**APRIL 2024** 

# THE DEFAULT **ON AMERICA** ACT: AN ATTACK ON THE WELL-BEING

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# The Default on America Act: An Attack on the Well-Being of Working Families

In January 2023, the U.S. government hit the limit of funds it was allowed to borrow, forcing the Treasury Department to begin using "extraordinary measures" to keep paying the bills. Without action from Congress by June 2023, the nation was at risk of a first-ever default on its debt, which would have had <u>devastating impacts on the nation's economy</u>.

Republicans introduced the Default on America Act (H.R. 2811, also known as the Limit, Save, Grow Act) as their answer to the impending default. This bill would have raised the debt ceiling in exchange for **massive cuts to all discretionary government spending**, slashing government spending back to fiscal year 2022 (FY22) funding levels. This would have resulted in massive, devastating cuts across the board, including to local law enforcement funding, loan programs for family farms, food assistance programs for moms and kids, and veterans' health care. The bill also includes priorities from MAGA Republicans' deeply unpopular agenda, such as harsh work requirements for Medicaid beneficiaries, billions in tax giveaways for corporations, repealing the Inflation Reduction Act clean energy tax credits, and cutting IRS funding used to catch tax cheats. These harmful funding cuts, combined with unnecessarily punitive policies, would have raised everyday costs for millions of working families, including the cost of health care, energy bills, groceries, housing, and child care, while also making it harder for people to access their hard-earned Social Security and Medicare benefits.

The bill passed the House one year ago on April 26, 2023. In 2024, this anniversary matters because it is one of the worst votes that House Republicans have taken this Congress in terms of cuts to programs and raising costs for working families – and almost all House Republicans voted for it, including Speaker Mike Johnson and every single freshman Republican. This vote was one of the first and clearest statements of House Republicans' priorities: cutting funding to critical programs millions of American families rely on in exchange for tax breaks to corporations.

By voting for the Default on America Act, Republicans in Congress voted to:

- Raise health care costs
- Raise food and grocery costs
- Raise housing costs by cutting rental assistance
- Cut access to Social Security and Medicare
- Cut veterans' health care and benefits
- Hand big corporations billions in tax breaks
- Raise the cost of energy bills
- Protect wealthy and corporate tax cheats
- Raise the cost of child care
- Cut law enforcement and public safety programs

- Cut border security
- Cut funding for public schools

This report outlines messages used by advocates over the last year to hold House Republicans accountable for this poisonous vote and calls on them to oppose similar legislation. This includes language used in paid media products, polling, press statements, and more, along with detailed research backing up these statements. Because of the wide range of topics covered in this bill, this report spans many issue areas and includes different defensible messaging options on the same subjects, in addition to those top messages listed above.

**Since this vote, House Republicans have doubled down on pushing for more harmful funding cuts** through the appropriations process, including passage of a <u>similar bill</u> (H.R. 5525) in September 2023. Ultimately, Congress passed bipartisan appropriations legislation for FY2024, which even included necessary increases to key programs like child care funding. However, House Republicans continue to promote the Default on America Act and advocate for some of its most destructive program cuts. In its FY2025 budget proposal, the <u>Republican Study Committee</u> highlighted its ongoing support of the "House-passed Limit, Save Grow, Act" specifically because of its harsh Medicaid work requirements.

As the FY2025 appropriations process begins, advocates must continue to call on House Republicans to protect crucial government programs for veterans, seniors, and working families, support public safety, lower everyday costs, and make corporations pay their fair share of taxes – unlike their vote for the Default on America Act last year.

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# The Impacts Of The Default on America Act

# 217 Republicans Voted For The Default On America Act

**217 Republicans Voted For H.R 2811, The Limit, Save, Grow Act Of 2023**. On April 26th, 2023, 217 Republicans voted for H.R. 2811, the Limit, Save, Grow Act of 2023. The bill passed 217 to 215, with 4 Republicans and 211 Democrats voting no. [H.R. 2811, Vote #199, <u>4/26/23</u>]

• Reps. Andy Biggs, Ken Buck, Tim Burchett, and Matt Gaetz Were The Only Four Republicans To Vote Against H.R. 2811. [H.R. 2811, Vote #199, <u>4/26/23</u>]

House Republicans' Limit, Save, Grow Act "Proposes Reverting Discretionary Spending Caps To Fiscal 2022 Levels." "House Republicans' go-it-alone debt limit bill pairs a debt ceiling increase expected to last into next year with what Speaker Kevin McCarthy (R-Calif.) said would be about \$4.5 trillion in savings generated in part by cutting Biden administration priorities. The bill released on Wednesday — dubbed the Limit, Save, Grow Act — aims to raise the debt limit by \$1.5 trillion or through March 31, 2024, whichever comes first. It proposes reverting discretionary spending caps to fiscal 2022 levels while limiting growth to 1 percent annually over the next decade. While Republicans have long said the discretionary spending cuts would not target defense spending, nothing in the bill explicitly protects defense spending, leaving that spending up to appropriators." [The Hill, 4/19/23]

• The GOP Debt Ceiling Proposal Would Return Federal Funding Levels To Those Adopted In Fiscal Year 2022. "The GOP proposal would slash the federal budget back to levels adopted in the 2022 fiscal year, which could amount to \$130 billion in spending cuts for 2024." [The Washington Post, <u>4/19/23</u>]

The White House Found That House Republicans' Proposal To Cap Federal Spending At FY22 Levels While Protecting Defense Spending Would Equal A 22% Cut Of All Other Annual Appropriations. "The legislation Congressional Republicans introduced sets overall appropriations for Fiscal Year 2024 at the same level as FY 2022. At this level, all appropriated funding—including both defense and domestic programs—would be cut deeply. However, Congressional Republicans have indicated that they are not willing to cut defense funding at all, which means that everything else in annual appropriations—from cancer research, to education, to veterans' health care—would be cut by much more. The math is simple, but unforgiving. At their proposed topline funding level—and with defense funding left untouched as Republicans have proposed—everything else is forced to suffer enormous cuts. In fact, their bill would force a cut of 22 percent—cuts that would grow deeper and deeper with each year of their plan."[The White House, <u>4/20/23</u>]

House Budget Committee Democrats Released District-Level Data On The Impacts On The Default On America Act. "See the impact of Republicans' extreme demands and their default threats on your community." [House Committee On The Budget Democrats, <u>4/26/23</u>]

# **Health Care Costs**

#### **Topline Messages**

- House Republicans Voted To Increase Health Care Costs
- House Republicans Voted To Cut Access To Health Care
- House Republicans Put Health Coverage At Risk For 21 Million Americans

#### Backup

The Department Of Health And Human Services Reported That A Return To FY22 Spending Levels Would Cut Access To Health Centers Program Locations For Around 2 Million People. "Thank you for your letter regarding the House Republican Leadership's reported plan to cap fiscal year 2024 discretionary spending at the fiscal year 2022 enacted level. [...] A 22% reduction in the discretionary Health Center Program appropriation would cut off access to health centers and their critical health care for an estimated 2 million of the nation's most vulnerable individuals and families. The Health Resources and Services Administration's health centers provide care to one in three people living in poverty and one in five rural residents. At the 2022 funding level, the Indian Health Service would reduce inpatient admissions by over 4,000, outpatient services by nearly 1.6 million visits, dental visits by nearly 120,000, mental health visits by nearly 90,000 and at a 22 percent reduction would reduce inpatient admissions by over 275,000, and mental health visits by over 200,000. [Department of Health and Human Services, <u>3/17/23</u>]

• Health Centers Provided Affordable Health Care Services On Sliding Fee Scales Through Health Center Program Funding. "Health centers are community-based and patient-directed organizations that provide affordable, accessible, high-quality primary health care services to individuals and families, including people experiencing homelessness, agricultural workers, residents of public housing, and veterans. Health centers integrate access to pharmacy, mental health, substance use disorder, and oral health services in areas where economic, geographic, or cultural barriers limit access to affordable health care. Health centers reduce health disparities by emphasizing coordinated care management of patients with multiple health care needs and the use of key quality improvement practices, including health information technology. [...] Provide services regardless of the patient's ability to pay and charge for services on a sliding fee scale. [...] Health centers receive Health Center Program federal grant funding to improve the health of underserved populations. Some health centers receive funding to focus on special populations, including individuals and families experiencing homelessness, migratory and seasonal agricultural workers, and residents of public housing." [Health Resources & Services Administration, accessed <u>4/20/23</u>]

The Department Of Health And Human Services Reported That A Return To FY22 Spending Levels Would Cut Access To Health Centers Program Locations, Which "Provide Care" To "One In Five Rural Residents." "Thank you for your letter regarding the House Republican Leadership's reported plan to cap fiscal year 2024 discretionary spending at the fiscal year 2022 enacted level. [...] A 22% reduction in the discretionary Health Center Program appropriation would cut off access to health centers and their critical health care for an estimated 2 million of the nation's most vulnerable individuals and families. The Health Resources and Services Administration's health centers provide care to one in three people living in poverty and one in five rural residents. At the 2022 funding level, the Indian Health Service would reduce inpatient admissions by over 4,000, outpatient services by nearly 1.6 million visits, dental visits by nearly 120,000, mental health visits by nearly 90,000 and at a 22 percent reduction would reduce inpatient admissions by over 10,000 and outpatient visits by nearly 4 million, dental visits by over 275,000, and mental health visits by over 200,000. [Department of Health and Human Services, 3/17/23]

#### House Republicans' Debt Limit Bill Included Work Requirements For Medicaid

Beneficiaries. "House Republicans on Wednesday approved a bill to raise the debt ceiling into next year, slash federal spending by billions of dollars and unwind some of President Biden's priorities and recent legislative accomplishments, including his program to cancel college student debt. The outcome marked an escalation in the standoff between the House Speaker Kevin McCarthy (R-Calif.) and Biden, as Republican leaders hardened in their resolve to exploit a key fiscal deadline for political leverage - even at the risk of causing the U.S. government to default. One week after unveiling the so-called Limit, Save, Grow Act, Republicans brought the measure to the House floor and embarked on what proved to be a raucous debate. For McCarthy, the process proved precarious, forcing him to make late changes to the legislation to assuage about a dozen moderate and conservative holdouts. [...] With Medicaid, meanwhile, Republicans proposed a rule requiring the low-income recipients of federal health insurance to satisfy certain income or work thresholds. That includes, for example, participating in 80 hours per month in employment or community service — otherwise states could remove these enrollees from the safety-net program. The rules would cover beneficiaries from age 19 until age 56, with some exceptions, such as for those who are pregnant or caring for young children." [The Washington Post, 4/26/23]

# **Department Of Health And Human Services: House Republicans' "Medicaid Work Requirements Would Jeopardize Health Coverage and Access to Care for 21 Million Americans."** "Medicaid Work Requirements Would Jeopardize Health Coverage and Access to Care for 21 Million Americans [...] Work requirements would add substantial bureaucratic red tape to Medicaid, putting coverage – and health – at risk for millions of Americans. Only one state has ever fully implemented these policies, and nearly 1 in 4 adults subject to the policy lost their health coverage – including working people and people with serious health conditions—with no evidence of increased employment. In

fact, research shows that more than 95% of enrollees subject to the policy already met the requirements or should have qualified for an exemption – but many lost coverage because they couldn't navigate the red tape. According to a recent HHS report analyzing 2021 Census data, the vast majority of working-age Medicaid enrollees are already employed, have a disability, and/or are parents. Previous research indicates that among enrollees who aren't already working, nearly all have disabilities, serious health conditions, childcare or caretaking responsibilities, or are in school. Nonetheless, the administrative burden for enrollees to report adherence to or exemption from Medicaid work requirements could put 21 million Medicaid beneficiaries in this age group at risk of coverage loss. Administrative churning is a significant issue with Medicaid eligibility redeterminations, and new reporting requirements will compound this problem. Loss of Medicaid coverage can force patients to change providers, skip medications, or face financial difficulties, and coverage loss has been tied to worse quality of care and worse health. The tables below illustrate the estimated number of people in each state and respective counties whose coverage would be at risk under the general work requirements approach proposed recently by House leadership. The tables only include states that have expanded Medicaid under the Affordable Care Act, since the proposed policy would likely affect much smaller numbers of people in non-expansion states.\* The tables present enrollment statistics from the Centers for Medicare & Medicare Services (CMS) as of December 2022 (the most recent available data) on the number of adults ages 19 to 55 in Medicaid who are not enrolled via disability, parent/caretaker, or pregnancy-related eligibility pathways." [Department of Health and Human Services, 4/25/23]

STATE-BY-STATE: Department Of Health And Human Services: House Republicans' Medicaid Work Requirements "Jeopardize Health Coverage and Access to Care" For XXX,XXX Residents Of [INSERT STATE]. "The tables below illustrate the estimated number of people in each state and respective counties whose coverage would be at risk under the general work requirements approach proposed recently by House leadership. The tables only include states that have expanded Medicaid under the Affordable Care Act, since the proposed policy would likely affect much smaller numbers of people in non-expansion states.\* The tables present enrollment statistics from the Centers for Medicare & Medicare Services (CMS) as of December 2022 (the most recent available data) on the number of adults ages 19 to 55 in Medicaid who are not enrolled via disability, parent/caretaker, or pregnancy-related eligibility pathways." The table shows that XXXX people in [INSERT STATE] are potentially subject to the work requirements proposed by House Republican leadership and thus at risk of losing coverage. [Department of Health and Human Services, <u>4/25/23</u>]

