AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS



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LEGISLATIVEALERT

EXECUTIVE COUNCIL

RICHARD L. TRUMKA
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TEFERE GEBRE
EXECUTIVE VICE PRESIDENT

March 24, 2015

Dear Representative

On behalf of the AFL-CIO, I am writing to urge you to vote against the House 2016 Budget Resolution (H Con Res. 27) scheduled for floor consideration later this week. Like the reckless budgets previously offered by Congressman Paul Ryan, the budget resolution offered by Budget Chairman Tom Price would accelerate the transfer of wealth from working class families to large corporations and the wealthy, while slashing programs that serve moderate and low-income families.

Rather than investing in the middle class, the Price budget would cut over \$5 trillion in programs that help ordinary working families, including education, workforce training, public health, research, infrastructure and other critical investments. According to the Center for Budget and Policy Priorities, 69 percent of Price's budget cuts would come from programs that serve people with low incomes, including health assistance, food programs and student loans. Overall, the Republican budget would cut non-defense discretionary programs almost 40 percent below the lowest level seen in the last 50 years.

Instead of building on the success of the Affordable Care Act, the Price budget calls for the repeal of the ACA, stripping health coverage from nearly 16 million Americans. It would also privatize Medicare and convert both Medicaid and the Children's Health Program into a single block grant and drastically reduce funding levels. Together, these changes result in a reduction of spending on health care for low and moderate income Americans by \$2.9 trillion over 10 years. The Price budget would cut the food stamp program by \$125 billion and cut the Earned Income Tax Credit and the Child tax credit by \$159 billion.

The Price budget also would require federal employees to contribute substantially more of their wages toward their retirement without getting any additional benefits in return. It proposes another \$300 billion in cuts, in addition to the more than \$150 billion in cuts federal employees have already contributed toward deficit reduction. This would ultimately result in a 5.5 percent cut in salary for most current employees.

Finally, the Republican budget raises no new revenue for deficit reduction or needed investments. Instead of closing corporate tax loopholes that encourage companies to ship jobs overseas, the Price budget lowers corporate tax rates and taxes paid by the wealthiest Americans. Budgets are about choices and the Price budget makes it clear that the Republican agenda remains fixated on widening the income gap between the very rich and everyone else.

We urge you to oppose the Price budget and instead consider the alternative budgets offered by Ranking Member Van Hollen, the Congressional Black Caucus and the Progressive Caucus. These budget plans represent a more balanced approach than the fiscal framework advanced by Chairman Price.

Sincerely,

William Samuel, Director

Government Affairs Department

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