

REPUBLICAN STUDY COMMITTEE

APRIL 2011

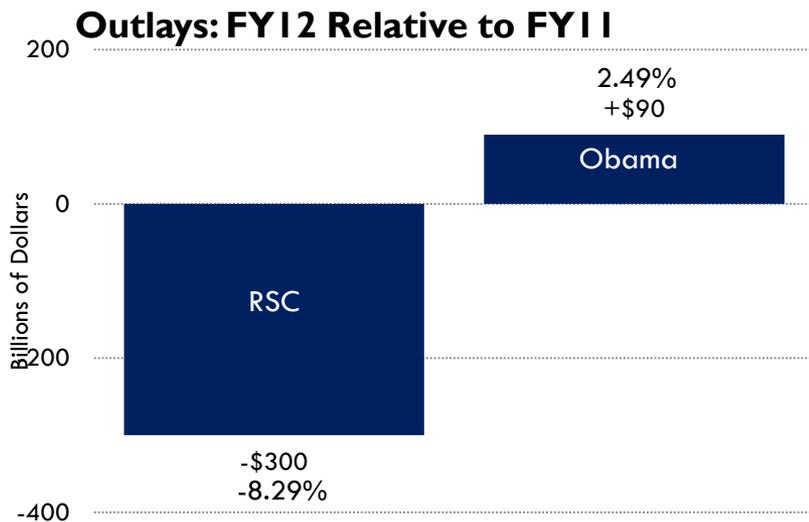
Rep. Jim Jordan (R-OH), *Chairman*

Rep. Scott Garrett (R-NJ), *Budget and Spending Task Force Chairman*

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Fiscal Year 2012 Budget Resolution