• Example: Department Of Health And Human Services: House Republicans' Medicaid Work Requirements "Jeopardize Health Coverage and Access to Care" For 930,133 Michiganders. "The tables below illustrate the estimated number of people in each state and respective counties whose coverage would be at risk under the general work requirements approach proposed recently by House leadership. The tables only include states that have expanded Medicaid under the Affordable Care Act, since the proposed policy would likely affect much smaller numbers of people in non-expansion states.\* The tables present enrollment statistics from the Centers for Medicare & Medicare Services (CMS) as of December 2022 (the most recent available data) on the number of adults ages 19 to 55 in Medicaid who are not enrolled via disability, parent/caretaker, or pregnancy-related eligibility pathways." The table shows that 930,133 people in Michigan are potentially subject to the work requirements proposed by House Republican leadership and thus at risk of losing coverage. [Department of Health and Human Services, <u>4/25/23</u>]

STATE-BY-STATE: Center On Budget And Policy Priorities: McCarthy's Proposal "Would Take Medicaid Coverage Away From People Who Do Not Meet New Work-Reporting Requirements," Putting Nearly XXX,XXX Residents Of [INSERT STATE] At Risk Of Losing Coverage. "A Republican proposal led by House Speaker Kevin McCarthy would take Medicaid coverage away from people who do not meet new work-reporting requirements. The McCarthy proposal would apply to all states, but in practice it would heavily impact people covered by the Affordable Care Act (ACA) Medicaid expansion. Of this group, more than 10 million people in Medicaid expansion states would be at significant risk of losing coverage under the McCarthy proposal. This group would be subject to the new Medicaid requirement, and they are not part of a group that states could readily identify in existing data sources and exclude from burdensome reporting. The McCarthy proposal could jeopardize coverage for millions more, by prompting some states to drop the ACA Medicaid expansion or dissuading states that have not yet taken the expansion from adopting it. Nationwide, we estimate that over 10 million Medicaid expansion enrollees — more than 1 in 5 of all Medicaid enrollees in expansion states would be at risk of losing Medicaid coverage under the policy in McCarthy's debt limit bill, using 2019 (pre-pandemic) data. Some 74 percent of all expansion enrollees and 21 percent of all Medicaid beneficiaries in the states that have adopted the expansion would be subject to the new requirements and, thus, at risk of losing coverage." [Center on Budget and Policy Priorities, 4/21/23]

**STATE-BY-STATE: Center On Budget And Policy Priorities: McCarthy's Proposal Puts XXX,XXX Residents Of [INSERT MEDICAID EXPANSION STATE] At Risk Of Losing Coverage.** According to data analyzed by the Center on Budget and Policy Priorities, XXX,XXX Medicaid enrollees in [INSERT STATE] (XX% of all Medicaid enrollees in the state) would be at risk of losing coverage under McCarthy's proposal. [Center on Budget and Policy Priorities, <u>4/21/23</u>]

# **Food Costs And Nutrition Assistance Programs**

#### **Topline Messages**

- House Republicans Voted To Increase Grocery Costs
- House Republicans Voted To Increase Food Costs
- House Republicans Voted To Cut Nutrition Assistance/ Food Assistance For Women And Children
- House Republicans Voted To Cut Programs That Feed Hungry Children

• House Republicans Voted To Cut Nutrition Assistance From Seniors

#### Backup

**U.S. Department Of Agriculture: House Republicans' Budget Proposal Would Increase Food Costs For Consumers By Cutting Funding For Food Safety Inspectors.** "While the President's Budget details a plan to strengthen rural economies, increase resiliency, and support rural health, House Republicans' proposal to cut a broad range of critical programs by 22% will: Raise Prices at Grocery Stores and Restaurants. The proposal would mean as many as 1,800 fewer food safety inspectors, leading to a lost production volume of more than 11.5 billion pounds of meat, an additional 11.1 billion pounds of poultry, and over 590 million pounds of egg products. The industry would experience a production loss of as much as \$416 billion and consumers would face shortages and higher prices for meat, poultry, and egg products at grocery stores and restaurants." [U.S. Department of Agriculture, <u>4/26/23</u>]

A 22% Spending Cut Would Cut Up To 1,800 Fewer Food Safety Inspectors, Leading To Food Shortages And "Higher Prices For Meat, Poultry, And Egg Products At Grocery Stores And Restaurants." "While the President's Budget details a plan to strengthen rural economies, increase resiliency, and support rural health, House Republicans' proposal to cut a broad range of critical programs by 22% will: Raise Prices at Grocery Stores and Restaurants. The proposal would mean as many as 1,800 fewer food safety inspectors, leading to a lost production volume of more than 11.5 billion pounds of meat, an additional 11.1 billion pounds of poultry, and over 590 million pounds of egg products. The industry would experience a production loss of as much as \$416 billion and consumers would face shortages and higher prices for meat, poultry, and egg products at grocery stores and restaurants." [U.S. Department of Agriculture, <u>4/26/23</u>]

Center On Budget And Policy Priorities: "A Very Significant Number Would Likely Lose Benefits" Under McCarthy's Proposal That "Would Expand SNAP's Already Harsh Policy That Takes Food Assistance Away From Many People." "House Speaker McCarthy's debt-limit-and-cuts bill unveiled last week would expand SNAP's already harsh policy that takes food assistance away from many people aged 18-49 who don't have children at home and can't secure an exemption. Such individuals can receive SNAP for only three months (in a 36-month period) if they don't document that they meet a 20-hour-per-week work requirement. Speaker McCarthy's bill would expand that policy to include people aged 50 through 55. About 1 million such individuals participate in SNAP and meet those criteria in a typical month. (The figure was 900,000 in 2019, the most recent year for which a full year of data are available. A larger number participate in SNAP over the course of a year.) See table below for state figures. Not everyone newly subject to the requirement would lose benefits under the proposal. Some would live in areas under a waiver from the requirement based on insufficient jobs in their communities. Typically during past non-recessionary periods, about a third of the U.S. population has lived in areas that qualify for waivers in states that seek the waiver from the U.S. Department of Agriculture. In addition, many people would be working more than 20 hours a week and would be able to navigate the work verification system, or they would be successfully

exempted by their state because of a physical or mental disability or another qualifying exemption. But a very significant number would likely lose benefits under the proposal because they are out of work or they are working insufficient hours, the state failed to screen them for an exemption they should have qualified for, or they were unable to navigate the verification system to prove they are working." [Center on Budget and Policy Priorities,  $\frac{4}{24}$ ]

• HEADLINE: "Speaker McCarthy's SNAP Proposal Would Take Food Away From Older Adults for Not Meeting Work Requirements" [Center on Budget and Policy Priorities, <u>4/24/23</u>]

**STATE-BY-STATE: Center On Budget And Policy Priorities: XXXX People In [INSERT STATE] Could Be At Risk Of Losing SNAP Benefits Under McCarthy's Proposal.** According to a Center on Budget and Policy Priorities analysis of the 'Limit, Save, Grow Act' and 2019 SNAP data, XXXX People In [INSERT STATE] could be at risk of losing SNAP benefits under the 'Limit, Save, Grow Act.' [Center on Budget and Policy Priorities, 4/24/23]

• **Note:** These numbers are probably potential undercounts because: "We have not included estimates for the provision that limits state flexibility on individual exemptions."

**More Than 1 Million Seniors Would Lose Access To Nutrition Services, Including Meals On Wheels, Under McCarthy's Debt Limit Bill.** "Rob Seniors of Healthy Meals: A 22 percent cut would take away nutrition services, such as Meals on Wheels, from more than 1 million seniors. For many of these seniors, these programs provide the only healthy meal they receive on any given day." [The White House, <u>4/20/23</u>]

CNN: According To Federal Agencies, A Funding Reduction To FY22 Levels Under Republican Debt Limit Proposal Would Mean "Slashing Nutrition Services For 1 Million Senior Citizens." "The proposal would return funding for federal agencies to fiscal 2022 levels, while aiming to limit the growth in spending to 1% per year. The Pentagon budget would be spared any reduction. The package does not list any specific cuts. However, House Appropriations Committee Ranking Member Rosa DeLauro, a Democrat from Connecticut, asked government agencies earlier this year about the potential impact of reducing fiscal 2024 discretionary, non-defense spending (with the exception of veterans' medical care) to fiscal 2022 levels. Examples the agencies gave included shutting down 125 air traffic control towers, slashing nutrition services for 1 million senior citizens and eliminating affordable housing assistance for close to 1.1 million families. Also, the reduction would impact the 6.6 million students who rely on Pell Grants and the 1.2 million women, infants and children who receive nutrition assistance through WIC, DeLauro said. Plus, 200,000 children would lose access to Head Start and 100,000 children would lose access to child care." [CNN, <u>4/20/23</u>]

The U.S. Department Of Health And Human Services Reported That A 22% Spending Cut Would Result In More Than 1 Million Older Adults No Longer Receiving Meals From Nutrition Services. "Older adults would see significant reductions in vital services: If funding for Nutrition Services, managed by the Administration for Community Living, is returned to FY 2022 Enacted levels, 400,000 people would lose meals they depend on. A 22% reduction would result in more than a million older adults no longer receiving meals. For some, these services provide their only meal of the day." [Department of Health and Human Services, <u>3/17/23</u>]

The U.S. Department Of Agriculture Reported That A 22% Spending Cut Would Shrink The Population That Could Be Served By The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) By Nearly 1.2 Million Women, Babies, And Children. "WIC is a federally funded nutrition assistance program with an average monthly participation currently projected to be 6.5 million in fiscal year (FY) 2024. Under both reduction scenarios (FY22 level and a 22 percent reduction), State WIC programs would have to reduce participation and establish waiting lists using the priority system provided in regulation. In the first scenario, nearly 250,000 monthly participants would not receive benefits. A 22 percent decrease would only allow the program to support about 5.07 million participants–a reduction of approximately 1,180,000 participants from the FY22 monthly average and 1,500,000 participants from current FY24 participation projections." [Department of Agriculture, 3/17/23]

CNN: According To Federal Agencies, A Funding Reduction To FY22 Levels Under Republican Debt Limit Proposal Would Impact "1.2 Million Women, Infants And Children Who Receive Nutrition Assistance Through WIC. "The proposal would return funding for federal agencies to fiscal 2022 levels, while aiming to limit the growth in spending to 1% per year. The Pentagon budget would be spared any reduction. The package does not list any specific cuts. However, House Appropriations Committee Ranking Member Rosa DeLauro, a Democrat from Connecticut, asked government agencies earlier this year about the potential impact of reducing fiscal 2024 discretionary, non-defense spending (with the exception of veterans' medical care) to fiscal 2022 levels. Examples the agencies gave included shutting down 125 air traffic control towers, slashing nutrition services for 1 million senior citizens and eliminating affordable housing assistance for close to 1.1 million families. Also, the reduction would impact the 6.6 million students who rely on Pell Grants and the 1.2 million women, infants and children who receive nutrition assistance through WIC, DeLauro said. Plus, 200,000 children would lose access to Head Start and 100,000 children would lose access to child care." [CNN, <u>4/20/23</u>]

**STATE-BY-STATE: Center On Budget And Policy Priorities: XXXX People In [INSERT STATE] Could Be At Risk Of Losing SNAP Benefits Under McCarthy's Proposal.** According to a Center on Budget and Policy Priorities analysis of the 'Limit, Save, Grow Act' and 2019 SNAP data, XXXX People In [INSERT STATE] could be at risk of losing SNAP benefits under the 'Limit, Save, Grow Act.' [Center on Budget and Policy Priorities, 4/24/23]

STATE-BY-STATE: White House: The 'Limit, Save, Grow Act' Would Take Away Food Assistance From XXX,XXX Women, Infants, And Children In [INSERT STATE]. According to reports compiled by the White House and the Department of Agriculture, XXX,XXX women, infants, and children in [INSERT STATE] could lose vital nutrition assistance through the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), increasing child poverty and hunger." [White House, 5/2/23]

- Example: White House: House Republicans' Debt Limit Plan Would Take Away Food Assistance From 51,000 Women, Infants, And Children In Michigan, "Increasing Child Poverty And Hunger." "Congressional Republicans are holding the nation's full faith and credit hostage in an effort to impose devastating cuts that would hurt veterans, raise costs for hardworking families, and hinder economic growth. [...] Strip Nutrition Food Assistance from Women and Children in Michigan. The Default on America Act would also mean 51,000 women, infants, and children would lose vital nutrition assistance through the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), increasing child poverty and hunger." [The White House, <u>5/2/23</u>]
- *Example:* Joint Economic Committee Democrats: In MI-10, There Are 13,898 WIC Recipients And 11,402 Are Infants And Children. In MI-10, there are 13,898 total WIC recipients, 8,356 of them are children under 5 and 3,046 of them are infants. [Joint Economic Committee Democrats, <u>9/29/23</u>]

### Housing

#### **Topline Messages**

- House Republicans Voted To Increase Housing Costs
- House Republicans Voted To Cut Rental Assistance

#### Backup

**Returning To FY22 Spending Levels Would Cut Rental Assistance And Section 8 Housing For Over A Million Families, "Causing An Unprecedented Loss Of Affordable Housing."** "I have received responses to most of my letters to cabinet secretaries and senior leaders outlining the dangers posed to the American people if we cut federal spending back to the 2022 level, and the numbers could not be clearer. [...] Despite a stubbornly persistent gap in housing assistance, 640,000 families would lose access to rental assistance and more than 430,000 low-income families would be evicted from Section 8 housing, causing an unprecedented loss of affordable housing for older adults, persons with disabilities, families with children, and veterans." [Rep. Rosa DeLauro, 3/20/23]

