

October 3, 2017

Dear Representative:

On behalf of the Coalition on Human Needs, I strongly urge you to vote no on H. Con. Res. 71, the proposed FY 2018 Budget Resolution, and to vote for the substitute budgets advanced by the Congressional Progressive Caucus, Congressional Black Caucus, and the Democratic alternative budget resolution.

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. 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 multi-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 House Budget Committee would be a dangerous backwards plunge, 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. The budget takes trillions in funding that supports economic security and progress and hands it to the wealthy and corporations in the form of enormous tax cuts.

The primary goal of H. Con. Res. 71 is to allow huge tax cuts to be enacted with only a simple majority in the Senate. These tax cuts are claimed to be a critical element in increasing economic growth enough to make the tax cuts deficit neutral. Reputable economists are skeptical that the proposed tax cuts would boost the economy to the 2.6 percent average growth projected in the budget and acknowledge that tax cuts to corporations and the rich deepen the deficit. History supports this: 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.

We urge you to reject H. Con. Res. 71 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: 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 slower but still urgent threats from decaying infrastructure and inadequate public health and consumer protections demand a vigorous federal response. Instead of making these investments, the House budget would cripple the federal capacity to respond by slashing domestic appropriations by <u>44 percent</u> compared with FY 2010 levels over the next decade and making similarly extreme cuts in health care, nutrition, income assistance for seniors, people with disabilities, and working families. In addition to trillions of dollars in cuts to basic mandatory programs, the budget would fast-track \$203 billion in cuts to domestic programs over the next ten years through reconciliation rules. Cuts like these would recklessly weaken us; they are self-inflicted wounds.

The proposed tax cuts will worsen inequality and reward businesses that park their income offshore. Instead, Congress should protect and expand investments as called for in the budgets proposed by the Congressional Progressive Caucus, Congressional Black Caucus, and the House Budget Committee Democrats' substitute. All of these deserve your yes vote.