



Leadership Council of Aging Organizations

James Firman, Chair

April 9, 2018

The Honorable Paul Ryan
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Majority Leader
United State Senate
Washington, DC 20510

The Honorable Chuck Schumer
Minority Leader
United States Senate
Washington, DC 20510

Dear Speaker Ryan, Leader Pelosi, Leader McConnell and Leader Schumer:

The Leadership Council of Aging Organizations (LCAO) is a coalition of 70 national nonprofit organizations concerned with the well-being of America's older population and committed to representing their interests in the policy-making arena. We are writing to oppose H.J.Res. 2 or any balanced budget amendment to the Constitution of the United States.

We believe that the nation can and should reduce the federal deficit over time through a sensible approach that includes budget savings from increases in revenue and thoughtful, targeted reductions in spending when and where necessary, without increasing poverty, hunger or income inequality. We do not believe a balanced budget amendment is the right approach, as it will harm vulnerable aging Americans and their families, and runs counter to American goals of shared opportunity and security, strengthening the middle class and promoting job growth.

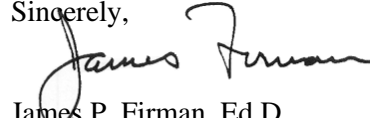
Federal programs support the basic living standards for millions of older Americans, workers and their families – helping them put food on the table, pay for their homes and see a doctor. Earned benefits under Medicare and Social Security provide essential support for tens of millions of seniors and their families. Half of individuals with Medicare have incomes below just \$26,200 and more than one in five older Americans receive 90% of their retirement income from Social Security. Because of the proposal's requirement that expenditures in any year be offset by revenues collected in that same year, the ample reserve savings accumulated in the respective Social Security and Medicare Trust Funds could no longer be drawn down, and forced cuts in promised benefits would likely result.

We have already seen sequestration's arbitrary across-the-board cuts hit a broad range of programs serving older adults, including Meals on Wheels, home care, and caregiver supports, as well as severe proposed cuts to Medicaid, which serves nearly 7 million low-income seniors. On the heels of a tax bill that drastically reduced revenues and exploded the federal deficit by over \$1 trillion over the next decade, a constitutional balanced budget requirement would intensify pressure on Congress to make indiscriminate and even larger cuts in senior programs. These cuts would occur regardless of the state of the economy. A balanced budget amendment also would prevent the federal government from quickly and appropriately responding to sudden changes in the economy, natural disasters, or national security threats.

Requiring a balanced budget, regardless of the state of the economy, risks making the economy less stable – turning downturns into recessions and making recessions deeper and longer. It takes away the tried and true tools Congress has used many times to bolster a faltering economy and help cushion economic blows to states.

We urge you to oppose efforts to move an amendment to the Constitution requiring a balanced budget.

Sincerely,

A handwritten signature in black ink that reads "James P. Firman". The signature is written in a cursive style with a large, stylized initial "J".

James P. Firman, Ed.D.
President & CEO, National Council on Aging
Chair, Leadership Council of Aging Organizations