**CNN: According To Federal Agencies, Republican Debt Limit Proposal Would Eliminate "Affordable Housing Assistance For Close To 1.1 Million Families."** "The proposal would return funding for federal agencies to fiscal 2022 levels, while aiming to limit the growth in spending to 1% per year. The Pentagon budget would be spared any reduction. The package does not list any specific cuts. However, House Appropriations Committee Ranking Member Rosa DeLauro, a Democrat from Connecticut, asked government agencies earlier this year about the potential impact of reducing fiscal 2024 discretionary, non-defense spending (with the exception of veterans' medical care) to fiscal 2022 levels. Examples the agencies gave included shutting down 125 air traffic control towers, slashing nutrition services for 1 million senior citizens and eliminating affordable housing assistance for close to 1.1 million families." [CNN, <u>4/20/23</u>]

**STATE-BY-STATE: White House: The 'Limit, Save, Grow Act' Would Raise Housing Costs For XXX,XXX Families In [INSERT STATE].** According to reports compiled by the White House and the Department of Housing and Urban Development, XXX,XXX families in [INSERT STATE] could lose access to rental assistance, and leave XXXX families in [INSERT STATE] at significantly increased risk of homelessness. [White House, <u>5/02/23</u>]

• *Example*: White House: The 'Limit, Save, Grow Act' Would Raise Housing Costs For 67,300 Families In New York. According to reports compiled by the White House and the Department of Housing and Urban Development, 67,300 families in New York could lose access to rental assistance, and leave 67,300 families in New York at significantly increased risk of homelessness. [White House, <u>5/02/23</u>]

# **Energy Costs**

#### **Topline Messages**

- House Republicans Voted To Increase The Cost Of Energy Bills
- House Republicans Voted To Increase The Cost Of Utilities

#### Backup

U.S. Energy Secretary: Capping Funding At FY2O22 Levels Would Hinder Efforts To "Cut Energy Costs For Families And Businesses Across The Country" And "Reduce The Number Of Everyday Americans That Can Access Tax Breaks For Clean Energy." In a March 17 letter, Energy Secretary Jennifer Granholm wrote: "I share the concern expressed in your letter dated January 19, 2023, about potential impacts of proposals that would cap fiscal year (FY) 2024 discretionary spending at the FY 2022 enacted levels. While Congressional Republicans have not released a specific plan, cuts on this scale would have very real and damaging impacts on our families, our communities, our economy, and our competitiveness— undermining a broad range of critical services the American people rely on in their everyday lives [...] Capping funding at this level would also hamper our ability to cut energy costs for families and businesses across the country, reduce the number of everyday Americans that can access tax breaks for clean energy, and reduce the impact of the Bipartisan Infrastructure Law." [U.S. Energy Secretary Jennifer Granholm, <u>3/17/23</u>] The GOP Debt Ceiling Proposal Would Limit Tax Breaks For Electric Vehicle Purchases Established Under The Inflation Reduction Act. "And it would make major changes in the IRA's electric vehicle tax credit, whose implementation by the Biden administration has taken bipartisan criticism. The GOP proposal would revive a prior \$7,500 tax credit for qualifying electric vehicles, but would restore that tax break's per-manufacturer limit of 200,000 vehicles. It would entirely repeal the IRA's new incentives for critical battery minerals that are extracted from the U.S. or a close trading partner, and for batteries manufactured or assembled in North America." [Politico, 4/20/23]

**Republicans' Debt Limit Bill Repealed The Inflation Reduction Act's "Provisions** Establishing A High-Efficiency Electric Home Rebate Program." "House Speaker Kevin McCarthy and Republican lawmakers on Wednesday unveiled their plan to raise the debt ceiling and cut government spending ahead of the looming summer deadline to avert a catastrophic and historic default by the U.S. on its debt obligations. [...] Called the 'Limit, Save, Grow Act,' the 320-page proposal would lift the debt limit by \$1.5 trillion or until the end of March 2024. The measure, introduced by House Budget Committee Chairman Jodey Arrington, a Texas Republican, also details cuts in federal spending to the tune of \$4.5 trillion, according to McCarthy. [...] The bill does, however, serve as House Republicans' opening offer in any eventual negotiations, and sheds light on the priorities of a fractious caucus that enjoys a narrow majority. Here's what House Republicans' Limit, Save, Grow Act would do: [...] Repeal provisions of the Inflation Reduction Act: The Inflation Reduction Act was signed into law by Mr. Biden last year and is Democrats' marguee health care, tax and climate bill. The \$740 billion package passed with only Democratic support. Republicans now want to rescind key aspects of the law that were designed to combat climate change, including provisions establishing a high-efficiency electric home rebate program and home energy efficiency contractor training grants." [CBS News, <u>4/20/23</u>]

 Washington Post: Inflation Reduction Act Could Lead To Lower Energy Costs, Potentially Saving Families "As Much As \$1,840 A Year On Energy Costs." "The Inflation Reduction Act is Congress's latest effort to usher in a new era of greener climate change policy. But for millions of Americans, the bill could mean big savings when making big-ticket green purchases, as well as lower energy and health-care costs and even faster tax filings. [...] 1. Lower energy costs: Lawmakers' top goal was to create a new framework paving the way for more clean and sustainable energy sources. To that end, it includes \$80 billion in rebates, including as much as \$14,000 in money back, helping households pay for green-energy Upgrades. Subsidies cover a range of improvements, including efficient heat pumps (\$8,000 back per household), electric water heaters (\$1,750) and electric cooktops (\$840). Homeowners can also receive a 30 percent credit for installing solar panels. 'There will be substantial tax credits to help transition to clean energy: rebates for people who buy electric vehicles, who put solar panels on their house, who make other kinds of energy efficiency-enhancing improvements to their home,' said Heidi Shierholz, president of the Economic Policy Institute, a left-leaning think tank. 'It will make it easier for families to actually make these clean-energy changes.' Families who use funding from the bill to switch to greener technology could save as much as \$1,840 a year on energy

costs, according to estimates from the nonprofit Rewiring America." [Washington Post, <u>8/16/22</u>]

Utility Companies "Foresee Customers Getting A Break On Their Bills Thanks To The Clean Energy Tax Credits And Incentives Provided Under" The Inflation **Reduction Act**. "Utility giants planning to spend billions of dollars to move away from fossil fuels see the Inflation Reduction Act helping to reduce the cost of that transition as its customers grapple with high energy bills. Executives with Duke Energy Corp. and American Electric Power Co. said they are still evaluating the totality of the potential savings. They foresee customers getting a break on their bills thanks to the clean energy tax credits and incentives provided under the law. Both utility owners plan to deploy massive amounts of new wind and solar energy to replace their aging coal power plants. 'This will buy down the cost of that transition with our customers,' Duke Energy Chief Financial Officer Brian Savoy said during an interview at the Edison Electric Institute Financial Conference in Hollywood, Florida. [...] Duke, one of the largest utilities in the nation, will provide a \$56 million refund to its customers in Florida next year for solar production tax credits it will earn under the new federal legislation, Savoy said. Along with the renewable incentives, Duke can reap hundreds of millions of dollars of tax credits for its nuclear power plants in North Carolina and South Carolina, Savoy said." [Bloomberg, <u>11/14/22</u>]

# **Child Care Costs**

#### **Topline Messages**

- House Republicans Voted To Increase Child Care Costs
- House Republicans Voted To Cut Access To Child Care

#### Backup

**Center On Budget And Policy Priorities: McCarthy's Debt Limit Bill "Would Make Deep Cuts in Discretionary Programs" Which Was "The Part Of The Budget That Covers Programs Such As [...] Child Care And Preschool."** "House Speaker Kevin McCarthy's debt-limit-and-cuts bill puts the U.S. economy at grave risk by using the need to raise the debt ceiling as a bargaining chip to force a set of unpopular, harmful policies — policies that would make deep cuts in a host of national priorities; leave more people hungry, homeless, and without health coverage; and make it easier for wealthy people to cheat on their taxes. The bill would also repeal the Inflation Reduction Act's funding to address climate change, and would undertake harmful changes that would undermine how regulations are crafted. [...] Bill Would Make Deep Cuts in Discretionary Programs The McCarthy bill would cut discretionary programs by \$3.6 trillion over the next decade below the Congressional Budget Office's (CBO) recent baseline projection. Discretionary programs — also known as annually appropriated programs — are the part of the budget

that covers programs such as defense, veterans' health care, child care and preschool, medical research and public health, food and drug safety inspectors, Pell Grants and college work-study, K-12 education, environmental protection, housing, and some transportation programs, among many others. (The CBO baseline funding levels for individual discretionary programs reflects 2023 funding adjusted for inflation and a few additional technical factors.) The bill would institute austere caps on overall discretionary funding levels. Each year for the next ten there would be a single cap on funding across all discretionary programs — defense, veterans' programs, and other non-defense programs. In 2024, the cap would be set at total overall discretionary funding in 2022, with no adjustment for inflation or other changes in need. The cap would then rise by 1 percent annually, significantly less than the projected inflation rate over the decade. The cuts would grow deeper (in inflation-adjusted terms) each year as funding falls further and further behind costs." [Center on Budget and Policy Priorities, <u>4/24/23</u>]

The Department Of Health And Human Services Reported That A Return To FY22 Spending Levels Would "Have Disastrous Impacts On Young Children," Eliminating "At Least 170,000" Head Start Slots and Over 100,000 Child Care Slots. "Thank you for your letter regarding the House Republican Leadership's reported plan to cap fiscal year 2024 discretionary spending at the fiscal year 2022 enacted level. We appreciate the questions raised in your letter and agree that the American people and Members of Congress deserve to know the true impacts of this policy. [...] Reductions of this level would have disastrous impacts on young children: Funding Head Start at FY 2022 Enacted levels would eliminate at least 170,000 slots for children. A 22% reduction would eliminate more than 200,000 slots. As a result, low-income children would begin school ill prepared to learn and less likely to succeed academically and socially, according to numerous studies. If funding for Child Care is returned to FY 2022 levels, 105,000 child care slots would be eliminated, from a baseline of 1,843,000 in FY 2023. With a 22% reduction, 101,000 slots would disappear. Parents in these families would likely be unable to attend school or go to work." [Department of Health and Human Services, <u>3/17/23</u>]

**CNN:** According To Federal Agencies, "200,000 Children Would Lose Access To Head Start And 100,000 Children Would Lose Access To Child Care" Under Republican Debt Limit Proposal. "The proposal would return funding for federal agencies to fiscal 2022 levels, while aiming to limit the growth in spending to 1% per year. The Pentagon budget would be spared any reduction. The package does not list any specific cuts. However, House Appropriations Committee Ranking Member Rosa DeLauro, a Democrat from Connecticut, asked government agencies earlier this year about the potential impact of reducing fiscal 2022 levels. Examples the agencies gave included shutting down 125 air traffic control towers, slashing nutrition services for 1 million senior citizens and eliminating affordable housing assistance for close to 1.1 million families. Also, the reduction would impact the 6.6 million students who rely on Pell Grants and the 1.2 million women, infants and children who receive nutrition assistance through WIC, DeLauro said. Plus, 200,000 children would lose access to Head Start and 100,000 children would lose access to child care." [CNN, <u>4/20/23</u>]

STATE-BY-STATE: White House: The 'Limit, Save, Grow Act' Would Mean XXX,XXX Children In [INSERT STATE] Could Lose Access To Head Start Slots, And XXX,XXX Children Could Lose Access To Child Care, Worsening Education Outcomes And Making It More Difficult For Their Parents To Join The Workforce. According to reports compiled by the White House, the Department of Education, and the Department of Health and Human Services, XXX,XXX children in [INSERT STATE] could lose access to Head Start, and XXX,XXX children in [INSERT STATE] could lose access to child care, worsening education outcomes and making it more difficult for their parents to join the workforce. [White House, <u>5/02/23</u>]

• Example: White House: The 'Limit, Save, Grow Act' Would Mean 3,600 Children In Virginia Could Lose Access To Head Start Slots, And 2,300 Children Could Lose Access To Child Care. According to reports compiled by the White House, the Department of Education, and the Department of Health and Human Services, 3,600 children in Virginia could lose access to Head Start, and 2,300 children in Virginia could lose access to child care, worsening education outcomes and making it more difficult for their parents to join the workforce. [White House, 5/2/23]

# **Access To Social Security And Medicare**

#### **Topline Messages**

- House Republicans Voted To Cut Access To Social Security And Medicare
- House Republicans Voted To Make It Harder For Seniors To Access Their Retirement Benefits

#### Backup

**Center On Budget And Policy Priorities: Cuts Imposed By McCarthy's Debt Limit Bill "Would Grow From Bad To Beyond Extreme" And Would Affect "The Administration Of Social Security And Medicare."** "The bill containing House Republicans' demands for raising the debt ceiling would impose severe cuts amounting to \$3.6 trillion over the next ten years, along with the many other harmful changes it would make. The funding cuts would hit a wide swath of vital programs and would grow from bad to beyond extreme: to between 24 and 59 percent in 2033, depending on whether programs such as defense and veterans' medical care are protected from cuts, as many House Republicans propose. The new caps will force substantial funding reductions in 2024 and further erode the purchasing power of appropriations in every year through 2033. The affected programs support a wide range of functions and services, such as the armed forces; administration of Social Security and Medicare; medical care for veterans; support for K-12 and college education, Head Start and child care; mental health and substance use treatment; small business assistance; public health programs; clean air and water; medical research; housing assistance for families with low incomes; law enforcement and the courts; and many others. [...] The hit to individual programs would be profound. In estimates done in March when House Republicans first announced this general approach, federal agencies analyzed the impact of various cuts to non-defense discretionary programs if Congress protected defense (but not veterans' health care) from cuts, and cut all other programs by the same percentage. They found, for example, that in 2024 the cuts would cause 926,000 households to lose Housing Choice Vouchers, which help families with low incomes afford rent; this would cut the program nearly in half. They also found that the cut would reduce the maximum Pell Grant that helps students afford college by \$1,000; cut the number of children in Head Start by 200,000; and force Social Security field offices to close and staff to be laid off — a catastrophic hit to their ability to serve those applying for or receiving Social Security." [Center on Budget and Policy Priorities, 4/24/23]

