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LEGISLATIVE ALERT!

(202) 637-5057

May 10, 2012

Dear Representative:

On behalf of the AFL-CIO, I am writing to urge you to vote against the Sequester Replacement Reconciliation Act of 2012 (H.R. 5652), scheduled for House floor consideration later today. House Budget Committee Republicans assembled this package to replace the automatic spending cuts scheduled to go into effect in January 2013 as agreed to in the Budget Control Act signed into law last year. However, Republicans are using the same unbalanced approach to deficit reduction they have relied on since the beginning of the 112th Congress-- refusing to ask millionaires and billionaires to pay one penny more in taxes while slashing vital services for millions of Americans.

H.R. 5652 shifts billions away from programs that are helping millions of families survive the worst economic recession since the Great Depression. Forty percent of the total \$324 billion cut in mandatory programs comes from programs targeted to low - and moderate - income families, including food stamps, Medicaid, the Children's Health Insurance Program and social services for vulnerable children and elderly and disabled poor.

For example, H.R. 5652 would slash food stamps by \$36 billion, cutting food assistance for 1.8 million Americans. In addition, 300,000 children also would lose free school meals. The bill would eliminate the Social Services Block Grant that provides \$1.7 billion to states primarily to provide child care assistance to low-income working mothers, child abuse prevention and meals on wheels for the frail elderly and disabled.

H.R. 5652 would impose substantial tax penalties on people benefitting from health care premium subsidies under the Affordable Care Act, changes that would cause 350,000 people to forgo coverage, according to the Joint Committee on Taxation. The legislation would also block 3.5 million children from benefitting from the Child Tax Credit, one of the most effective anti-poverty programs in the country. Every dollar it provides to low income families stimulates \$1.38 in economic growth.

Despite the fact that the two-year federal pay freeze and pension contribution increase included in the last Unemployment Insurance extension already cost federal workers \$75 billion, the Republican's reconciliation bill would impose another \$79 billion in cuts to federal workers' retirement, in effect cutting their pay by an additional \$10,000 over the next ten years.

Finally, proving once again that the Republican Leadership learned nothing from the 2008 financial crisis, the bill would both weaken the Consumer Financial Protection Bureau and repeal the government's authority to shut down large financial firms in a future crisis, making future bailouts more likely and increasing chances that taxpayers will be left with the bill.

Cuts of the magnitude proposed in this reconciliation bill would propel us toward an America that is not prepared to take care of the basic needs of its citizens. It is no wonder that the U.S. Conference of Catholic Bishops concluded that this Republican spending bill 'fails the basic moral test' of a budget. We urge you to vote against Chairman Ryan's reconciliation replacement bill.

Sincerely,

A handwritten signature in black ink, appearing to read 'William Samuel', written in a cursive style.

William Samuel, Director

GOVERNMENT AFFAIRS DEPARTMENT