



## **U.S. Presidential Candidate Spending Analysis – Newt Gingrich**

**Total Net Spending Agenda: -\$146.165 billion (savings)**

### **Economy, Transportation, and Infrastructure: -\$4.565 billion (savings)**

#### **A. Phase Out Government-Sponsored Enterprises:**

“The [Gingrich Jobs and Growth Plan] includes ... [b]reaking up Fannie Mae and Freddie Mac, moving their smaller successors off government guarantees and into the free market.”

<http://www.newt.org/solutions/jobs-economy>

Cost: Unknown.

Note: Related legislation has been introduced in the form of H.R. 1182 (112<sup>th</sup> Congress), the GSE Bailout Elimination and Taxpayer Protection Act. The bill would gradually decrease the number of assets held by government sponsored enterprises, including Fannie Mae and Freddie Mac. A current cost estimate is not available.

#### **B. Repeal Community Reinvestment Act:**

“The [Gingrich Jobs and Growth Plan] includes ... [r]epealing the Community Reinvestment Act ... .”

<http://www.newt.org/solutions/jobs-economy>

Cost: Unknown.

Source: Related legislation was introduced in the form of H.R. 5038 (111<sup>th</sup> Congress), the Fair Access to Credit and Job Creation Act of 2010. The bill would repeal the Community Reinvestment Act. A current cost estimate is not available.

#### **C. Repeal Dodd-Frank Wall Street Reform and Consumer Protection Act:**

“The [Gingrich Jobs and Growth Plan] includes ... [r]epealing the Dodd-Frank Law ... .”

<http://www.newt.org/solutions/jobs-economy>

Cost: -\$4.3 billion (-\$21.5 billion over five years).

Source: Statement by Douglas W. Elmendorf, Director, Congressional Budget Office (CBO), before the Subcommittee on Oversight and Investigations Committee on Financial Services, U.S. House of Representatives, March 30, 2011.

<http://www.cbo.gov/ftpdocs/121xx/doc12120/03-29-Dodd-Frank.pdf>

## **D. Repeal Sarbanes-Oxley Act:**

“The [Gingrich Jobs and Growth Plan] includes ... [r]epealing the Sarbanes-Oxley Act ... .”  
<http://www.newt.org/solutions/jobs-economy>

Cost: -\$265 million (first-year savings).

Source: *Budget of the U.S. Government, Fiscal Year 2013, Appendix*, page 1406.

<http://www.whitehouse.gov/sites/default/files/omb/budget/fy2013/assets/oia.pdf>

Note: The Sarbanes-Oxley Act was passed in the 107<sup>th</sup> Congress. The bill created the Standard-Setting Body and the Public Company Accounting Oversight Board to establish and regulate, respectively, national standards for the accounting industry. The President’s Budget requests \$265 million in Fiscal Year (FY) 2013 for these entities.

## **Education, Science, and Research: -\$60.056 billion (savings)**

### **A. Create K-12 Pell Grants:**

“Institute a Pell Grant-style system for Kindergarten through 12th Grade. Per-pupil school district funding should go into each child’s backpack, and follow them to the school their parents wish to attend. Parents who home school their children should receive a tax credit or be allowed to keep the Pell Grant.”

<http://www.newt.org/solutions/21st-century-learning-system>

Cost: Unknown.

Note: Pell Grants are provided by the federal government, based on an applicant’s financial need and conditions. Eligible students can receive a maximum payment of \$5,550 per year. It is unclear whether Speaker Gingrich would increase overall education spending or use existing funds. According to the U.S. Census Bureau’s *Statistical Abstract of the United States, Fiscal Year 2012*, page 158, the average total government expenditure (for all levels) per pupil totaled \$10,313.

<http://www.census.gov/compendia/statab/2012/tables/12s0242.pdf>

### **B. Initiate New Space Policy:**

“By the end of my second term, we will have the first permanent base on the moon and it will be American. We will have commercial, near-earth activities that include science, tourism, and manufacturing that are designed to create a robust industry precisely based on the model of the development of the airline industry of the 1930s... . And by the end of 2020, we will have the first continuous propulsion system in space capable of getting to Mars in a remarkably short time... .”

<http://www.newt.org/2012/01/26/newt-talks-space-policy-in-cocoa-florida/> (1:00)

Cost: \$4 billion (\$20 billion over five years) (*partial estimate*).

