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HOUSE RECONCILIATION BILL TARGETS KEY LOW-INCOME PROGRAMS IN WAYS AND MEANS COMMITTEE'S JURISDICTION

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Overview

The House of Representatives narrowly passed a budget “reconciliation” bill (H.R. 4241) on November 17 that included a package of cuts approved by the Ways and Means Committee on October 26. The budget resolution that passed in April required the Ways and Means Committee to cut programs under its jurisdiction by \$1 billion over the next five years, but the Ways and Means proposals would cut programs under its jurisdictions by \$8 billion, according to the Congressional Budget Office (CBO).

The Ways and Means package targets programs that provide critical supports and services to low and moderate-income families:

- **Child Support Enforcement:** According to CBO, federal funding for the child support enforcement programs would be cut by about \$5 billion over the next five years. Funding in the fifth year would be cut by *nearly 40 percent*. This represents a significant cut to the states, which operate the child support enforcement programs. A withdrawal of federal funding of this magnitude will mean that states will scale back their child support enforcement efforts that these funds finance, with the result that less child support will be collected for children owed support. *In fact, CBO estimates that these cuts would lead to a reduction in the amount of child support collected totaling \$7.9 billion over the next five years and \$24.1 billion over the next ten years.*

(For state-by-state figures on this cut in child support enforcement funding, see, “Ways and Means Proposes Deep Cuts in Child Support Funding,” by Vicki Turetsky for the Center for Law and Social Policy: www.clasp.org/publications/child_support_cuts.pdf.)

- **TANF and Child Care:** The package includes provisions to reauthorize the TANF block grant and require states to place many more parents in welfare-to-work activities (and to require

¹ The author would like to thank Vicki Turetsky of the Center for Law and Social Policy for her assistance with the child support sections of this analysis. The child support section draws heavily on a recent report by Vicki Turetsky, “The Child Support Enforcement Program: A Sound Investment in Improving Children’s Chances in Life” which can be found at: http://www.clasp.org/publications/cfy_safetynet_final.pdf.

longer hours of participation from those parents).² Despite including the same expensive work-related provisions that were in earlier House-passed versions of TANF reauthorization legislation, the bill includes even *fewer resources* — including \$500 million *less* in child care — than was included in prior versions of the House TANF reauthorization legislation. The child care funding provided in the bill is less than is needed simply to ensure that current child care funding keeps pace with inflation, and thus provides no resources for the additional child care needs that will arise as a result of the increased work requirements included in the bill. In fact, the child care funding in the bill totals just *6 percent* of CBO’s estimate of the cost of meeting the bill’s new requirements.

As a result, states will need to divert existing child care funds for working families not receiving TANF income assistance to pay for the added child care costs associated with increased work requirements. An estimated 330,000 fewer children in low-income working families will receive child care subsidies in 2010 under this bill than received such assistance in 2004.

- **Supplemental Security Income (SSI) Program:** The SSI program provides basic income assistance to poor elderly individuals and poor individuals with disabilities. The package includes two SSI provisions. The first calls for additional reviews of applicants determined eligible by the Social Security Administration (SSA) for SSI benefits based on disability.

The second and more troubling provision would require SSI recipients who are eligible for more than three months’ worth of back benefits from SSI to receive those benefits in installments, rather than in a single payment. (These back benefits often accrue because it often takes months — or even a year or more — for SSA to make a final disability determination.) Current law allows SSI recipients who are found eligible months after they applied for benefits to receive up to a year’s worth of back benefits in a lump sum. This enables them to pay bills that accrued while they were waiting for SSA to process their application. Reducing the threshold to three months forces poor individuals with serious disabilities to wait longer for the benefits they are owed. It also may mean that some SSI recipients will die before receiving the full amount of benefits they are owed.

Together, these two provisions save \$732 million, according to CBO.

- **Foster Care:** The Ways and Means package includes several provisions that will reduce the number of children eligible to receive federally funded foster care assistance and services. Taken together, the provisions would reduce foster care-related funding by \$577 million over five years, leaving states to fill in this loss of funding or reduce services and supports for abused and neglected children and troubled families.

