

Paul Ryan's Budget Proposals

Budget Category	Roadmap 1 (2008)	Roadmap 2 (2010)	Path to Prosperity 1 (2011)	Path to Prosperity 2 (2012)
Discretionary				
Defense/ Security	<ul style="list-style-type: none"> Details unspecified, but non-entitlement spending is estimated to grow above inflation 	<ul style="list-style-type: none"> Unspecified, but defense spending appears to grow with inflation 	<ul style="list-style-type: none"> Fulfills President's defense request (above BCA levels) 	<ul style="list-style-type: none"> Reprioritizes most security savings from BCA and sequester to non-defense Retains sequester for 2014 and beyond.
Non-Defense (NDD)/ Non-Security (NSD)	<ul style="list-style-type: none"> Details unspecified, but non-entitlement spending is estimated to grow above inflation 	<ul style="list-style-type: none"> Freezes NDD at 2009 levels through 2019 Indexes to CPI+.7% thereafter 	<ul style="list-style-type: none"> Cuts NSD to 2006 levels, freezes for 5 years Indexes to inflation thereafter 	<ul style="list-style-type: none"> Reduces NSD by ~\$20 B in 2013, reallocates security savings to non-security in future years. Retains sequester for 2014 and beyond.
Health Care				
Medicare	<ul style="list-style-type: none"> Premium support for beneficiaries who are currently under 55, indexed to halfway between general and medical inflation Means-tested premiums for higher earners Phases out DSH payments 	<ul style="list-style-type: none"> Premium support for beneficiaries who are currently under 55, indexed to halfway between general and medical inflation Means-tested premiums for higher earners Raises Medicare age from 65 to 69.5 by 2022 	<ul style="list-style-type: none"> Premium support for beneficiaries who are currently under 55, indexed to inflation per beneficiary Increases Medicare eligibility age to 67 by 2 month intervals each year beginning in 2023 Assumes doc fixes are offset (unspecified) 	<ul style="list-style-type: none"> Premium support for beneficiaries who are currently under 55, with FFS Medicare competing, indexed to GDP+0.5% per beneficiary Means-tested premiums for higher earners Increases Medicare eligibility age to 67 between 2023 and 2036 Assumes doc fixes are offset (unspecified)
Medicaid	<ul style="list-style-type: none"> Allows states to participate in tax credit plan or block grants current Medicaid program, grows by inflation plus population 	<ul style="list-style-type: none"> Block grants long-term care, indexed to halfway between general and medical inflation plus population Replaces Medicaid acute care w/ subsidies for private 	<ul style="list-style-type: none"> Block grants all Medicaid in 2013, grows by inflation plus population 	<ul style="list-style-type: none"> Block grants in 2013, grows by inflation plus population

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		insurance		
Other	<ul style="list-style-type: none"> Replaces health insurance tax exclusion with tax credits indexed to halfway between general and medical inflation plus population Enacts tort reform 	<ul style="list-style-type: none"> Replaces health insurance tax exclusion with tax credits indexed to halfway between general and medical inflation plus population Enacts tort reform 	<ul style="list-style-type: none"> Repeals coverage provisions of PPACA; keeps most spending cuts Enacts tort reform 	<ul style="list-style-type: none"> Repeals coverage provisions of PPACA; keeps most spending cuts and revenue Enacts tort reform
Social Security				
Social Security	<ul style="list-style-type: none"> Indexes retirement age to longevity Implements progressive price indexing Creates minimum benefit at 120% of FPL Offers optional individual accounts 	<ul style="list-style-type: none"> Indexes retirement age to longevity Implements progressive price indexing Creates minimum benefit at 120% of FPL Offers optional individual accounts 	<ul style="list-style-type: none"> Sets up reform trigger, where President and Congress are required to consider reforms under expedited process 	<ul style="list-style-type: none"> Sets up reform trigger, where President and Congress are required to consider reforms under expedited process
Other Mandatory				
		<ul style="list-style-type: none"> Consolidates and reforms job training programs Repeals most unobligated funds from American Recovery & Reinvestment Act Reduces TARP authority 	<ul style="list-style-type: none"> Block grants food stamps and limits spending, increases to inflation and population growth beginning in 2015 Consolidates and reforms job training programs Eliminated in-school interest subsidies for undergraduates and graduate students Restricts FDIC too-big-to-fail authority Expands spectrum auctions Reduces farm subsidies Reforms civil service retirement 	<ul style="list-style-type: none"> Block grants food stamps and limits spending, increases to inflation and population growth beginning in 2016 Consolidates and reforms job training programs Reduces student loan subsidies Reduces farm subsidies Reforms civil service retirement Sells excess federal assets and property Privatizes Fannie and Freddie Reforms PBGC

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			<ul style="list-style-type: none"> • Sells excess federal assets and property • Privatizes Fannie and Freddie • Reforms PBGC • Reforms SSI • Reforms other means-tested entitlement programs 	<ul style="list-style-type: none"> • Reforms SSI • Reforms other means-tested entitlement programs
Tax Reform				
Individual	<ul style="list-style-type: none"> • Limits revenues to no more than 18.5% of GDP • Offers an alternative “Simplified Tax”, with: <ul style="list-style-type: none"> - No AMT - No estate tax - No taxes on investment income - Few tax preferences - 2 rates of 10%, 25% 	<ul style="list-style-type: none"> • Limits revenues to no more than 19% of GDP • Offers an alternative “Simplified Tax”, with: <ul style="list-style-type: none"> - No AMT - No estate tax - No taxes on investment income - Few tax preferences - 2 rates of 10%, 25% 	<ul style="list-style-type: none"> • Calls for revenue neutral tax reform with 25% top rate with fewer brackets • Reduces tax preferences (unspecified) 	<ul style="list-style-type: none"> • Calls for revenue neutral tax reform with two brackets of 10% and 25% • Repeals the AMT • Reduces tax preferences (unspecified)
Corporate	<ul style="list-style-type: none"> • Replaces corporate income tax with broad-based 8.5% business consumption tax (BCT) 	<ul style="list-style-type: none"> • Replaces corporate income tax with broad-based 8.5% business consumption tax (BCT) 	<ul style="list-style-type: none"> • Reduces corporate rate to 25% • Reduces tax preferences (unspecified) 	<ul style="list-style-type: none"> • Reduces corporate rate to 25% • Enacts territorial system • Reduces tax preferences (unspecified)
Other Details				
Debt in 2020	40% of GDP (AFS Assumes 53%)	69.2% of GDP (AFS Assumes 87%)	68.7% of GDP (AFS Assumes 97%)	65.1% of GDP (AFS Assumes 89%)
Deficit in 2020	2.2% of GDP (AFS Numbers Unspecified)	3.8% of GDP (AFS Assumes 7.4%)	1.8% of GDP (AFS Assumes 7.2%)	1.0% of GDP (AFS Assumes 5.3%)
Debt in 2050	110% of GDP (AFS Assumes 292%)	95.8% of GDP (AFS Assumes 321%)	10% of GDP (AFS Assumes 344%)	10% of GDP (AFS Assumes 334%)
Deficit in 2050	5.5% of GDP (AFS Numbers Unspecified)	2.6% of GDP (AFS Assumes 22.3%)	4.3% of GDP (AFS Assumes 26%)	3% of GDP (AFS Assumes 25.3%)