

REPUBLICAN STUDY COMMITTEE

Rep. Scott Garrett, Chairman, RSC Budget and Spending Task Force

HONEST SOLUTIONS

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HONEST SOLUTIONS PRINCIPLES. The Republican Study Committee's budget is based upon the following common-sense principles:

- The budget should balance by a date certain within the ten years.
 - ✓ Our proposal balances the federal budget in 2020.
- The budget should provide for real improvements in Medicare, Medicaid, and Social Security to ensure their long-term sustainability.
 - ✓ Our proposal puts forward common-sense reforms to improve Medicare and Medicaid by offering increased choices and improved services, and takes steps to save Social Security by strengthening the program's bank account.
- The budget should reduce spending and trim down the size of government in Washington, D.C. to make government more effective and efficient.
 - ✓ Our proposal gets government out of the way so America's businesses have the ability to grow and create jobs.
- The budget should provide for the termination of many federal programs that are unconstitutional, duplicative, or harmful to the free enterprise system in America.
 - ✓ Our proposal does what American families across the country have been required to do in these tough economic times—do more with less.
- The budget should prohibit earmarks.
 - ✓ Our proposal prohibits earmarks and eliminates pork-barrel spending.
- The budget should reform the federal budget process so it is easier to reduce spending than it is to increase spending.
 - ✓ Our proposal puts fair rules in place to prevent out-of-control Washington spending that stifles private-sector job creation.

- The budget should keep taxes low and provide for pro-growth tax reform to help Americans save, invest, and create jobs.
 - ✓ Our proposal prevents tax increases, repeals the tax increases in ObamaCare, keeps the tax burden from increasing beyond its historic average, and provides for pro-growth tax reform.

Specifically, this proposal addresses the following areas to meet the Republican Study Committee’s budget principles and reflect the values of most Americans.

REDUCE SPENDING.

- Repeal ObamaCare to eliminate \$677 billion in additional spending over ten years.
- Ensure that our nation spends responsibly by freezing total discretionary spending at 2008 levels (\$933 billion) beginning in 2013.
- Ensure our nation’s national security by meeting Defense Secretary Robert Gates’ defense request. Defense spending would total \$696 billion in 2012 and would increase to \$747 billion in 2021.
- Reduce non-defense discretionary spending from \$409 billion in 2012 to \$218 billion in 2021.
- Reduce unnecessary mandatory spending—other than Medicare, Medicaid, and Social Security—by \$1.9 trillion between 2012 and 2021.

SAVE MEDICARE.

- Strengthen Medicare’s long-term finances. This budget would slowly phase-in an increase in the Medicare eligibility age for those born in 1952 and after.
- Provide improved healthcare choices for individuals at or near retirement. The RSC believes that current Medicare beneficiaries should have the option to voluntarily opt-in to a menu of private health insurance plans. This optional “premium-support” system would be structured much like the health insurance that Members of Congress receive. Over time, Medicare would transition to a solvent premium-support system.

REFORM MEDICAID.

- Block-grant Medicaid and remove Washington D.C.’s burdensome red tape. This budget would empower the states with the appropriate flexibility to determine Medicaid eligibility and benefits, thereby improving the quality of care and access to vital services for the neediest and most vulnerable Americans.

SAFEGUARD SOCIAL SECURITY.

- Strengthen Social Security’s long-term finances. This budget would slowly phase-in an increase in the Social Security full retirement age for individuals born in 1952 and after.

ENACT PRO-GROWTH TAX REFORM.

- Prevent any new tax increases on the American people and repeal the unaffordable \$813 billion tax increase included in ObamaCare. This budget proposes a smarter tax code that would lower rates while broadening the tax base.

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