These cuts in programs for vulnerable families come on top of cuts being made in other areas. The House-passed reconciliation bill also contains provisions in the jurisdiction of the Energy and Commerce Committee that would make substantial cuts to the Medicaid program by reducing the

² For a more in-depth analysis of the House TANF provisions, see “Recycling an Unwise Proposal: State Concerns and New State Realities Ignored in House Republican Welfare Bill,” <http://www.centeronbudget.org/2-7-03tanf.htm>. The welfare-to-work provisions in the 2003 House TANF reauthorization bill are virtually identical to those included in the Ways and Means reconciliation package.

health services covered by Medicaid and charging poor and near-poor Medicaid beneficiaries new copayments and premiums for health care services and prescription drugs — provisions which research has shown will reduce beneficiaries' access to needed health care and medications. Also, the House Agriculture Committee's portion of the reconciliation bill includes nearly \$700 million in cuts to the Food Stamp Program which CBO has estimated will result in more than 220,000 individuals losing access to food stamps.

When looked at together, the House reconciliation bill would require significant sacrifices from the nation's poorest residents while leaving wealthy families' tax cuts untouched and the interests of powerful entities — such as Medicare managed care companies that have been shown by an independent congressional commission to be receiving inflated payments for their services — unscathed.

Child Support Enforcement Bears Large Share of Cuts

The House reconciliation bill includes deep cuts in funding for child support enforcement — the federal-state program which seeks to establish child support orders and collect child support on behalf of children with a non-custodial parent. The bill would cut funding for child support enforcement activities by nearly 40 percent in 2010 and by a total of about \$5 billion over the next five years.

While CBO assumes that states will increase state spending on child support enforcement, it estimates that overall funding for enforcement efforts will be cut significantly and, as a result, states will scale back their efforts to collect child support on behalf of children owed that support. *CBO estimates that the net reduction in child support funding will result in a \$7.9 billion reduction in the amount of child support collected on behalf of children owed support over the next five years. The reduction in child support would total \$24.1 billion over the next ten years.* Almost 90 percent of the child support collected through state child support enforcement programs is distributed directly to families. Those funds are used to help parents caring for children meet those children's basic needs, such as food, clothing, housing, and medical care. The reduction in support collected will have a direct impact on these families ability to make ends meet.

The House reconciliation bill would cut federal child support funding in two ways, by:

- Reducing, over the course of four years, the share of child support enforcement costs that are paid by the federal government from the current-law level of 66 percent to 50 percent in 2010; and by
- Reducing federal child support funding for states that reinvest child support incentive payments back into their child support programs. Under current law, states receive incentive payments based on the effectiveness of their child support programs. These funds are treated like state general funds and states are free to use them for any purpose. Many states reinvest these funds in their child support programs. If they do so, the federal government matches those funds because the incentive payments are treated like general revenues.

The bill would prohibit states from receiving matching funds if they reinvest their incentive payments in the child support program. This would penalize states that choose to use those payments to help more families secure the child support they are owed.

Merely Aligning Matching Rates?

Materials released by Chairman Thomas prior to the mark-up of the Ways and Means part of the reconciliation bill explained that the bill would reduce the matching rate for the child support program and bring the match rate “... in line with other major programs like Medicaid, food stamps, and foster care and adoption.” (The matching rate is the share of total program costs paid by the federal government.) This explanation, however, is highly misleading.

In most programs, there are **two** matching rates — a matching rate for the actual benefit or service being provided and a lower matching rate for the cost of administering the program. For example, in the Medicaid program, the federal government pays between 50 percent and 80 percent (depending on the state) of the cost of health care services and medications, but pays just half of “administrative” costs such as the cost of processing application forms or issuing payments to health care providers. Similarly, the federal government pays between 50 percent and 80 percent of the cost of child care subsidies, but pays just half of the administrative costs of the child care program (such as processing applications and paying child care providers). In both child care and Medicaid, the lower “administrative” matching rate applies to a small proportion of overall costs in the program.

The child support enforcement program has a single match rate, in part because distinguishing between the services it provides and its administrative costs is very difficult. The program’s “services” are “administrative” by nature. They include: helping establish legal paternity, helping families establish a legal child support order, facilitating adjudicative procedures required to establish support orders, enforcing child support obligations on parents who do not pay promptly, monitoring employment databases to ensure that when non-custodial parents get a job they meet their child support obligations, and physically collecting child support through wage withholding and other means and disbursing those funds to families. While these are labeled “administrative costs” in the federal bureaucratic lexicon, they actually represent *services* that provide a direct benefit to families. For example, preparing the legal documents required to establish an enforceable child support order provides tangible benefits to the family and is more similar to the services provided by other programs than it is to those programs’ administrative costs — such as processing a relatively simple application form.

