**What Is In the Shutdown Deal and What It All Means**

On October 16, a Senate-brokered bipartisan deal to begin FY 2014 funding via a short-term continuing resolution (CR) and postpone the need to raise the debt ceiling until February 7 was passed with bipartisan support in both chambers of Congress. The President signed the measure into law a few hours later. And yet…while the shutdown and the short-term risk of default are over, the underlying budget disagreements remain and continue to be prevalent in a significantly divided Congress.

**Q: What did the bill do?**
The deal funds the government under a Continuing Resolution (CR) through January 15, 2014. This CR keeps discretionary programs funded at post-sequester FY 2013 levels—last year’s funding levels. It also pushed off the debt ceiling conversation until February 7, and added a new way to handle debt ceiling votes between now and then, as necessary. Although it wasn’t in the legislation itself, the deal struck included an agreement between Congressional budget leaders that they would convene a conference committee to work out the differences between House and Senate budget resolutions, both passed by their respective chambers back in March. The bill strengthened requirements to validate the income of consumers seeking Affordable Care Act (ACA) premium subsidies.

**Q: Did the CR cut OAA funds or restore them?**
We expect the CR to reflect current sequester funding levels. Remember, the agreed-upon CR level reflects the House Republicans’ budget proposal: $986 billion for discretionary spending for FY 2014. The Senate-recommended level is $91 billion higher.

**Q: They locked in the sequester for 3 months, but is there hope for relief in January?**
Yes…and maybe. The next few months offer new opportunities to advocate for sequester relief. To achieve remediation or elimination of sequestration, Congress needs to find the funds necessary to turn it off. This means finding $109 billion a year for this year and the next eight years. They cannot do this in the normal process of appropriations, so it’s always been assumed that such relief would have to come as part of a larger budget deal addressing mandatory programs and revenues.
 **Q: What’s the December 13 deadline? Won’t that solve the larger budget issues?**
There is a verbal agreement among Congressional leaders to convene a budget conference committee to resolve the vast differences between the House and Senate budget resolutions that each chamber finished back in March, and to do so by December 13. A joint House/Senate agreement was never accomplished back in the spring or summer when it traditionally would have occurred.

This is in part why the appropriations process has been such a mess this year— House and Senate appropriators were starting off on very different assumptions and then proceeded to make very different decisions based on their competing priorities. Even when the House and Senate committees both completed a bill, they did not reconcile the two versions. Hence, the need for a CR!

**Q: What could come out of this budget conference?**
Lots…or nothing. The budget resolutions passed in March contained a host of larger spending and revenue issues. For a sequester deal to succeed, other sensitive issues—such as raising revenues and changing mandatory programs like Social Security and Medicare—need to be on the table. Since Republicans don’t want to raise the former and Democrats don’t want to risk the latter, there’s not much they can agree to put on the table for discussion. President Obama’s FY 2014 budget did contain key concessions on the mandatory front, but that also angered many in his own party. Will the shutdown experience make lawmakers more open to bipartisan compromise, or less? Depending on the answer, this budget conference could produce significant proposals for Congress to consider, or stall out quickly for the same reasons it has for the past 6 months.

What You Can Do

The budget conference committee is charged with coming up with a federal budget recommendation for the remainder of the Federal Fiscal Year. None of our North Carolina Senators or Representatives have been named to this committee; however, you can still advocate for older adults. Please contact the budget conference co-chairs Patty Murray and Paul Ryan with your message.

Patty Murray (Wash.) (202) 224-2621 Paul Ryan (Wisc.) (202) 225-3031
www.murray.senate.gov/public/index.cfm/contactme Email through his site is limited to constituents

The following congresspersons have been named to this committee.

Senators Representatives

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| Ron Wyden (Ore.)   | Jeff Sessions (Ala.) | Tom Cole (Okla.)  |
| Bill Nelson (Fla.)  | Chuck Grassley (Iowa)  | James Clyburn (SC) |
| Mike Enzi (Wyo) | Debbie Stabenow (Mich.)       | Chris Van Hollen (MD) |
| Bernie Sanders (Vt.) | Sheldon Whitehouse (RI)  | Tom Price (GA) |
| Jeff Merkley (Ore.) | Mike Crapo (Idaho)  | Diane Black (Tenn) |
| Mark Warner (Virg.) | Lindsey Graham (SC)  | Nita Lowery (NY) |
| Chris Coons (Dela.) | Ron Johnson (Wisc.) | Pat Toomey (PA) |
| Tammy Baldwin (Wisc.)       | Tim Kaine (Virg.) | Kelly Ayotte (NH) |
| Angus King (Maine)  | Roger Wicker (Miss.) |   |

For contact info, please visit www.senate.gov for contact info, please visit www.house.gov

The Message:

We cannot afford more cuts to aging programs. There are long wait lists for many programs, including meals and in home aide, two vital programs that help older adults stay independent and out of costly nursing homes.

It costs about $1,300 per year to provide home delivered meals to a homebound senior.
It costs about $2,714 per year to provide in home aide to support a senior needing help at home.
It costs about $26,000 per year to provide Medicaid funded nursing home care to one senior.

Reduce Medicaid spending by Investing in aging programs.

We have people in nursing homes who wish to return home but they cannot because there are waiting lists for the aging services they need. Staying in the nursing home just increases Medicaid costs.