

NETWORK Talking Points for a Moral Budget

The Political Situation

- The United States will hit its debt ceiling in June, and Congress must raise it to keep the country from defaulting on its debt.
- Congressional Republicans don't want to raise the debt ceiling without making severe cuts Medicaid, housing, and food programs that serve the human needs of millions of the most vulnerable people in the U.S. and which especially help Black and Brown communities to flourish.
- Cuts to these programs would be immoral and should be off the table in any budget deal passed by Congress. Congress should protect these critical programs that serve the most vulnerable.
- If Members of Congress want to address deficits and debt, they can accomplish this by letting tax credits for the wealthiest people in the country expire.

The Moral Case for Protecting Medicaid, Housing, and Nutrition

A budget is a moral document that reflects the choices and priorities of our country. In the U.S., we choose to help millions of vulnerable people through critical human needs programs such as Medicaid, housing, and nutrition programs. For Catholics, these programs are part of the preferential option for people in poverty. By helping so many Black and Brown families and communities to flourish, these programs also answer the gospel call to foster racial and economic justice in our society.

We urge you to protect critical anti-poverty programs – Medicaid, housing, and nutrition – that help the most vulnerable to thrive in the upcoming negotiations related to the budget. While we affirm that programs should be sufficient and sustainable, as Congress faces crucial fiscal decisions in the coming months, it is imperative that programs that address the most fundamental tools needed to live in dignity and with security are protected and strengthened.

Places of worship are often at the forefront of efforts to provide food, shelter, and basic services to those facing an emergency. This work, however, is done in partnership with the federal government. We cannot meet the basic needs of those in poverty without government assistance.

If there is a need to address deficits and debt, Congress should ensure that the wealthy and corporations are paying their fair share to support the common good. Congress can also cut fraud, and wasteful military spending. Pope Francis urges all people of goodwill to say “no” to an economy that kills. Congress should not balance the budget on the back of those struggling in poverty.

Protect and Expand Medicaid

- Medicaid helps people live healthier and more economically secure lives. It increases the diagnosis and early treatment of chronic conditions, enhances educational achievement and future earnings for covered children, reduces health care inequities, and provides comprehensive, high-quality, and cost-effective care.

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- Medicaid supports older adults and people with disabilities. Medicaid provides health coverage to nearly 17 million people with disabilities and older adults.
- Medicaid supports children. Medicaid covers health services for nearly half of all US children (over 41 million children). Medicaid is a lifeline for nearly half of the 14 million children with special health care needs in the United States.
- Medicaid supports women. Medicaid provides coverage to nearly 17 million non-elderly adult women.
- Medicaid is the largest single payer of pregnancy-related services, financing 42% of all U.S. births.
- Medicaid supports people of color and underserved communities. Medicaid is an important source of health coverage for people of color, who represent 59% of non-elderly Medicaid enrollees. More people in rural areas (24%) are enrolled in Medicaid compared to urban areas (22%).
- Medicaid supports people with mental health conditions and substance use disorders (SUD). Medicaid is the single largest payer for mental health services, including SUD treatment, and the only source of funding for some specialized behavioral health services.
- Medicaid supports people with HIV/AIDS. Medicaid is the single largest source of health care for people with HIV/AIDS and covers 42% of all people getting regular treatment for HIV.

Republicans Propose More Red Tape: Work Requirements

- Taking Medicaid coverage away from people who don't document they meet a work requirement would put millions of people's health care at risk and perpetuate health inequities. So-called "work requirements" — which are included in the Center for Renewing America's budget plan and have recently been touted by other policymakers [6] — would impose burdensome new reporting obligations that are unlikely to increase the number of people who work for pay.
- The majority of adult Medicaid enrollees are already working, often in low-paying jobs that do not provide health coverage. Those who aren't currently working are often only temporarily between jobs or have health issues or disabilities that limit their employment (though not necessarily permanently).
- Work requirements take coverage away from people who need it, including people who are working or who meet exemption criteria but aren't able to navigate the maze of reporting requirements.
- When someone loses health coverage that helps them manage a chronic condition, they can face more difficulties getting or keeping a job, adverse health outcomes, and increased financial instability as households have to use their limited resources for medicine or health care.

Protect and Expand Housing

- The U.S. is in the midst of a housing crisis. NLIHC research presented in their report, *The Gap: A Shortage of Affordable Homes*, found a 7 million affordable housing shortfall for extremely low-income renters. Further, in addition to supply issues, there is not enough funding to assist all

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who need support—a November 2022 Congressional Budget Office study reports that 13 million households that are eligible for housing support do not receive it.

