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## Commentary: Will the House Budget Reflect Speaker Ryan's Statements to Spend the Same Amount in Fighting Poverty? Signs Are Not Promising

By Robert Greenstein and Isaac Shapiro

As House Republicans begin moving a budget plan this week, they face an important decision that has received little media attention to date: Will their budget reflect Speaker Paul Ryan's statements of earlier this year and avoid cuts in federal resources for anti-poverty programs (while making various changes in those programs), or will House leaders stick with the pattern of recent House GOP budgets and call for severe cuts in anti-poverty funding? Every year since 2011, House Republican budgets have called for about \$3 trillion in reductions over ten years in programs for people with low or modest incomes and secured roughly two-thirds of their budget cuts from these programs.

In a January 9 poverty forum in Columbia, South Carolina for GOP presidential candidates, which Speaker Ryan moderated with Senator Tim Scott, the Speaker declared, "And the way I argue about this [reforming poverty programs] is: This is not a budget-cutting exercise. Take the same amount of money. It should be a life-saving exercise. And that means the government can provide resources. It can be the supply lines. But it should not be the front lines in the war on poverty."<sup>1</sup> Speaker Ryan used similar words regarding spending on poverty programs in an interview with Katie Couric in advance of the forum.<sup>2</sup>

This week, House Republicans are expected to unveil their 2017 budget resolution, outlining their budget priorities for the coming decade. The budget resolution will indicate whether the House Republican agenda will reflect Speaker Ryan's statements that reforming poverty programs should not be a budget-cutting exercise, or whether — like previous House GOP budgets — their budget plan will propose cuts of great depth in these programs.

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<sup>1</sup> Kemp Forum on Expanding Opportunity, A special presidential-candidate forum on poverty, Morning Joe Panel, minute 17:40, <http://www.aei.org/events/expanding-opportunity/>.

<sup>2</sup> In the interview, when discussing reforms to poverty programs Speaker Ryan said: "The question to ask is, let's not make it about money — let's just spend the same amount of money." Katie Couric, "Ryan holds poverty summit," Yahoo! News, January 6, 2016, minute 2:40, <https://news.yahoo.com/video/ryan-holds-poverty-summit-045012113.html>.

The signs are not promising. As part of the House Republican leadership's effort to move a budget resolution, several House committees besides the Budget Committee are expected to vote on — and presumably pass — this week a battery of cuts in Medicaid, SNAP, the Social Services Block Grant, the low-income component of the Child Tax Credit, and other programs. The House Leadership apparently plans to move these cuts along with the budget resolution. The planned cuts unveiled to date — by the chairs of the Ways and Means Committee and the Energy and Commerce Committee — aim primarily at people with low or modest incomes and programs that support them and would likely push more people into, or deeper into, poverty while adding to the ranks of the uninsured.

Adding to these concerns are reports that the forthcoming budget resolution will include *\$6 trillion* in program cuts over the next ten years. That suggests the budget is likely to be similar to previous Republican budgets. It's worth recalling that the budget that congressional Republicans adopted last year<sup>3</sup> would have:

- Secured 63 percent of its nearly \$5 trillion in cuts in non-defense programs — or more than \$3 trillion in cuts over ten years — from programs for people with low or modest incomes, even though those programs constitute just over one-fourth of non-defense spending;
- Shrunk low-income programs by 39 percent, on average, by 2025;
- Repealed health reform and then cut Medicaid deeply on top of that, adding millions of people to the ranks of the uninsured or underinsured;
- Cut basic food assistance for low-income families substantially; and
- Significantly reduced grants and loans that help low-income students afford college.

Moreover, the basic structure of the budget resolution that the Senate and House agreed on last year was first established by Speaker Ryan himself, when he chaired the House Budget Committee. The budgets he put forward from 2011 through 2014 similarly cut programs for low-income families and individuals by approximately \$3 trillion over ten years.<sup>4</sup> And under those budgets as well, approximately two of every three dollars in cuts to non-defense programs would have come from programs for people with low or modest incomes.

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<sup>3</sup> Robert Greenstein and Richard Kogan, "Ten Serious Flaws in the Congressional Budget Plan," Center on Budget and Policy Priorities, updated June 8, 2015, <http://www.cbpp.org/research/federal-budget/ten-serious-flaws-in-the-congressional-budget-plan>.

<sup>4</sup> "Statement of Robert Greenstein on Chairman Ryan's Budget Plan," Center on Budget and Policy Priorities, April 5, 2011, <http://www.cbpp.org/press/statements/statement-of-robert-greenstein-president-on-chairman-ryans-budget-plan?fa=view&id=3452>; Kelsey Merrick and Jim Horney, "Chairman Ryan Gets 62 Percent of His Huge Budget Cuts from Programs for Lower-Income Americans," CBPP, March 23, 2012, <http://www.cbpp.org/sites/default/files/atoms/files/3-23-12bud.pdf>; Richard Kogan and Kelsey Merrick, "Chairman Ryan Gets 66 Percent of His Budget Cuts from Programs for People With Low or Moderate Incomes," CBPP, March 15, 2013, <http://www.cbpp.org/sites/default/files/atoms/files/3-15-13bud.pdf>; and Richard Kogan and Joel Friedman, "Ryan Plan Gets 69 Percent of Its Budget Cuts From Programs for People with Low or Moderate Incomes," CBPP, April 8, 2014, <http://www.cbpp.org/research/ryan-plan-gets-69-percent-of-its-budget-cuts-from-programs-for-people-with-low-or-moderate?fa=view&id=4122>.

To be sure, policymakers can make some improvements in poverty programs that do not entail additional resources. But they cannot plausibly make progress against poverty while slashing safety net programs. Moreover, additional resources are necessary in some areas. For example, the recent American Enterprise Institute/Brookings Institution plan to reduce poverty calls for dedicating more resources to areas such as “making work pay” through expanding the Earned Income Tax Credit and increasing public investment in preschool and postsecondary education.<sup>5</sup>

So Speaker Ryan and House Republicans have a choice to make. Will their budget depart from the harsh treatment of low-income programs in their previous budgets and instead devote roughly the same level of resources to anti-poverty programs as under current law? That would suggest their professed concern about poverty is more than rhetoric and would be consistent with past bipartisan deficit-reduction proposals, such as the one advanced by Erskine Bowles and Alan Simpson, co-chairs of the Bowles-Simpson commission. Bowles and Simpson established as a core principle that deficit reduction should not increase poverty, and their plan generally avoided cuts in programs targeted on people with limited incomes.

If as now looks likely, however, the new House Republican budget does *not* reflect a different approach than past House budgets and again rests heavily on deep and disproportionate cuts in anti-poverty programs, House leaders should be asked how their budget’s severe cuts in those programs squares with their professed desire to help the poor. A persuasive answer to that question will be difficult if not impossible to make.

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<sup>5</sup> The report also called for financing its proposals rather than adding to budget deficits, recommending that this be done through a combination of reducing “entitlement spending for the affluent,” limiting “corporate welfare” spending, and raising revenues by limiting tax expenditures. AEI/Brookings Working Group on Poverty and Opportunity, “Opportunity, Responsibility and Security,” 2015, [https://www.aei.org/wp-content/uploads/2015/12/opportunity\\_responsibility\\_security\\_doar\\_strain\\_120315\\_FINAL.pdf](https://www.aei.org/wp-content/uploads/2015/12/opportunity_responsibility_security_doar_strain_120315_FINAL.pdf).