






# Competing Visions: President Obama, House Budget Committee, Senate Budget Committee, and Congressional Progressive Caucus Release Budget Proposals for 2016



*National Priorities Project examines how new budget proposals stack up to Americans' priorities.*


By Jasmine Tucker



|   | <b>Public Opinion:<br/>What Do Americans Want?</b>  | <b>President Obama</b>  | <b>House Budget Committee</b>   | <b>Senate Budget Committee</b>   | <b>House Congressional Progressive Caucus</b>  |
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| <p><b>Domestic Discretionary Funding</b><br/>           (Education, energy and environment, housing, job training, etc.)</p>  | <p>Opinion polls suggest that domestic investment in areas such as <a href="#">infrastructure</a>, <a href="#">climate change</a>, the <a href="#">economy</a>, and <a href="#">immigration</a> are top priorities for Americans. <a href="#">Other</a> polls show Americans would prefer to see higher tax revenue to fund these priorities.</p> | <p>Provides an additional \$37 billion for domestic investment above Budget Control Act spending levels in 2016, and \$178 billion more than current law over 10 years.</p> | <p>Maintains current cuts to domestic programs under the Budget Control Act and proposes cutting non-defense discretionary spending by an additional \$759 billion over 10 years.</p> | <p>Maintains current cuts to domestic programs under the Budget Control Act, and proposes cutting non-defense discretionary spending by an additional \$236 billion over 10 years.</p> | <p>Provides an additional \$1.5 trillion for domestic investment above Budget Control Act spending levels over 10 years.</p> |


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| <b>Job Creation</b><br> | <p><a href="#">67 percent</a> say improving the job situation is a key issue facing the president and Congress this year.</p>                | <p>Invests \$478 billion over six years to create jobs in surface transportation repairs and includes \$146 billion in 2016 for expansion of research and development (R&amp;D) tax credit to grow manufacturing and create jobs.</p>                                      | <p>No new funding for job creation.</p>  | <p>No new funding for job creation. Says reduced spending and regulation will indirectly lead to job creation.</p>     | <p>Invests nearly \$1.3 trillion over 10 years in job creation measures such as aid to states to rehire police, fire fighters, teachers and other public employees, and in infrastructure spending.</p>  |
| <b>Education</b><br>   | <p><a href="#">67 percent</a> say improving the education system in the U.S. is a top priority for the president and Congress this year.</p> | <p>Provides \$66 billion over 10 years for federal share of Preschool for All Initiative. Increases funding for Head Start by \$1.5 billion and Title I by \$1 billion in 2016. Invests \$60 billion over 10 years to provide two years of community college for free.</p> | <p>Freezes the maximum Pell grant award at the same level for the next 10 years, provides financial aid to fewer families, and makes substantial cuts to domestic discretionary spending, including education.</p> | <p>No new funding for education. Unspecified cuts to domestic discretionary spending could mean cuts to education.</p> | <p>Provides Debt Free college to every student at a cost of \$29 billion per year. Provides \$66 billion over 10 years for federal share of Preschool for All Initiative. Invests \$47 billion over 10 years in teachers and K-12 schools. Allows refinancing of student loans at lower rates.</p> |


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| <b>Social Security</b><br>                         | <p><a href="#">66 percent</a> say making the Social Security system sound is a key issue facing the president and Congress this year.</p>          | <p>Raises \$10 billion per year by 2024 by closing loopholes that allow some high-income individuals to avoid paying payroll taxes.</p> | <p>Creates a bipartisan commission to study the program's problems and submit a proposal to Congress.</p> | <p>No proposed changes but encourages the President and Congress to act to protect Social Security.</p> | <p>Endorses changes such as eliminating the cap on earnings subject to Social Security tax (currently set at \$118,500) and using specialized cost-of-living adjustments for elderly Americans.</p> |
| <b>Affordable<br/>Care Act<br/>(Obamacare)</b><br> | <p><a href="#">56 percent</a> want Congress to expand the Affordable Care Act, implement it as is, or limit it rather than repeal it entirely.</p> | <p>Maintains the Affordable Care Act with small tweaks.</p>   | <p>Repeals the Affordable Care Act.</p>   | <p>Repeals the Affordable Care Act.</p>   | <p>Maintains the Affordable Care Act. Repeals the excise tax on high-priced health plans and introduces a new "public option" for insurance within the existing marketplaces.</p>                   |

