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Divisive GOP Tea Party Budget Targets the Most Vulnerable

The 2017 House Republican budget resolution is a deeply divisive plan to protect wealthy and powerful interests at the expense of everybody else. The Republican budget slashes the social safety net and cuts down ladders of opportunity for struggling families, children, students trying to afford college, and seniors. In fact, it puts the entire burden of deficit reduction on spending cuts that fall squarely on the middle class and those working their way into the middle class, while refusing to close a single special interest tax break to cut the deficit.

Reduces the deficit on the backs of the most vulnerable — Nearly \$5 trillion of the Republican budget's \$6.5 trillion in spending cuts comes from the mandatory side of the budget, with the bulk — \$3.5 trillion — coming from repeal of the Affordable Care Act and cuts to Medicare, Medicaid, an

d other health programs. The largest other mandatory reduction — almost \$0.8 trillion — is to income security programs for the most vulnerable. Under the guise of enhancing "state flexibility," the budget makes steep cuts in the Supplemental Nutrition Assistance Program (SNAP) and Medicaid and converts them into block grants. This does nothing more than shift burdens on to states or leave vulnerable people without needed assistance.

- **Guts SNAP** — The budget cuts \$157 billion from SNAP over ten years, with \$125 billion coming from the shift to a block grant. The vast majority of SNAP beneficiaries are children, elderly, or disabled. Research shows that access to SNAP has long-term benefits for the children it serves. The budget also proposes to tighten work requirements in SNAP for able-bodied adults without children. However, SNAP already has strict work requirements — this group can only receive benefits for three months in any three-year period unless they are employed or in job training for at least 20 hours per week. States can waive this requirement for areas of high unemployment, and many did during the downturn. Most of these waivers have ended, and up to 1 million people could lose their benefits this year under current law.
- **Guts Medicaid** — The Republican budget cuts roughly \$1 trillion from Medicaid and other health programs over ten years (in addition to cutting almost \$1 trillion by repealing the ACA Medicaid expansion). Converting Medicaid into a block grant to states accounts for roughly \$850 billion of this cut. The budget is vague on where the rest of the \$1 trillion non-ACA cut comes from, but if it is all from Medicaid, this means the base Medicaid program is cut by up to one-third in 2026. An effort to block-grant Medicaid will severely undermine the health care safety net for 70 million vulnerable Americans, including children, low-income seniors, and people with disabilities. In 2012, CBO analyzed a block grant proposal and found that for states to manage their Medicaid programs at reduced funding levels, they would have to limit Medicaid eligibility, reduce benefits, cut payment rates, or increase out-of-pocket costs for beneficiaries.

- **Shortchanges evidence-based programs** — The Republican budget ignores the President’s budget’s enhancements to programs that have proven effective at improving low-income children’s outcomes. The President’s proposals include extending and expanding home-visiting, and making permanent an electronic benefits transfer program for child nutrition to help students who lose access to school meals during the summer.

Puts college out of reach for millions of students — The Republican budget slashes federal support for higher education by \$185 billion over ten years. Much of the cut comes from freezing the maximum Pell grant forever, eliminating the already-paid-for \$120 increase scheduled for next year. The budget also makes student loans more expensive for needy undergraduates and eliminates loan repayment options that help students manage their debt. Instead of working to lower student loan debt – which already exceeds \$1.3 trillion – the Republican budget cuts the very assistance that helps make college more affordable and accessible for millions of lower income students.

Supports Tea Party appeasement plan of \$140 billion in cuts — In an attempt to placate Tea Party Members who want to renege on last fall’s budget agreement, the budget calls for special procedures for passing a package of mandatory spending cuts totaling \$30 billion in 2017-2018 and \$140 billion over ten years. To meet this new requirement, House committees have marked up bills that pile more hardships on families with low to moderate incomes or shift the costs of helping these families to the states. One bill eliminates the Social Services Block Grant, taking away services from abused children, frail seniors, and other vulnerable populations. Another bill takes away the refundable portion of the Child Tax Credit from 3 million low-income children.

Disinvests in America by cutting non-defense discretionary (NDD) programs to absurd levels — For 2018 and beyond, the Republican budget slashes NDD funding to preposterously low levels, freezing it at \$472 billion for each year. For 2018, the budget cuts NDD by more than twice the amount of the already-deep sequester cut. By 2026, the NDD cut is five times larger than the cut under the austerity-level sequester. For 2018 through 2026, the Republican approach amounts to an additional cut of \$887 billion below the already-low NDD levels set under current law. NDD funding supports a wide variety of services and programs for the economically disadvantaged, such as food assistance provided through WIC, Title I education grants, Pell grants for low-income college students, housing assistance, and job training.

Continues Republican obsession with repealing the Affordable Care Act — The budget dismantles the Affordable Care Act (ACA), a law that has expanded health care coverage to 20 million Americans and reduced the uninsured rate to less than 10 percent, the lowest level on record. The budget eliminates tax credits to make insurance premiums more affordable, repeals the Medicaid expansion which has been taken up by 31 states and the District of Columbia so far, and cuts off young adults from their parents’ plans. By claiming to repeal the ACA in full, the budget also rolls back important consumer protections like requiring insurance companies to cover people with pre-existing conditions, and it increases prescription drug costs for seniors with Medicare. [CBO estimated](#) that last year’s reconciliation bill, which also repealed key provisions of the ACA, would cause 22 million Americans to lose coverage after 2017.