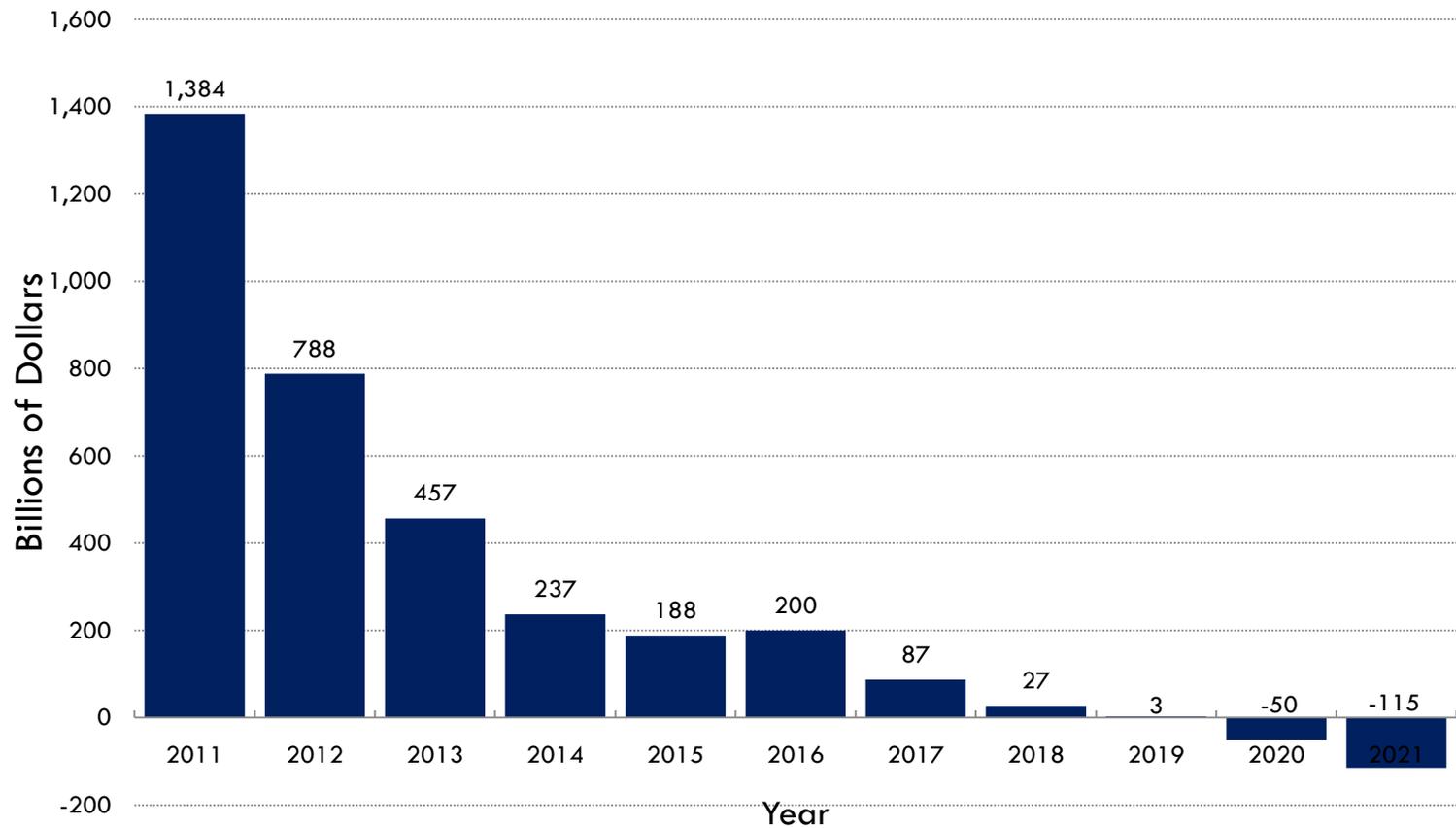
Comparisons FY 2011 and 2012



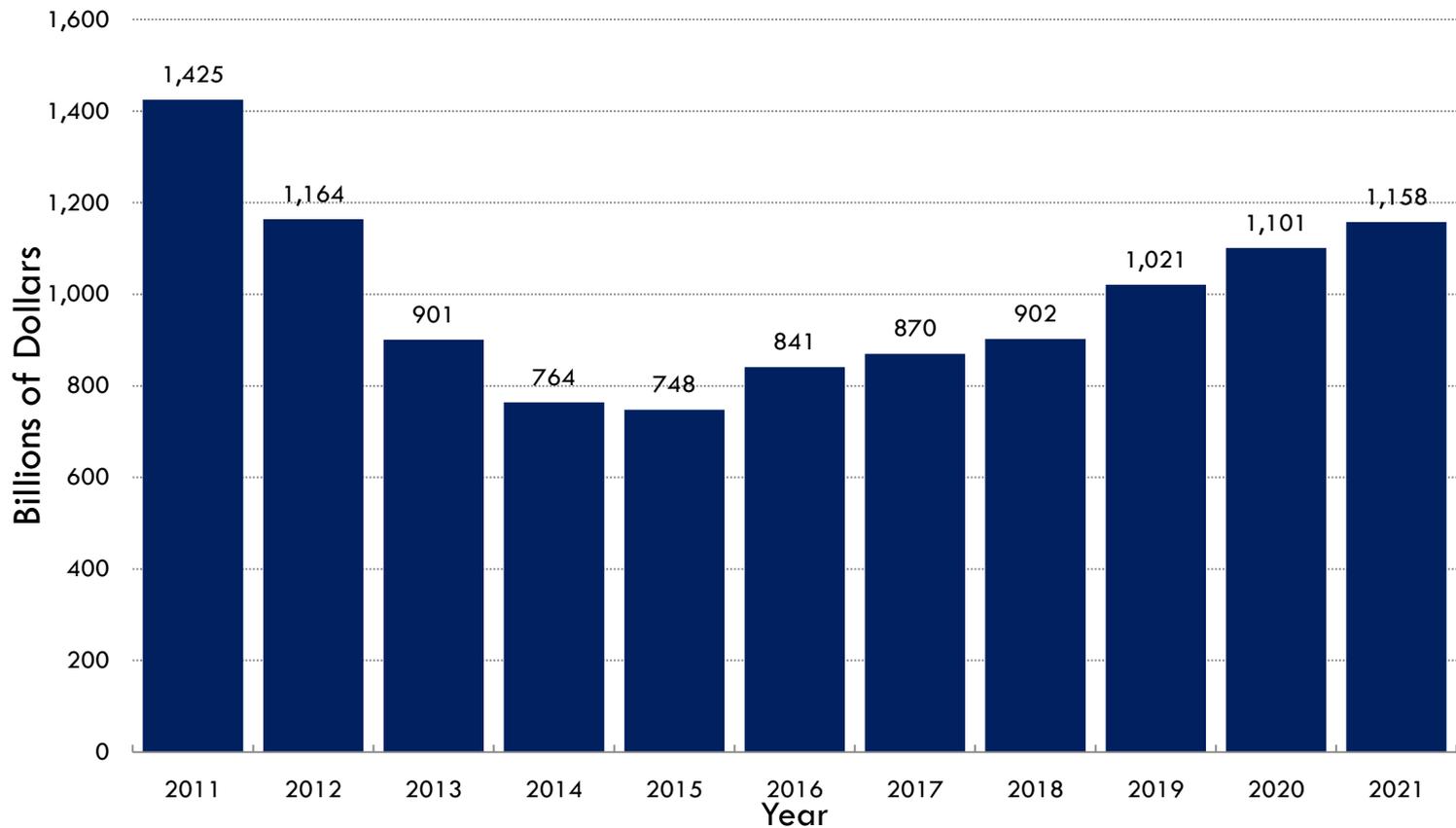
RSC's Total Outlays: \$3,318 billion

- \$300 billion less than FY11
- \$321 billion less than the CBO baseline
- \$390 billion less than the President's budget

RSC Budget Deficit Levels



The President's Budget Deficit Levels



Spending

- Repeal ObamaCare to eliminate \$677 billion in additional spending over ten years
- Freeze total discretionary spending at FY 2008 levels (\$933 billion) beginning in 2013
- 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 (FY 2006 level) to \$218 billion in 2021
- Reduce unnecessary mandatory spending—other than Medicare, Medicaid, and Social Security—by \$1.9 trillion between 2012 and 2021

Medicare

- Slowly phase-in an increase in the Medicare eligibility age to 67 for those born in 1952 and after by 2 additional months per year (\$59.3 billion)
- In 2017, create optional “premium-support” system would be structured much like the health insurance that Members of Congress receive
- Adjust premiums by health status, income, and regional medical prices
- Over time, transition to a solvent premium-support system

Medicaid

- In 2012, block-grant Medicaid at FY 2006 levels and grow with average inflation (1.7%)
- Empower the states with the appropriate flexibility to determine Medicaid eligibility and benefits (\$2.2 trillion)

Social Security

- Slowly phase-in an increase in the Social Security full retirement age for individuals born in 1952 and after by increasing retirement age by 2 months per year (\$56 billion)

Pro-Growth Tax Reform

- Prevent any new tax increases on the American people and repeal the unaffordable \$813 billion tax increase included in ObamaCare
- Lower the corporate tax rate to 25%
- Propose a smarter tax code that would lower rates while broadening the tax base