

# THREATS TO WOMEN'S ECONOMIC LIVELIHOODS

EQUITABLE WORK AND WAGES

## Impacts of the OBBB on Women and Families | October 2025

In July 2025, President Trump signed the [Republican-led H.R. 1](#), the “One Big Beautiful Bill” (OBBB) into law. The new law is a sweeping tax and spending package that forgoes trillions in federal revenues to award tax cuts to the wealthy while stripping essential care and protections from women and families. While implementation of the OBBB’s wide-ranging provisions will be staggered in the coming months and years, the threat to women’s economic security and well-being is both imminent and far-reaching across each of the Institute for Women’s Policy Research’s (IWPR) [Federal Policy Solutions to Advance Gender Equity](#) four priority areas.

This policy brief focuses on the OBBB’s impacts on women’s [equitable work and wages](#), specifically on the issues outlined in IWPR’s [Equal Pay](#), [Minimum Wage](#), [Better Workplaces](#), and [Retirement and Social Security](#) policy briefs. As millions of women experience a worsening wage gap and families face job losses, growing costs at the grocery store, and economic uncertainty further heightened by the current federal government shutdown, the harmful consequences of the new law will only further compound existing challenges they face in striving for economic equity and security.

### The OBBB Tax Provisions Harm Women and the Economy:

- Exacerbates the worsening gender wage gap through deceptive temporary tax provisions that will benefit the wealthy more than it helps low-wage workers.
- Undermines access to the education and career pathways that drive economic mobility for women and national economic growth through \$1.4 trillion in cuts to higher education, health care access, and food assistance and the dismantling of student loan programs and repayment options.
- Takes critical investments away from women seeking financial security to provide tax cuts for the wealthy, which will stall economic growth and have long-term negative impacts on the financial security of families and the nation.

## OVERVIEW

In 2024, despite a strong economy, women were left behind. Women working full-time year-round made just 80.9 cents per dollar earned by men, a widening of the gender wage gap for the second year in a row. This wage gap means that women—particularly women of color—have thousands of dollars less each year to build their futures, support their families, and contribute to their local economies. Along with the wage gap, women have experienced a loss of hundreds of thousands of jobs already in 2025; between February and August, Black women alone lost more than 300,000 jobs. The OBBB will exacerbate these challenges, widening the wage gap and threatening economic stability by prioritizing tax cuts for the rich, imposing deceptive temporary provisions, and accelerating Social Security's insolvency while cutting critical health care, food support, and higher education programs.

## HARMFUL OBBB PROVISIONS

The OBBB threatens the future economic well-being of women, particularly women of color, as well as the nation's overall economic stability. Analysis from the [Washington Center for Equitable Growth](#) finds that the increasing role of women as breadwinners is essential to supporting family incomes and maintaining US economic security.

Key OBBB provisions that put the economic security of women, families, and the nation at risk include:

**In 2024, the gender wage gap worsened for the second year in a row, with women working full-time year-round making just 80.9 cents per dollar earned by men.**

- **Increasing deficits by \$3.4 trillion to provide tax cuts while cutting \$1.4 trillion over the next 10 years in crucial health care, food assistance, and higher education access support programs.** The [Congressional Budget Office](#) estimated the OBBB will increase the deficit by \$3.4 trillion over the next 10 years by reducing federal tax revenues, increasing federal spending (primarily on military and immigration enforcement), and cutting \$1.4 trillion across such programs as Medicaid, the Supplemental Nutrition Assistance Program (SNAP), and student loan programs. As noted by the [Bipartisan Policy Center](#), it is the most expensive law passed by Congress since the American Taxpayer Relief Act of 2012.

Programs like Medicaid and SNAP provide critical health care and labor market support for millions of women and families. Over the next 10 years, the [Center on Budget and Policy Priorities](#) estimates that as many as 14.9 million people are at risk of losing Medicaid health care coverage, and the [Urban Institute](#) estimates as many as 22.3 million families could lose some or all of their SNAP benefits due to expanded work requirement provisions for both programs in the new law. As discussed in IWPR's "[Threats to College Affordability: Impacts of the OBBB on Women and Families](#)" policy brief, continued access to higher education and student loan debt relief—which are crucial to women's earnings potential and economic security over their lifetimes—are also threatened by the OBBB's higher education provisions' cuts and eliminations.