TANF Provisions Ramp-Up Requirements on States and Families without the Necessary Resources

The Temporary Assistance for Needy Families (TANF) block grant provides funding to states for basic income assistance to poor families with children, welfare-to-work and other job training initiatives, child care for cash-assistance recipients and low-income working families, pregnancy prevention programs, initiatives to promote two-parent family formation, and other services for needy families.

Research Shows that Child Support Program is Cost-Effective and Successful at Reducing Poverty and Improving Child Well-Being

The child support enforcement program has been widely lauded by Democrats and Republicans as an important part of a welfare reform strategy that places more responsibility for the financial well-being of children on *both parents*. Data from the Department of Health and Human Services show that for every \$1 spent on child support enforcement programs, \$4.38 in child support is collected. In addition:^a

- Research has shown that child support enforcement was an important contributing factor to reductions in the number of families receiving income assistance through TANF programs in the late 1990s.
- Since the child support program was given new enforcement tools in 1996, the overall level of child support collections has increased by 40 percent, and the percentage of child support cases in which some collections are made has doubled.
- Census data show that child support lifted more than one million Americans out of poverty in 2002. Research by the Urban Institute shows that in 1999 alone, child support saved \$5 billion in public assistance-related costs.
- Increasing evidence suggests that child support has important non-financial impacts as well, such as improving educational outcomes, reducing non-marital births, and increasing fathers' involvement with their children.

Despite these impressive results, the House reconciliation bill targets the child support enforcement program for substantial cuts.

^a For more information on the research on the effectiveness of the child support enforcement program and its cost-effectiveness, see "The Child Support Enforcement Program: A Sound Investment in Improving Children's Chances in Life," by Vicky Turetsky, the Center for Law and Social Policy, http://www.clasp.org/publications/cfy_safetynet_final.pdf.

The TANF block grant and a child care block grant that states use to help fund child care subsidy programs were due to be reauthorized by the end of 2002, but final reauthorization legislation has not yet been completed, due in part to significant disagreements about the level of child care resources that states need, how welfare-to-work requirements should be structured, and how the costs of those programs should be met.

In March 2005, the Ways and Means subcommittee with jurisdiction over TANF passed H.R. 240, a bill that would reauthorize the TANF and child care block grants and significantly increase work-related requirements on states and families. H.R. 240 was nearly identical to prior versions of TANF reauthorization legislation that passed the House in previous years but were never enacted into law.³

The House incorporated H.R. 240 into the reconciliation bill, but with even fewer resources for states to meet the new requirements than were included in those earlier versions of this legislation.

- **The bill would increase work requirements on states and families without providing the resources needed to meet these requirements.** The bill would increase the number of

³ For a more in-depth analysis of the House TANF provisions, see "House Budget Reconciliation Bill Includes Highly Flawed TANF Provisions That Have Repeatedly Failed to Garner Support," <http://www.cbpp.org/11-29-05tanf.htm>.

parents receiving TANF income assistance that states would be required to place into specific work-related activities. It also would increase the number of hours that parents would be required to participate in these programs and restrict the types of work-related activities in which parents could participate for the bulk of their required hours.

Earlier this year, CBO estimated that meeting these increased work requirements would cost states \$8.3 billion over five years if states tried to meet the new requirements by placing more parents into welfare-to-work program and thereby expanding these programs, rather than by reducing the number of families served in federally funded TANF income assistance programs. This \$8.3 billion in new costs consisted of \$4.2 billion in additional costs associated with operating larger welfare-to-work programs and \$4.1 billion in additional child care costs.⁴

It should be noted that even if the House provided the resources states would need to meet the new requirements, the work provisions in the House bill would not represent sound policy. These work-related provisions would significantly restrict states' flexibility to create work placements for parents that are tailored to parents' skills and circumstances, forcing states to adopt a far more rigid structure of one-size-fits-all work placements.

- **The bill would provide just \$500 million in additional child care funding and no new resources for expanded welfare-to-work programs.** Despite the significant projected costs of meeting the new work requirements, the bill provides just \$500 million in additional child care funding over the next five years — just half of the amount included in prior versions of the House TANF reauthorization bill and less than the amount needed just to keep pace with inflation. The bill provides *no* additional resources to help states meet the cost of operating larger work programs.

