

Republicans' Budget Reconciliation Bill Makes Wrong Choices, Targets Seniors, Middle Class, Most Vulnerable

While Democrats are committed to reducing the deficit in a balanced way, the Republican budget makes the wrong choices and is not a serious attempt at deficit reduction. Instead of working with Democrats on a deficit reduction plan that calls on all Americans to pay their fair share and prevents sequestration from occurring through a balanced mix of spending cuts and revenues, the Republican budget ends the Medicare guarantee and destroys jobs, while cutting taxes for the wealthy. Today, the Budget Committee is marking up a reconciliation bill that lays out more spending cuts that target the most vulnerable among us and put our economy at risk.

- *“Here come the House Republicans...shifting billions from poverty programs to the Pentagon, all within hours of adopting an entirely new round of tax cuts for those earning more than \$1 million a year...the whole exercise seems less about debt than staving off defense cuts and tax increases in January. And just 24 hours after committees approved the deepest cuts from poverty programs, the full House voted along party lines April 19 to approve nearly \$46 billion in new tax cuts.”* [Politico, [5/3/12](#)]
- *“Totaling a little more than \$300 billion over a decade, the new cuts are aimed less at tackling \$1 trillion-plus government deficits and more at preventing cuts to troop levels and military modernization... Fully one-fourth of the House GOP spending cuts come from programs directly benefiting the poor, such as Medicaid, food stamps, the Social Services Block Grant, and a child tax credit claimed by working immigrants.... Republicans would also eliminate Social Services Block Grants, a \$1.7 billion a year program that gives states money for Meals on Wheels, day care, adoption assistance, and transportation help for the elderly and disabled.”* [Associated Press, [5/7/12](#)]
- *“House Republicans are set to advance legislation to replace automatic defense spending cuts they agreed to last year with cuts to programs for the poor and working class. The controversial measure is expected to pass the House and die in the Senate, making it largely a political exercise that allows the two parties to contrast the values at the heart of the 2012 election: Should the burden for addressing the country’s long-running fiscal challenges fall to struggling people, or to the wealthiest people in the country?”* [TPM, [5/7/12](#)]

Some lowlights from their budget reconciliation proposal:

- Slashing food stamps by \$33.2 billion at a time when families can least afford it: *“An average family of four would face an 11 percent cut in monthly benefits after Sept. 1 and, even more important, tighter enforcement of rules would require that households exhaust most of their liquid assets before qualifying for help. This hits hardest among the long-term unemployed, who would be forced off the rolls until they have spent down their savings to less than \$2,000 in many cases.”* [\[Politico, 4/16/12\]](#)
- Permanently eliminating the Social Services Block Grant program, which provides assistance for roughly 23 million Americans, including:
 - Child care and related assistance for 4.4 million children,
 - “Meals on Wheels” and other home-based services for nearly 1.7 million older Americans,
 - Child protective services for 1.8 million at-risk children,
 - Transportation, respite care and other services for nearly 1 million disabled individuals.
- Putting our nation at risk of another financial crisis by ending our ability to deal with banks that are “too big to fail.”
- Politicizing the process of funding the Consumer Financial Protection Bureau, an office created to protect consumers from predatory practices that contributed to the financial crisis.
- Eliminating the Medicaid and CHIP Maintenance-of-Effort (MOE) requirement included as part of the Affordable Care Act, putting 300,000 children at risk of losing health insurance coverage, according to CBO.
- Cutting the Prevention and Public Health Fund, which provided 61 communities and states with funding in fiscal year 2011 to implement health and wellness programs and benefitted approximately 120 million Americans, according to HHS.
- Targeting federal employees by cutting gross federal employee pay by 5% by increasing employee contributions to FERS (from 0.8% to 5.8% of gross salary) and CSRS (from 7% to 12% of gross salary) pension programs, at a time when federal employees are already experiencing effects of a two-year pay freeze.

Republican priorities couldn't be more clear: cutting taxes for the wealthy at the expense of seniors, the middle class, and the most vulnerable among us.