

Americans' Views on Spending Versus Federal Budget Plans

Selected Areas of Ten-Year Spending Impacts by Different Budget Plans

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AMERICANS (POLL RESULTS)

"Would you increase, decrease or keep spending the same for..."

■ Increase ■ Same ■ Decrease

CONGRESSIONAL PROGRESSIVE CAUCUS
H.AMDT.34

SEN. PATTY MURRAY (D) (SENATE)
S.CON.RES.8/H.AMDT.32

PRESIDENT BARACK OBAMA
FY 2014 BUDGET REQUEST

REP. PAUL RYAN (R) (HOUSE)
H.CON.RES.25

REPUBLICAN STUDY COMMITTEE
H.AMDT.35

EDUCATION



Greatly Expands Education Support: Increases education funding by \$234 billion, including investing \$74 billion in teachers and K-12 schools

Supports Education: Maintains Head Start and Early Head Start; invests in the Child Care Development and Block Grant for working families; maintains Pell grant through inflation-indexing

Supports Education: Maintains Head Start and expands Early Head Start; maintains Pell grant through inflation-indexing

Slashes Education: Stops inflation adjustments to Pell grants, thus eroding purchasing power; decreases access to aid; eliminates teacher quality and student achievement programs; cuts funding that benefits millions of low-income and disabled students

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SOCIAL SECURITY



No Cuts to Social Security

No Cuts to Social Security

Reduces Social Security Cost-of-Living Increases over Time

No Cuts to Social Security

Reduces Social Security Cost-of-Living Increases over Time; Increases Eligibility Age to 70

MEDICARE



Savings from Medicare Reform: \$164 billion in Medicare savings from drug price negotiation and other reforms

Savings from Medicare Reform: \$265 billion in savings from drug price negotiation and other reforms

Savings from Medicare Reform: \$350+ billion in savings from drug price negotiation, higher premiums on wealthy beneficiaries, and other reforms

Cuts Medicare Deeply: \$355 billion in Medicare reductions; converts Medicare to a voucher program that erodes purchasing power; raises age eligibility in 2024

Cuts Medicare Deeply: Converts Medicare to a voucher program that erodes purchasing power; raises age eligibility in 2019

ROADS & INFRASTRUCTURE



Massive Investments in Infrastructure: Improves transportation infrastructure in a \$1 trillion plan for job creation

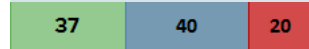
Increases Infrastructure Investments: Invests \$100 billion on a jobs and infrastructure program focusing on the worst roads and bridges

Increases Infrastructure Investments: Invests \$50 billion on an infrastructure program, of which \$40 billion is for urgent "Fix it First" repairs

Cuts Infrastructure Investments: Eliminates high-speed rail and intercity rail projects while making other cuts

Cuts Infrastructure Investments: Reduces funding and eliminates regional development projects

SCIENTIFIC RESEARCH



Expands Research: Increases scientific research funding by \$78 billion

Increases Research Funding: Reverses sequestration's impact on scientific R&D; increases NASA and energy and efficiency research; funds manufacturing innovation centers

Expands Research Funding: Increases "nondefense research and development (R&D) investment by 9% above the 2012 levels"; continues to invest in clean energy R&D; funds manufacturing innovation centers

Cuts Clean Energy and Efficiency Research: Substantially cuts back spending on energy research

Cuts Scientific Research: Reduces National Science Foundation funding; eliminates a clean energy and energy efficiency research program

MILITARY DEFENSE



Significant Cuts to Defense

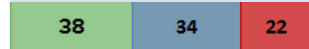
Moderate Defense Cuts

Mild Defense Cuts

Reverses Sequestration Effects

Reverses Sequestration Effects

HEALTH CARE



Amends the Affordable Care Act: Includes a public health insurance option to compete with private insurers throughout the United States, with estimated savings of over \$100 billion

Funds the Affordable Care Act

Funds the Affordable Care Act

Repeals Affordable Care Act: Repeals the Affordable Care Act, yet counts substantial revenue increases stemming from the law by replacing that source of revenue through increases from a vague tax code overhaul

Repeals Affordable Care Act

AID TO NEEDY IN U.S.