- **Making the 2017 individual income tax cuts permanent for the wealthy.** According to the [Tax Policy Center](#), 60 percent of the tax benefits of the extension of the 2017 Tax Cuts and Jobs Act individual income tax provisions would go to the top quintile—those with incomes of about \$217,000 a year or more. The bipartisan congressional [Joint Committee on Taxation](#) estimated that while people earning \$40,000 a year may have an average tax decrease of around \$400, those making \$1 million a year may have a savings of \$97,000 in 2027. While people making less may get a nominal tax decrease, the [Tax Policy Center](#) determines they will be still worse off, as any tax decrease will be offset by the increased health care and food costs due to the law's drastic cuts to Medicaid and SNAP.

- **Adding deceptive temporary provisions that will widen the gender wage gap without helping those who need it most.** The OBBB includes short-term tax provisions for 2025 through 2028, such as new “No Tax on Tips” and “No Tax on Overtime” deductions. While such provisions seem as though they may benefit low-income workers, they are misleading about who they help. According to the [Brookings Institution](#), for instance, 37 percent of tipped workers earn so little they would not benefit from the tax cut. [IWPR](#) research shows that nearly two-thirds of servers, who make up the majority of tipped workers, are women, and that women servers’ median earnings for full-time year-round work are only 78.5 percent of men servers’ earnings. Further, as noted by the [Economic Policy Institute](#), the “No Tax on Overtime” provision could be abused by employers and high earners. Exempting overtime from taxes could encourage employees to work longer hours, even though overtime pay is intended as a disincentive to help keep employers from overworking their employees. Many workers are unable to work overtime—particularly women, who bear a disproportionate share of caregiving responsibilities—and shouldn’t be inherently disadvantaged by deceptive tax provisions, temporary or otherwise.
- **Accelerating the insolvency of Social Security.** The OBBB includes a temporary \$6,000 deduction, in addition to existing deductions for seniors ages 65 and older—phased out for those with an annual income of \$75,000 or higher—for 2025 through 2028. As reported by the [Tax Policy Center](#), this provision and the law’s combined changes are estimated to accelerate the Social Security trust fund Old Age and Survivors Insurance fund’s insolvency date from 2033 to 2032. If Social Security funds are depleted, the [Committee for a Responsible Federal Budget](#) projects there would be an immediate 11 percent reduction of benefits. [IWPR](#) analysis shows that women’s longer lifespans make them more vulnerable to lifetime income disparities and greater incidence of poverty past the age of 65. Social Security is women’s most reliable retirement income source and the most vital program for alleviating women’s poverty.

## Medicaid, SNAP, and the Workforce: OBBB Cuts and Consequences

The OBBB Medicaid and SNAP cuts and expanded work requirement provisions will likely reduce labor force participation and retention.

- According to research from [Georgetown University economists](#), **Medicaid expansion gave workers—especially women—the stable foundation to move into higher-paying occupations.** As highlighted by [Georgetown University’s Center for Children and Families](#), studies of Medicaid expansion in Michigan and Ohio showed enrollees reported their Medicaid coverage made it easier to find, keep, and do their jobs better. Further, a [US Department of Health and Human Services](#) study found a higher share (44 percent) of enrollees in states that expanded Medicaid were employed, compared to 37 percent of those in non-expanded states.
- Building on prior evidence, the [Center on Budget and Policy Priorities](#) states that work requirements imposed administrative barriers and red tape leading to coverage losses among people who are working or are between jobs, or even those exempted because they have caretaking responsibilities, disabilities, or illnesses that keep them from paid work, and do not increase employment. **Such red tape threatens not only health care access but also employment for the 1 in 5 Americans who relies on Medicaid for such coverage—the majority of whom are women.**
- Research from the [Urban Institute](#) finds that investments in public programs such as Medicaid and SNAP have short- and long-term positive impacts on children’s health and education; as a result, they grow up to contribute to a stronger workforce and economy. Research from the [US Department of Agriculture’s \(USDA\) Economic Research Service](#) shows that **SNAP spending had a positive effect on employment**, particularly during a period of recession. Additional [USDA Economic Research Service](#) analysis found that every dollar spent on SNAP generates \$1.54 in benefits for local economies, so the loss of tens of billions in SNAP cuts over the next decade will be felt not just at dinner tables, but in surrounding communities across the country.

Women's lower earnings and longer life expectancy put them at greater risk for poverty in old age. The gender gap in retirement income is **32.6 percent**, compared to the **28.0 percent** gender gap in median earnings.

