



## Fiscal Snapshot: Analysis of Ben Carson’s Presidential Campaign Agenda Spending Proposals

October 22, 2015

<b>Ben Carson’s Spending Proposals: Number &amp; Annualized Cost of Policies (Dollars in Millions)</b>						
Candidate	Total Cost Per Year	# of Increase Proposals	Cost Per Year of Increase Proposals	# of Decrease Proposals	Cost Per Year of Savings Proposals	# of Proposals with Indeterminate Costs
<b>Ben Carson</b>	-\$99,501	5	\$6,467	3	-\$105,968	10
<small>Note: This data is a snapshot of Ben Carson’s proposals as of October 22, 2015. Information subject to change as additional information or proposals becomes available.</small>						

**Net Change in Spending per Year: -\$99.501 billion (*savings*)**

### **Economy, Transportation, & Infrastructure: Indeterminate**

**Minimum Wage:** “Well, first of all, let me say what I actually said about raising the minimum wage. I was asked should it be raised, I said, probably, or possibly. But, what I added, which I think is the most important thing, so, I said we need to get both sides of this issue to sit down, and talk about it. Negotiate a reasonable minimum wage, and index that so that we never have to have this conversation again in the history of America. I think we also have to have two minimum wages, a starter, and a sustaining because how are young people ever going to get a job if you have such a high minimum wage that it makes it impractical to hire them . . . .”

*Sept 16<sup>th</sup> Republican Debate*

#### **Cost per Year: Indeterminate**

Notes: Related legislation was introduced during the 113<sup>th</sup> Congress in the form of S. 2223, the Minimum Wage Fairness Act. That bill would have gradually increased the federal minimum wage to \$10.10 and indexed it to inflation in years thereafter. The Congressional Budget Office (CBO) [determined](#) that the bill would not significantly impact federal outlays. It is unclear if this proposal would be scored similarly. In a related 2014 report, CBO noted that a minimum wage increase to \$10.10 would reduce total employment by about 500,000 workers.

## **Education, Science, & Research: Indeterminate**

**School Choice:** “We know that there are a lot of private schools and charter schools that work. We also know that a lot of our inner-city public schools do not work. We need to do everything we can to provide parents with choice.”

*Interview September 7, 2015 <http://www.breitbart.com/big-government/2015/09/07/exclusive-breitbart-one-on-one-interview-with-dr-ben-carson/>*

“We have to provide school choice and vouchers, I think, are a good way to do that.”

*Speech August 18, 2015 <https://youtu.be/zmon2fB6JE0?t=24m54s>*

### **Cost per Year: Indeterminate**

Notes: It is unclear whether this proposal would require additional federal funding. Generally, [state voucher programs](#) are designed so that the money follows the student, *i.e.*, the private school would receive the funds – or a certain percentage of the money – that would otherwise have gone to the public school. However, the federal government does fund a school voucher program for students in Washington, DC. The program received \$45 million in 2015.

**Reforming the Department of Education:** “... [T]he Department of Education ... needs to be trimmed quite a bit ... . They have 4,200 employees with an average annual compensation of \$135,000. ... We could do better. ... After we trim them down, one of the functions is maybe to help spread technology throughout our school systems.”

### **Cost per Year: Indeterminate**

Notes: NTUF assumed that this statement regarding trimming the Department of Education would be duplicative of Carson’s related proposals to reduce the federal workforce through attrition and reduce administrative costs of non-defense agencies. However, it is unclear what Carson intends to do relating to spreading technology.

## **Government Reform: -\$10.568 billion (savings)**

**Across-the-Board Cuts:** “You can also call in all the departmental directors, which I would do, and I would say, ‘Cut your budget by 2 to 3 percent or you’re fired.’”

*Speech: <https://youtu.be/zmon2fB6JE0?t=24m54s>*

### **Cost per Year: -\$6.828 billion (first-year savings)**

Notes: Given Carson’s statement that cutting defense spending is “[idiotic](#)”, NTUF assumes that defense agencies would be excluded from the proposed cuts. FY 2015 non-defense outlays excluding interest payments, direct payments to individuals, and all grants, totaled an estimated [\\$227.6 billion](#).

