



Why the Ryan Budget is a Bad Deal for Ohio

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Wisconsin Congressman Paul Ryan is offering a budget deal to the people of Ohio – and to all Americans. Who is he, and why should anyone care? Ryan is the chief budget guru for John Boehner's House Republicans in Washington DC, almost all of whom have enthusiastically voted for his plan. GOPers cheered on by Tea Party activists want to write it into law as soon as possible. Here are the changes in taxes and benefits Ryan offers:

- About five thousand Ohio millionaires would get new tax breaks of \$250,000 a year or more and their already swollen incomes would shoot up by more than twelve percent.
- Middle-class and lower-income Ohio citizens would pay the price – through cuts to Medicare, education and other health programs, and the loss of tax deductions and credits.
- When it is all added up, the tax cuts tilted toward the very rich would cost almost as much as the spending reductions, so large federal budget deficits would persist for decades.

Not many citizens of the Buckeye State would consider this a good bargain, especially not when they grasp how bad the fine print is for most people.

Less for Education When Ohio Needs More

It is hard to recall a time when the average Ohio homeowner was more financially strapped or education more essential to maximizing children's chances to get ahead in life. Yet under the Ryan plan, big education cuts from Washington DC would be piled on top of the cuts already imposed by Governor John Kasich and Republican-controlled legislature in Columbus.

- **Cuts in Head Start for Ohio Preschoolers.** In 2013 and 2014, the Ryan budget would cut tens of millions from federal Head Start funds, eliminating school-readiness slots for more than 10,000 Ohio children and eliminating jobs for more than 3,000 child-care workers.
- **Sharp reductions for Ohio's schools.** With many Ohio schools struggling, hundreds of millions in Ryan cuts would eliminate or cut enrichment, after-school, and special needs programs for about a quarter of a million schoolchildren. Local taxpayers would struggle to fill the gaps and more than 3000 teachers and aides would lose their jobs – taking their wages out of local economies.
- **Big cuts for Ohio colleges and aspiring students.** As families with modest incomes struggle to afford college, the Ryan budget would reduce the average Pell Grant to Ohio students by about \$830 a year and eliminate 5,390 work-study positions in our state.

No More Medicare Guarantee – and Millions Would Lose Health Coverage

The impact of Ryan's cuts on health care for people in Ohio would be even more severe:

- The age of eligibility for Medicare would rise to 67 years, and starting ten years from now Medicare benefits would no longer be guaranteed. Seniors would have to use vouchers of shrinking value to try to buy costly private health insurance. Experts estimate they would have to pay about \$6,000 more per year to get what Medicare now offers.
- Federal support for Medicaid in Ohio would be cut by nearly a third, according to the Henry J. Kaiser Family Foundation. Ohio hospitals would see their payments reduced by an average of 39 percent – and millions of elderly, disabled, and poor people would get much less health care or none at all.
- The Affordable Care law would be repealed. For Ohio senior citizens, that means no more free preventive-care screenings and higher prescription costs (the “donut hole” would reopen and many would pay about \$520 more per year). Repeal would also mean that health insurance coverage cannot be expanded, as planned, to more than a million additional people; and repeal would eliminate a tax credit that helps 107,210 Ohio small businesses offer coverage to their employees. About 633,300 employees would have to pay, on average, \$763 more per year for their health insurance.

Hammering the Poor and Charities that Serve Them

In July, the Nuns on the Bus tour visited Toledo, Cleveland, Columbus, West Chester, and Cincinnati to protest the draconian cuts Ryan and his fellow Republicans plan for programs helping the poor and low-income working families in Ohio. Beyond the fact that reductions in health care would hurt hospitals as well as needy people, here's why the Sisters are so horrified:

- Over the next ten years, the Ryan budget would chop almost a fifth of federal funding from the current version of Food Stamps, reducing or ending assistance to almost two million Ohio low-income families with children, poor seniors, and persons with disabilities. Both poverty and hunger would shoot up – and food pantries would be overwhelmed.
- The Ryan cuts would be just as perverse for Ohioans struggling in the job market. Because of sharp cutbacks in federal funding, in the next two years alone more than 50,000 Ohioans would lose employment training and 183,000 would not get assistance to find jobs.

The Bottom Line: Most Ohio Families Will Face Higher Costs and Taxes

Overall, the Ryan Republicans plan \$4.3 trillion in cuts to health care, education, and safety net programs vital to middle-class and low-income American families, and also promise \$4.2 trillion in tax cuts chiefly to benefit the rich. Of course, Congressman Ryan says he would “close tax loopholes.” But he and his fellow GOPers rule out getting rid of the most expensive tax breaks for business and the wealthy. According to nonpartisan experts, the only place left to go for more revenues would involve eliminating or reducing breaks for low and middle-income people.

In Ohio, families in the middle of the income ladder make less than the typical U.S. family, taking in about \$56,000 a year (and of course half earn less). Overall, the Ryan budget would force such Ohio families to pay
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thousands more each year for education and health care; and middle-class Ohioans would also be left holding the bag when tax time rolls around. Otherwise, the cost of giveaways to the very rich would mean large federal budget deficits for decades to come. Any way you calculate it, the Ryan plan is a very bad deal for most of us in Ohio.