Moreover, because the bill does not provide even a nominal increase in the basic TANF block grant, by 2010 the block grant will have lost 25 percent of its value as compared to 1997 (the first year that states received the TANF block grant) due to inflation.

- **The number of child care subsidies available for low-income working families could fall by 330,000 in 2010 as compared to 2004 level.** As noted, the additional child care funding provided by the bill is less than the amount needed to ensure that child care funding keeps pace with inflation. Also, under the bill, states will need to divert some of the child care funding now being used for children in low-income working families to pay for child care for TANF income assistance recipients. As states put more parents receiving income assistance into welfare-to-work programs, the young children of these parents will need to be cared for while their parents are participating in the programs. Taken together, these two factors will reduce the number of children in low-income working families to which states can provide child care assistance by an estimated 330,000 in 2010, as compared to the number served in 2004.^{5,6} This loss in child care

⁴ Letter from Douglas Holz-Eakin, director of the Congressional Budget Office, to Rep. Jim McDermott, February 9, 2005.

⁵ This figure was computed with the assistance of Danielle Ewen of the Center for Law and Social Policy. The estimate was made by first calculating the number of children overall (including children receiving TANF income assistance) that could receive child care subsidies in 2010 based on the funding provided by the bill and comparing it to the number that could be funded in 2004 with the funding available in that year. The per-child-care cost was

assistance for children in low-income working families is particularly troubling because even today, only a minority of children in low-income working who are eligible for child care assistance receive it, due to lack of program funding. In 2005, twenty states either had a waiting list for child care subsidies or were no longer taking applications for child care assistance from working families at all.⁷

- **The claim by the Chairman of the Ways and Means Committee that the reconciliation bill increases “welfare reform” funding for states is misleading.** The Chairman’s summary of the Ways and Means provisions states that the bill “*increases spending on welfare reform reauthorization policies* by \$1 billion over five years compared with current law.” This creates the impression that the bill provides states with increased resources for welfare reform. This impression is inaccurate for two reasons:
 - **The bill’s extension of TANF “supplemental grants” (additional TANF funds that have been provided to 17 states since TANF’s inception) are scored by CBO as representing \$319 million in new spending per year, even though the provision simply continues a current-law funding stream.** The 1996 welfare law directed CBO to assume that these grants would not continue beyond 2001. However, they have repeatedly been extended because the states that receive these grants — primarily southern states that receive relatively small block grants under the TANF funding formula — need these funds to maintain their current programs.
 - **New marriage-related funding comes at the expense of general-purpose TANF funds.** The bill would provide \$1 billion over five years for marriage-related programs and marriage-related research and demonstration projects. This funding would be awarded on a competitive basis by the federal government and generally would be spent on a narrow range of projects and demonstration programs designed to promote healthy

calculated based on the annual cost per child care slot in 2001 and the CBO estimate of how much child care costs increase each year due to wage and general inflation. (The 2001 per-slot-data are based on HHS data on children served in the Child Care and Development Fund programs in 2001 and the total expenditures in that program.) The number of additional child care slots that would be needed for TANF recipients was then calculated using the CBO estimates of the additional child care costs associated with meeting the increased work requirements. The decline in the overall number of child care slots that could be funded under the Ways and Means bill’s funding levels and the number of child care slots that would need to be diverted to TANF families were combined to compute the number of child care slots for children in low-income working families that would be lost under the bill.

It also should be noted that if the Congress provides flat funding for *discretionary* child care funding (or cuts funding for the program), the loss in child care slots for low-income working families would be larger.

⁶ This figure could understate the loss in child care subsidies for children in low-income working families because it assumes that states will not decrease the TANF funds they devote to child care even as they are forced to find billions of dollars to pay for expanded work programs called for in the bill. At the same time, the figure could overstate the number of children who lose child care subsidies entirely if states choose to reduce the value of the child care subsidy — either by increase parent co-payment levels or reducing payments to child care providers — rather than reduce the number of children receiving assistance. If states were to adopt this approach, the number losing assistance entirely would be smaller, but a far larger number of low-income children would be faced with less adequate child care subsidies.