- It is unacceptable for Congress to balance the federal budget by demanding cuts to programs that help the lowest-income households survive. There is a national shortage of approximately 7 million affordable, available homes for people with the lowest incomes, and only one in four households who qualify for federal housing assistance receives the help it needs. Without adequate federal funding for vital federal affordable housing and homeless assistance programs, households with the lowest incomes will continue to live precariously, only one missed paycheck or unexpected emergency away from housing instability, eviction, and, in the worst cases, homelessness.
- Given the tremendous need for federal housing investments, our nation cannot afford dramatic cuts to critical affordable housing and homelessness programs. Instead, Congress should fund these programs at the highest level possible to serve more households struggling to afford a roof over their head.
- Everybody needs an affordable, accessible, quality place to call home, so that they don't have to choose between paying the rent and putting food on the table or paying for medications. Federal investments in affordable housing provide households with the resources they need to afford a roof over their head. Rather than cutting housing investments, we need to expand housing assistance to ensure it is universally available to every eligible household.
- To end homelessness and housing poverty throughout the country, our nation must significantly expand – not slash – investments to make homes affordable and accessible to people with the lowest incomes. Today, only a quarter of the households who qualify for housing assistance will get the help they need. Dramatic spending cuts will force these households to wait even longer for necessary assistance.
- Federal affordable housing investments lift millions of families out of poverty. Without these investments, many households would experience homelessness, live in substandard or overcrowded conditions, or struggle to pay rent and meet other basic needs.
- Research has shown that when families have stable, decent, and accessible homes that they can afford, they are better able to find employment, achieve economic mobility, perform better in school, and maintain improved health. Dramatic cuts to housing investments will damage health and education outcomes, leading to harmful consequences for generations.
- We need federal investments in affordable housing more than ever to sustain our communities and help improve lives. In the wake of the pandemic, more families are struggling to make ends meet, rents are rising, eviction filings are reaching pre-pandemic levels, and homelessness is increasing in many communities.
- Congress should NOT balance our nation's budget on the backs of our nation's lowest-income and most marginalized people and families, who are already struggling to get by. Using households that are struggling to make ends meet for political gain is unconscionably cruel.
- HUD provides essential resources to help millions of low-income seniors, people with disabilities, veterans, families with children, and others afford stable and safe housing. If federal

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housing resources are cut dramatically, low-income households may lose access to stable housing, putting them at increased risk of homelessness.

- Federal housing investments reduce homelessness and housing instability, support thriving communities, and encourage economic recovery and growth.
- For a decade, our nation lost ground in addressing America's affordable housing and homelessness crisis because of the dramatic spending cuts imposed by Congress.

Protect and Expand Nutrition

- The Supplemental Nutrition Assistance Program (SNAP) is our nation's most effective tool for combating hunger. It plays a critical role in reducing poverty, improving health and economic outcomes, supporting people who are paid low wages, and serving as the first line of defense against hunger during economic downturns.
- Access to SNAP provides families with the money they need to purchase groceries, freeing up their limited resources to spend more on other basic needs such as housing, utilities, and medical and child care. SNAP also supports local economies and creates jobs. For every \$1 in SNAP benefits issued, up to \$1.80 in economic activity is generated.
- Most SNAP participants who can work do work often in low paying jobs that are often unreliable hours, and don't provide benefits such as paid sick days, like cashiers, cooks, or home health aids.
- SNAP helps a broad range of people with low incomes, including children, older adults, people with disabilities, and veterans:
 - Children: SNAP helps nearly 1 in 4 children in the United States afford an adequate diet. Nearly two-thirds of SNAP benefits go to families with children.
 - Older adults: SNAP helps nearly 6 million low-income older adults — many of whom are on fixed incomes — afford food, which helps to stretch their budgets to better cover other household expenses like medication.
 - People with disabilities: SNAP helps nearly 4 million non-elderly adults who either receive disability benefits or have work-limiting health conditions. Individuals with disabilities are at higher risk of food insecurity, making SNAP particularly important for them.
 - Veterans: SNAP helps more than 1 million low-income veterans who may struggle to find work, may be employed in low-paid jobs, or may have disabilities or chronic health conditions.
 - Current Work Requirements on SNAP
 - SNAP currently has harsh work requirements and time limits. Adults aged 18 through 49 without children can receive benefits for only three months out of every three years under current law unless they can document they are working or participating in a qualifying work program for 20 hours a week or can prove they are unable to work.

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New Proposal: Rep. Dusty Johnson Proposal (H.R. 1581) would extend work requirements to adults aged 18 through 64 unless they have a child under the age of 7 in the home. Those at risk of losing food include veterans, people experiencing homelessness, older adults who may no longer be able to work physically demanding jobs, people with mental health challenges that don't qualify for disability. A total of more than 10 million people, about 1 in 4 SNAP participants, including about 4 million children, live in households that would be at risk of losing food assistance under the Johnson bill.

New Proposal: Converting SNAP into a discretionary block grant to the states. Setting an arbitrary spending cap or block grant would mean that SNAP would no longer be able to automatically respond to increased need if there is a future recession, natural disaster, or pandemic. Instead, if states wanted to let the program expand when need rises, state budgets would have to cover the full additional cost of meeting additional food assistance needs. NETWORK opposes both of these proposals.