



ASSOCIATION OF UNIVERSITY CENTERS ON DISABILITIES  
 RESEARCH, EDUCATION, SERVICE

## Summary and Comparison of House and Senate FY2014 Budget Resolutions

March 22, 2013

The House and Senate Budget Committee Chairs, Paul Ryan (R-WI) and Patty Murray (D-WA), have introduced their respective budget resolutions. The House has already passed Chairman Ryan’s blueprint, and the Senate is poised to pass Chairman Murray’s plan today. The resolutions represent drastically different ideas for the future of the United States and the supports that people with disabilities rely on live and work, as outlined below. The next steps are for the President to reveal his budget request and the House and Senate to work together to pass a concurrent budget resolution and appropriations bills for fiscal year 2014. AUCD urges Congress to work together to undertake balanced deficit reduction that improves our fiscal health while protecting the important programs that serve people with disabilities.

	<b>House Budget</b>	<b>Senate Budget</b>
Affordable Care Act	Repeals the Affordable Care Act, including provisions protecting people with disabilities from discrimination and improved access to health insurance, the Medicaid expansion, and Health Insurance Exchanges. Cuts health spending but \$1.8 trillion	Contains \$10 billion in unspecified cuts to health programs that could include Exchange subsidies and other ACA provisions.
Medicaid/CHIP	Converts Medicaid into block grant to the states and cuts spending by \$810 billion, or 31%. <sup>i</sup> Caps growth of block grants to 3% a year, lower than the 6% growth projected by CBO. <sup>ii</sup> Repeals expansion of Medicaid from the ACA. Merges CHIP into Medicaid block grant.	Contains \$10 billion in unspecified cuts to health programs that could include Medicaid and CHIP.
Social Security and SSI	Makes no specific reform, but requires proposals from the President and Congress to ensure solvency. \$300 billion in unspecified cuts from other income security programs, including SSI <sup>iii</sup>	Makes no recommendations or reforms for Social Security.
Medicare	Cuts Medicare by \$129 billion by replacing current guaranteed coverage with subsidies to purchase private insurance on a Medicare Exchange. Subsidies would be based on second least expensive plan in the Exchange and be capped to grow at only GDP +0.5% Does not address scheduled reductions in physician payments. Increases premium	Includes \$265 billion in unspecified cuts to Medicare, primarily through payment reform. Permanently fixes scheduled cuts to Medicare physicians and cancels Medicare sequester cuts.