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| <b>Medicare</b><br>  | <p><a href="#">61 percent</a> say making the Medicare system sound is a key issue facing the president and Congress this year.</p> | <p>Raises premiums on wealthy retirees. Introduces a co-payment for beneficiaries who receive home health care services. Negotiates for lower prescription drug prices for Medicare Part D. Achieves savings of \$430 billion over 10 years.</p> | <p>Raises premiums on wealthy retirees. Beginning in 2024 provides seniors the option to stay on Medicare or instead receive a lump sum of money to buy private insurance. Does not permit government to negotiate drug prices for Medicare.</p> | <p>Supports Medicare savings in president's budget (\$430 billion over 10 years) but allows Congressional committees to determine the best ways to save money.</p>   | <p>Negotiates for lower prescription drug prices to save \$157 billion over 10 years. Closes the Medicare Tax Loophole that allows some individuals to avoid paying payroll taxes for Medicare.</p> |
| <b>Medicaid</b><br> | <p><a href="#">62 percent</a> believe all states should expand Medicaid as encouraged under the Affordable Care Act.</p>           | <p>Maintains expansion of Medicaid under the Affordable Care Act. Proposes pilot program to create a long-term care plan for up to five states.</p>  | <p>Repeals the Affordable Care Act, including Medicaid expansion. Makes deep cuts to Medicaid and converts the program to a block grant for states. Combines Medicaid and State Children's Health Insurance Program (CHIP) into one program.</p> | <p>Repeals the Affordable Care Act, including Medicaid expansion. Proposes \$4.3 trillion in cuts to mandatory spending programs such as Medicaid and food stamps, but does not specify how cuts will be made.</p> | <p>Maintains expansion of Medicaid under the Affordable Care Act. Reduces fraud, waste, and abuse in Medicaid.</p>  |


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| <p><b>SNAP<br/>(food stamps)</b></p>  | <p><a href="#">70 percent</a> oppose cuts to SNAP.</p> | <p>Continues funding under current law, with small additions (\$38.7 million in new funding in 2016) for initiatives such as streamlining the application process for the elderly and bolstering employment and training services for able-bodied adults.</p> | <p>Makes deep cuts to SNAP and converts the program to a block grant administered at the state level.</p> | <p>Proposes \$4.3 trillion in cuts over 10 years to mandatory spending programs such as Medicaid and food stamps, but does not specify how cuts will be made.</p> | <p>Restores SNAP benefits to pre-Recovery Act expiration and pre-Farm Bill levels, investing an additional \$21 billion in SNAP and child nutrition over 10 years.</p> |



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| <b>Pentagon and<br/>Other Military<br/>Funding</b><br>   | <p><a href="#">63 percent</a> say we spend the right amount or too much on national security.</p>                                     | <p>Proposes \$561 billion for the Pentagon and related activities in 2016, an increase of 7 percent relative to 2015, and \$38 billion above spending caps. Provides \$193 billion over 10 years in funding above current law.</p> | <p>Proposes \$523 billion for the Pentagon and related activities in 2016, following Budget Control Act caps for Pentagon baseline budget for one year only, but sidesteps the 2016 cap through use of war funding. Calls for \$387 billion over 10 years in funding above current law/ caps for national defense.</p> | <p>Proposes \$523 billion for the Pentagon and related activities in 2016. Follows Budget Control Act caps for Pentagon baseline budget, but sidesteps caps through use of war funding.</p> | <p>Replaces across-the-board sequestration cuts with similarly sized cuts that reduce military spending by \$134 billion over 10 years, and does not rely on war funding.</p> |
| <b>War Funding<br/>("Overseas<br/>Contingency<br/>Operations")</b><br><br><p><i>War funding is not subject to sequestration budget caps.</i></p> | <p><a href="#">85 percent</a> are concerned U.S. intervention in Iraq and Syria will lead to a long and costly involvement there.</p> | <p>Calls for \$51 billion in war funding for 2016, including \$5.3 billion for continued operations against the Islamic State (ISIS), in addition to Pentagon baseline budget.</p>   | <p>Calls for \$90 billion in war funding for 2016, in addition to Pentagon baseline budget.</p>  | <p>Calls for \$58 billion in war funding for 2016, in addition to Pentagon baseline budget.</p>   | <p>Funds complete withdrawal from Afghanistan in 2016 and completely eliminates war funding thereafter, putting all Pentagon spending back in the baseline budget.</p>        |

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| <b>Corporate<br/>Taxes</b><br> | <a href="#">66 percent</a> think corporations pay too little in taxes. | <p>Lowers the top corporate tax rate from 35 percent to 28 percent, and 25 for domestic manufacturing companies.</p> <p>Imposes a new fee on financial institutions that engage in excessive borrowing to raise \$112 billion over 10 years. Closes loopholes to prevent companies from avoiding U.S. tax through inversions (legally but not actually moving overseas) and requires companies to pay a 14 percent tax (rather than zero) on profits held overseas.</p> | <p>Calls for comprehensive tax reform that would lower tax rates for large corporations and small businesses. Closes some special interest tax loopholes but does not specify which ones.</p> | <p>No proposed changes.</p>        | <p>Creates a “Wall Street sales tax” on financial transactions to raise \$921 billion over 10 years. Prevents corporations from avoiding U.S. taxes on profits held overseas to raise \$595 billion over 10 years. Prevents companies from avoiding U.S. tax through inversions (legally but not actually moving overseas). Imposes a new fee on financial institutions that engage in excessive borrowing to raise \$112 billion over 10 years.</p> |

