

March 16, 2016

Dear Member of the House Budget Committee:

On behalf of the Coalition on Human Needs, I urge you to oppose the FY 2017 budget resolution before the Committee today.

The <u>Coalition on Human Needs</u> is an alliance of national organizations including faith-based groups, human service providers, policy experts, labor and civil rights groups, and other advocates concerned about meeting the needs of low-income and vulnerable people. We oppose the budget resolution because it would harm low- and moderate-income people and would set us backward, slamming the brakes on economic progress and undermining efforts to ensure that economic progress is broadly shared. Low-income programs providing education, training, nutrition, youth services, housing and social services have sustained multiple cuts in recent years; the budget resolution before you would make the cuts far worse.

The budget makes \$6.5 trillion in cuts over the next decade. At least \$3.5 trillion of these cuts target programs that serve low-income and vulnerable people. Cuts are made to essential programs, including Medicare (cut \$449 billion over ten years). It cuts Medicaid by more than \$1 trillion, not counting its elimination of the Medicaid expansion under the Affordable Care Act. It cuts other mandatory programs by close to \$1.5 trillion; those cuts are not specified, but would be expected to shrink the Supplemental Nutrition Assistance Program (SNAP/formerly food stamps), and makes cuts highly likely in programs serving people with disabilities, such as Supplemental Security Income (SSI) and Social Security Disability Income (SSDI).

The budget places a straitjacket on the federal capacity to respond to people's needs and/or economic downturns, by turning SNAP into a block grant (euphemistically called a State Flexibility Fund) and rigidly restricting Medicaid. It cuts domestic and international discretionary spending far more deeply than would occur if the harsh sequestration cuts continued through 2026. Non-defense discretionary spending would drop from \$518.5 billion in FY 2017 down to \$472 billion in the next year; it then would stay absolutely flat through 2026, eroding with inflation year by year, showing a cut of \$887 billion as compared to current policy through 2026.

Over and over, the budget makes low- and moderate-income people less secure. Many millions will lose health insurance. Access to education, from preschool through college, will decline. The extremely effective Consumer Financial Protection Bureau is eliminated. Public transit will lose funding. Investments that would create jobs will not be made.

The budget insists that our deficits are entirely attributable to spending levels. But its revenue estimates show revenues will decline as a share of GDP over the next ten years. The budget continues or worsens inequality through the tax code. If corporations and wealthy individuals paid a fairer share, we could make investments that meet the nation's needs.

As this budget is considered, Congress ought to be acting on urgent crises affecting children's health and our nation's future. Failure to invest in our water infrastructure is poisoning our children, in Flint and elsewhere. Failure to fund substance abuse treatment and prevention programs will allow the opioid epidemic to continue to grow unchecked. If we recklessly fail to address the Zika virus, the consequences are likely to be grave. This budget would make it impossible to address urgent challenges like these.

The People's Budget of the Congressional Progressive Caucus is a model that shows clearly it is possible to invest in our future and build broadly shared prosperity while reducing the deficit. That is a practical, positive approach that the Budget Committee ought to adopt. Please vote against the budget resolution before you today.

Please do not hesitate to contact me for more information (dweinstein@chn.org; 202-223-2532 x111).

Sincerely,

Deborah Weinstein

Executive Director