

# A Platform to Revitalize America

## *Senator Rand Paul's Balanced Budget for FY2013*

- **Balances the budget in five years by addressing spending cuts and reforms across the board**
  - The Platform to Revitalize America is the ONLY budget proposal that balances within the Balanced Budget Amendment window (which all 47 Republican Senators support)

**SPENDING:** This budget proposal significantly reduces spending relative to both the President's budget and the Congressional Budget Office (CBO) baseline. It also brings spending below the historical average of 19.6 percent of GDP in the first year, eventually reaching sustainable levels below historic revenues. Based on current CBO baseline, the budget would spend \$8 trillion less over the next 10 years.

- **Brings federal spending below historical average in very first year**
  - Reduces spending by nearly \$11 trillion relative to the President's budget
  - Achieves a \$111 billion surplus in FY2017
  - Remains in surplus after initial balance, pays off \$2 trillion of national debt in 10-year window
  - Includes entitlement reform for Medicare and Social Security
    - Block-grants Medicaid, SCHIP, food stamps, and child nutrition
    - Preserves Social Security and fixes trust fund over 75 years
    - Preserves Medicare by giving all seniors the same health care plan as Members of Congress
  - Reduces most discretionary spending to FY2008 levels
  - Defense: Eliminates FY2013 sequester cuts
  - Freezes foreign aid spending at \$5 billion per year
  - Defunds duplicative or wasteful agencies and programs
  - Sells off excess federal properties and land
  - Eliminates the Davis-Bacon prevailing wages provisions
  - Liquidates government ownership of "bailout" companies
- **Eliminates unnecessary bureaucracy**
  - Eliminates:
    - Department of Commerce
    - Department of Education (preserves Pell grants)
    - Department of Housing and Urban Development
    - Department of Energy (transfers nuclear research and weapons to Department of Defense)
  - Privatizes Transportation Security Agency
- **Repeals Obamacare and Dodd-Frank**
- **Opens Arctic National Wildlife Refuge for oil and gas exploration**
- **Permits the Keystone XL Pipeline project**

**REVENUE:** This budget provides a number of incentives to increase investment. By allowing Americans and businesses to keep more of their money, we will quicken the pace of deleveraging, allowing the economy to find its equilibrium, facilitating growth and employment.

- **Tax Reform**

- 17 percent flat tax for individuals and corporations
- Pro-growth and globally competitive

**ENTITLEMENT REFORM:** The Social Security reform proposal includes two main provisions: a gradual increase in the retirement age and progressive indexing. The budget also includes reform of Medicare through the Congressional Health Care for Seniors Act. This reform will provide seniors with better health care at a lower cost to the senior and to the taxpayers. Seniors will receive the same health insurance as their Members of Congress, at lower out-of-pocket cost.

- **Social Security**

- Increase the retirement age over time, protecting beneficiaries
- Progressive Indexing, slows the growth of benefits for high-income and increases benefits for low-income individuals

- **Medicare**

- Gives all seniors the same health care plan as Members of Congress

**REGULATIONS:** This budget supports adoption of the REINS Act, which seeks to require all major regulations – that is, regulations with an economic impact of over \$100 million – to be approved by an up-or-down Congressional vote before they can take effect. In requiring this, REINS allows Congress to re-assert its lawmaking authority over regulatory agencies to ensure that the agency has produced a rule that reflects what Congress intended.

- Apply regulatory analysis requirements to independent agencies
- Adopt the REINS (Regulations from the Executive in Need of Scrutiny) Act
- Sunset on regulations
- Regulatory process reform
- Incorporation of formal rulemaking for major rules

