GOP changes to the Affordable Care Act (ACA). These price hikes will devastate individual consumers and small businesses: A [typical premium](#) for a family of four will rise by roughly \$3,400 per year.
 - See the appendix [here](#) for estimated insurance premium increases by state.
- **ACA plans will become more expensive.** After Trump and Republicans failed to extend the Premium Tax Credit (PTC) enhancement that helps offset the cost of health insurance for more than [22 million](#) Americans, health insurance premiums will rise by [more than](#) \$600 on average per individual. For most families, this will translate to cost increases [ranging from](#) \$1,000 to \$10,000 per year. Meanwhile, [4.2 million](#) Americans are expected to lose coverage entirely.
 - See here for estimates of [ACA marketplace premium increases by state and county](#) and a [calculator tool for estimating premium increases by state and family composition](#).
- **Medicare is under attack.** Absent intervention, the Republican budget law will [trigger](#) \$535 billion in Medicare cuts within the next ten years. It also makes it harder for low-income Medicare enrollees to qualify for additional assistance on their premiums, deductibles, coinsurance, and copayments.
 - See here for Medicare enrollment totals by [state](#) and [congressional district](#).

Food

Monthly grocery bills are stacking up beyond what’s affordable for millions of US families. Between Trump’s chaotic tariff policies and Republican cuts to vital food assistance

programs, food prices will continue to rise and thousands of grocery stores in communities throughout the country may soon be forced to close their doors.

- **The prices of grocery staples are rising.** As Americans struggle to afford groceries and food insecurity reaches its [highest level](#) in more than 10 years, the price of groceries continues to rise. Since March, the price of staples like coffee has increased by 6.6%. Meanwhile, the price of oranges rose 3.5% in a single month, and beef steaks jumped 3.2% – all well above June’s monthly headline [inflation](#) rate of 0.3%.
- **Millions of families will lose their food assistance.** As American families [struggle](#) to afford rising grocery prices, Trump and the GOP have [cut or outright eliminated](#) food assistance for over 22 million families. As a result, 5.3 million families – including 3.3 million families with children – will lose an average \$146 in food assistance per month, or approximately \$1,752 per year. As food assistance is cut, more people will turn to food banks, already [stretched thin](#), which will [not be able to keep up](#) with the growing demand.
 - See [here](#) for estimates of monthly food assistance benefit cuts by state.
- **Thousands of grocery stores may be forced to shutter.** Republican cuts to food assistance will soon put [as many as](#) 27,000 grocery stores under severe financial hardship as they lose customers – leading to store closures, job losses, and reduced access to food in many communities, particularly in rural areas.
 - See [here](#) for at-risk grocery stores by state and county.

Housing

A [lethal combination](#) of Trump’s reckless tariff policies, Republican efforts to gut housing funding and incentives, and Trump’s threats to privatize mortgage giants Fannie Mae and Freddie Mac is driving up home and rental prices beyond what most Americans can afford.

- **Rising rental and mortgage costs are crushing families.** The average monthly rental price hit [a whopping](#) \$2,100 in July 2025 – a jump of 5% since the beginning of this year. It now costs families [a full week’s pay](#) to afford their monthly rent, and purchasing a home can feel like a pipe dream. The [median mortgage payment](#) for new applicants in June 2025 was \$2,172 per month – a jump of [more than](#) 35% since 2020. At the same time, Trump’s [plans](#) to privatize Fannie Mae and Freddie Mac would put the goal of homeownership [further out of reach](#) by further raising

mortgage costs and restricting lending while [delivering a windfall](#) to billionaires and hedge funds.

- See [here](#) for the number of work hours required to afford rent by state.
- **Trump and the GOP are driving up construction costs and inhibiting new building.** The National Association of Home Builders has [estimated](#) the material costs to build a new home could increase by as much as \$10,000 due to Trump's indiscriminate tariffs, and builders are rightfully [concerned](#) about further price hikes.
 - The [price](#) of core construction materials like steel mill products has increased 17.9% this year, while the price of bolts, nuts and screws increased 2.8% and lighting fixtures increased 4.9%, all higher than when Trump took office and much higher than underlying inflation.
 - Partly a result of the Trump-induced economic uncertainty and higher construction costs, fewer homes are being built – exacerbating [housing supply shortages](#) that can price out families: The [median sales price](#) of a new home in June 2025 was \$401,800, while approximately 511,000 new homes sat unsold, an increase of 8.5% from June 2024. Residential construction spending [fell](#) 0.7% in June 2025 for the sixth straight month, driven by reduced spending on single-family construction.
- **The Republican budget law guts housing incentives and threatens affordable housing programs.** The Republican budget law eliminated the energy-efficient home tax credits that saved homeowners thousands in energy bills, [supported](#) the construction of 350,000 homes in 2024, and would have supported the construction of 3 million more homes in the coming years. And, Trump's federal budget request includes a 44% [reduction](#) in overall funding for the Department of Housing and Urban Development and a 43% reduction in funding for rental assistance programs. Gutting these programs will lead to severe hardship for the 4.4 million households who receive HUD assistance.