- Lunar Base: \$4 billion (\$20 billion over five years). Previous plans under the Bush Administration estimated such a program to cost hundreds of billions. As reported by

MSNBC, former NASA advisor Charles Miller developed a plan to construct a lunar base in low-earth orbit using currently available rockets, as opposed to developing a heavy-lift rocket to launch the base from Earth. The assembled base would then be flown to the moon starting in 2021. Miller said the project would have “an average cost of \$4 billion per year for 10 years. Such funding levels would be in line with NASA’s current budget, with adjustments for inflation in the latter five years.”

[http://cosmiclog.msnbc.msn.com/\\_news/2012/01/30/10271899-to-the-moon-its-not-that-loony](http://cosmiclog.msnbc.msn.com/_news/2012/01/30/10271899-to-the-moon-its-not-that-loony)

Note: NTUF used Miller’s estimate as a base cost for a lunar program. Other estimates have stated higher and lower costs but it is unclear to what degree Speaker Gingrich would utilize private sector companies or international space agencies. The Center for Strategic & International Studies estimated a lunar base constructed within ten years would cost \$35 billion to build and \$7.35 billion annually to operate.

[http://csis.org/files/publication/090923\\_weppler\\_lunar\\_base\\_costs.pdf](http://csis.org/files/publication/090923_weppler_lunar_base_costs.pdf)

- Commercial Activities: Unknown. According to the *National Aeronautics Space Administration FY 2013 Budget*, page 4, \$830.0 million was requested for FY 2013 to develop capabilities to transport astronauts to low-earth orbit by commercial means.

[http://www.nasa.gov/pdf/622655main\\_FY13\\_NASA\\_Budget\\_Estimates.pdf](http://www.nasa.gov/pdf/622655main_FY13_NASA_Budget_Estimates.pdf)

- Propulsion System: Unknown. Different types of alternative space-based propulsion systems have been proposed including fission, fusion, and ion. NTUF is unable to estimate any other costs due to the lack of details in Speaker Gingrich’s proposal. Nuclear propulsion has not been researched by the United States since the 1960s but *Wired* reported the Russian Space Agency was developing a nuclear system at a cost of \$600 million over four years.

<http://www.wired.com/wiredscience/2009/11/nuclear-propulsion-in-space/>

*Time* reported the helium fuel requirements for a fusion system would cost perhaps the most out of these three propulsion options because the system remains in development and unproven.

<http://ideas.time.com/2012/01/27/newt-for-president-of-the-moon/>

As the first vehicle containing an ion-powered system, NASA spent \$204 million to develop and launch the Deep Space 1 probe. The figure has been adjusted for inflation. *Wired* reported an ion spacecraft would cost \$450 million.

[http://nmp.nasa.gov/ds1/quick\\_facts.html](http://nmp.nasa.gov/ds1/quick_facts.html)

[http://www.wired.com/science/space/news/2007/10/ion\\_propulsion](http://www.wired.com/science/space/news/2007/10/ion_propulsion)

### **C. Reduce Department of Education:**

“Shrink the federal Department of Education and return power to states and communities. The Department’s only role will be to collect research and data, and help find new and innovative approaches to then be adopted voluntarily at the local level.”

<http://www.newt.org/solutions/21st-century-learning-system>

Cost: -\$64.056 billion (first-year savings).

Source: *Budget of the U.S. Government, Fiscal Year 2013, Department of Education*, pages 98-100.

<http://www.whitehouse.gov/sites/default/files/omb/budget/fy2013/assets/education.pdf>

Note: NTUF assumes the Institute of Education Sciences, school innovation grants, and the Race to the Top program would remain funded.

## **Energy, Agriculture, and the Environment: -\$40.561 billion (savings)**

### **A. Eliminate Department of Energy:**

“Frankly, the Department of Energy has been an anti-energy department. So I would close it down.”

<http://www.newt.org/news/newt-holds-townhall-new-hampshire-veterans> (49:00)

Cost: -\$40.561 billion (first-year savings).

Source: *Budget of the U.S. Government, Fiscal Year 2013, Department of Energy*, page 105. The Department of Energy requests \$34.963 billion for FY 2013.

<http://www.whitehouse.gov/sites/default/files/omb/budget/fy2013/assets/energy.pdf>

### **B. Increase Domestic Energy Development:**

“... I will authorize the development of offshore, as long as it is far enough out that it is not visible, and it is not a threat to tourism or the fisheries. And I will authorize the development of federal lands that are appropriate.”

<http://www.newt.org/news/video-message-newt-gingrich-american-energy>

“Remove bureaucratic and legal obstacles to responsible oil and natural gas development in the United States, offshore and on land.

End the ban on oil shale development in the American West, where we have three times the amount of oil as Saudi Arabia.

Finance cleaner energy research and projects with new oil and gas royalties.”

<http://www.newt.org/solutions/an-american-energy-plan/>

Cost: Unknown.