## WHAT THE RESEARCH SAYS

- Research from the [Center for Budget and Policy Priorities](#) found that the **Tax Cuts and Jobs Act of 2017 did not increase economic growth, but it did benefit wealthy individuals and corporations while increasing the deficit.** According to [Tax Policy Center](#) research, tax cuts that target wealthy households increase income inequality, which, as the [Economic Policy Institute](#) reports, slows economic growth by reducing demand in the economy. Conversely, an [American Economic Review](#) study shows that policies that support the income and consumption needs of lower-income families can offset the impact of recessions.
- [IWPR](#) research shows that **women of all races and ethnicities are paid less than White men and that the wage gap is worsening.** Against the backdrop of a strong economy in 2024, men's earnings increased significantly, but women's earnings were largely unchanged. This gap in earnings translates to thousands of dollars less per year to spend on children, [invest](#) in a mortgage, pay off [student loans](#), save for [retirement](#) or emergencies, or provide for [intergenerational](#) economic stability.
- According to analysis from [IWPR](#), women—particularly Latina and Black women—are overrepresented in lower-paying jobs. For instance, [IWPR](#) research shows that the majority of tipped workers are employed as servers, **nearly two-thirds of whom are women, whose median earnings for full-time year-round work are only 78.5 percent of men's earnings in the sector.** For certain types of jobs that rely on tips, workers can receive a tipped minimum wage—a type of allowable subminimum wage which has remained frozen at just [\\$2.13](#) per hour at the federal level since 1991—despite inflation and rising costs of living.
- [IWPR](#) research shows that **women are less likely to be in jobs where overtime pay is an option.** Further, increasing and encouraging overwork and overtime creates barriers to women's advancement at work and exacerbates gender inequality in both paid and unpaid labor. Additional [IWPR](#) analysis shows women are significantly more likely than men to provide unpaid care for children or older adults.
- Research from [The New School](#) shows that **women are at much greater risk of outliving their savings in old age because they tend to have lower retirement savings and they live longer than men.** According to the [Social Security Administration](#), women depend more on Social Security as their primary source of income in retirement than men. Among Social Security beneficiaries age 65 and older, 44 percent of women receive half or more of their income from Social Security, compared to 39 percent of men.
- [IWPR](#) analysis found that **women's lower earnings and longer life expectancy put them at greater risk for poverty in old age.** By retirement age, more than 20 percent of women live near the poverty line compared to less than 15 percent of men. The gender gap in retirement income is 32.6 percent, compared to the 28.0 percent gender gap in median earnings.



The OBBB threatens the economic security of women, families, and the nation by prioritizing tax cuts for the rich, imposing deceptive temporary provisions, and accelerating Social Security's insolvency while cutting critical health care, food support, and higher education programs.

## POLICY SOLUTIONS

As long as the OBBB remains current law, it is critical that advocates and Congress remain committed to continued oversight of its implementation to monitor its impact and mitigate harm where possible. **It will be equally crucial to build support for policy solutions that seek to advance economic equity and security for women and families—not undermine these goals.** Such data-driven policy solutions include:

- Advancing higher wages and better job quality, particularly in industries overrepresented by women, through increasing the minimum wage and eliminating the subminimum wage; providing comprehensive access to paid leave, including sick leave and family leave, and child care; and supporting the right of workers to act collectively and join or form a union.
- Supporting women's access to and retention in high-paying fields traditionally dominated by men through supporting career counseling and guidance; investing in vocational and technical education, including apprenticeships and pre-apprenticeship programs; and enforcement and accountability to prevent and address discrimination and gender-based violence and harassment.
- Promoting transparency laws, salary history bans, and improved salary data collection and disaggregation.
- Seeking opportunities to oppose discrimination, including by promoting diversity, equity, inclusion, and accessibility initiatives aimed at creating more inclusive and equitable workplaces.
- Defending, supporting, and improving worker protections by ensuring federal agencies, such as the Equal Employment Opportunity Commission and the US Department of Labor's Office of Federal Contract Compliance Programs, have sufficient resources and continue to fully monitor, uphold, and enforce—rather than undermine—existing worker nondiscrimination protections and statutes.
- Improving the solvency of the Social Security trust funds by raising the regressive Social Security tax earnings cap.
- Expanding Social Security benefits for all current and future beneficiaries, including establishing cost-of-living increases to reflect the reality of rising costs.



For more Federal Policy Solutions to Advance Gender Equity, visit [iwpr.org/federalpolicyagenda](https://iwpr.org/federalpolicyagenda).

For state-level data on women and legislative developments, visit IWPR's State Policy Action Lab (State PAL) at [statepolicyactionlab.org](https://statepolicyactionlab.org).