



## COALITION ON HUMAN NEEDS

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Dear Senator:

On behalf of the Coalition on Human Needs, I strongly urge you to vote no on the FY 2018 Budget Resolution approved by the Senate Budget Committee (S. Con. Res. 25), which would amend H. Con. Res. 71, the Budget Resolution passed by the House. In addition, we urge you to support amendments to protect vital human needs programs, such as the Sanders amendment #1119, which would prevent \$1 trillion in cuts to Medicaid by reducing the size of the proposed tax cuts.

The Coalition on Human Needs is an [alliance](#) made up of human service providers, faith organizations, policy experts, labor, civil rights, and other advocates for meeting the needs of low-income and vulnerable people. Our members understand that the economic security of millions of American families depends on building on the progress we've made in health coverage, jobs, basic living standards, and ensuring that our children are well-prepared for productive lives. But the proposed budget before you does not build – it breaks apart our engines of progress. It will make our nation weaker for decades to come.

The most recent survey data on poverty in the U.S. shows the biggest two-year decline since the late 1960's. Refundable tax credits for working families, SNAP/food stamps and housing subsidies have lifted many millions of people out of poverty. The decline in the proportion of our population without health insurance continued its decline in 2016, down to 8.8 percent. More people are working, and in general, low- and moderate-income households have finally started to make income gains.

The budget advanced by the Senate Budget Committee would be a dangerous step backwards, stripping trillions of dollars from programs that work to reduce poverty and create security and opportunity. Medicaid, Medicare, working family tax credits, nutrition assistance, education and housing assistance: these are just some of the services the budget would massively cut. Specifically, the budget assumes \$1.8 trillion in cuts to mandatory health programs, including \$473 billion in Medicare cuts and \$1.3 trillion slashed from Medicaid, Affordable Care Act subsidies and other health care. It would cut income security programs such as SNAP/food stamps, Temporary Assistance for Needy Families, low-income tax credits, or assistance for people with disabilities by more than \$650 billion. The budget would cut domestic/international discretionary spending by \$660 billion over 10 years, on top of serious long-term cuts in these areas. If these discretionary cuts are made, spending on programs such as housing, public health, education and training, Meals on Wheels and other programs to help seniors, child care and Head Start, road repair, and environmental and consumer protections will be cut nearly 30 percent below their 2010 levels, adjusted for inflation.

The primary goal of both the Senate and House budget resolutions is to allow huge tax cuts to be enacted with only a simple majority in the Senate. The Senate resolution would allow these tax cuts to deepen the deficit by up to \$1.5 trillion. With this gaping hole carved from revenues, getting the budget to balance over ten years requires over \$5 trillion in cuts across the broad range of government services and benefits. **If you vote for this budget, you are voting to cut trillions of dollars in funding that supports health care, economic**

**security and progress in order to pay for tax cuts that overwhelmingly favor wealthy individuals and corporations.** Please reject this destructive choice.

By 2027, 80 percent of the tax cuts would be received by the wealthiest one percent, whose annual tax breaks would average \$200,000 each, according to the Brookings-Urban Institute [Tax Policy Center](#). The proposed tax cuts will worsen inequality and reward businesses that park their income offshore. The tax cut for the top one-tenth of one percent (0.1 percent) would exceed \$1 million on average in 2027. Among taxpayers in the middle quintile, the average tax cut would be \$420 in 2027. That masks the fact that about 28 percent of taxpayers with this level of income will see an increase in their taxes, averaging just under \$1,300. Even for those in the middle who get a tax cut, the average \$1,100 they would gain in a year amounts to about \$21 a week. That will not make up for the unprecedented losses in services envisioned in this budget – one car repair bill from hitting an unfixed pothole could wipe out their modest gain. As for those with incomes below about \$28,000, their total tax cut for 2027 would average \$50. Their losses would be very steep.

These tax cuts are defended as being “pro-growth,” but the Senate Budget acknowledges that the tax cuts it envisions will make the deficit bigger, by \$1.5 trillion. Moreover, new and decades-long experience disputes the effectiveness of tax cuts in encouraging growth. The economy grew and unemployment declined more during the Clinton tax increase years than during the Bush era tax cuts. And the Kansas experience with tax cuts is cautionary: revenues plummeted, with the tax take in 2016 \$570 million lower than in 2013, even after counting increases enacted in sales and cigarette taxes. The economic growth that did occur from cutting taxes was estimated to bring in about \$30 million, leaving the state very deeply in the hole. The state legislature has recently reversed course, unwilling to slash education budgets as much as the revenue hole would have forced. They saw that they were weakening their state. Congress should not inflict the same dangerous lesson on the entire nation.

We urge you to reject the Senate Budget Resolution because of its central choice: paying for tax cuts that overwhelmingly favor the rich and corporations with cuts to essential services. Our nation faces major challenges: creating jobs, reducing disproportionate poverty among children and helping children and young adults to advance in education so they can meet the challenges in our economic future, protecting seniors in their retirement, and rebuilding communities. Both the emergency needs of communities devastated by natural disasters and the similarly urgent threats from opioids and other epidemics, decaying infrastructure and inadequate public health and consumer protections demand a vigorous federal response. Cuts in the Senate Budget Resolution would recklessly weaken us; they are self-inflicted wounds.

Sincerely yours,



Deborah Weinstein,  
Executive Director