

Press Release

The Rescissions Request: AAF's Gordon Gray on the Real Impact

ANDREW EVANS | MAY 9, 2018

AAF's Director of Fiscal Policy Gordan Gray breaks down President Trump's rescission request to Congress. Both liberals and conservatives are making too much of this request, Gray writes, as most of the request is made up of unobligated funds—money that won't ever be spent in the first place—instead of normal outlays.

An excerpt:

This distinction is missing from the public debate about this package. One publication reported that Trump "would ask Congress to slash about \$15 billion in spending." Some progressives have been critical of the billions in BA [budget authority] cancellations focused on the Children's Health Insurance Program (CHIP), as if the BA reductions would have a meaningful impact on actual CHIP payments—but this is hardly the case, as CBO reported. Keep in mind that Congress routinely cancels unobligated CHIP funds to offset real spending increases elsewhere in the budget. One need not look any further than the recent Consolidated Appropriations Act of 2018, which contained nearly \$7 billion in similar rescissions.

Click here to read the analysis.