Center On Budget And Policy Priorities: Cuts Imposed By McCarthy's Debt Limit Bill Would "Force Social Security Field Offices To Close And Staff To Be Laid Off," Which Would Cause "A Catastrophic Hit To Their Ability To Serve Those Applying For Or Receiving Social Security." "The bill containing House Republicans' demands for raising the debt ceiling would impose severe cuts amounting to \$3.6 trillion over the next ten years, along with the many other harmful changes it would make. The funding cuts would hit a wide swath of vital programs and would grow from bad to beyond extreme: to between 24 and 59 percent in 2033, depending on whether programs such as defense and veterans' medical care are protected from cuts, as many House Republicans propose. The new caps will force substantial funding reductions in 2024 and further erode the purchasing power of appropriations in every year through 2033. The affected programs support a wide range of functions and services, such as the armed forces; administration of Social Security and Medicare; medical care for veterans; support for K-12 and college education, Head Start and child care; mental health and substance use treatment; small business assistance; public health programs; clean air and water; medical research; housing assistance for families with low incomes; law enforcement and the courts; and many others. [...] The hit to individual programs would be profound. In estimates done in March when House Republicans first announced this general approach, federal agencies analyzed the impact of various cuts to non-defense discretionary programs if Congress protected defense (but not veterans' health care) from cuts, and cut all other programs by the same percentage. They found, for example, that in 2024 the cuts would cause 926,000 households to lose Housing Choice Vouchers, which help families with low incomes afford rent; this would cut the program nearly in half. They also found that the cut would reduce the maximum Pell Grant that helps students afford college by \$1,000; cut the number of children in Head Start by 200,000; and force Social Security field offices to close and staff to be laid off - a catastrophic hit to their ability to serve those applying for or receiving Social Security. [Center on Budget and Policy Priorities, 4/24/23]

Department Of Health And Human Services: "A 22% Reduction In CMS Discretionary Funding Would [...] Cause At Least 40% Longer Wait Times For Approximately 24 Million Beneficiaries That Reach Out To The Medicare Call Center Annually." "Thank you for your letter regarding the House Republican Leadership's reported plan to cap fiscal year 2024 discretionary spending at the fiscal year 2022 enacted level. We appreciate the questions raised in your letter and agree that the American people and Members of Congress deserve to know the true impacts of this policy. [...] Older adults would see significant reductions in vital services: [...] If funding for CMS is returned to FY 2022 Enacted levels, CMS would be unable to complete 38% of the required health and safety recertification surveys of nursing homes and home health agencies, leaving thousands of seniors at greater risk of dangerous and unsanitary conditions. A 22% reduction in CMS discretionary funding would lead to even further reductions in surveys and also cause at least 40% longer wait times for approximately 24 million beneficiaries that reach out to the Medicare call center annually." [Department of Health and Human Services, <u>3/17/23</u>]

STATE-BY-STATE: White House: The 'Limit, Save, Grow Act' Would Worsen Social Security And Medicare Assistance Wait Times For XXX,XXX Seniors And People With Disabilities In [INSERT STATE]. According to reports compiled by the White House and the Social Security Administration, the MAGA House Republican plan would worsen Social Security and Medicare assistance wait times for XXX,XXX seniors and people with disabilities In [INSERT STATE]. [White House, 5/02/23]

 Example: The House Republicans' Bill Would "Worsen Social Security And Medicare Assistance Wait Times" For Seniors, Including New Yorkers. "Worsen Social Security and Medicare Assistance Wait Times for 4.1 million New York Seniors. Under the House Republicans' Default on America Act, people applying for disability benefits would have to wait at least two months longer for a decision. With fewer staff available, 4.1 million seniors and people with disabilities in New York would be forced to endure longer wait times when they call for assistance for both Social Security and Medicare." [The White House, May 2023]

Beneficiaries Can Call Medicare's Toll-Free Phone Line To "Ask Whether Certain Services Are Covered, Get Detailed Information About Medicare Health And Prescription Drug Plans In Your Area, Including Costs And Services, Choose And Enroll In A Medicare Health Or Prescription Drug Plan" And More. "When can I call Medicare for help? The toll-free phone line is staffed 24 hours a day, seven days a week. Before you dial though, remember that almost all Medicare-related questions can be answered through easily accessible and authorized sources, including official web resources, health plan navigators, and consumer advocates. When should I call 1-800-MEDICARE? Beneficiaries can call the toll-free Medicare number to: ask whether certain services are covered, get detailed information about Medicare health and prescription drug plans in your area, including costs and services, choose and enroll in a Medicare health or prescription drug plan, find a Medigap policy in the area, request a list of Original Medicare physicians, healthcare providers, and suppliers, request information and forms necessary for filing a Medicare appeal - or begin an appeal verbally, authorize someone to speak with Medicare on your behalf, compare quality ratings for skilled nursing facilities, hospitals, home health agencies, and dialysis facilities, request Medicare publications." [MedicareResources.org, 1/19/23]

National Committee To Preserve Social Security & Medicare President: Limit, Save, Grow Act's Cuts To Discretionary Funding "Would Slash A Wide Variety Of Programs" Including "The Medicare State Health Insurance Program (SHIP), Caregiver And Other

Support Services." "The proposed legislation to raise the debt limit includes among its provisions a roll-back of all discretionary federal spending to Fiscal Year (FY) 2022 levels in FY 2024, with growth limited to one percent annually for the next decade. This is not the minor trimming of spending that has been portraved by some, but a dramatic slashing that will have devastating impacts on the Americans who rely on the affected programs for their health and well-being. [...] In addition to the impact on the Social Security Administration's operations, cutting domestic discretionary funding would slash a wide variety of programs under the Older Americans Act that seniors rely on in every Congressional District in the country. These include nutrition programs such as Meals-on-Wheels, the Medicare State Health Insurance Program (SHIP), caregiver and other support services. Other programs important to seniors that would be cut include the Low-Income Home Energy Assistance Program, housing for the elderly, Foster Grandparents, the Senior Companions program and others. These programs provide valuable services that protect older Americans against poverty, hunger, isolation, poor health, neglect, abuse, unemployment and other challenges. They have been chronically underfunded, and with 10,000 baby boomers turning age 65 every day - and the number of seniors projected to double by 2050 - funding for these essential programs should be increased to keep up with growing demand - not slashed. Enactment of the Limit, Save, Grow Act would make deep cuts to these critical programs virtually inevitable." [National Committee to Preserve Social Security & Medicare, 5/25/23]

 Administration For Community Living: SHIP Was A Program That Provides Counseling And Assistance To Medicare Beneficiaries "To Help Them Make Informed Decisions About Their Care And Benefits" And Assists "People In **Obtaining Coverage.**" "State Health Insurance Assistance Program (SHIP): About SHIP: ACL's Office of Healthcare Information and Counseling (OHIC) manages SHIP, working with state offices, local agencies, grantees, and community providers, SHIP establishes community-based networks of counselors who provide assistance in-person and by phone, make group presentations, and use a variety of media sources to educate people about Medicare. SHIP is a national program that offers one-on-one assistance, counseling, and education to Medicare beneficiaries, their families, and caregivers to help them make informed decisions about their care and benefits. SHIP services support people with limited incomes, Medicare beneficiaries under the age of 65 with disabilities, and individuals who are dually eligible for Medicare and Medicaid. The SHIP mission is to empower, educate, and assist Medicare-eligible individuals through objective outreach, counseling, and training. The SHIP vision is to be the known and trusted community resource for Medicare information. There are 54 SHIP grantees (one in all 50 states, Puerto Rico, Guam, the District of Columbia, and the U.S. Virgin Islands). SHIP services are delivered by State Units on Aging or State Departments of Insurance in partnerships with their local Area Agencies on Aging and other community based partners. Nationally, SHIP oversees a network of more than 2,200 local sites and over 12,500 team members, including staff, in-kind professionals, and volunteers. In addition to SHIP services, many grantees provide Senior Medicare Patrol (SMP) program services, which help Medicare beneficiaries protect, detect, and report healthcare fraud, errors, and abuse. [...] SHIP recruits and trains both volunteer and in-kind team members to provide program services. SHIP team members are highly trained and certified to assist people in obtaining

coverage through options such as Original Medicare (Parts A & B), Medicare Advantage (Part C), Medicare Prescription Drug Coverage (Part D), and Medicare Supplement (Medigap). SHIP also assists beneficiaries with limited income to apply for programs, such as Medicaid, Medicare Savings Program, and Extra Help/Low Income Subsidy, which help pay for or reduce healthcare costs." [U.S. Department of Health and Human Services, Administration for Community Living, <u>5/9/23</u>]

# **Protecting Wealthy and Corporate Tax Cheats**

#### **Topline Messages**

• House Republicans Voted To Protect Wealthy And Corporate Tax Cheats

#### Backup

The GOP Debt Ceiling Proposal Cut Funding From The Inflation Reduction Act For The IRS To Increase Investigations Of The Wealthy And Corporations "That Fail To Pay What They Owe." "The GOP bill targets at least some of the \$80 billion set aside to improve the Internal Revenue Service and help the government pursue unpaid taxes. Democrats originally approved the money last year as part of the Inflation Reduction Act, a centerpiece of Biden's economic agenda that aimed to lower health-care costs and boost clean energy. They saw it as a critical way to ease a backlog at the tax agency while empowering it to investigate wealthy Americans and corporations that fail to pay what they owe — a disparity known as the 'tax gap' that may cost the government \$1 trillion annually." [The Washington Post, <u>4/19/23</u>]

Center On Budget And Policy Priorities: "McCarthy Bill Would Rescind Nearly All Of The \$80 Billion In IRS Funding," Which "Would Make It Easier for Wealthy to Cheat on Their Taxes." "Defunding the IRS Would Make It Easier for Wealthy to Cheat on Their Taxes: The McCarthy bill would rescind nearly all of the \$80 billion in IRS funding that was included in the Inflation Reduction Act to bolster IRS enforcement capacity, rebuild the agency's aging technology, and improve customer service. CBO has estimated that this would add \$114 billion to the deficit over the next decade because the reduced funding would mean the IRS could do less to enforce our tax laws and ensure that wealthy households pay the taxes they owe. According to the IRS's recent plan for the new resources, most of the enforcement funding will be used to ensure that taxpayers with 'complex tax filings and high dollar noncompliance' pay what they owe. Because of steep cuts in funding since 2010 the share of millionaires audited annually has plummeted. (See Figure 5.) Auditing these kinds of returns is complex and requires highly skilled auditors (who, in turn, cost more to employ), who are prepared to go head-to-head with high-income taxpayers' high-priced tax attorneys. Reduced audit rates not only reduce the unpaid taxes recouped directly through audits, but high-income households are more likely to cheat on their taxes if they know the risk of getting caught is very low." [Center on Budget and Policy Priorities, <u>4/24/23</u>]

**Center On Budget And Policy Priorities: "McCarthy Bill Gives Billions To Tax Cheats, Takes Billions From Low-Income Families."** According to a graphic published by the Center on Budget and Policy Priorities (CBPP), Speaker McCarthy's debt limit bill "gives billions to tax cheats, takes billions from low-income families." CBPP said the bill would lead to \$114 billion in unpaid taxes due to cuts to IRS enforcement funding and that the bill cuts \$120 billion for health coverage, food assistance, and support for low-income families with kids. [Center on Budget and Policy Priorities, <u>4/26/23</u>]

Treasury Secretary Janet Yellen: The Inflation Reduction Act's Increased IRS Funding Will Be Used To Help "Enforce Tax Laws" For The Wealthy And Corporations "Who Today Pay Far Less Than They Owe." "With President Joe Biden's sweeping tax, health and climate package newly signed into law, Treasury Secretary Janet Yellen is asking the IRS to deliver a plan within six months for the agency's nearly \$80 billion in funding. 'The Inflation Reduction Act provides the IRS what it has needed for years — a stable stream of mandatory funding that will allow the agency to serve American taxpayers the way they deserve,' Yellen wrote in a memo Wednesday to IRS Commissioner Charles Rettig. Yellen said the cash infusion will help the IRS enforce tax laws for 'high net-worth individuals, large corporations and complex partnerships who today pay far less than they owe,' according to the memo obtained by CNBC." [CNBC, 8/18/22]

House Republicans' Vote To Cut IRS Funding "Is A Terrible Idea," As "A Well-Funded IRS" Can "Help Ensure That Millionaires" Pay What They Owe. "In their first act of legislative business, the new House Republican majority voted to cut funding for the Internal Revenue Service (IRS). The vote was a symbolic effort to repeal the \$80 billion increase in funding the revenue agency received last year as part of the Inflation Reduction Act. Cutting IRS funding is a terrible idea. A well-funded IRS can distribute emergency aid quickly, serve taxpayers efficiently, and help ensure that millionaires have to follow the tax laws just like everyone else. It's an essential investment in good government. [..] About \$45 billion of the \$80 billion in new funding is going to enforcement, and that is great news. For the wealthiest and most sophisticated tax filers, a cash-strapped IRS has meant a tax evasion free-for-all. Currently, the tax gap, which is the amount in taxes that are owed but not paid, comes to nearly \$7 trillion over a decade. Three fifths of the tax gap is due to underreporting of income by the top 10% of taxpayers, and more than a quarter comes from the top 1%." [Brookings Institution, 1/26/23]

