

October 3, 2011

The Honorable John F. Kerry
United States Senate
218 Russell Building
Washington, DC 20510

Dear Senator Kerry:

On behalf of the Massachusetts Law Reform Institute (“MLRI”), I wish to extend our appreciation for your service on the Joint Select Committee on Deficit Reduction (“the Committee”). As this Committee considers ways to achieve the deficit reduction goals set out in the Budget Control Act of 2011, I am writing to respectfully urge you to protect critical safety net programs. Many of these programs are already underfunded and further reductions would have a devastating impact on tens of millions of low-income individuals, families and children.

With 46 million Americans, including 16.4 million children, living below the federal poverty level, cutting programs that meet the basic human needs of low-income families and children will have very destructive long-term implications. The cost of poverty transcends the immeasurable toll it takes on the individuals and families directly affected by it. Rising poverty and income inequality also damage our national social fabric and threaten to cripple America’s long-term economic stability and future prospects for prosperity. For example, even before the current recession, child and youth poverty were estimated to cost the U.S. economy about 4 percent of GDP per year in reduced adult productivity, economic output and higher health and social costs.

MLRI has prepared a Briefing Paper, *attached*, that details some important programs that should be protected from cuts during the deficit reduction process. (This is not an exhaustive list and only includes programs in which we have particular expertise.) This Briefing Paper is intended to provide you and members of the Committee with data and information which illustrate how these programs form a safety net that must be preserved so that poverty in America does not continue to increase—and so that we do not find ourselves in a nation where children, the elderly and the disabled struggle with hunger, go without safe and stable housing, or forgo needed medical care.

A summary of our recommendations, for which we provide greater detail in our paper, is as follows:

- ✓ Protect public housing programs. These programs, including the National Housing Trust Fund, not only provide safe, affordable rental housing to individuals and families but they are also *job creators*.
- ✓ Maintain the protection from sequestration in the default mechanism of the Budget Control Act for the TANF Block Grant, which provides income assistance, services to help low-income parents become employed, and shelter and rental assistance for homeless families with children. Funding for the TANF Block Grant has already proved inadequate to meet the need for the services it is meant to provide, and benefit levels are too low to lift many families out of poverty. Further cuts will result in increased homelessness and increased child welfare costs, with more families unable to provide for their children’s basic subsistence.
- ✓ Maintain the Budget Control Act protection of the Earned Income Tax Credit which is necessary to keep families with two full-time minimum-wage earners out of poverty. Maintain extended unemployment insurance beyond its currently scheduled expiration at the end of 2011 to preserve a lifeline to unemployed workers and their families affected by the recession.
- ✓ Maintain Budget Control Act protections for the Supplemental Nutrition Assistance Program (SNAP) and child nutrition programs, and protect adequate funding for WIC and emergency food assistance. These federal nutrition programs are the first line of defense against hunger in the United States and have been critical in responding to food insecurity and improving health outcomes, especially during the recession.

- ✓ Maintain Budget Control Act protections for Medicaid, which provides vital health services to our nation's most vulnerable people and is the cornerstone of the Affordable Care Act. Cutting Medicaid or replacing it with a block grant would merely shift costs to the over-burdened states, low-income families or employers purchasing insurance for their workers.
- ✓ Protect child welfare by protecting the programs families need to keep their children safely at home rather than in the custody of the state: TANF, housing programs, Medicaid, nutrition programs, unemployment insurance and the Earned Income Tax Credit. At the same time, protect the federal programs that directly fund the services that child welfare systems need to keep children safely at home: the Social Services Block Grant, TANF and Medicaid.
- ✓ Protect the health and well-being of America's seniors by protecting Medicare, Medicaid, Social Security and Supplemental Security Income, which are cornerstone programs for elder income and health care. Also protect the array of discretionary programs funded by the Older Americans Act that are targeted to those elders in greatest economic need.

In conclusion, we strongly urge the Committee to ensure that: (1) vital safety net programs that are protected from sequestration under the default mechanism of the Budget Control Act also be protected in any package recommended by the Committee; and (2) the additional safety net programs discussed in our Briefing Paper are also protected from reductions.

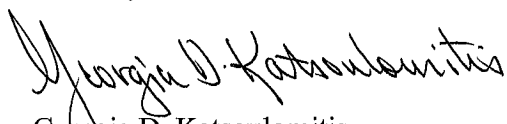
It has been said that a nation's greatness is measured by how it treats its weakest members. During this critical time in our history, when you and your fellow Committee members will make decisions that will impact generations to come, we urge you to be a strong and stalwart voice for the poor, vulnerable and underserved. Although the nation's deficit must be addressed, it would indeed be tragic to decimate vital safety net programs and thereby thrust millions of Americans even deeper into poverty and economic insecurity.

A great nation such as ours should not solve its deficit crisis on the backs of the weak while protecting tax cuts for the wealthiest in our society. Federal spending on safety net programs did not create the nation's deficit and the children, parents, persons with disabilities and elders who depend on these programs for their survival should not be asked to solely bear the burden of deficit reduction. For this reason, we urge the Committee to recognize that responsible and effective deficit reduction cannot be achieved by cuts alone and must include revenue-side measures and appropriate adjustments in defense spending.

I hope that you find MLRI's Briefing Paper informative and helpful. We are pleased to offer our expertise to assist in your deliberations and request a meeting with you or a member of your staff to further discuss these issues. We will be contacting your office to arrange a mutually convenient time.

On behalf of MLRI and the low-income individuals and families that we serve, I thank you for your time and consideration.

Sincerely,


Georgia D. Katsoulomitis
Executive Director