



FACT SHEET

The House Republican Budget

House Republicans Back Budget that Gives to the Rich, Takes from the Rest of Us

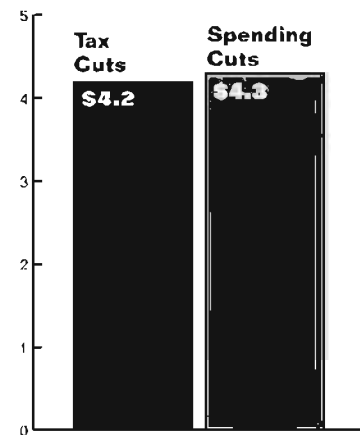
NEARLY EVERY HOUSE REPUBLICAN ON APRIL 15 VOTED TO GIVE MASSIVE NEW TAX CUTS TO WALL STREET AND THE WEALTHY and pay for them by cutting deeply into services for seniors, children and low- and middle-income working families. The 235–193 partisan budget vote on HCR 34 echoed recent political choices by Republican governors and state legislators who are taking away rights and services from working families in the guise of budget cuts—but then handing tax breaks over to CEOs and corporate supporters.

The budget Republican representatives passed does almost nothing to reduce the federal deficit, contrary to its backers' claims. While cutting \$4.3 trillion in spending, it hands out \$4.2 trillion in tax giveaways, disproportionately favoring corporations and the rich. Trying to sell this as a deficit reduction plan is nothing short of a fraud on the American people.

The Republican budget, which Moody's Analytics and the Economic Policy Institute estimate will eliminate 1.7 million to 2.2 million jobs in the first two years, puts two-thirds of the burden on low- and modest-income Americans.

The budget forces seniors to pay dramatically more for health care by privatizing Medicare and replacing it with vouchers. It also makes massive cuts in education—from Head Start through college.

Republican Budget is NOT a Deficit Reduction Plan (in trillions of dollars)



From Center on Budget and Policy Priorities analysis of Congressional Budget Office data.

CONGRESSIONAL REPUBLICANS CHOSE TO TAKE A RADICAL APPROACH TO THE 2012 BUDGET RATHER THAN THE BALANCED APPROACH.

America needs to create jobs, invest in our future and start “shared sacrifice” at the top to reduce our long-term deficit. A number of groups on the Democratic side have come forward with plans and ideas for investing in jobs, education, health care, technology and our future while reducing the deficit and going a long way toward requiring corporations and the rich to pay their fair share. President Obama has made clear he understands why Social Security and Medicare are so important to working people, and the union movement has been equally clear that we will oppose cuts to these critical programs—no matter who proposes them.

The Republican Budget is Not a Deficit Reduction Plan

The Republican budget is no more a deficit reduction plan than Wisconsin Gov. Scott Walker's taking collective bargaining rights from public workers is a budget plan. Instead, the Republican budget is a major shift in income from the bottom to the top, taking funding from essential services for low- and middle-income working families and retirees and moving it to the pockets of Wall Street and the rich—without cutting the deficit very much at all. Republicans in the states and on Capitol Hill are doing favors for CEOs and the wealthy who fund political campaigns—and working families and retirees are getting the bill.

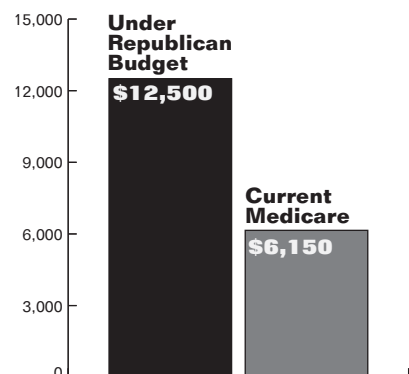
The Republican Budget Hands Out \$4.2 Trillion in Tax Breaks

These giveaways go disproportionately to corporations and wealthy individuals, shifting a greater tax burden to the middle class. This budget adds more than \$3 trillion in new tax cuts to the cost of continuing already unfair Bush-era tax breaks for the wealthiest Americans.

The Republican Budget Replaces Medicare with Vouchers and Hikes Costs for Seniors

Seniors will have to pay far more for health care under the Republican budget, which replaces Medicare with underfunded vouchers and forces retirees to negotiate with private insurance companies that are

Republican Budget Would Double a Senior's Health Care Spending [for a typical 65-year-old in 2022 dollars]



From Center on Budget and Policy Priorities analysis of Congressional Budget Office data.

free to raise rates and deny coverage. Medicare's guaranteed coverage will end. Out-of-pocket health care costs for a typical 65-year-old will more than double in the first year alone, increasing by more than \$6,000.

The Republican Budget Cuts Education at Every Level

It kicks 200,000 children out of Head Start, cuts funding for elementary and secondary education by 25 percent and slashes college aid for 8 million students. It also literally takes food out of the mouths of hungry children by cutting food assistance for low-income families.

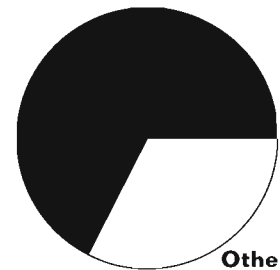
The Republican Budget Destroys Jobs and Cuts Other Critical Services for Families

Mark Zandi, chief economist at Moody's Analytics, estimates the Republican budget will cost Americans 1.7 million jobs by 2014—with 900,000 jobs lost next year. The Economic Policy Institute predicts a loss of 2.2 million jobs over two years. With more than 25 million U.S. workers unemployed or underemployed, this budget eliminates job-creating investments in roads, bridges, transit and other infrastructure programs, as well as green technology for the future. It denies health care coverage to 33 million Americans by repealing health care reform and makes state budget problems worse by shifting costs for important services to them. It also slashes funding for Medicaid, veterans, cancer research, law enforcement and a host of other services working families rely on every day.

REPUBLICAN LEADERS IN CONGRESS HAVE DISPLAYED THEIR PRIORITY: massive tax cuts for the wealthy and for Wall Street, paid for by middle-income and poor families. At a time of devastating unemployment and a struggling economic recovery, each cut to our nation's budget threatens American jobs and working families. The Republicans' irresponsible cuts are not a deficit reduction plan. They are the biggest gift in history for corporations and the rich who fund Republican campaigns—and they come at a cost America cannot afford.

Two-Thirds of Republican Budget Cuts Come from Services for Low- and Modest-Income People

Low-income budget cuts (e.g., Medicaid, Pell Grants, food stamps, low-income housing) **\$2.9 trillion**



Other program cuts \$1.4 trillion

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