**Federal Workforce Attrition:** “We also would not hire people after positions were vacated by retirement. Thousands of people retire from the federal government every year. If we don’t replace them, things will shrink naturally, and if we do that for about three or four years, we’re back down to a size that is quite reasonable and we don’t have a lot of duplication of services and you don’t have a lot of people

twiddling their thumbs, interfering in people's lives because they don't have anything better to do. I think that's the way you do it and you redefine the purposes of the various agencies."

*Interview: August 13, 2015: <http://www.breitbart.com/2016-presidential-race/2015/08/13/ask-ben-big-government/>*

**Cost per Year: -\$3.74 billion (\$18.7 billion over five years) (savings)**

Notes: In 2013, the Congressional Budget Office produced a cost estimate for a [related proposal](#) to reduce the size of the federal workforce through attrition. For every three federal employees that retire, only one would be hired, for a savings of \$18.7 billion over five years.

**Tax Reform:** "We need a fairer, simpler, and more equitable tax system. Our tax form should be able to be completed in less than 15 minutes. This will enable us to end the IRS as we know it."

*Campaign Website: <https://www.bencarson.com/issues/tax-reform>*

"What I agree with is that we need a significantly changed taxation system. ...

And that's why I've advocated a proportional tax system. You make \$10 billion, you pay a billion. You make \$10, you pay one. And everybody gets treated the same way. And you get rid of the deductions, you get rid of all the loopholes ..."

*August 6<sup>th</sup> Republican Debate*

**Cost per Year: Indeterminate**

Notes: This could possibly entail spending reductions to the extent that the reforms would reduce administrative costs of the Internal Revenue Service.

**Health Care: -\$92.862 billion (savings)**

**Health Savings Accounts:** "I would have a different plan than Obamacare, one that works for all Americans. My plan would include health savings accounts, from birth to death. Transitional health care benefits that can be handed down to your family members after you pass. People should have the ability to shift funds in their health savings account within their family, giving them enormous flexibility to cover cost should an emergency arise."

*Interview September 7, 2015: <http://www.breitbart.com/big-government/2015/09/07/exclusive-breitbart-one-on-one-interview-with-dr-ben-carson/>*

**Cost per Year: Indeterminate**

Notes: Health Savings Accounts (HSA) permit people to save money tax-free for medical expenses. HSAs reduce revenues to the federal government, but do not require outlays. Carson has implied that he would transfer existing federal dollars related to health care to provide an HSA benefit for low-income earners: "We pay for it with the same dollars that you use for traditional health care. And you get people flexibility, the ability to actually move money within their family." But the details and potential cost are indeterminate.

In another interview, Carson floated the idea of a \$5,000 HSA grant for low-income individuals, though he did not officially endorse that proposal. In 2014, he suggested the following: "The only responsibility of the government would be providing \$2,000 per year for every American citizen

– around \$630 billion annually, about 20 percent of what we currently spend on health care – to provide everyone with a health savings account. ... I would encourage employers to add to it as well.”

**Pre-Existing Conditions:** “Providing coverage to people who are sick is extremely important. When I work with Congress to repeal the [Affordable Care Act] law, I think we should keep this protection for the sick.”

*Candidate’s Social Media July 21, 2015:*

<https://www.facebook.com/realbencarson/posts/502654976567640>

**Cost per Year: \$2.5 billion (\$12.5 billion over five years)**

Notes: Several states currently operate [high-risk pools](#) to assist the financing of health insurance coverage for individuals with pre-existing conditions. Related legislation has been introduced in Congress to provide federal funding for the state pools. H.R. 3121 (113<sup>th</sup> Congress) would have provided \$2.5 billion per year.

**Purchase Health Insurance Across State Lines:** “Allowing health insurance to be purchased across state lines would also decrease costs.”

Interview September 7, 2015: <http://www.breitbart.com/big-government/2015/09/07/exclusive-breitbart-one-on-one-interview-with-dr-ben-carson/>

**Cost per Year: \$38 million (\$191 million over five years)**

Notes: “Related legislation was introduced in Congress that would allow for the purchase of health insurance across state lines. Currently, a 1945 law permits the states to regulate health insurance plans within their borders; however there is an exemption for certain large employers.