Expands Assistance for the Poor: Increases funding for assistance to the vulnerable by \$312 billion, including the Supplemental Nutrition Assistance Program, and the Women, Infants, and Children program

Protects Assistance for the Poor: Protects funding for food assistance for the poor; reverses sequestration's impact on the Women, Infants, and Children program, as well as low-income housing assistance

Protects Assistance for the Poor: Supports and restores benefit cuts made to the Supplemental Nutrition Assistance Program and funds the Special Supplemental Nutrition Program for Women, Infants, and Children; increases for low-income housing assistance

Slashes Assistance to the Poor: Deep cuts to Supplemental Nutrition Assistance Program for the poor and turns it into a block grant program in 2019; \$810 billion in Medicaid cuts

Slashes Assistance to the Poor: Deep cuts to Supplemental Nutrition Assistance Program mirroring Ryan's; combines Medicaid and the Children's Health Insurance Program into a block grant program that will lose purchasing power over time

Source of Poll: Pew Research Center

Note: Details from budget plans; a Center on Budget and Policy Priorities comparison of Medicare impacts from the Ryan and Murray budgets; and Murray budget commentary on Ryan budget impacts on education with the Republican Study Committee budget assumed to have similar impacts. The budgets use varying baselines to estimate savings, so an exact dollar-to-dollar comparison should not be undertaken using this document. However, broad differences between the plans are clear.

Obama Breaks With Americans' Views on Social Security

Overall, President's Budget Is More In Line with Polling Results than House Plans

President Barack Obama's Fiscal Year 2014 budget request is at odds with the majority of Americans' views on Social Security, according to recent Pew Research Center polling of some 1,500 Americans. Obama has proposed to modify how regular Social Security benefit increases are calculated by switching to a "chained" Consumer Price Index (CPI) to determine the annual cost-of-living adjustment (COLA), which would lead to benefit cuts for Social Security recipients over time. Social Security is extremely popular with 87 percent of Americans who support maintaining or increasing spending in this area.

Aside from the president's proposal, only the Republican Study Committee's FY 14 budget plan proposed decreasing Social Security benefits. The budget plan from the Republican chair of the House Budget Committee, Rep. Paul Ryan (WI), only recommended that "the President and Congress to work together to forge a solution for Social Security" – essentially putting the ball in the president's court. Senior administration officials have described the proposal to cut Social Security benefits as a good-faith effort to compromise on earned benefit programs in order to entice Republicans to the negotiating table to reach a fiscal "grand bargain" on spending and revenues.

In other areas of spending analyzed by the Center for Effective Government, the president's budget is closest to the plan put forth by the chair of Senate Budget Committee, Sen. Patty Murray (D-WA).

Aside from Social Security, the president's plan also hews closer to the investments Americans want their government to make compared to the two major House Republican budget plans.

- **Education.** While 89 percent of Americans polled support maintaining or increasing spending on education, both Ryan's and the Republican Study Committee's (RSC) budget blueprints cut the purchasing power of Pell Grants to pay for tuition and slash funding for improving teacher quality and student achievement. By contrast, the president's budget and two congressional Democratic plans analyzed would expand support for education.
- **Transportation and infrastructure** spending to maintain, repair, and build roads, bridges, and other public infrastructure – critical to the broad economic success of the nation – is another area of spending with broad popular support, with some 81 percent polled stating that they want spending maintained or increased. The president's plan and the two Democratic congressional plans increase spending here, with especially large increases in the Congressional Progressive Caucus plan. The Ryan and RSC budgets plan cuts in this part of the budget.
- **Defense** is among the most "popular" major budget categories that Americans think should be cut back. But even then, defense spending is still seen by a majority as an area that should be shielded from spending reductions. Only 24 percent of Americans polled by Pew say defense should be cut. Defense is the only major area where the Ryan and RSC budgets appear to line up with the public's views, as they

would essentially do nothing to cut defense spending. The president's plan seeks only \$100 billion in defense spending reductions over ten years, and Murray's plan seek \$240 billion in defense savings. The sole plan that seeks relatively deep cuts to defense is the Congressional Progressive Caucus's.

- ***Aid for the poor:*** A majority of Americans – 71 percent – also want to increase or maintain aid for the needy here in the U.S. Slightly more Americans (27 percent) want this aid increased than those who want it cut (24 percent). The Ryan and RSC budgets deeply cut food assistance programs and Medicaid. The president's and Murray plans maintain them, whereas the Progressive plan greatly expands spending.

Although Americans consistently state that reducing the deficit should be a priority, repeated polling by Pew has shown that the majority of Americans reject reductions in the vast majority of specific areas of spending. A plurality of Americans supports maintaining most programs at their current levels, according to Pew's February pre-sequestration poll, and a majority supports increasing education funding.

Methodology note: The Center for Effective Government analyzed five different budget plans: Obama's FY 2014 Budget Request, Ryan's "The Path to Prosperity," the RSC's "Back to Basics," Murray's "Foundation for Growth," and the House Congressional Progressive Caucus's "Back to Work Budget."

The areas of spending selected were defense, scientific research, transportation/infrastructure, Affordable Care Act, aid for the poor (focused on support for the Supplemental Nutrition Assistance Program (Food Stamps) and Medicaid), and education (with an eye toward impacts to Head Start and Pell Grants). These areas were picked because of Pew's polling data on those broad categories, the ability to determine each budget plan's impact on them, their intrinsic importance, and the potential to contrast the varying budget plans.

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