



HOUSE COMMITTEE ON THE **BUDGET**
RANKING MEMBER BRENDAN F. BOYLE

CBO ANALYSIS DEBUNKS REPUBLICAN “BALANCED BUDGET” CLAIMS, EXPOSES PLOT TO EVISCERATE VITAL PROGRAMS

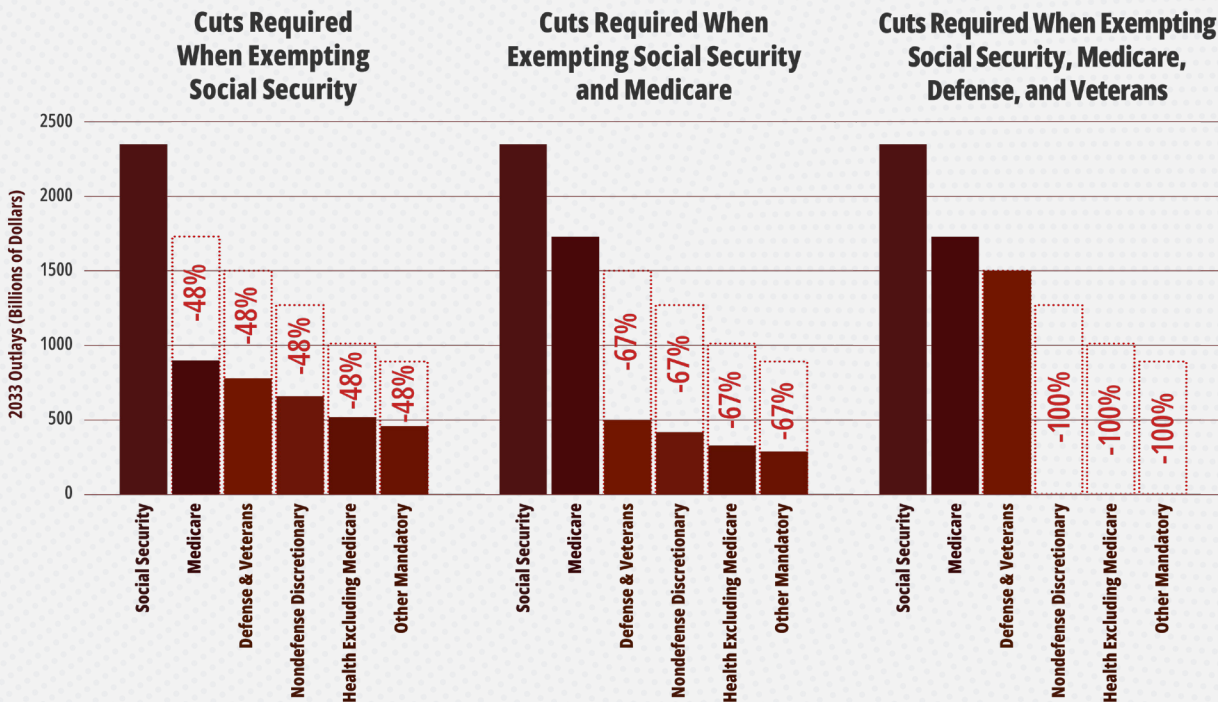
March 17, 2023



House Republicans have not been shy about their demands for devastating cuts and their unhinged threats to force the U.S. to default for the first time in history. In fact, everything Americans *do* know about Republicans' schemes, they learned from Republicans' own public proposals calling to cut Social Security and Medicare, defund law enforcement, strip Americans of their health coverage, cut veterans' medical care, slash education, and eliminate core supports and services – all while blowing up the deficit with more subsidies for special interests and more tax handouts to the wealthy and big corporations. But when it comes to putting forward an actual plan to account for and back up these demands, House Republicans come up empty handed. And despite early signals from party leaders that House Republicans would produce a budget in [April](#), they do not appear any closer to producing their plan.

