

GOP VS. DEMOCRATIC BUDGETS: A QUESTION OF PRIORITIES

	House GOP Budget	House Democratic Budget
Includes deficit reduction measures.	NO. The GOP budget <u>increases</u> the projected deficit in each of the next five years – adding an additional \$301 billion to projected deficits.	YES. <u>The deficit is lower than in the GOP budget in each of the next 5 years.</u> In addition, the Democratic budget gets to balance in 8 years.
Protects Social Security.	NO. Spends every penny of Social Security surplus over next 5 years, and if President's tax policies are adopted, over the next 10 years as well.	YES. Balances the budget in 8 years, thereby restoring the bipartisan promise to protect the Social Security surplus and end the raid on Social Security.
Calls for meaningful PAY-AS-YOU-GO.	NO. A related GOP bill applies PAY-AS-YOU-GO requirements only to mandatory spending increases and <u>not</u> to tax cuts, undermining fiscal discipline. Nothing in this bill.	YES. Includes language stating that PAY-AS-YOU-GO requirements must apply to both mandatory spending increases <u>and</u> tax cuts.
Targets tax cuts to the middle class.	NO. Provides billions in tax cuts for the very wealthiest taxpayers, including billions for extending the dividend and capital gains tax cuts.	YES. Extends the tax cuts targeted to the middle class – the \$1,000 child tax credit, marriage penalty relief, and the 10% tax bracket. Scales back <u>only</u> tax cuts going to the very wealthiest taxpayers.
Creates jobs and economic growth.	NO. Creates large, long-term deficits that will <u>undermine</u> economic growth; does nothing to end incentives for shipping jobs overseas; and fails to extend unemployment insurance.	YES. Focuses tax cuts on middle class families; calls for a manufacturing tax credit to create good jobs here at home; and extends unemployment insurance for millions of long-term unemployed.
Includes provisions targeted to better supporting our troops.	NO. Like the Bush budget, cuts benefits to widows of military retirees, limits improvements to military housing, and discontinues last year's TRICARE for reservists.	YES. Targets \$2 billion in Fiscal 2005 to support our troops, by restoring benefits to families of military retirees, continuing the military housing privatization initiative, and continuing TRICARE for reservists.
Provides key new homeland security investments.	NO. Bush budget cut first responders by \$648 million and port security grants by \$63 million. GOP budget is even worse -- cutting Bush budget by another \$155 million in Fiscal 2005.	YES. Includes \$5.9 billion more than the GOP budget over the next 5 years for additional investments in such priorities as first responders, port security, aviation security, and border security.
Provides adequate funding for veterans' health care.	NO. Falls \$1.3 billion short in Fiscal 2005 of the amount the Veterans' Affairs Committee has stated is critically needed.	YES. Includes the full \$2.5 billion increase over Bush budget in Fiscal 2005 that the Veterans' Affairs Committee has stated is critically needed.
Provides funding for key education & training initiatives.	NO. Close to Bush budget, which underfunds No Child Left Behind by 27 percent, underfunds special education by 18 percent, and freezes maximum Pell Grant at \$4,050.	YES. Provides \$2.1 billion more in Fiscal 2005 and \$9.8 billion more over the next 5 years for education & training programs than the GOP budget. Includes funding to lower cost of student loans.
Provides adequate funding for health care.	NO. Cuts funding in Fiscal 2005 for such programs as NIH, maternal & child health, etc. by \$358 million below a freeze at this year's level.	YES. Provides \$1.1 billion more in Fiscal 2005 and \$11.4 billion more over the next 5 years for health care programs than the GOP budget.
Provides funding for key environmental protection initiatives.	NO. Cuts funding for environmental protection programs over the next 5 years by \$6.4 billion below a freeze at this year's level.	YES. Provides \$2.2 billion more in Fiscal 2005 and \$17.0 billion more over the next 5 years for environmental protection programs than the GOP budget.