

Obama Administration Proposes Federal Budget

From VOA Learning English, this is IN THE NEWS.

This week, the Obama administration released a budget plan for the 2014 fiscal year. The plan calls for three trillion 770 billion dollars in federal spending during the year beginning in October.

President Barack Obama calls the proposal, “a fiscally responsible blueprint” for middle class jobs and economic growth. The budget is his attempt to move closer to a “grand bargain” he sought in debt and deficit reduction talks with Republican Party lawmakers.

The plan includes one-point-eight trillion dollars in deficit reduction over 10 years. It also adds two-point-five trillion dollars in savings the president says have already been realized. This would bring total savings to four-point-three trillion dollars.

Mr. Obama says his budget proposal seeks to end what he calls short-sighted, crisis-driven decision-making here in Washington.

“For years, the debate in this town has raged between reducing our deficits at all costs and making the investments necessary to grow our economy. And this budget answers that argument because we can do both. We can grow our economy and shrink our deficits.”

To become law, the president’s budget would require congressional approval, which political experts say is unlikely. His budget would replace tens of billions of dollars in required spending cuts. Those cuts went into effect on January first. Mr. Obama also wants to limit legal ways businesses and wealthy individuals can avoid paying taxes. And he wants to establish a minimum 30 percent tax on people earning one million dollars or more a year.

President Obama, who is a Democrat, says he has gone more than halfway to meet concerns of Republican lawmakers who have resisted tax increases.

House of Representatives Speaker John Boehner, a Republican, gives Mr. Obama credit for seeking more savings from Social Security and other big entitlement programs. But he says the president’s proposals are another attempt to increase taxes.

“He does deserve some credit for some incremental entitlement reforms that he has outlined in his budget. But I would hope that he would not hold hostage these modest reforms for his demand for bigger tax hikes.”

The president is proposing savings by using a new method to set cost of living increases for Social Security payments. But this proposal has angered many members of Mr. Obama’s Democratic Party.

Another critic, Senator Bernie Sanders, is an independent. He says the proposal is a cancellation of a promise Mr. Obama made as a presidential candidate.

“When Barack Obama was running for president in 2008, he said that he would not cut Social Security.”

Mr. Obama defended his Social Security offer and changes to Medicare, the health insurance program for older adults and Americans with disabilities. But he says any compromise must not hurt Americans who depend on these programs.

“I do not believe that all these ideas are optimal. But I am willing to accept them as part of a compromise, if and only if they contain protections for the most vulnerable Americans.

President Obama’s budget will go nowhere without the support of the two main political parties. Senate Democrats and House Republicans have their own separate spending plans.