⁷ See “Child Care Assistance Policies 2005: States Fail to Make Up Lost Ground, Families Continue to Lack Critical Supports,” by Karen Schulman and Helen Blank, National Women’s Law Center, September 2005, http://www.nwlc.org/pdf/ChildCareSubsidyReport_September2005.pdf

marriages, such as pre-marital counseling and public education campaigns on the importance of marriage. The new marriage funds are in effect “paid for” by eliminating the “high performance bonus,” a bonus awarded based on welfare-to-work and other performance measures. States can use these bonus funds for any TANF-related activity, including work programs, child care, and transportation assistance. In 2005, 42 states received the high performance bonus. (The bill also eliminates the illegitimacy bonus, a \$100 million per year bonus that is typically awarded to four or five states that have experienced reductions in non-marital childbearing without a rise in abortions. The total savings from eliminating both bonuses is \$300 million per year, or \$100 million more than the cost of the new marriage initiatives.)

As noted in the committee’s summary, the combined cost of extending the supplemental grants, the new marriage initiatives, and the small increase in child care funding is somewhat more than the savings associated with eliminating the high performance bonus and the illegitimacy bonus. Yet states will **not** receive an increase, even in nominal funding, since the costs associated with extending the supplemental grants do not represent new resources for states but rather are simply an artifact of CBO scoring rules.

In contrast to the approach taken in the House bill, earlier this year the Senate Finance Committee passed a bipartisan TANF reauthorization bill (H.R. 667) that would give states added resources to meet the new work requirements the bill imposed and that recognized (if only partially) the need to address the shortage in child care funding. The Senate, unlike the House, did not include TANF reauthorization provisions in its reconciliation bill, in part because the reconciliation process makes it more difficult to secure the resources necessary to provide the funding states need and in part because the reconciliation process itself is designed for budget cutting, not making policy changes such as modifying work requirements in existing programs.

SSI Provisions Could Delay — and Even Deny — Benefits for Poor People who are Elderly or Have Disabilities

The House bill includes two provisions related to the SSI program. The first, known as the “pre-effectuation review” provision, would require the Social Security Administration (which administers the SSI program) to conduct an additional review of a share of SSI applications in which SSA has determined the person qualifies for SSI on the basis of disability before benefits are finally approved, to ensure that the individual meets SSI’s disability-related criteria. This provision is intended to increase the accuracy of benefit determinations, but it also may further delay the provision of SSI benefits to individuals eligible for assistance in a process that already leaves many individuals waiting for an eligibility determination for many months, or even longer.

The second provision is more troubling — it would change the manner in which back benefits are provided to SSI recipients. When SSI benefits are approved, individuals are eligible for back benefits for the time they were waiting for the eligibility determination to be completed. In some cases involving people with disabilities, the delay is lengthy, particularly when individuals are wrongly denied benefits initially and then determined eligible after an appeals process. This is highly problematic for many individuals, since people eligible for SSI typically do not have other income and are not able to work.

Under current law, when an individual is owed less than the equivalent of one-year's worth of SSI benefits, the individual can receive those back benefits as a single lump-sum payment. This is very useful for individuals who may have accumulated a stack of unpaid bills while they were waiting for SSA to process their application. Individuals eligible for more than twelve months' worth of back benefits receive these benefits in installments over the course of a year.

Under the House bill, individuals eligible for more than *three months* — rather than 12 months — of back benefits (just \$1,737 for a single individual) would be required to receive these back benefits in installments, rather than all at once. This change would subject more people to installment rather than lump-sum payments. This change would make it harder for affected individuals to pay past-due bills they may have accrued.

Current law permits SSA to waive the rule against lump-sum payments for persons with more than a year's worth of back SSI benefits if the person has substantial bills for food, clothing, shelter, and medically necessary services that need to be paid. In theory, this same waiver could be used to provide lump-sum payments to some of the individuals affected by the House bill who are slated to receive installment payments, rather than lump sum payments, because they are owed more than just three months of back benefits. It is unclear, however, how often this waiver would be granted. SSA has not had to consider a large number of such waiver requests under the current rules because only a relatively small group of recipients — those with more than a year's worth of back benefits — were not permitted to receive lump-sum payments.

If all SSI recipients eligible for more than three months' worth of retroactive SSI benefits — a substantial number of SSI applicants — are required to receive these benefits in installments unless they prove that they have back expenses that need to be paid, then SSA either will have to spend a significant amount of time and resources explaining and processing waiver requests or the waivers will provide relief to very few SSI recipients who may need them.