The Congressional Budget Office (CBO) conducted a cost estimate for H.R. 2355 (109<sup>th</sup> Congress), the Health Care Choice Act of 2005. The bill would provide for cooperative governing of individual insurance coverage offered in interstate commerce. At the time, CBO estimated that the bill would increase spending by \$160 million over five years (\$191 million, adjusted for inflation). It is unclear whether this cost estimate would be higher or lower today given that it was originally calculated prior to the implementation of the Patient Protection and Affordable Care Act (ACA). The proposal was reintroduced in the 114<sup>th</sup> Congress in the form of H.R. 543.

**Repeal the Affordable Care Act:** “So I would replace [the Affordable Care Act] ... .”

*Interview August 3, 2015: <http://www.c-span.org/video/?327157-1/2016-republican-candidates-voters-first-forum>*

**Cost per Year: -\$95.4 billion (-\$477 billion over five years) (savings)**

Notes: The Congressional Budget Office has not completed an analysis of the full spending related to the Patient Protection and Affordable Care Act. A [June 2015](#) CBO analysis of repealing the law showed that direct spending would be reduced by \$477 billion over five years. There are potentially additional unreported discretionary savings.

**Homeland Security & Law Enforcement: \$3.929 billion**

**Mandatory E-Verify:** “Once we seal the border, we must crack down on those who hire illegal immigrants.”

*Interview September 7, 2015: <http://www.breitbart.com/big-government/2015/09/07/exclusive-breitbart-one-on-one-interview-with-dr-ben-carson/>*

“We should make it illegal to employ people in this country who are not legally here.”

*Speech August 18, 2015: <https://youtu.be/zmon2fB6JEO?t=24m54s>*

**Cost per Year: \$127 million (\$635 million over five years)**

Notes: NTUF assumes he would mandate use of Department of Homeland Security’s system for verifying the eligibility of individuals to work in the United States. Related legislation was introduced in the form of H.R. 1772 (113<sup>th</sup> Congress), the Legal Workforce Act, which would make the voluntary E-Verify system mandatory nationwide. In 2013, [CBO](#) reported that mandatory E-Verify would cost \$635M over five years, and \$1.3 billion over ten.

**Guest Worker Program for Agriculture:** “Well, what I said, after we seal the borders, after we turn off the spigot that dispenses all the goodies so we don’t have people coming in here, we should consider allowing them to become guest workers, primarily in the agricultural sphere, because that’s the place where Americans don’t seem to want to work. That’s what I said. And they have a six-month period to do that.”

*Sept 16<sup>th</sup> Republican Debate*

**Cost per Year: \$102 million (\$509 million over five years)**

Notes: Related legislation has been introduced in the form of H.R. 1773, the Agricultural Guest Worker Act, in the 113<sup>th</sup> Congress. That bill would have increased the number of temporary visas available for agricultural workers. CBO estimated it would cost [\\$1.459 billion](#) in the first five years after implementation. NTUF has excluded the entitlement-related spending in that estimate, which we assume (based on his statement) that Dr. Carson would prohibit. Our figure represents the average annual administrative costs after implementation.

**Secure the Border:** “If we don’t seal the border, the rest of this stuff clearly doesn’t matter. It’s kind of ridiculous all the other things we talk about. We have the ability to do it, we don’t have the will to do it.”

*Sept 16<sup>th</sup> Republican Debate*

“Number one, we must secure the border. It is doable. We have the ability to do it. We just don’t have the political will to do it.”

*Interview September 7, 2015: <http://www.breitbart.com/big-government/2015/09/07/exclusive-breitbart-one-on-one-interview-with-dr-ben-carson/>*

**Cost per Year: \$3.7 billion (\$18.4 billion over five years)**

Notes: Related legislation has been introduced in the form of S. 744 (113<sup>th</sup> Congress), the Border Security, Economic Opportunity, and Immigration Modernization Act. The bill would streamline and overhaul costs for the immigration system and increase border security and infrastructure. Using the [CBO estimate](#), NTUF found that the bill would allocate additional funding for border-related administrative costs, double the number of Border Patrol agents (including their benefits, training, and forgiveness of student loans), and adjust fees and penalties that would offset some spending. The border security provisions of S. 744 would total \$18.4 billion over the first five years. This figure does not include the immigration-related spending in the bill.

