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US State Budget Wounds Intensify From Trump, DOGE Policy Shifts.

Takeaways

- US states are warning of significant revenue losses due to the Trump administration's government cuts and trade policies, with Maryland expecting to lose nearly $350 million.
- The cuts come at a time when states are already facing flat revenue growth, rising costs from inflation, and the end of pandemic aid, with governors and lawmakers debating how to make up for the losses.
- States, including those run by Republicans, are bracing for impact, with cities and towns also anticipating funding shrinkage, and governors warning of a "Trump slump" that will stunt economic growth.

US states are sounding the alarm over the billions in revenue they stand to lose under the Trump administration's broadscale government cuts and the impact of his trade policies.

In Maryland, the reductions are expected to cost nearly $350 million and led Moody's Ratings to lower the state's top-tier credit grade it had held for half a century. California officials say on-again, off-again tariff announcements have dampened the state's economic outlook. Illinois, already facing fiscal strains, says Trump has made the situation worse. And New Mexico lawmakers are considering a special session to deal with the fallout from DC policy. Even states run by Republicans are bracing for impact.

Continue reading.

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