



House Committee on Ways and Means

Ranking Member Richard E. Neal

Prepared by Ways and Means, Democratic Staff

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Oppose the GOP Balanced Budget Amendment

A back-door effort to cut Social Security & Medicare

It's True: Republicans have once again irresponsibly exploded the debt. Due to the GOP's passage of their \$2.3 trillion tax scam, the Congressional Budget Office now projects that our annual budget deficit will top \$1 trillion within two years, a level usually only seen during deep recessions.

Even worse, while enacting their deficit busting tax cut, Republicans also added a provision that CBO estimated will increase health insurance premiums by 10% -- claims of a mythical tax cut in every paycheck are being dwarfed by increased health care costs.

Republicans helped their friends, and want American families to pay for it. Republicans are now using the debt – created through their tax scam – to demand cuts to programs that working Americans rely on for their health care. This shouldn't come as a surprise.

- Before the enactment of the tax bill, Republicans tried to slash Medicare and Medicaid programs dramatically – proposing almost 1 trillion in cuts to Medicaid and another \$75 billion in cuts to Medicare.
- Then President Trump put forward huge cuts to these programs in his budget – another \$1.4 trillion in cuts to Medicaid and then more than \$500 billion in cuts to Medicare. But the Republicans failed to enact these cuts last year because of Democratic opposition.
- The Trump budget also called for \$65 billion in cuts to Social Security's earned benefits – but so far, we've stopped them.

Republicans chose tax cuts over seniors. The cost of the GOP tax scam is nearly equal to the long-term cost of filling the shortfall in Medicare and Social Security. In other words, Republicans chose tax cuts for billionaires over helping shore up Medicare and Social Security for the aging baby boomers.

- The tax cuts are reducing revenue by an average of 1.1 percent of GDP over the next four years. If the temporary tax cuts were made permanent – as Republicans say they intend -- this is roughly the amount needed to fill the long-term shortfalls in both Social Security and Medicare.

Now Republicans are trying again to cut health care and Social Security to pay for their tax cuts. They couldn't directly slash funding for health programs to pay for the tax bill, so are trying again through a Balanced Budget Amendment, which would automatically force cuts to Medicare and Social Security to balance the budget and reduce the deficit.