



## Executive Summary

### **The Republican Study Committee's Fiscal Year 2019 Budget**

- Builds on conservative proposals of past RSC budgets to present a path to balance in 8 years.
- Refocuses federal spending on core constitutional responsibilities like national security.
- Limits the growth of the federal government, prioritizes individual liberty, and adheres to the notion of federalism.
- Includes input from members of Congress, their staff, Congressional Committees, conservative think tanks, and the executive branch to produce more than 300 specific policy reforms and spending cuts.
- Provides reconciliation instructions to allow for mandatory spending reforms, Obamacare repeal, welfare reform, and the permanent extension of tax cuts.

### **Provides A Responsible Fiscal Path**

- Reduces spending by more than \$12.4 trillion compared to current law over ten years.
- Balances the budget in 8 years.
- Lowers FY 2019 non-defense discretionary to \$355 billion and reverses planned cap increases.
- Cuts and eliminations target programs that fall outside of Article I legislative authority and that are duplicative, unnecessary, wasteful, or ineffective and limits funding for unauthorized programs.

### **Prioritizes Defense and Strengthens National Security**

- Honors the President's defense funding request with \$716 billion in FY 2019, increasing to \$800 billion in FY 2028, for a total of \$7.571 trillion for national security over the next decade.
- Breaks the artificial "firewall" in discretionary spending to deconstruct the notion of parity between national security spending and the bloated non-defense programs.
- Incorporates planned OCO spending into the base defense budget.
- Invests in readiness, a robust naval fleet, and responsiveness to threats in multiple theatres.
- Implements reforms to ensure an efficient Pentagon that is focused on national security.

### **Tax Reform Permanence**

- Builds on the Tax Cuts & Jobs Act (TCJA) to allow Americans to keep more of their money and continue pro-growth tax policy.
- Makes the individual tax cuts enacted in the TCJA permanent.
- Makes full and immediate expensing enacted in the TCJA permanent.

### **Fully Repeals and Replaces Obamacare**

- Fully repeals Obamacare and its taxes, replaces it with reforms from the RSC's American Health Care Reform Act.
- Promotes buying across state lines, medical liability reform, and McCarran-Ferguson Act reform.
- Block grants Medicaid at pre-Obamacare levels with a state option of per-capita cap funding, requires work for able-bodied beneficiaries, and limits eligibility to U.S. citizens.

### **Makes Social Security Solvent**

- Implements the Social Security Reform Act, to achieve long-term sustainable solvency.
- Phases in an increase of the eligibility age to 70 to keep up with increases in longevity.
- Updates to a more accurate system for calculating cost-of-living adjustments for those most in need.
- Modernizes the benefit formula for new retirees, provides additional support for the most vulnerable, reduces barriers to staying active in retirement, and prohibits overpayment debt discharge.
- Without reform, the Social Security Trust Fund is depleted by 2035.

### **Saves Medicare**

- Saves and improves Medicare by providing more choices, lower costs, and a simpler model.
- Reduces costs for beneficiaries by implementing premium support in 2023, while including traditional fee-for-service as an option.
- Phases in an increase to eligibility age to align with Social Security and account for longer lifespans.
- Combines Parts A & B, reforms Medigap, and phases in increased premiums and means testing.
- Without reform, the Medicare Trust Fund is depleted by 2029.

### **Rescues Disability Insurance**

- Modernizes the program, refocusing it on those who need the most help, updates to the program to encourage labor force participation where possible, and prevents fraud.
- Without Reform, the Disability Trust Fund is depleted by 2028.

### **Creates an Environment for Economic Growth and Jobs**

- Focuses on moving Americans back into the labor force, rewarding work, and promoting innovation.
- Reforms the regulatory process, expands Congressional oversight, and begins regulatory budgeting.
- Promotes domestic energy production and removes investment barriers with Financial CHOICE Act.
- Lifts labor regulations such as the Davis-Bacon Act, implements the National Right to Work Act, and prohibits union work by federal employees on official time.
- Ends cronyism to pick winners and losers in the economy, such as the Export-Import Bank.

### **Empowers Americans to Ensure Opportunity, Upward Mobility, and Self-Sufficiency**

- Rewards work and earned success to empower American individuals, families, and local communities.
- Requires work, job search or training, or volunteering by all able-bodied adults to qualify for government assistance.
- Implements reforms to eliminate marriage penalties, fight fraud, and allow for more state flexibility.
- Postpones benefits until full-citizenship granted.

### **Restores Article I and Fixes the Budget Process**

- Identifies reforms to restore a properly limited and accountable federal government.
- Holds the administrative state accountable to the people.
- Permanently bans earmarks, restores the Article I power of the purse, increases transparency, undoes permanent authorizations, and promotes conversion of mandatory programs to discretionary.

### **Protects Conservative Values**

- Protects the Second Amendment, secures the border, protects life, and preserves religious liberty.