Energy

As summer comes to an end, energy costs will only continue to rise for US consumers after Trump and congressional Republicans eliminated the Inflation Reduction Act's (IRA) clean energy tax credits that saved families thousands of dollars each year. By inhibiting investments in cheaper, cleaner power, the Trump Administration [is risking](#) 662,000 jobs and billions of dollars in local investments that would have helped the US add

[much-needed capacity](#) to the energy grid, meet [soaring energy demand](#), and combat [cost increases](#) for consumers.

- **Families will pay hundreds more in energy costs per year and miss out on thousands in savings.** Households [will soon spend](#) an average of \$170 more in energy costs per year thanks to the Republican budget law's repeal of clean energy tax credits and encourages higher-cost fossil fuel energy. Families in some states will see their energy costs go up by [more than](#) \$600 per year. Moreover, because Trump and the GOP repealed tax credits that helped families make their homes more energy efficient – like the Energy Efficient Home Improvement Tax Credit and the Residential Clean Energy Tax Credit – families will also miss out on up to \$2,240 in energy savings (or 70% of total energy bills) per year.
 - The Republican budget law is going into effect just as working families are facing additional pressures from planned [utility rate](#) hikes – putting even more stress on consumers' pocket books. For example, the 65 million Americans in the 13-state PJM service area will pay an additional [\\$240 a year](#).
 - See here for estimates of [how the Republican budget bill will raise household energy costs by state](#), and here for the [average energy savings from the recently-repealed clean energy tax credits for some states and congressional districts](#).
- **Americans will lose out on thousands in tax credits and fuel savings for purchasing EVs.** The Republican budget bill limited the \$7,500 tax credit for purchasing a new EV (\$4,000 for a used EV). Now, more consumers will miss out on driving an EV, which could have saved them approximately \$2,200 in [annual savings](#) on fuel expenses.
- **Families will also pay more at the pump.** After the GOP terminated electric vehicle (EV) affordability programs and stripped existing fuel economy standards of any teeth, the price of gasoline [will rise](#) by up to 37 cents per gallon – adding to the already steep [national average](#) of \$3.16 per gallon.
- **Repealing clean energy tax credits threatens American jobs and economic growth.** The Republican budget law slashes funding and shortens timelines for clean energy projects backed by IRA tax credits, [putting at risk](#) over 662,000 jobs tied to unfinished infrastructure and more than \$565 billion in investments promised to local communities.

Student Loans

After the Republican budget law eliminated many student loan repayment plans and imposed restrictive borrowing caps, higher education will now be significantly more expensive for the nearly 43 million people [who rely on](#) federal financing.

- **Borrowers will shell out thousands more each year in unnecessary interest payments.** On August 1st, 2025, the Trump Administration directed student loan servicers to begin charging interest on nearly 8 million borrowers whose loans had been in deferment due to pending litigation. This move will [cost borrowers](#) an average of \$3,500 more per year – or roughly \$300 more per month.
 - See [here](#) for a state-by-state analysis of additional annual interest charges.
- **Monthly student loan payments will skyrocket.** Since the Republican budget bill eliminated income-based repayment plans, borrowers will now have to spend an [additional](#) \$2,929 per year in loan payments and will be forced to make between 60 and 240 more monthly payments than previously required under alternative repayment plans. Additionally, [student loan caps](#) in the Republican budget will force millions seeking graduate and professional degrees from medical, law, and dental programs, to borrow from predatory private lenders to fill the gap – paying higher interest rates with stricter borrowing conditions as a result.

Consumer Goods

American families are being squeezed harder than ever this summer by rising costs on everyday essentials. From back-to-school supplies and baby gear to summer cooling and household necessities, prices are surging – driven in large part by Trump's tariffs.

- **The cost of staying cool this summer is as high as summer temps:** As heatwaves [shatter](#) records nationwide, some HVAC manufacturers have raised prices [three to four times](#) this year. [Lenox](#), one of the largest US producers, says tariffs alone pushed its prices up by 7%.
- **The Trump “baby tax” is punishing new parents.** Because imports account for roughly [90%](#) of durable baby and children's products in the US, Trump's tariffs are proving particularly costly for new parents. As just one example, UPPAbaby's popular Vista stroller now costs [\\$1,200](#), up from [\\$900](#). Or, for a cheaper option, Bombi's flagship stroller now costs [\\$225](#) instead of [\\$199](#). Parents are also [feeling the sting](#) on car seats, sippy cups, clothes, and newborn and toddler essentials.
- **Other household must-haves like appliances, furnishings, clothes, and toys are also on the rise.** With June inflation data [coming in worse than expected](#),

consumer goods were particularly hard hit. The price of appliances [increased](#) nearly 2% in June – the biggest single month increase in 25 years of available data. At annualized rates, prices have increased 24% for toys, 12% for household furnishings and supplies, and 5% for apparel. And the worst is likely yet to come: Companies have been burning through pre-tariff inventories while warning that further price hikes are imminent. As one example, Procter & Gamble – the parent company of 78 common household brands ranging from Charmin to Gillette to Old Spice – [will raise prices](#) on 25% of its products, citing Trump’s tariff threats.