Finally, part of the estimated savings of this provision may result from the fact that some individuals will *never receive* the full amount of funds that SSA owes them. Under the SSI statute, when a person dies before receiving all of the SSI benefits that are owed to him or her, SSA generally keeps the money. (In such cases, payment can be made only to a spouse or the parent of a minor child.) By delaying payments to a population that by definition is in poor health and very low-income, this provision would ensure that some SSI recipients never receive their full SSI benefits.⁸

⁸ Under current law, when SSA determines that a person is owed back SSI benefits, it must award those benefits in a lump sum — rather than installments — if SSA believes the person will die within 12 months. If carefully applied by SSA, this provision, which would remain in effect under the House bill, would ensure that people who are so ill at the time they are found to be owed back benefits that they are expected to die within 12 months will receive the full benefits they are owed. However, this provision does not protect people whose health condition worsens after SSA determines them to be eligible for back benefits and who die within a year of the SSA determination. Nor does it protect people who die within that one-year period for an unrelated reason, such as a car accident, or people whose remaining time alive was difficult to predict when SSA found them eligible and who thus were not placed in the “expected to die within 12 months” category but who die in the one-year period nonetheless. As a result, the House provision would almost certainly significantly increase the numbers of people who die before receiving the full SSI benefits they are owed.

Taken together, these provisions would save about \$730 million, according to preliminary CBO estimates.

Foster Care Funding Cuts Would Shift Costs to States

The House bill also includes several foster care-related provisions. These include a provision which would overturn a 2003 decision by the Ninth Circuit Court (known as the “Rosales” decision) which effectively expanded the number of children eligible for federally funded foster care assistance to include children who may not have met the financial eligibility requirements when they were living with their parents, but do meet those eligibility requirements in their current situation living in the home of a grandparent or other relative. This decision affects nine states, including California, and other states outside the Ninth Circuit were hoping to expand the reach of this interpretation outside that circuit.

If the provision included in the House bill is enacted, then some children now receiving federally funded foster care assistance in the states in the Ninth Circuit would no longer be eligible for that assistance. Some states, including California and Oregon, likely would terminate foster care benefits for these families and replace those benefits with TANF benefits, which are significantly lower. Other states may continue to provide foster care benefits, but would be required to finance those benefits entirely with state resources.

The bill also includes several other provisions which limit the circumstances under which states could receive federal foster care-related funding for children who are placed in certain types of foster care settings or who ultimately are placed in an institutional rather than foster care setting.

Taken together, the foster care provisions in the bill would cut foster care funding to states by about \$600 million over five years, with the lion’s share of this coming from overturning the Rosales decision. States either will have to cut services for abused and neglected children or offset this reduction in federal funding with additional state resources.

Conclusion

The House reconciliation bill includes significant cuts in key programs that help support vulnerable low-income families. The package put together by the Ways and Means Committee targets federal child support enforcement funding for the largest reductions, cutting it by \$5 billion over the five-year period. CBO estimates that as a result of this cut in funding, the amount of child support collected will be reduced by \$7.9 billion over the next five years, and \$24.1 billion over the next ten years. Such large cuts in child support enforcement efforts would undermine a key goal of welfare reform — to require both parents to take responsibility for the financial well-being of their children.

The House bill also includes woefully inadequate funding for child care and TANF. While imposing work requirements that CBO has estimated will cost states \$8.3 billion to meet, the bill includes no new resources to pay for welfare-to-work programs and provides less additional child

care funding than is needed just to keep pace with inflation. In addition, the package targets the SSI and foster care programs for cuts.

The Senate, by contrast, did not target these programs for cuts in its reconciliation bill.

The cuts in the House bill far exceed the \$1 billion in cuts the committee was assigned by this year's budget resolution. At the urging of the House leadership, the committee cut child support and other programs and provided inadequate child care funds so that it could produce more savings. There is no evidence, however, that this seeming commitment to fiscal prudence extends to tax cuts — indeed, the very same Ways and Means Committee marked up a tax reconciliation bill shortly thereafter that would *cut taxes by \$60 billion* without finding revenue offsets. This means that cuts in child support, SSI, and foster care are being used to partially offset the cost of these tax cuts. Meanwhile, the notion of paring back some of the high-income tax cuts that have been enacted in recent years — including two high-income tax cuts that will not even take effect until 2006 — remains “off the table.”

Finally, the cuts in child support, foster care, and SSI are on top of cuts in key low-income programs in other committees' jurisdiction, including cuts to Medicaid and the Food Stamp Program. Taken together, a significant share of the total cuts achieved in House will fall on low-income Americans.