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| <b>Taxes on the<br/>Wealthy</b><br> | <a href="#">68 percent</a> think wealthy households don't pay enough in taxes. | Raises top capital gains tax rate to 28 percent and closes the "trust fund loophole" that allows heirs to avoid taxation, raising \$208 billion over 10 years. Places limits on tax deductions for top income earners and implements the Buffett Rule ensuring a minimum tax rate for the wealthy. Places limits on tax deductions for top income earners and ends the "carried interest" loophole that benefits hedge fund managers to raise \$17.6 billion over 10 years. | Calls for comprehensive tax reform that would lower tax rates for individuals and families. Closes some special interest tax loopholes but does not specify which ones. Eliminates the Alternative Minimum Tax that sets a minimum tax for the wealthy. | No proposed changes.               | Raises tax rates for richest 2 percent (earning more than \$250,000 per year) to Clinton-era levels, and taxes capital gains investment earnings at higher rates, yielding \$1.4 trillion in additional revenue over 10 years. Places a cap on the value of itemized deductions that mostly benefit the wealthy (raising \$566 billion over 10 years) and limits other tax deductions for top income earners. |



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| <p><b>Taxes on<br/>Middle Class<br/>and Low<br/>Income<br/>Households</b></p>  | <p><a href="#">91 percent</a> think middle class households pay enough or too much in taxes while <a href="#">79 percent</a> think low income households pay enough or too much in taxes.</p> | <p>Expands Earned Income Tax Credit (EITC) to low-income childless workers and triples maximum child care tax credit to \$3,000 per child. Creates a new “second earner” tax credit and expands the American Opportunity Tax Credit that helps students pay college expenses. Provides new retirement savings mechanisms for the middle class.</p> | <p>Calls for comprehensive tax reform that would lower tax rates for individuals and families. Eliminates the Alternative Minimum Tax that sets a minimum tax for the wealthy. Allows improvements to the Earned Income Tax Credit (EITC) and Child Tax Credit (CTC) under the American Recovery and Reinvestment Act (ARRA) to expire in 2017, raising taxes on millions of working families.</p> | <p>Allows improvements to the Earned Income Tax Credit (EITC) and Child Tax Credit (CTC) under the American Recovery and Reinvestment Act (ARRA) to expire in 2017, raising taxes on millions of working families.</p> | <p>Maintains current tax rates for those earning less than \$250,000 per year. Creates a new “hard work” tax credit and expands eligibility for the Earned Income Tax Credit (EITC), including for childless workers. Triples the maximum child care tax credit to \$3,000 per child.</p> |

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| <b>Deficit<br/>Reduction</b><br>   | <p><a href="#">64 percent</a> say reducing the budget deficit is a top priority for Congress and the president this year.</p> | <p>Runs a deficit of \$474 billion in 2016. Plans to achieve \$1.8 trillion in total deficit reduction over 10 years by increasing both spending and revenues.</p>                             | <p>Runs a deficit of \$346 billion in 2016. Decreases spending by \$5.5 trillion over 10 years. Balances the budget in less than 10 years by cutting spending.</p>   | <p>Runs a deficit of \$343 billion in 2016. Decreases spending \$5.1 trillion over 10 years. Balances the budget in 10 years by cutting spending.</p>  | <p>Runs a deficit of \$650 billion in 2016. Reduces deficits by \$3.4 trillion over 10 years below current law by increasing spending and revenues.</p>  |
| <b>Sequestration</b><br><br><p><i>Sequestration is across-the-board spending cuts that will go into effect in 2016 if Congress exceeds legislated budget caps.</i></p> | <p><a href="#">56 percent</a> say they disapprove of the sequester.</p>   | <p>Exceeds budget caps for defense and non-defense spending in 2016 by over \$70 billion. Proposes removing sequestration and spending \$371 billion above sequester levels over 10 years.</p> | <p>Prevents sequestration from affecting the military budget by adding \$90 billion in war funding. Proposes cutting non-defense discretionary spending by \$759 billion below sequester levels over 10 years.</p> | <p>Prevents sequestration from affecting the military budget by adding \$58 billion in war funding. Proposes cutting non-defense discretionary spending by \$236 billion below sequester levels over 10 years.</p> | <p>Repeals sequestration for both defense and non-defense spending. Replaces sequestration with similarly sized cuts for military spending. Provides an additional \$1.5 trillion above sequester levels over 10 years for non-defense programs.</p> |

*SOURCES: All numbers and analysis drawn directly from budget proposals released by the [White House](#), [House Budget Committee](#), [Senate Budget Committee](#), [Congressional Progressive Caucus](#), and the [Congressional Budget Office](#).*