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**CRFB Reacts to Congressman Ryan's Budget
March 20, 2012**

Today, House Budget Committee Chairman Paul Ryan (R-WI) unveiled his FY 2013 budget proposal. Overall, under this budget, debt would be reduced from 73 percent of GDP at the end of FY 2012 to 62 percent in 2022. This is a substantial improvement over the 85 percent projected under CRFB's Realistic Baseline, in line with current-law levels of 61 percent, and would be an impressive accomplishment.

Chairman Ryan accomplishes this deficit reduction by block-granting and reducing Medicaid, by repealing the coverage provisions from the Affordable Care Act, and by substantially reducing many other areas of domestic spending. In addition, the Chairman's budget calls for revenue-neutral tax reform, appears to retain the BCA "sequester" for the years 2014 through 2021, and calls for long-term Medicare reforms.

"Congressman Ryan's budget puts our nation on a fiscally sustainable path, and he deserves praise for making many of the hard choices necessary to do so," said Maya MacGuineas, president of the Committee for a Responsible Federal Budget. "It is also encouraging to see Chairman Ryan confront the long-term growth in Medicare spending, including by transforming the program into a Ryan-Wyden-style premium support with limits on spending growth."

"I am concerned that Congressman Ryan generates considerable savings beginning in 2014 from a sequester for which there is no political will to keep in place," said MacGuineas. "Furthermore, while a fundamental overhaul of the tax code is in order, to meet his target of revenue neutrality with rates of 10 and 25 percent would require extremely aggressive reductions in tax expenditures, none of which are specified."

"It is tough to imagine this proposal gaining broad-based bipartisan support, which is what we need to move toward adopting a plan. But once again, Congressman Ryan deserves credit for being willing to get specific about what fixes he favors. Now, however, policymakers from both parties must work together to develop a bipartisan deal which replaces our current 'fiscal cliff' with a large, well-crafted plan that puts the country on a sustainable path."

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