## **National Defense & Foreign Affairs: Indeterminate**

**Military:** “There is no question that a lot of these problems that we have been talking about in terms of the international situation is because we are weak. It is because our Navy is so small. It is because our Air Force is incapable of doing the same things that it did a few years ago. ... [W]e need to build up our military ... .”

*Sept 16<sup>th</sup> Republican Debate*

### **Cost per Year: Indeterminate**

Notes: It is unclear from Dr. Carson’s statement how much additional funding his proposal would require.

## **Veterans: Indeterminate**

**Health Savings Accounts:** “And [veterans] should have health savings accounts that are subsidized by the government ... .”

*Speech September 9, 2015: <http://www.c-span.org/video/?328019-1/dr-ben-carson-rally-anaheim>*

### **Cost per Year: Indeterminate**

Notes: It is unclear whether Carson is proposing to subsidize Health Savings Accounts with tax credits or with a grant program to increase spending.

**Hospitals & Clinics:** “ ... [Veterans] should be able to go to any hospital or clinic they want to go to ... .”

*Speech September 9, 2015: <http://www.c-span.org/video/?328019-1/dr-ben-carson-rally-anaheim>*

### **Cost per Year: Indeterminate**

Notes: The Veterans Access, Choice, and Accountability Act, passed into law in August 2014, provided \$10 billion in additional funding over three years to treat certain veterans at non-Veterans Health Administration (VHA) facilities. In an analysis comparing the costs of caring for veterans within the VA versus private-sector, the Congressional Budget Office [noted](#): “Although the structure of VHA and published studies suggest that VHA care has been cheaper than care provided by the private sector, limited evidence and substantial uncertainty make it difficult to reach firm conclusions about those relative costs or about whether it would be cheaper to expand veterans’ access to health care in the future through VHA facilities or the private sector.”

**Support Program:** “ ... I think the day that someone enlists in the military, we should enroll them in a support program and that should be with them throughout their entire military career ... .”

*Speech September 9, 2015: <http://www.c-span.org/video/?328019-1/dr-ben-carson-rally-anaheim>*

### **Cost per Year: Indeterminate**

Notes: There is insufficient information regarding the specifics of this proposal.

**Transition Assistance:** “ ... [A] year before [an enlisted person’s] discharge is planned we should have people working on their transition so they are not unemployed when they come out.”

*Speech September 9, 2015: <http://www.c-span.org/video/?328019-1/dr-ben-carson-rally-anaheim>*

“So many of them go from being an enlisted man to a veteran and many of them fall into the cracks between the bureaucratic organizations. Our plan must involve pathways to make that transition a smooth one. This will involve what I am advocating for, a much-improved Veteran’s Affairs Administration.”

*Interview: <http://www.breitbart.com/big-government/2015/09/07/exclusive-breitbart-one-on-one-interview-with-dr-ben-carson/>*

### **Cost per Year: Indeterminate**

Notes: The Congressional Research Service found that there were 13 [transition and employment related programs](#) for veterans in 2013 costing a total of around \$13 billion. It is unclear whether Carson would increase funding or reform the existing programs.

### **Fiscal Quotes:**

**Balanced Budget Amendment:** “We must ratify a Balanced Budget Amendment to the Constitution in order to restore fiscal responsibility to the federal government’s budget.”

*Campaign Website: <https://www.bencarson.com/issues/balanced-budget-amendment/>*

**Tax Holiday for Repatriation of Overseas Earnings:** “ ... I would provide a tax holiday for six months so that the two-plus trillion dollars of overseas cash could be repatriated. I would require that 10% of it be used to create jobs for people who are unemployed or on welfare to really jumpstart things in a hurry.”

*Interview August 13, 2015: <http://www.breitbart.com/2016-presidential-race/2015/08/13/ask-ben-jobs/>*

Notes: Based on his description here and from other sources regarding Carson’s stipulation that 10 percent of the money be used to create jobs, NTUF assumes that this would be a mandate, not a new federal program.

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NTUF is the research affiliate of the National Taxpayers Union, a non-profit taxpayer advocacy group founded in 1969. **Note: For additional analyses of Presidential candidates’ spending agendas, visit [www.ntu.org/foundation](http://www.ntu.org/foundation).**

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