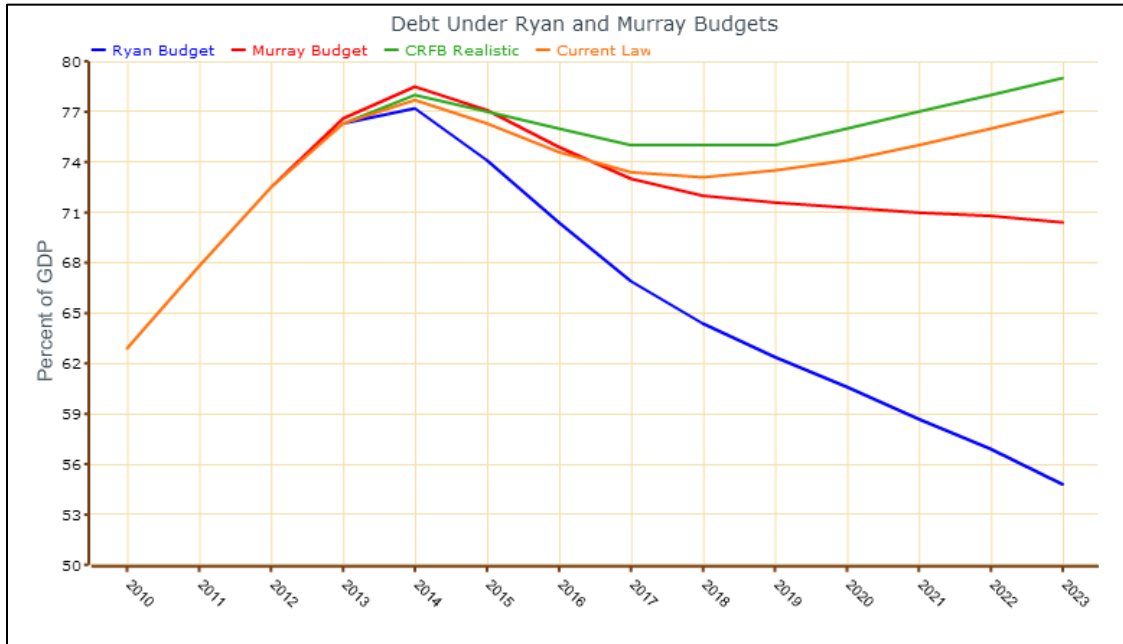
	payments for higher-income beneficiaries. Repeals ACA prescription drug “donut hole” coverage. Maintains ACA Medicare cuts.	
Other Health		Calls for increase in funding for National Health Service Corps.
Taxes	Cuts taxes by \$5.7 trillion. <sup>iv</sup> Change individual tax brackets to 10% and 25%, lower corporate tax rate to 25%. Does not specify where compensating revenue will be generated. Allows low income tax credits extensions to expire.	Calls for \$975 billion in new revenue through unspecified tax reform, such as eliminating deductions and credits. Specifies that increases should come from wealthy families and big corporations. Permanently extends low income tax credits.
Education	Level funds Pell Grants for the next decade with no inflation adjustments. Tightens eligibility for financial aid by increasing the amount of income considered when calculating need. Amends need-analysis in financial aid process to reduce eligibility for aid. \$200 billion in cuts to education and training.	Includes \$20 billion for repairs and technology for schools. Maintains scheduled inflation adjustments for Pell Grants. Expands pre-kindergarten and increases funding for Maternal, Infant, and Early Childhood Home Visiting Program
Employment	Includes SKILLS Act, which eliminates some job programs, including supported employment, and streamlines others into a block grant.	Includes \$10 billion for job training programs.
Sequester	Leaves sequester cuts in place for non-defense. Repeals cuts for defense.	Repeals sequester cuts, replaced with other targeted cuts.
Stimulus	No stimulus spending.	Includes \$100 billion for short-term economic growth initiatives, primarily infrastructure investments.
Other Non-Defense Discretionary Spending	Reduces non-defense discretionary spending by \$249 billion below Budget Control Act caps. Reforms budget baseline to no longer adjust discretionary programs for inflation or cost of living increases.	Cuts \$140 billion from non-defense discretionary below the Budget Control Act caps.
Deficit and Debt	Brings the federal budget into balance by 2023.	Reduces federal deficits and puts the debt on a downward path by 2023.

Sources are cited for figures not included in the budget document but from independent analysis.

*Note on unspecified reforms:* Concurrent budget resolutions are blueprints for future spending and revenue. They are not sent to the president and are not intended to become law. As such, they often do not lay out specifics, such as specific cuts or changes to the tax code. While they include major program reforms, such as changes to Medicare, smaller changes in programs and appropriations are left up to the appropriate committees. This is why the resolutions often contain unspecified cuts or calls for expansion of programs without specific funding amounts.

*Note on tax reform:* The House budget balances the federal budget by 2023 solely through spending cuts. The plan reduces tax rates and repeals the Alternative Minimum Tax and all new taxes from the Affordable Care Act, but assumed that revenue is maintained at its current level. The nonpartisan Tax

Policy Center (TPC) found that these changes would reduce revenues by [\\$5.7 trillion](#) over ten years compared to current law. The plan [does not specify how the revenues will be made up](#), but the TPC estimated the [effect on people of different incomes](#) and other [implications](#). The Senate budget also includes some revenue from unspecified tax reform, but leaves current taxes and tax rates intact.



Source: Committee for a Responsible Federal Budget

*Note on debt and deficit reduction:* The graph above shows that while the House budget makes drastic reductions in debt by 2023, the Senate budget also puts debt on a downward path starting in 2014 and continuing in 2023. The House budget balances the federal budget by 2023 and in doing so makes large reductions in debt. The Senate budget does not eliminate deficits, but instead reduces deficits such that debt decreases as a share of the economy over the long term.

<sup>i</sup> Center on Budget and Policy Priorities. <http://www.offthechartsblog.org/ryan-budget-again-includes-a-medicaid-block-grant-that-would-add-millions-to-the-ranks-of-uninsured-and-underinsured/>

<sup>ii</sup> Bipartisan Policy Center. <http://bipartisanpolicy.org/blog/2013/03/ryan-fy14-budget>

<sup>iii</sup> Center on Budget and Policy Priorities. <http://www.cbpp.org/cms/index.cfm?fa=view&id=3925>

<sup>iv</sup> Tax Policy Center. <http://www.taxpolicycenter.org/numbers/displayatab.cfm?Docid=3870&DocTypeID=5>