## Appendix 1: Members of Fiscal Groups

Peterson-Pew Commission on Budget Reform

Bill Frenzel Tim Penny Charlie Stenholm

**Barry Anderson** Roy Ash **Charles Bowsher** Steve Coll Carol Cox Wait Dan Crippen Vic Fazio Bill Gradison Jr. William H. Gray III William Hoagland **Douglas Holtz-Eakin** James Jones Lou Kerr Jim Kolbe James Lynn Maya MacGuineas James T. McIntyre David Minge Jim Nussle Marne Obernauer Jr. June O'Neill Paul O'Neill Rudy Penner Peter G. Peterson Bob Reischauer Alice Rivlin **Charles Robb** Martin Sabo Gene Steuerle David Stockman Laura Tyson Paul Volcker David Walker Joseph R. Wright

# Choosing the Nation's Fiscal Future Project

John L. Palmer Rudolph G. Penner

Joseph Antos Kenneth S. Apfel Richard C. Atkinson Alan J. Auerbach Rebecca M. Blank Andrea L. Campbell **Chris Edwards** Dana P. Goldman Ellen Hughes-Cromwick Joseph J. Minarik Olivia S. Mitchell Gilbert S. Omenn Sean O'Keefe June E O'Neill Paul L. Posner Robert D. Reischauer Margaret C. Simms William E. Spriggs Thomas C. Sutton Susan Tanaka Ruth A. Wooden

### Domenici-Rivlin Debt Reduction Task Force

Pete Domenici Alice Rivlin

A.R. Bernard, Sr. Robert L. Bixby James Blanchard Sheila Burke Leonard E. Burman Robert N. Campbell **Henry Cisneros** Carlos M. Gutierrez G. William Hoagland Frank Keating Karen Kerrigan Maya MacGuineas Donald Marron Edward McElrov Joe Minarik Marc H. Morial William D. Novelli **Tony Williams** 

## Appendix 2:

## PLAN TO STABILIZE THE DEBT AT 60% OF GDP

|   | Savings in 2018 (\$Bil) |
|---|-------------------------|
| Defense   | \$70                    |
| <ul> <li>Reduce weapon systems, reduce troop levels, reform procurement policies, reform<br/>Tricare</li> </ul> |                         |
| Discretionary   | \$140                   |
| Eliminate outdated programs   |                         |
| • Reduce domestic discretionary spending by 5%, short-term freeze, cap growth                                   |                         |
| Social Security   | \$60                    |
| <ul> <li>Speed up/increase retirement age to 68 and index for longevity</li> </ul>                              |                         |
| <ul> <li>Slow growth of benefits for middle and upper earners</li> </ul>  |                         |
| Switch to superlative CPI   |                         |
| Update/reduce spousal benefits  |                         |
| Heath Care  | \$120                   |
| Reduce new insurance subsidies  |                         |
| <ul> <li>Increase cost sharing/premiums for Medicare</li> </ul>   |                         |
| Increase retirement age for Medicare  |                         |
| Reform malpractice policies   |                         |
| Reduce Medicaid funding to the states   |                         |
| Introduce a voucher option  |                         |
| • Institute a cap on federal health spending to restrict growth to GDP + population +                           |                         |
| 1% starting next decade   |                         |
| Other   | \$60                    |
| Eliminate agriculture subsidies   |                         |
| Reduce other mandatory spending   |                         |
| • Freeze government salaries for two years, reduce workforce by 5%, reforms                                     |                         |
| contracting process   |                         |
| Revenues  | \$300                   |
| • Tax expenditure reform: Gradually eliminate the health care exclusions; phase                                 |                         |
| down the home mortgage deduction from \$1 million to \$500k; eliminate state and                                |                         |
| local tax deduction, reduce corporate subsidies, other consolidations/eliminations,                             |                         |
| cap total amount of tax breaks as a share of income   |                         |
| Implement a carbon tax  |                         |
| • Only extend the expiring 2001/2003 tax cuts temporarily (2 years at most) with the                            |                         |
| commitment to only extend permanently once a debt reduction package has been                                    |                         |
| put in place  |                         |
| Sweeteners  | - 100                   |
| Corporate income tax rate cut   |                         |
| Bump up in spending on some of the most productive public investments   |                         |
| (education, R&D, infrastructure)  |                         |
| Total Savings   | 650                     |

Note: These numbers have not been officially scored and reflect only very rough estimates.

#### MAJOR METRICS UNDER BASELINE AND PLAN

|          | 2018<br>Baseline | 2018 Plan | 2030<br>Baseline | 2030 Plan |
|----------|------------------|-----------|------------------|-----------|
| Spending | 24%              | 22%       | 29%              | 23%       |
| Revenues | 19.5%            | 21%       | 19%              | 21%       |
| Deficit  | 5%               | 1%        | 10%              | 2%        |
| Debt     | 84%              | 60%       | 130%             | 45%       |

Note: These numbers have not been officially scored and reflect only very rough estimates.