**Brookings HEADLINE: "Cutting IRS Funding Is A Gift To America's Wealthiest Tax Evaders"** [Brookings Institution, <u>1/26/23</u>]

Newsweek HEADLINE: "Wealthy Tax Cheats Set To Benefit From Republicans' Defunding of IRS" [Newsweek, <u>1/10/23</u>]

January 2024: IRS Announced That It Had Collected Over \$500 Million In Delinquent Taxes Thanks To Increased Enforcement On Millionaires. "Millionaires who were behind on their taxes have already paid a half-billion dollars to get current with the IRS as the agency ratchets up high-level enforcement of tax compliance. On Friday, the IRS unveiled new numbers on the amount of back taxes paid by millionaire households ever since a 2022 upgrade brought tougher IRS enforcement on businesses and superwealthy tax delinquents and dodgers. IRS officials said they've pulled in a further \$360 million from millionaire households with at least \$250,000 in tax debts. That follows an October IRS announcement that \$160 million in delinquent taxes had been raked back from wealthy households. That's \$520 million altogether — and a strong initial return on investment for a multibillion-dollar funding influx, according to IRS Commissioner Danny Werfel. 'We are seeing significant early indicators that our increased scrutiny ... is having immediate impact,' Werfel told reporters Thursday. He also noted the IRS is pressing ahead with new audits on corporations and deep-pocketed partnerships. There's an uncertain future for a portion of the money tied to that tougher stance, though. The Inflation Reduction Act of 2022 authorized \$80 billion to the IRS over a decade. More than half the money was earmarked to revive flagging enforcement of corporations, partnerships and rich households." [Market Watch, 1/14/24]

- January 2024: "IRS Says It Has Collected An Additional \$360 Million In Overdue Taxes From Delinquent Millionaires As The Agency's Leadership Tries To Promote The Latest Work It Has Done To Modernize The Agency With Inflation Reduction Act Funding." "The IRS says it has collected an additional \$360 million in overdue taxes from delinquent millionaires as the agency's leadership tries to promote the latest work it has done to modernize the agency with Inflation Reduction Act funding that Republicans are threatening to chip away. Leadership from the federal tax collector held a call with reporters Thursday to give updates on how the agency has used a portion of the tens of billions of dollars allocated to the agency through Democrats' Inflation Reduction Act, signed into law in August 2022. Along with the \$122 million collected from delinquent millionaires last October, now nearly half a billion dollars in back taxes from rich tax cheats has been recouped, IRS leaders say." [AP, <u>1/12/24</u>]
- Market Watch HEADLINE: "The IRS Has Collected More Than \$500 Million In Back Taxes From Delinquent Millionaires" [Market Watch, <u>1/14/24</u>]

Joint Economic Committee Democrats: Cutting IRS Funding Would Increase The Deficit, While Each Dollar Spent On Audits Of Wealthy Taxpayers Could Lead As Much as \$12 In Return. "The Inflation Reduction Act (IRA) provided the Internal Revenue Service (IRS) with funding to help the agency modernize tax collection and go after wealthy tax cheats. Already, the IRS has improved taxpayer customer service and increased tax enforcement against wealthy individuals and corporations, recouping \$160 million in 2023 alone. Recent research shows that focusing tax enforcement on the wealthiest individuals yields substantial revenue, with as much as \$12 in returns for every \$1 dollar spent on audits of the wealthiest taxpayers. Additionally, the Congressional Budget Office has routinely found that cutting the IRS budget would actually increase the deficit in the long run. Eliminating IRS funding would increase the deficit Maintaining funding for the IRS ensures that the federal government will bring in more tax revenue that people already owe, reducing the federal deficit. Conversely, repurposing any dollar amount of IRS funding would decrease revenues by even more as each dollar spent on tax enforcement

generates at least twofold returns. Despite quantifiable successes since the passage of the Inflation Reduction Act, Republicans have made several efforts to repurpose or rescind IRS funding. Each time, CBO has found that cutting IRS funding would increase the deficit. [...] IRS enforcement yields additional revenue from both audits and future deterrence, with one recent paper showing that the highest returns come from the wealthiest individuals. On average, each dollar spent on audits yields just over \$2 in revenue. But for the wealthiest 0.1%, audits produced nearly triple the return, with each dollar yielding over \$6 in revenue. The authors also found that audits produce even greater returns over the long run because after taxpayers are audited, they voluntarily start paying more of what they owe in future years. This increased revenue is three times as large as the upfront revenue collected directly by the audit. When factoring in future deterrence, each dollar spent on audits yields \$12 in returns for individuals between the 90th and 99th percentiles." [Joint Economic Committee Democrats, <u>11/2/23</u>]

House Republicans Have Voted Several Other Times To Protect Wealthy And Corporate Tax Cheats

#### Examples of additional votes:

**221 Republicans Voted For H.R. 23, The Family And Small Business Taxpayer Protection Act.** On January 9th, 2023, 221 Republicans voted for H.R. 23, the Family And Small Business Taxpayer Protection Act: "This bill rescinds certain unobligated amounts made available to the Internal Revenue Service by the Inflation Reduction Act of 2022 for (1) its enforcement activities and operations support, (2) the efile tax return system, and (3) funding the U.S. Tax Court and certain Department of the Treasury tax agencies." The bill passed the House of Representatives by a vote of 221 to 210 on March 9th, 2023, with all present Republicans voting yes. [H.R. 23, Vote #25, <u>1/9/23</u>]

• The "Family And Small Business Taxpayer Protection Act" Would Rescind The Inflation Reduction Act's IRS Funding "Generally Aimed At Upping High-Income Enforcement." "House Republicans fulfilled a key campaign promise on Monday, passing legislation to rescind the bulk of an IRS funding boost signed into law last year, marking the first bill passed by the GOP-controlled House this Congress. The bill, which is unlikely to see action in the Democratic-controlled Senate, passed in a party-line 221-210 vote on Monday evening. [...] A boost of about \$80 billion in IRS funding over a decade generally aimed at upping high-income enforcement was included in last year's Inflation Reduction Act, Democrats' sweeping tax, health and climate bill. The Republican bill, formally titled the 'Family and Small Business Taxpayer Protection Act,' is barely longer than one page. It directs any 'unobligated balances of amounts appropriated or otherwise made available' to the IRS from the Inflation Reduction Act to be rescinded." [The Hill, <u>1/9/23</u>]

**214 Republicans Voted To Cut \$14.3 Billion In IRS Funding Provided By The Inflation Reduction Act.** On November 2nd, 2023, 214 Republicans voted for Israel Security Supplemental Appropriations Act, 2024: "This bill provides FY2024 supplemental appropriations to the Department of Defense (DOD) and the Department of State for activities to respond to the attacks in Israel. The bill designates the funding as emergency spending, which is exempt from discretionary spending limits. [...] Finally, the bill rescinds specified unobligated funds that were provided for activities of the Internal Revenue Service and related agencies." The text of the bill stated: "Rescission Of Certain Balances Made Available To The Internal Revenue Service.—Of the unobligated balances of amounts appropriated or otherwise made available for activities of the Internal Revenue Service by paragraphs (1)(A)(ii), (1)(A)(iii), (1)(B), (2), (3), (4), and (5) of section 10301 of Public Law 117–169 (commonly known as the "Inflation Reduction Act of 2022") as of the date of the enactment of this Act, 14,300,000,000 are hereby rescinded." The bill passed 226 to 196. [H.R. 6126, Vote #57, 11/2/23]

 House Republicans Proposed Cutting \$14.3 Billion In IRS Funding In Order To Provide Aid To Israel. "The House GOP's \$14.3 billion Israel aid package, which is coupled with \$14.3 billion in cuts to the IRS, could actually end up adding billions of dollars to the nation's deficits, the Congressional Budget Office (CBO) said Wednesday. The estimate released by the nonpartisan office said the package could cost the nation \$26 billion in revenue over the next 10 years by reducing what the IRS would take in through taxes. House Republicans rolled out their supplemental funding package for Israel on Monday, pairing it with the cuts to the IRS so that they could argue the proposal is budget neutral. [...] The Inflation Reduction Act signed into law by President Biden last year included \$80 billion for the IRS to modernize the agency and bolster its tax enforcement, though that number is now effectively closer to \$60 billion after debt ceiling negotiations over the summer." [The Hill, <u>11/1/23</u>]

# **Corporate Tax Breaks**

#### **Topline Messages**

- House Republicans Voted For Billions In Corporate Tax Breaks/ Tax Giveaways
- House Republicans Voted For Billions In Tax Breaks For Oil And Gas Companies

#### Backup

**The Republican Debt Ceiling Legislation Included H.R. 1, The Lower Energy Costs Act, "In Its Entirety."** "House Republicans are barreling ahead with a proposal to raise the debt ceiling that would eliminate clean energy tax credits from the Inflation Reduction Act and enact their own partisan proposal to expand domestic energy production. The 'Limit, Save, Grow Act of 2023,' which Republicans intend to put on the House floor next week, is just the party's opening bid in negotiations with Democrats and the Biden administration to extend the nation's borrowing authority by mid-June. [...] The bill also would, as expected, include H.R. 1, the "Lower Energy Costs Act," in its entirety, which Republicans passed along party lines at the end of March." [E&E News, <u>4/19/23</u>] **The Republican Legislation H.R.1 Included A Provision To Strike A "New Tax On American Oil & Gas Producers."** "Tuesday, Congressman August Pfluger (TX-11) released a statement following the introduction of H.R. 1, the Lower Energy Costs Act which tackles the energy crisis caused by President Biden's disastrous policies. Congressman Pfluger's bill to strike President Biden's harmful natural gas tax is included in the comprehensive energy package. Rep. August Pfluger (TX-11): 'House Republicans are delivering on our promises to restore American energy dominance by introducing a comprehensive energy package to boost oil & gas production in the Permian Basin and cut costs for all Americans. I am extremely proud to have worked on this legislation that includes my bill to repeal President Biden's harmful new tax on American oil & gas producers. It is an honor to work on behalf of the men and women of the Permian Basin—the heartbeat of American energy—who have transformed our industry and lifted a billion people out of poverty." [Congressman August Pfluger, <u>3/14/23</u>]

- Rep. Pfluger Introduced Legislation To Repeal The Natural Gas Tax Levied On Energy Companies Through The Inflation Reduction Act. "Congressman August Pfluger (TX-11) proudly introduced the Natural Gas Repeal Act to strike the Natural Gas Tax imposed by President Biden in the Inflation 'Expansion' Act. New fees or taxes on energy companies will raise costs for customers, creating a burden that will fall most heavily on lower-income Americans." [Congressman August Pfluger, 1/25/23]
- Rep. Pfluger's Bill Was Included In H.R. 1. "Tuesday, Congressman August Pfluger (TX-11) released a statement following the introduction of H.R. 1, the Lower Energy Costs Act which tackles the energy crisis caused by President Biden's disastrous policies. Congressman Pfluger's bill to strike President Biden's harmful natural gas tax is included in the comprehensive energy package. [Congressman August Pfluger, <u>3/14/23</u>]
- H.R.1 Included The Repeal Of The \$6 Billion Natural Gas Tax At Final Passage. "U.S. Representative Chuck Fleischmann (TN-03), Chairman of the Energy and Water Subcommittee of Appropriations, released the following statement after the passage of H.R. 1, the Lower Energy Costs Act H.R. 1, the Lower Energy Costs Act: Increases domestic energy production. Prohibits ban on hydraulic fracking. Repeals President Biden's \$6 billion tax on natural gas that increases energy bills for families." [Congressman Chuck Fleischmann, <u>3/30/23</u>]

According To The American Petroleum Institute, The "New Natural Gas Tax" Created In The Inflation Reduction Act Would "Impose New Total Costs Of More Than \$6 Billion On U.S. Energy Companies." "What It Is: The IRA creates a so-called Methane Emissions Reduction Program that imposes a new natural gas tax on U.S. oil and natural gas companies. The fee starts at \$900 per ton in 2024 and escalates to \$1,500 per ton in 2026. This provision would impose new total costs of more than \$6 billion on U.S. energy companies." [American Petroleum Institute, <u>8/9/22</u>] **H.R.1 Repealed A Fee "That Would Charge Fossil Energy Companies For Their Methane Emissions."** "Another provision of the bill Republicans say could have an immediate impact on prices is repealing a fee from Democrats' 2022 climate law that would charge fossil energy companies for their methane emissions: \$900 per metric ton and \$1,500 after two years. Scalise said electric utilities are passing on the cost of the methane fee — despite the fact that the EPA has not implemented the fee, nor has it begun enforcing a separate regulation about methane leakage from oil and gas sites. The fee is scheduled to take effect next year." [Roll Call, 3/27/23]

#### Roll Call On H.R.1: "The Bill Contains No Obvious Provisions To Help Consumers."

"House Republicans are pitching legislation cued up for a floor vote this week as a salve to high gasoline and electric costs, though it remains hazy how quickly and aggressively the measure would lower prices. The bill contains no obvious provisions to help consumers, like direct subsidies or tax credits. Instead, Republicans said they hope to spur domestic oil and gas production, which they contend would lower prices and have some knock-on benefits." [Roll Call, 3/27/23]

House Republicans Also Passed H.R.1 As A Stand-Alone Bill

**221 Republicans– Every House Republican Except For Rep. Brian Fitzpatrick– Voted To Pass H.R.1, The "Lower Energy Costs Act."** [H.R.1, Vote #182, <u>3/30/23</u>]

