AFSCME’S BUDGET PRIORITIES

Once again, the Congress has prioritized budget austerity and tax cuts for the rich and large corporations over investments in public services and programs that create middle class jobs and protect seniors and other vulnerable populations. For most of the last 35 years the hourly wages of the vast majority of American workers have lagged far behind economy-wide productivity. At the same time, the wealth of upper-income families has skyrocketed. The twin problems of flat incomes and wealth inequality continue to worsen. Further, manufactured budget crises have weakened the economy and reduced federal investments in vital services and local communities. Congressional majorities also continue their efforts to weaken traditional Medicare and to convert entitlement programs that ensure access for all Americans to health care and other basic necessities of life into fixed block grants to states.

Congress should pass a budget that will rebuild the middle class, raise wages, and strengthen the social safety net. Instead of trying to cut our way to prosperity, AFSCME supports a federal budget that creates better economic opportunities and invests in public services that benefit the majority of Americans. This includes significant investments in health care, public education, college affordability, infrastructure, clean drinking water, nutrition assistance, and other annually-appropriated, vital public programs and services. Congress must also protect traditional Medicare for seniors and persons with disabilities, as well as renew the federal commitment to Medicaid and the Supplemental Nutrition Assistance Program (SNAP, formerly food stamps).

AFSCME urges Congress to:

1. Reject further reductions in spending below the levels agreed to in the Bipartisan Budget Act of 2016.

2. Defeat the GOP budget passed by the House Budget Committee.

3. Pass annual appropriations bills in a timely manner without poison pill riders.

4. Increase funding for investments in essential public services and to create jobs.

5. Reject any Balanced Budget Amendment to the U.S. Constitution.
Reject Further Reductions in Spending Below the Levels Agreed to in the Bipartisan Budget Act of 2016

New GOP demands for additional domestic spending cuts, including an additional $30 billion in cuts over two years, and $150 billion over 10 years, are irresponsible and dangerous.

Despite the sequester adjustment for fiscal year (FY) 2017, spending is historically low and is an impediment to economic growth. Former Congressional Budget Office (CBO) Director Doug Elmendorf said low spending levels “are damaging to the economy in the long term because they’re reducing federal investment in the form of infrastructure, education and training,” and that as a result “federal investments will be a smaller share of GDP than at any time in the last half century within a couple of years.”

AFSCME urges Congress to reject further reductions in budget levels below the two-year plan agreed to in the Bipartisan Budget Act of 2016 (BBA) and to maintain parity in increases for defense and non-defense discretionary spending, including Overseas Contingency Operations (OCO).

Defeat the GOP Budget Passed by the House Budget Committee

The House Republican budget would be a disaster for the economy, job growth, working families and vulnerable Americans. While it adheres to FY 2017 spending levels, it cuts FY 2018 funding for domestic programs by $55 billion. The budget freezes domestic spending, resulting in cuts totaling more than $6 trillion over 10 years. These enormous cuts would shrink annual, federal spending for domestic programs to levels roughly half the average under President Reagan. Anti-poverty programs would be cut by $3.7 trillion over 10 years, eliminating nearly half of federal resources for low-income assistance. The budget raises zero new revenues and does not require the wealthy and corporations to pay their fair share.

For FY 2018, the House budget cuts Head Start services, eliminates job training and employment services for 2.3 million workers, cuts Title I education for low-income students, and reduces funding for special education by nearly $1.1 billion. It also undermines the health security of all Americans by repealing the Affordable Care Act, ending the guarantee of Medicare and substituting insufficient vouchers, and turning Medicaid into a block grant that will result in massive cuts and would leave state governments and recipients holding the bag during economic downturns when need increases. The budget would also convert SNAP into a block grant funding stream to states, which would cut over $150 billion in federal financial support for the program over the next decade.

AFSCME opposes the Republican budget and instead urges the adoption of the House Progressive Caucus’ budget, which invests in infrastructure, education, job creation, affordable health care, housing, and nutrition; expands Social Security; and raises significant new revenues by requiring the wealthy and profitable corporations to pay their fair share.
Pass Annual Appropriations Bills in a Timely Manner Without Poison Pill Riders

Congress should pass annual spending bills in a timely manner without delays and partisan gamesmanship. Further, annual spending bills should not be used to push through harmful riders that make substantive policy changes. These controversial measures are added to spending bills to avoid careful consideration by congressional committees with policy jurisdiction. Among the most damaging riders being proposed are blocking enforcement of a proposed Department of Labor (DOL) regulation that mandates investment advisors to act in their clients’ best interests; overturning DOL rules that extend overtime protections for low-level managers and another that protects workers from silica dust; blocking a new DOL rule that requires employers to report the role of “persuaders” in anti-union campaigns; and interfering with National Labor Relations Act rulings that update when a business should be considered to be a “joint employer” and no longer allows employers to drag out union elections. Other policy riders would block enforcement of the Department of Education’s gainful employment rule and would weaken or block programs that promote and protect public health, safety, environmental and even civil rights protections.

Increase Funding For Investments in Essential Public Services and Create Jobs

Public investments as a percentage of GDP have been shrinking over time, shortchanging investments in many vital public services. In particular, the two appropriations subcommittees providing spending for the Departments of Labor, Health and Human Services (HHS), and Education, and the Departments of Transportation and Housing and Urban Development (HUD) each received an increase of 3.6 percent for 2016 relative to their 2015 funding levels while the other nine subcommittees received an average increase of 6.9 percent. The result is inadequate investments for child care, Head Start, and pre-K; special education and Title I funding for disadvantaged students, job training and employment services, public health, and for housing and transportation investments that working families and vulnerable Americans need. Additional funding priorities include public safety, water infrastructure and nutrition programs serving pregnant women and children.

AFSCME supports increasing investments in public services and is opposed to shortchanging the important programs and services on which families rely.

Reject Any Balanced Budget Amendment to the U.S. Constitution

Amending the U.S. Constitution to require a balanced budget is a simplistic, dangerous answer to a complicated issue. It would put the economy in a fiscal straitjacket, making recessions more frequent, longer and deeper. It would impose indiscriminate funding levels, likely leading to more budget battles and instability. Further reductions in domestic spending would sabotage the economy and eviscerate key programs including education, public health, homeland security, employment services, law enforcement, transportation, infrastructure and many others. A balanced budget amendment would force cuts in Social Security, Medicare and Medicaid, putting millions of seniors and other vulnerable people at risk. Many proposed balanced budget amendments require super-majority thresholds to raise taxes, which would place insurmountable hurdles for raising the revenue needed to adequately fund vitally important public investments.
AFSCME opposes any balanced budget amendment to the Constitution.

**Conclusion**

We cannot nickel and dime our nation back to prosperity. Americans need relief from this endless cycle of budget brinksmanship and race-to-the-bottom budgeting that holds back families, businesses, local economies, and our national economy.

AFSCME urges Congress to provide overdue, necessary increases in non-defense domestic spending, to reject the draconian House budget, to pass clean appropriations bills without poison pill riders, to increase funding for essential public services and programs, and to reject a harmful balanced budget amendment to the Constitution.

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