On March 9th, President Biden released a full, transparent accounting of Democrats' economic plan to invest in the health, safety, and economic well-being of the American people. So why is Speaker McCarthy having such a difficult time producing a budget? On March 14, [CBO published an analysis](#) that reveals the answer: for Republicans to keep their promise to balance the budget in ten years and cut taxes for their well-off and well-connected friends, they will have to cut every single program American families rely on. Assuming Republicans stick to their plan to extend the Trump tax scam, CBO calculates that non-interest spending would need to be cut by 35 percent. Excluding Social Security, the cut rises to 48 percent. Excluding Social Security and Medicare: 67 percent. **Excluding Social Security, Medicare, defense discretionary spending and veterans mandatory spending: 100 percent of non-interest spending would need to be eliminated.**

EVERYTHING MUST GO: REPUBLICANS EVISCERATE VITAL PROGRAMS BUT STILL CANNOT BALANCE THE BUDGET



The last scenario delivers the final blow to Republicans' fiscal falsehoods: even completely eliminating a huge portion of federal spending still does not balance the budget; the 2033 deficit would still stand at \$20 billion.

THE END GAME: REPUBLICANS ELIMINATE LIFELINE PROGRAMS BY 2033



End Medicaid for 48 million low-income, elderly, pregnant, and disabled Americans.



End Medicaid and CHIP for 42 million children.



End Supplemental Nutrition Assistance for 48 million children and adults.



End Affordable Care Act coverage for 16 million Americans.



End the National School Lunch Program for 30 million children.



End Head Start for over 800,000 children and expecting moms.



End Low-Income Home Energy Assistance for 5 million families.



End Rental Assistance for 10 million Americans.



End Pell Grants for over 6 million college students.

Note: Current Program Totals

More importantly, the programs Republicans are targeting are not inconsequential. No one disputes the importance of Social Security, Medicare, defense, and veterans. But by insulating these programs, Republicans are delivering a death sentence to vital programs on both the mandatory and discretionary sides of the budget. On the mandatory side, Medicaid, the Children's Health Insurance Program (CHIP), civilian and military retirement, the Supplemental Nutrition Assistance Program (SNAP), Supplemental Security Income, unemployment insurance, child nutrition, foster care, agriculture subsidies for farmers, education assistance, tax credits for working families, and more are eliminated. And while veterans' programs like compensation and pensions are spared on the mandatory side of the budget, veterans' medical care is gutted with the rest of non-defense discretionary.

Just as investments in defense discretionary programs provide for our military security, non-defense discretionary funds core programs and services that invest in and safeguard our people and resources. This includes K-12 education, customs and border protection, anti-drug trafficking programs, the FBI, the Low-Income Heating and Energy Assistance Program (LIHEAP), weather forecasting, and even hazardous waste cleanup. From diplomacy to food safety, aviation and rail safety to disaster relief, deep space

exploration to ensuring access to clean air and water, and *everything* in between, non-defense discretionary funding fuels the programs that protect and serve all Americans.

For a more complete discussion on non-defense discretionary funding, see the [House Budget Committee's latest report](#).

Zeroing out these investments won't balance the budget, but it will gut government to the point it can no longer carry out even its most basic functions. While Republicans claim they will preserve Social Security benefits in this scheme, without staff to process claims and pay benefits, how will payments reach their intended recipients? If the Department of Health and Human Services no longer exists, how could Medicare even operate? Without the Department of Treasury, it would be impossible to collect revenue, so how would Republicans pay for any spending they do preserve?

As critical investments decline over the decade, so will our society and Americans' quality of life. For Republicans to balance the budget and hollow out government, CBO assumes a devastating decline in funding before being zeroed out by 2033. Cuts of this magnitude would certainly stall economic growth and spark a recession. Mark Zandi, Chief Economist of Moody's Analytics, [predicts](#) these cuts would create a recession in 2024, eliminate 2.6 million jobs, push unemployment to nearly 6 percent, and cost the United States 2.7 percent in GDP. Of course, this economic downturn would be overshadowed by the pain, chaos, and devastation Republicans' cuts would inflict on the American people.

It's time Congressional Republicans stopped hiding their extreme schemes from the American people and revealed the full details of their plot to raise taxes on working families, starve lifeline programs and services, and hand lavish tax breaks to the wealthy and well-connected.

Until they do, everything – and everyone – is on House Republicans' chopping block.

This document has not been reviewed and approved by the Democratic Caucus of the Budget Committee and may not necessarily reflect the views of all members.



**HOUSE COMMITTEE
ON THE BUDGET**

RANKING MEMBER BRENDAN F. BOYLE

twitter.com/housebudgetdems
instagram.com/housebudgetdems
facebook.com/housebudgetdems
youtube.com/housebudgetdems
democrats-budget.house.gov