## **Family Farms**

#### **Topline Messages**

- House Republicans Voted To Slash Operating Loans For Family Farms
- House Republicans Voted To Cut Funding For Family Farms
- House Republicans Voted To Kill Off Family Farms

#### Backup

House Republicans' Limit, Save, Grow Act "Proposes Reverting Discretionary Spending Caps To Fiscal 2022 Levels." "House Republicans' go-it-alone debt limit bill pairs a debt ceiling increase expected to last into next year with what Speaker Kevin McCarthy (R-Calif.) said would be about \$4.5 trillion in savings generated in part by cutting Biden administration priorities. The bill released on Wednesday — dubbed the Limit, Save, Grow Act — aims to raise the debt limit by \$1.5 trillion or through March 31, 2024, whichever comes first. It proposes reverting discretionary spending caps to fiscal 2022 levels while limiting growth to 1 percent annually over the next decade. While Republicans have long said the discretionary spending cuts would not target defense spending, nothing in the bill explicitly protects defense spending, leaving that spending up to appropriators." [The Hill, 4/19/23]

U.S. Department Of Agriculture: House Republicans' Government Funding Proposal Would "Lead To Thousands Of Farm Families Not Having Access To The Credit And Help They Need To Continue To Farm." "USDA analyzed two possible House Republican Leadership plan scenarios. One assumes a funding level equal to that of fiscal year 2022 and while the other assumes a 22 percent reduction in funding for Government programs, which would mean a reduction of about \$6.15 billion for USDA in FY 2024. A decrease of that magnitude would threaten the safety and well-being of tens of millions of Americans, raise the risk of homelessness for tens of thousands of Americans, and lead to thousands of farm families not having access to the credit and help they need to continue to farm." [U.S. Department of Agriculture, 3/17/23]

**U.S. Department Of Agriculture: House Republicans' Proposed Funding Cuts Could Lead To Thousands Fewer Farm Operating Loans.** "Funding cuts would drastically impact service levels currently provided by the FSA. At the upper level of the proposed cut, there would be 5,100 fewer direct farm operating loans and 1,500 other farm loans (Emergency Loans, Guaranteed Operating Loans, Highly Fractionated Indian Land, Heirs' Property Relending Program) that could be made. The reduction of farm loan funding could result in a loss of up to 26,250 private sector jobs (plus the hundreds of farmers that would be forced out of farming and into the off-farm job market), reduce the Gross Domestic Product (GDP) by more than \$1.6 billion, and reduce household income by more than \$1.3 billion." [U.S. Department of Agriculture, <u>3/17/23]</u>

U.S. Department Of Agriculture: The Limit, Save, Grow Act Would "Cut Payments To Farmers Facing Natural Disasters, And Farm Loan Borrowers In Financial Distress," Hurting Farmers Who Are Applying For Assistance To Make Up For Pandemic Losses. "The bill would also claw back critical funding designated for rural communities, including: Cut payments to farmers facing natural disasters, and farm loan borrowers in financial distress. The pandemic caused significant disruptions to the U.S. agriculture sector, including a decline in commodity prices. USDA already provided \$23.5 billion to farmers that faced market disruptions, increased production costs, and reduced prices. USDA is still trying to reach impacted farmers. Rescinding these funds would mean farmers who are in the process of applying for the assistance to make up for pandemic losses won't receive payments." [U.S. Department of Agriculture, 4/26/23]

Farm Credit Council: "FSA Guaranteed Loans Are A Critical Tool" For Ensuring "A Stable Flow Of Credit To Farm And Ranch Families." "Farm Credit institutions are committed to supporting our customer-owners in good times and bad. We remain financially strong and continue using that strength to ensure a stable flow of credit to farm and ranch families. FSA guaranteed loans are a critical tool as Farm Credit institutions work with their customers, especially young and beginning producers. Unfortunately, loan size limitations on FSA guarantees no longer adequately meet the needs of many producers. As land prices, crop inputs and facilities costs have increased during the past decade, FSA loan limits simply did not keep pace. Farm Credit supports the continuation of the FSA guaranteed and direct loan programs and increasing the volume of loans available. We also support increasing the loan size limits for FSA guaranteed loans." [Farm Credit Council, accessed 7/27/23] • Farm Credit Council Supports Farmers "With Reliable, Consistent Credit." "Farm Credit's mission is to support rural communities and agriculture with reliable, consistent credit and financial services, today and tomorrow. [...] We serve every part of agriculture from the smallest operations to the largest – and everything in between. Whether helping a young farm family begin, supporting our veterans as they return home and take up farming or financing U.S. agricultural exports around the globe, Farm Credit is committed to the success of American agriculture. Our loans and related financial services support farmers and ranchers, farmer-owned cooperatives and other agribusinesses, rural homebuyers and companies exporting U.S. ag products around the world. [...] For agricultural producers we make loans to buy land, operate farms, purchase equipment, build facilities and much more. We also offer crop insurance, credit life insurance and other financially related services. For farmer-owned cooperatives and other agribusinesses, we make loans to acquire land, build facilities, purchase inventory, extend credit to customers, export products and more. We also offer cash management services and other financially related services." [Farm Credit Council, accessed 7/27/23]

U.S. Department Of Agriculture: For Many Farmers, Relief For Distressed Borrowers With Farm Service Agency (FSA) Loans "Is Vital If They Are To Continue Producing The Food, Fiber, And Fuel That Are Essential To The Well-Being Of Not Only Our Rural Communities But Our Nation As A Whole." "On August 16, 2022, President Biden signed the Inflation Reduction Act (IRA) into law. Section 22006 of the IRA provided \$3.1 billion for USDA to provide relief for distressed borrowers with certain Farm Service Agency (FSA) direct and guaranteed loans and to expedite assistance for those whose agricultural operations are at financial risk. USDA is implementing this provision with the goals of keeping borrowers farming, removing obstacles that currently prevent many borrowers from returning to their land, and improving the way that USDA approaches borrowing and loan servicing in the long-term. For many farmers, including those who have been hard hit by pandemic-induced market disruptions exacerbated by more frequent, more intense, climate-driven natural disasters, this assistance is vital if they are to continue producing the food, fiber, and fuel that are essential to the well-being of not only our rural communities but our Nation as a whole. USDA has allocated up to \$1.3 billion for initial steps to help distressed borrowers. This includes both automatic and case-by-case assistance. In total, between the IRA and pandemic assistance, about 35,000 distressed borrowers will benefit from assistance." [Farmers.gov, accessed 7/27/23]

Inflation Reduction Act Farm Loan Assistance For Distressed Borrowers Helped A Maine Dairy Farmer "At Risk Of Losing Their Operations," Along With 20,000 Other Producers. "Through no fault of their own, our nation's farmers and ranchers have faced incredibly tough circumstances over the last few years. That includes dairy producer Tom Drew of Woodland, Maine, who is one of the more than 20,000 producers who received life-changing, transformational support from the U.S. Department of Agriculture (USDA). Through the Inflation Reduction Act (IRA), USDA was able to provide approximately \$1.1 billion in immediate assistance for distressed borrowers, including those who were behind on their USDA farm loans, to help make them current. This helped producers like Tom who were at risk of losing their operations due to several unprecedented challenges, including trade disruptions, a worldwide pandemic, continued impacts on input costs and markets, and more frequent, more intense, climate-induced natural disasters. Tom has been operating an organic dairy farm since 1994 where he currently manages a herd of 200 plus cattle and milks approximately 55 cows daily. He has had a farm loan with the Farm Service Agency (FSA) since 2015. [...] He was ecstatic when he received USDA's help through the IRA. He recalls immediately calling FSA to confirm it was official. He plans to use any extra money he makes to become current with his real estate taxes and complete a much needed and expensive manure piping project on the farm. 'The IRA payment, by improving my financial situation, has allowed me to recharge my batteries and de-stress to a degree, and therefore be ready to address the challenges that are sure to come in this business,' Tom said." [Farmers.gov, 5/10/23]

#### Spotlight: Representative Zach Nunn (IA-03)

The American Independent: Rep. Zach Nunn Voted "To Dramatically Cut Federal Loans To Farmers," Which The Secretary Of Agriculture Said Would Force Hundreds Of Farmers Out Of Farming. "However, Nunn voted in April to dramatically cut federal loans to farmers. Nunn voted for the Limit, Save, Grow Act, a House Republican bill that would have raised the debt ceiling in exchange for across-the-board cuts to the federal budget. The bill passed the House in April on a vote of 217 to 210, with only Republicans voting in favor, but the Senate never voted on the measure, and a separate debt ceiling bill was passed in June. The Limit, Save, Grow Act Nunn voted for would have cut the federal budget by 22%. U.S. Department of Agriculture Secretary Tom Vilsack wrote in a letter to Congress in March that cutting his department's budget at those levels would have led to the loss of thousands of farm loans that go to those wishing to expand their farms, those whose farms have been hit by natural disasters, and those who can't get loans from commercial lenders. 'The reduction of farm loan funding could result in a loss of up to 26,250 private sector jobs (plus the hundreds of farmers that would be forced out of farming and into the off-farm job market), reduce the Gross Domestic Product (GDP) by more than \$1.6 billion, and reduce household income by more than \$1.3 billion,' Vilsack wrote in the letter." [The American Independent, 8/16/23]

• The American Independent HEADLINE: "Iowa GOP Us House Member Who Wants To 'Empower' Farmers Voted To Cut Critical Farm Loans" [The American Independent, <u>8/16/23</u>]

At \$484 Million, Iowa Had More Farm Loan Obligations In Fiscal Year 2022 Than Any Other State. "The USDA's Farm Service Agency gives direct loans to farmers and guarantees loans from banks, credit unions and others to farmers for up to 95% of their value. The government's farm loan obligations for its 2022 fiscal year, which ended Sept. 30, totaled about \$5.8 billion dollars, according to USDA records. States with the highest obligations included Iowa at about \$484 million, Arkansas at \$424 million, Oklahoma at \$366 million, and Nebraska at \$341 million." [Iowa Capital Dispatch, <u>10/18/22</u>]

#### **Topline Messages**

- House Republicans Voted To Cut Veterans' Health Care
- House Republicans Voted To Cut Veterans Benefits
- House Republicans Voted To Increase Wait Times For Veterans' Benefits
- For Some Members: Representative X Voted To Cut Veterans' Health Care And Then Tried To Hide It

#### Backup

Center On Budget And Policy Priorities: McCarthy's Debt Limit Bill "Would Make Deep Cuts in Discretionary Programs," Which "Are The Part Of The Budget" That Includes Veterans' Health Care. "House Speaker Kevin McCarthy's debt-limit-and-cuts bill puts the U.S. economy at grave risk by using the need to raise the debt ceiling as a bargaining chip to force a set of unpopular, harmful policies - policies that would make deep cuts in a host of national priorities; leave more people hungry, homeless, and without health coverage; and make it easier for wealthy people to cheat on their taxes. The bill would also repeal the Inflation Reduction Act's funding to address climate change, and would undertake harmful changes that would undermine how regulations are crafted. [...] Bill Would Make Deep Cuts in Discretionary Programs The McCarthy bill would cut discretionary programs by \$3.6 trillion over the next decade below the Congressional Budget Office's (CBO) recent baseline projection. Discretionary programs — also known as annually appropriated programs — are the part of the budget that covers programs such as defense, veterans' health care, child care and preschool, medical research and public health, food and drug safety inspectors, Pell Grants and college work-study, K-12 education, environmental protection, housing, and some transportation programs, among many others. (The CBO baseline funding levels for individual discretionary programs reflects 2023 funding adjusted for inflation and a few additional technical factors.) The bill would institute austere caps on overall discretionary funding levels. Each year for the next ten there would be a single cap on funding across all discretionary programs — defense, veterans' programs, and other non-defense programs. In 2024, the cap would be set at total overall discretionary funding in 2022, with no adjustment for inflation or other changes in need. The cap would then rise by 1 percent annually, significantly less than the projected inflation rate over the decade. The cuts would grow deeper (in inflation-adjusted terms) each year as funding falls further and further behind costs." [Center on Budget and Policy Priorities, 4/24/23]

The Department Of Veterans Affairs Analyzed The 22% Budget Cut, Which "Aligns With Proposals To Return Discretionary Spending To FY 2022 Levels On An Ongoing Basis While Exempting Defense Spending." "This analysis assumes an across-the-board reduction of roughly 22% compared to currently enacted FY 2023 levels for non-defense discretionary accounts. That aligns with proposals to return discretionary spending to FY 2022 levels on an ongoing basis while exempting defense spending." [Department of Veterans Affairs,  $\frac{4/21/23}{2}$ ]

The Department Of Veterans Affairs Reported That A 22% Spending Cut Would Result In 30 Million Fewer Veteran Outpatient Visits And The Loss Of 81,000 Jobs Across The Veterans Health Administration, Leaving Veterans Unable To Get Appointments For Care. "The proposed 22% budget cut to VA would: Threaten Medical Care for Veterans The proposal would mean 30 million fewer Veteran outpatient visits, and 81,000 jobs lost across the Veterans Health Administration, leaving Veterans unable to get appointments for care including wellness visits, cancer screenings, mental health services, and substance use disorder treatment." [Department of Veterans Affairs, <u>4/21/23</u>]

The Department Of Veterans Affairs Reported That A 22% Spending Cut Would Negatively Impact Veterans Who Access Critical Services From Other Government Agencies Affected By Budgetary Cuts, Including Housing, Food, Mental Health, And Job Training Benefits. "Beyond the direct impact on Veterans who use VA, these proposed cuts would negatively impact Veterans who access critical services across the federal government. Specifically, these proposed cuts would:

- **Cut Housing for Veterans.** Every Veteran deserves a good, safe home in this country they fought to defend. The proposal would eliminate funding for Housing Choice Vouchers for as many as 50,000 Veterans, putting them at greater risk of homelessness.
- Increase Food Insecurity for Veterans. About 1.3 million Veterans rely on SNAP. This proposal would take food assistance away from Veterans who are older by adding burdensome, bureaucratic requirements, and it would limit states' flexibility to protect especially vulnerable people currently subject to work requirements. That would increase the likelihood that Veterans and their families go hungry.
- Deprive Veterans of mental health, substance use, and other health services. This proposal would mean deep cuts to Department of Health and Human Services community mental health centers, mental health and substance use prevention grants, and other public health programs. Supporting Veterans and their families in the community, especially those not enrolled in VA health care, has been a priority for HHS and these cuts could reduce access to timely care and services.
- Eliminate Job Training and Other Supports to Homeless Veterans. The proposal would mean that 4,200 fewer Veterans experiencing or at risk of homelessness would receive job training, counseling, and job readiness services provided through the Department of Labor's Homeless Veterans' Reintegration Program." [Department of Veterans Affairs, <u>4/21/23</u>]

The Department Of Veterans Affairs Reported That A 22% Spending Cut Would Impair VA's Ability To Expand Video-To-Home Telehealth Services And Limit The Availability Of Medical Equipment That Can Be Provided To Veterans, Which Is Especially Important For Veterans In Rural Areas. "The proposed 22% budget cut to VA would: [...] Undermine Access to Telehealth. Access to remote care through telehealth is essential for Veterans, particularly in rural areas. By reducing funding for necessary IT infrastructure and support, the proposal would impair VA's ability to expand video-to-home telehealth services and limit the availability of medical equipment that can be provided to Veterans so they can attend important telehealth appointments from home." [Department of Veteran Affairs,  $\frac{4/21/23}{2}$ ]

The Department Of Veterans Affairs Reported That A 22% Spending Cut Would Cut Up To \$565 Million For Major Construction Projects Like Critical Upgrades To Hospitals And Clinics Across America. "The proposed 22% budget cut to VA would [...] Prevent Construction on the Health Care Facilities that Veterans need. Veterans deserve to receive care in state-of-the-art facilities, but the median VA hospital was built nearly 60 years ago – compared to just 13 years ago in the private sector. This proposal would cut up to \$565 million for major construction projects, including critical clinical upgrades to hospitals and clinics. These cuts would negatively impact Veteran health care across America." [Department of Veteran Affairs, 4/21/23]

**STATE-BY-STATE: White House: The 'Limit, Save, Grow Act' Would Threaten Medical Care For XXX,XXX Veterans In [INSERT STATE].** According to reports compiled by the White House and the Department of Veteran Affairs, XXX,XXX veterans in [INSERT STATE] could lose access to medical care, including wellness visits, mental health services, and substance disorder treatments. [White House, <u>5/02/23</u>]

• *Example:* White House: The 'Limit, Save, Grow Act' Would Threaten Medical Care For 162,300 Veterans In Virginia. According to reports compiled by the White House and the Department of Veteran Affairs, 162,300 veterans in Virginia could lose access to medical care, including wellness visits, mental health services, and substance disorder treatments. [White House, <u>5/02/23</u>]

#### Members Of Congress Tried To Hide Their Votes To Cut Veterans' Benefits

Spotlight: Representative Jen Kiggans (VA-02)

Rep. Jen Kiggans Led Over 50 Of Her Republican House Colleagues In Writing A Letter To The VA Claiming The Agency Made "False Claims" When Saying The Limit, Save, Grow Act Cut VA Funding And Threatened Veterans' Access To Care. "Dear Secretary McDonough: As you are aware, the Department of Veterans Affairs (VA) issued a press release falsely stating that the proposal which became the Limit, Save, Grow Act would threaten medical care for 30 million veterans, worsen wait times for hundreds of thousands of veterans and survivors applying for benefits, and fail to honor the memory of all veterans. Mr. Secretary, the Department's assertions are dishonest and shameless. The facts are that nowhere in the Limit, Save, Grow Act is it indicated that the VA budget would be cut. The intent of the legislation is to set a topline number for the entire federal budget. Furthermore, the Speaker of the U.S. House of Representatives Kevin McCarthy, Majority Leader Steve Scalise, Chairwoman for the House Committee on Appropriations Kay Granger, Chairman for the House Committee on Veterans' Affairs Mike Bost, and others have all stated unequivocally that veterans will be protected, and the VA will be funded. The leaders of the Congressional bodies that oversee and fund the VA have all firmly stated that veterans' earned care and benefits are not on the table. The VA

purposely chose to ignore these facts in favor of baseless political talking points. Sincerely, Jen A. Kiggans" [Letter To Denis McDonough, Secretary U.S. Department of Veterans Affairs,  $\frac{5/4/23}{2}$ ]

- Kiggans Claimed That H.R. 2811 Did Not Cut Veterans' Benefits. "H.R. 2811 DOES NOT: X Cut veterans' benefits X Cut Social Security X Cut Medicare X Cut defense spending" [Jen Kiggans, via Twitter, <u>4/26/23</u>]
- Kiggans Accused The VA Of Lying About The Limit, Save, Grow Act. "As a granddaughter of a veteran, daughter of a veteran, spouse of a veteran, mother of future veterans, & a veteran myself, I'm disgusted that the VA would blatantly lie about this bill & willingly use our nation's heroes as political pawns. Unacceptable."
  [Jen Kiggans, via Twitter, 5/1/23]

KFF Health News & PolitiFact: Rep. Mike Bost's Claim "That Republicans Were Not Cutting Veterans' Benefits" Was "Mostly False" "Bost claimed that Republicans were not cutting veterans' benefits even as the text of their bill to raise the nation's debt ceiling would roll back all discretionary spending. Drafting a slimmed-down budget that spares veterans is no easy task. Most notably, the VA represents one of the largest pieces of the pie in terms of discretionary spending, and, in the House-passed Limit, Save, Grow Act, no language was included to specifically protect it. The House GOP plan does include a specific budget rescission for unspent covid relief funds. That translates to \$2 billion coming from the VA. While Congress could restore that money in the future — and it is a relatively small portion of the VA budget — it would result in a reduction in spending for veterans as the proposal stands. House Republicans like Bost have said repeatedly they intend to protect this key constituency. But so far, such protections are not evident on paper. We rate Bost's statement as Mostly False." [KFF Health News & PolitiFact, <u>5/9/23</u>]

 KFF Health News & PolitiFact HEADLINE: "Republicans Vow Not To Cut Veterans' Benefits. But The Legislation Suggests Otherwise." [KFF Health News & PolitiFact, 5/9/23]

American Journal News: "House Republicans Are Lying About The Debt Ceiling Bill They Passed On April 26 When They Say The Across-The-Board Budget Cuts It Demands In Exchange For Preventing The United States From Defaulting On Its Debts Won't Impact Veterans Programs." "House Republicans are lying about the debt ceiling bill they passed on April 26 when they say the across-the-board budget cuts it demands in exchange for preventing the United States from defaulting on its debts won't impact veterans programs. The Limit, Save, Grow Act that House Republicans passed on a party-line vote would slash federal funding back to 2022 levels and increase the debt ceiling by \$1.5 trillion. If Congress doesn't lift the debt ceiling by June 1, the United States will be unable to pay its obligations, which experts say would cause a financial crisis and recession. The White House, Democratic lawmakers, and some outside think tanks said reverting back to 2022 spending levels would require spending cuts averaging 22%. House Republicans claim they will not approve funding cuts to the Department of Veterans Affairs, but the bill doesn't explicitly exclude programs for veterans. [...] Rep. Don Beyer (D-VA), the senior House Democrat on the Joint Economic Committee, tweeted on Monday in response: 'House Republicans are lying. Their bill immediately rescinds past funding Congress obligated to the VA. And it directs massive across-the-board budget cuts without exempting the VA. Republicans could've excluded the VA from those cuts but chose not to. They voted to cut the VA.' Veterans groups, which wanted explicit language in the bill saying that veterans programs wouldn't be cut, say they feel duped." [American Journal News, 5/2/23]

• American Journal News HEADLINE: "House Republicans Are Lying About Their Plan's Cuts To Funding For Veterans" [American Journal News, 5/2/23]

# Law Enforcement And Public Safety

#### Topline Messages

- House Republicans Voted To Cut Law Enforcement
- House Republicans Voted To Put Public Safety At Risk
- House Republican Voted To Cut Police Funding
- House Republicans Voted To Endanger Public Safety By Cutting Funding For Hundreds Of Local Law Enforcement Positions
- House Republicans Voted To Defund Federal Investigators And Cut FBI Funding

#### Backup

The Department Of Justice Reported That A Return To The FY22 Spending Level Would Threaten The Department's Ability To Accomplish Its Public Safety And National Security Responsibilities. "This responds to your letter to the Department of Justice (Department), dated January 19, 2023, regarding the impact on the Department's ability to achieve its public safety mission if fiscal year (FY) 2024 discretionary spending is capped at the FY 2022 enacted level. Funding the Department at FY 2022 enacted levels would result in a significant reduction to the Department's budget calculated to be much as 22% below FY 2023 enacted level and more than \$4 billion below what the Department would require to sustain even its base functions (current services) in FY 2024.1 A 22% reduction in the Department's discretionary funding would be a loss of more than \$8 billion that is needed for the Department to accomplish its public safety and national security responsibilities." [Department of Justice, <u>3/18/23</u>]

Third Way: Republican Debt Limit Proposal Would Make "Devastating Budget Cuts" To Public Safety, Including Cutting \$10 Billion From Federal Law Enforcement Funding, \$4.5 Billion From The Federal Judicial System, And \$8 Billion From Other Public Safety **Programs.** "But what does it mean to make this abrupt turnaround? The annual appropriations process covers about a third of all federal spending, but it's often the most tangible piece of what the government does, especially with how the government keeps us safe. The FBI, Customs and Border Patrol (CBP), the TSA, food inspection, nuclear facility inspections—all these items are at risk when the Non-Defense Discretionary (or NDD) part of the budget is in the crosshairs. Under this likely to be proposed scenario of transferring all defense cuts to non-defense non-veterans' health spending, there would be a cut of \$23.5 billion from public safety next year. Sixteen cents from every dollar cut could harm public safety. [...] The Republican budget's effect on sworn law enforcement could result in the loss of 28,500 officers that are employed by the federal government. These devastating budget cuts would gut up to \$10 billion from federal law enforcement funding. [...] Our judicial system is central to the administration of justice in our country. Between prosecution, trials by jury, and federal prisons, there are \$4.5 billion of resources at risk under the Republican budget, with the potential loss of 12,000 justice jobs. [...] The Food and Drug Administration protects our public health by ensuring the security and safety of food, drugs, and medical devices. With the Republican budget, nearly \$1 billion of resources are at risk, with the potential loss of 2,300 jobs. [...] The Republican budget cuts would gut many other parts of public safety in the United States." [Third Way, 4/24/23]

Third Way: Republican Debt Limit Proposal Could Result In The Loss Of 28,500 Federal Law Enforcement Officers. "The Republican budget's effect on sworn law enforcement could result in the loss of 28,500 officers that are employed by the federal government. These devastating budget cuts would gut up to \$10 billion from federal law enforcement funding. The Federal Bureau of Investigations would see a budget cut of \$2.8 billion, resulting in the loss of 11,000 agents, analysts, and staff. The Drug Enforcement Agency would see a budget cut of \$692 million, resulting in the loss of 1,600 officers. Customs and Border Patrol would see a budget cut of \$4 billion, resulting in the loss of 2,400 officers. The Bureau of Alcohol, Tobacco, Firearms and Explosives would see a budget cut of \$385 million dollars, resulting in the loss of 500 officers. The Transportation Safety Administration would see a budget cut of \$2 billion dollars, resulting in the loss of 12,400 officers. The Capitol Police would see a budget cut of \$162 million dollars, resulting in the loss of 600 sworn officers. Federal support to local law enforcement through Byrne grants would decrease by an average of \$30,000 per department, stifling law enforcement and justice proceedings in every state." [Third Way, 4/24/23]

• Third Way HEADLINE: The Republican Debt Limit Plan Will Devastate Public Safety [Third Way, <u>4/24/23</u>]

The Department Of Justice Reported That A 22% Spending Cut Would Drastically Reduce The Nation's Capacity To Prevent Crime And Strengthen The Criminal Justice System. "Additionally, a 22% reduction could lead to significant cuts to the Office of Justice Programs (OJP). Operating at a level 22% below FY 2023 enacted levels would be a reduction of almost \$650 million to OJP's discretionary appropriations. If OJP experienced a full 22% reduction, its mission to improve the nation's capacity to prevent and reduce crime, assist victims, and enhance the rule of law by strengthening the criminal and juvenile justice systems would be drastically reduced as further described below.

