



Sowers of Justice

Catholic Legislative Network

**Action
Alert**

November 4, 2005

Federal Cuts Move to House of Representatives

Background: In recent weeks, OSJ has sent multiple action alerts regarding significant cuts to federal programs that aid low-income people. These cuts narrowly passed the U.S. Senate on Thursday. The U.S. House of Representatives is now expected to vote on these measures during the week of November 7. The House budget reconciliation bill includes \$50 billion in cuts to Medicaid, Food Stamps, child support, support for people with disabilities. If this bill passes:

- **Medicaid** is cut by \$9.5 billion over the next five years, \$7.4 billion of which will fall directly on low-income Americans in the form of increased co-payments and premiums, so-called “flexibility” that will allow states to cut benefit packages for certain individuals, and provisions that will make it harder for some seniors to access needed long-term care.
- **The Food Stamp Program** is cut by \$844 million over five years. These cuts could affect some 300,000 people nationwide, including legal immigrants who would have to wait seven years before becoming eligible, up from the current five years.
- **Child Support** is cut by \$4.9 billion over five years. This will reduce states’ capacity to enforce child support orders, and result in children receiving \$7.1 billion less in child support payments over five years.
- **Supplemental Security Income (SSI)** is cut by \$425 million over five years. This cut is achieved by requiring some persons with disabilities to wait up to an additional year to receive all of the benefits they are owed.
- **Temporary Assistance to Needy Families (TANF)** is reauthorized in the House bill, which significantly increases work requirements but does not provide adequate child care funding for families making the transition from welfare to self-sufficiency.

The House reconciliation bill cuts 44% more than was agreed to by the House and Senate in the original budget reconciliation conference report in April. The House cuts are \$11 billion higher than the reconciliation cuts being considered in the Senate.

While it may appear that these cuts are necessary to reduce the federal deficit or offset the costs of hurricane relief efforts, the reality is that these spending cuts, imposed mostly on low-income people, are being used to offset \$106 billion in tax cuts — \$70 billion of which will occur during this budget reconciliation process. Consequently, the House budget reconciliation bill does not reduce the federal deficit; it increases it by \$16 billion to \$40 billion over the next five years.

Recommended Action:

Call your Minnesota representative today and tell them to VOTE NO on the House budget reconciliation bill. The House reconciliation bill would hurt low-income Minnesotans while passing tax cuts that increase the size of the federal deficit.

FFI please contact Matt Rezac at 651-291-4536.

Talking Points:

- The Catholic faith community has a longstanding tradition of gauging the health of our society by how well the least among us is faring. The House budget reconciliation bill cuts Medicaid, food stamps, child support, and other assistance for low- and middle-income working families, children, the elderly, and people with disabilities. Yet it leaves in place \$70 billion in tax cuts – many of which go to the wealthiest people in America.
- The deep spending cuts in the House bill do not produce a balanced budget or reduce the federal deficit. In fact, the budget reconciliation process increases the deficit by \$16 billion to \$40 billion over the next five years and leaves our nation facing growing deficits for years to come.
- It is wrong to ask low- and middle-income Americans to shoulder all of the responsibility for controlling spending while approving new tax cuts, many of which go to the wealthy.

Contact Information:

Representative Gil Gutknecht: 507-252-9841 or 800-862-8632; Fax # 507-252-9915

Representative John Kline: 952-808-1213 or 888-808-6644; Fax # 952-808-1261

Representative Jim Ramstad: 952-738-8200; Fax # 952-738-9362

Representative Betty McCollum: 651-224-9191; Fax # 651-224-3056

Representative Martin Sabo: 612- 664-8000; Fax # 612-664-8004

Representative Mark Kennedy: 320-259-0099 or 651-653-5933; Fax # 651-653-1549

Representative Collin Peterson: 218-847-5056 or 507-637-2270; Fax # 218-847-5109

Representative Jim Oberstar: 218-727-7474 or 218-254-5761; Fax # 218-727-8270