The Department Of Justice Reported That A 22% Spending Cut Would Reduce The Size Of Byrne Justice Assistance Grants (JAG) By An Average Of \$30,000 Per Grant – Negatively Impacting A Range Of Program Areas Including Law Enforcement, Prosecution, Indigent Defense, Courts, Crime Prevention And Education, Corrections, And Drug Treatment And Enforcement. Byrne Justice Assistance Grants (JAG) Formula awards to local governments would be expected to drop by an average of \$30,000 from \$98,000 to \$68,000 and State awards could decrease on average by \$1.0 million per state from \$3.4 million to \$2.4 million. JAG is the leading source of Federal justice funding to State and local jurisdictions. A 22% cut in assistance would negatively impact a range of program areas including law enforcement, prosecution, indigent defense, courts, crime prevention and education, corrections and community corrections, as well as drug treatment and enforcement." [Department of Justice, <u>3/18/23</u>]

Third Way: Republican Debt Limit Proposal Would Cut "Federal Support To Local Law Enforcement Through Byrne Grants [...] By An Average Of \$30,000 Per Department, Stifling Law Enforcement And Justice Proceedings In Every State." "The Republican budget's effect on sworn law enforcement could result in the loss of 28,500 officers that are employed by the federal government. These devastating budget cuts would gut up to \$10 billion from federal law enforcement funding. The Federal Bureau of Investigations would see a budget cut of \$2.8 billion, resulting in the loss of 11,000 agents, analysts, and staff. The Drug Enforcement Agency would see a budget cut of \$692 million, resulting in the loss of 1,600 officers. Customs and Border Patrol would see a budget cut of \$4 billion, resulting in the loss of 2,400 officers. The Bureau of Alcohol, Tobacco, Firearms and Explosives would see a budget cut of \$385 million dollars, resulting in the loss of 500 officers. The Transportation Safety Administration would see a budget cut of \$2 billion dollars, resulting in the loss of 12,400 officers. The Capitol Police would see a budget cut of \$162 million dollars, resulting in the loss of 600 sworn officers. Federal support to local law enforcement through Byrne grants would decrease by an average of \$30,000 per department, stifling law enforcement and justice proceedings in every state." [Third Way, 4/24/23]

The Department Of Justice Reported That A Return To The FY22 Spending Level Could Result In Significant Reductions In Force In The Federal Bureau Of Investigations And The Bureau Of Alcohol, Tobacco, And Firearms. "The Federal Bureau of Investigation (FBI) would see an effective reduction of \$2.8 billion were a funding reduction of 22% imposed, which would negate nine years of growth in the FBI's key programs. The effect on the FBI's personnel would be the loss of roughly 11,000 positions, or 29.2% of the FBI's workforce. The FBI would be required to undertake a furlough of 60 days on a staggered basis. The lost work-years due to a hiring freeze and furloughs are the equivalent of the FBI shuttering 11 of its largest field offices (New York City, Washington, Los Angeles, Chicago, Miami, San Francisco, Newark, Boston, Philadelphia, Detroit, and Houston). The non-personnel costs alone, approximately \$1.0 billion of the reduction, would be the equivalent of eliminating all of the FBI's Headquarters Divisions in the Criminal Branch, Intelligence Branch, and National Security Branch combined." [Department of Justice, <u>3/18/23</u>]

The Department Of Justice Reported That A 22% Spending Cut Would Result In The Attrition Of 500 Agents And Investigators From The Bureau Of Alcohol, Tobacco, And Firearms, And Leave The Bureau Unable To Make Critical Enhancements Needed To Improve Public Safety. "The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) assesses that the 22% cut will result in a hiring freeze that would mean 190 agents, 130 Industry Operations Investigators, and 180 technical and support staff would be lost to attrition. Further, ATF would have to take 36 furlough days for all of its over 5,000 employees, including agents. Such a large reduction would: reduce operational funding (mission-related activity, contracts, vehicle maintenance), normal replacement cycle activity, provision of Emergency Support Function #13 (assistance to local, state, Tribal, territorial, and Federal organizations overwhelmed by the results of an actual or anticipated natural/manmade disaster or an act of terrorism), the K-9 program; eliminate all state and local training at National Center for Explosives Training and Research; start a backlog of regulatory inspections that will take years to clear; and increase trace times by more than two months at the National Tracing Center due to reduced staff. Finally, a funding reduction of 22% would severely hamper ATF's ability to fully take advantage of the tools provided by the Bipartisan Safer Communities Act (BSCA), in addition to substantially diminishing the effectiveness of ATF's overall mission. The consequential negative effect on public safety would be that fewer ATF Special Agents would be available to assist law enforcement in communities across the country. Without appropriate funding, ATF would be unable to make critical enhancements needed to improve public safety in the fight against firearm related violent crime." [Department of Justice, <u>3/18/23</u>]

The Department Of Justice Reported That A 22% Spending Cut Would Hamstring The Community Oriented Policing Services (COPS) Office, Decreasing The Number Of Law Enforcement Positions Funded By The Office By More Than 300 And Permitting 60 Fewer Awards To Support Local Law Enforcement Agencies. "The impacts on other Department grantmaking would be detrimental as well. For example, if the Department's Community Oriented Policing Services (COPS) Office were to operate at a 22% below the FY 2023 enacted level, the COPS Hiring Program would be required to significantly reduce the funding it provides both as to the number of positions it supports and in the number of awards that it makes (reduction of approximately \$50 million). It would also decrease the number of law enforcement positions funded by 300 to 400 positions and only be able to support approximately 1,060 law enforcement positions. Finally, only about 200 awards would be made to support law enforcement agencies, a reduction of 60 awards from FY 2023 enacted." [Department of Justice, <u>3/18/23</u>]

**The Department Of Justice Reported That A 22% Spending Cut Would Have The Effect Of Cutting 11,000 Positions From The Federal Bureau Of Investigations – Reducing Its Workforce By 29% – Equivalent To Shuttering 11 Of Its Largest Field Offices.** "The Federal Bureau of Investigation (FBI) would see an effective reduction of \$2.8 billion were a funding reduction of 22% imposed, which would negate nine years of growth in the FBI's

key programs. The effect on the FBI's personnel would be the loss of roughly 11,000 positions, or 29.2% of the FBI's workforce. The FBI would be required to undertake a furlough of 60 days on a staggered basis. The lost work-years due to a hiring freeze and furloughs are the equivalent of the FBI shuttering 11 of its largest field offices (New York City, Washington, Los Angeles, Chicago, Miami, San Francisco, Newark, Boston, Philadelphia, Detroit, and Houston). The non-personnel costs alone, approximately \$1.0 billion of the reduction, would be the equivalent of eliminating all of the FBI's Headquarters Divisions in the Criminal Branch, Intelligence Branch, and National Security Branch combined." [Department of Justice, <u>3/18/23</u>]

# **Border Security**

#### **Topline Messages**

- House Republicans Voted To Cut Border Security
- House Republicans Voted To Endanger Public Safety By Cutting Funding For Over 2,000 Customs And Border Protection Agents.

#### Backup

U.S. Department Of Homeland Security Reported That A Return To FY22 Spending Levels Would Impact "The Entire Department And The Critical Services We Provide," Including A Reduction In Border Protection "Frontline Law Enforcement" Of Up To 2,400 Staff. "On March 9, President Biden released his Budget for DHS that equips our Department to address the threats of today and prepare for the threats of tomorrow. The President's budget invests in programs that protect us against the threat of terrorism, strengthen the security of our borders, ensures the swift response to and recovery from natural disasters, and more. As requested, DHS conducted an analysis of what capping FY 2024 discretionary spending at the FY 2022 enacted level would mean to the services the Department provides to the American people. The entire Department and the critical services we provide would be impacted, including but not limited to the following: A reduction in CBP frontline law enforcement staffing levels of up to 2,400 agents and officers; A reduction in our Department's ability to prevent drugs from entering the country; Cuts in federal assistance to state, local, tribal, territorial, and private sector partners for disaster preparedness; and Reductions in TSA personnel that would result in wait times in excess of 2 hours at large airports across the country." [Department of Homeland Security, 3/19/23]

**The Department of Homeland Security Reported That A Return To The FY22 Spending Level Could Reduce U.S. Customs And Border Protection Staffing Levels By Up To 2,400 Agents And Officers..** "Operational Impacts of Returning to FY 2022 Funding Levels Department of Homeland Security; U.S. Customs and Border Protection (CBP)... Staffing: CBP may be forced to implement a hiring freeze, which would impact the agency's ability to hire the additional 300 Border Patrol Agents (BPAs) provided for in the FY 2023 budget and the 150 CBP Officers (CBPOs) and BPAs requested in the FY 2024 Budget. A hiring freeze would also result in attrition of frontline law enforcement officers by perhaps as much as 1,000 CBPOs and 1,400 BPAs." [Department of Homeland Security, 3/19/23]

# **Public Education**

#### **Topline Messages**

- House Republicans Voted To Cut Funding For Schools That Serve Low-Income Students
- House Republicans Voted To Slash Funding For Low-Income Students
- House Republicans Put Teachers' Jobs At Risk
- House Republicans Voted To Cut Funding For Students With Disabilities

#### Backup

The Department Of Education Reported That A 22% Reduction From The Current Funding Level Would Cut \$4 Billion In Funding For Schools Serving Low-Income Children, The Equivalent Of Removing 60,000 Teachers. "The proposal would cut approximately \$4 billion in funding for schools serving low-income children, impacting an estimated 26 million students and reducing program funding to its lowest level in almost a decade—a cut equivalent to removing more than 60,000 teachers and specialized instructional support personnel from classrooms." [Department of Education, <u>4/25/23</u>]

STATE-BY-STATE: White House: The 'Limit, Save, Grow Act' Would Cut Approximately \$XXX,XXX In Funding For Schools Serving Low-Income Children In [INSERT STATE] – The Equivalent Of Removing XXX,XXX Teachers From Classrooms – Impacting XXX,XXX Students In [INSERT STATE]. According to reports compiled by the White House and the Department of Education, schools serving low-income students in [INSERT STATE] could lose \$XXX,XXX in funding – equivalent to removing XXX,XXX teachers from classrooms – impacting XXX,XXX students in [INSERT STATE]. [White House, <u>5/02/23</u>]

The Department Of Education Reported That A 22% Reduction From The Current Funding Level Would Cut More Than \$3 Billion In Funding For Supporting Children With Disabilities, The Equivalent Of Losing 48,000 Teachers. "A reduction to the FY 2022 enacted level would cut \$850 million in funding from this program – a cut equivalent to removing more than 13,000 teachers and service providers from classrooms serving low-income children; a 22 percent reduction from the currently enacted level would cut more than \$3.1 billion in funding, impacting an estimated 7.5 million children with disabilities and reducing Federal support to its lowest share since 1997 – a cut equivalent to removing more than 48,000 teachers and related services providers from the classroom." [Department of Education, <u>3/17/23</u>] STATE-BY-STATE: White House: The 'Limit, Save, Grow Act' Could Mean XXX,XXX Students With Disabilities In [INSERT STATE] Lose Access To Federal Support, The Equivalent Of Removing XXX,XXX Teachers And Aides From Classrooms In [INSERT STATE]. According to reports compiled by the White House and the Department of Education, XXX,XXX students with disabilities in [INSERT STATE] could lose federal support, the equivalent of removing XXX,XXX teachers and aides from classrooms in [INSERT STATE]. [White House, 5/02/23]

# **Higher Education**

#### **Topline Messages**

- House Republicans Voted To Eliminate Pell Grants For 80,000 Students And Reduce Grant Funding For Millions Of Others
- House Republicans Voted To Make College More Expensive For Millions Of Americans

#### Backup

The Department Of Education Reported That A 22% Reduction From The Current Funding Level Would Create A Budget Shortfall For The Pell Grant Program Of \$17 Billion By 2026, Eliminate Funding For 80,000 Pell Grants, And Reduce The Award Sizes For Every One Of The 6.6 Million Pell Grant Recipients. "A reduction to the FY 2022 enacted level would likely have a minimal effect on students and parents, while a reduction of 22 percent from currently enacted levels would likely reduce the maximum Pell award by nearly \$1,000, decreasing aid to all 6.6 million Pell recipients and eliminating Pell Grants altogether for approximately 80,000 students. Cutting the discretionary funding by 22 percent without cutting the maximum award would eliminate the surplus and create a \$17 billion shortfall by 2026. The program cannot function with a shortfall that large." [Department of Education, <u>3/17/23</u>]

The Department Of Education Reported That A 22% Reduction From The Current Funding Level Would Eliminate Work-Study Financial Support For 85,000 Students And Reduce The Aid Provided To All Other Recipients. "a reduction to the FY 2022 enacted level would provide less aid for all program recipients and eliminate FWS financial support for approximately 11,000 students; a cut of 22 percent from the currently enacted level would provide less aid for all program recipients and eliminate Work-Study financial support for approximately 85,000 students. Schools would be forced to make impossible decisions around whether to cut essential positions reliant on FWS funds or the amounts that students are able to earn under the program." [Department of Education, <u>3/17/23</u>]

STATE-BY-STATE: White House: The 'Limit, Save, Grow Act' Would Reduce The Maximum Award For Pell Grants By Nearly \$1,000, Likely Eliminating It Altogether For XXX,XXX Students In [INSERT STATE], And Making It Harder For The Remaining **XXX,XXX Recipients In [INSERT STATE] To Attend College.** According to reports compiled by the White House and the Department of Education, the MAGA House Republican plan would reduce the maximum award for Pell Grants by nearly \$1,000, likely eliminating it altogether for XXX,XXX students in [INSERT STATE], while making it harder for the remaining XXX,XXX recipients to attend and afford college. [White House, 5/02/23]

# House Republicans' Ongoing Support For The Default On America Act

**2024: The Republican Study Committee Continued To Support The Limit, Save, Grow Act.** "The RSC Budget would require all federal benefit programs be reformed to include work promotion requirements that would help people move away from dependence and toward self-sufficiency. This includes the RSC Budget's support of the House-passed Limit, Save Grow, Act, which includes language that would require Medicaid recipients to work at least 80 hours per month, which could include both community service and hours in a work program." [Republican Study Committee, FY25 Budget Proposal, <u>3/25/24</u>]