Note: Related legislation has been introduced in the form of H.R. 3410 (112<sup>th</sup> Congress), the Energy Security and Transportation Jobs Act. The bill would authorize new lease sales on the Outer Continental Shelf and on lands proven to hold oil shale. CBO estimates the bill would save \$508 million over five years in the form of offsetting receipts, which budget agencies classify as negative outlays. It is unclear what portion of the royalties (offsetting receipts) Speaker Gingrich would propose to finance “cleaner energy research.”

[http://www.cbo.gov/sites/default/files/cbofiles/attachments/hr3410\\_0.pdf](http://www.cbo.gov/sites/default/files/cbofiles/attachments/hr3410_0.pdf)

### **C. Increase Energy Diversity:**

“Newt has an American Energy Plan that would maximize energy production from all sources – oil, natural gas, wind, biofuels, nuclear, clean coal, and more – and would encourage clean energy innovation without discouraging overall energy production.”

<http://www.newt.org/solutions/an-american-energy-plan/>

Cost: Unknown.

- Domestic Oil and Natural Gas: See Increase Domestic Energy Development (above).
- Nuclear: Unknown. Related legislation has been introduced in the form of H.R. 1023 (112<sup>th</sup> Congress), the No More Excuses Energy Act of 2011. Among other provisions, the bill would extend tax credits for electricity produced from nuclear power. According to the *U.S. Department of Energy, Fiscal Year 2013, Budget Request*, page 43, the Department of Energy (DOE) requests \$770.445 million for FY 2013 on nuclear energy research, development, demonstration, and deployment activities. <http://www.cfo.doe.gov/budget/13budget/Content/Highlights.pdf>
- Wind: Unknown. Wind-powered electricity generation has been largely subsidized through various tax credits, but there is also a spending program. According to the *U.S. Department of Energy, Fiscal Year 2013, Budget Request*, page 27, DOE requests \$95 million for FY 2013 on wind energy research, development, demonstration, and deployment activities. <http://www.cfo.doe.gov/budget/13budget/Content/Highlights.pdf>
- Biofuels: Unknown. Biomass-powered electricity generation has been subsidized with tax credits, but there is also a spending program. According to the *U.S. Department of Energy, Fiscal Year 2013, Budget Request*, page 27, DOE requests \$270 million for FY 2013 on biomass energy research, development, demonstration, and deployment activities. <http://www.cfo.doe.gov/budget/13budget/Content/Highlights.pdf>
- Clean Coal: Unknown. It is unclear if Gingrich would use tax credits or new spending programs for increased clean coal technology research and development. According to the *U.S. Department of Energy, Fiscal Year 2013, Budget Request*, page 47, the American Recovery and Reinvestment Act provided the Clean Coal Power Initiative with \$800 million in FY 2009-2010. No funds have been spent thereafter and no new funds are requested in the President’s FY 2013 Budget. <http://www.cfo.doe.gov/budget/13budget/Content/Highlights.pdf>

### **D. Provide Oil Royalty Sharing with States:**

“Give coastal states federal royalty revenue sharing to give them an incentive to allow offshore development.”

<http://www.newt.org/solutions/an-american-energy-plan/>

Cost: Unknown.

Note: The federal government currently shares oil royalties with states. It is unclear whether or how Speaker Gingrich would change the system.

## **E. Replace the Environmental Protection Agency (EPA):**

“The [Gingrich Jobs and Growth Plan] includes ... [r]eplacing the Environmental Protection Agency with an Environmental Solutions Agency that works collaboratively with local government and industry to achieve better results.”

<http://www.newt.org/solutions/jobs-economy>

Cost: Unknown.

Note: According to the *Budget of the U.S. Government, Fiscal Year 2013, Environmental Protection Agency*, pages 180-181, EPA requests \$8.935 billion for FY 2013. Though eliminating EPA would save this amount of outlays, NTUF is unable to estimate any offsetting increases in spending for the new agency due to the lack of details in Speaker Gingrich’s proposal.

<http://www.whitehouse.gov/sites/default/files/omb/budget/fy2013/assets/environmental.pdf>

## **Federal Government Reform: Unknown**

### **A. Create Commission on Religious Freedom:**

“... NEWT 2012 will publish a final draft of a proposed executive order in September 2012. That order, which will be signed on the first day of a Gingrich administration, will establish a presidential commission on religious freedom.”

<http://www.newt.org/news/gingrich-proposes-presidential-commission-religious-freedom>

Cost: Unknown.

Note: According to the *Budget of the U.S. Government, Fiscal Year 2013, Appendix*, page 45, the United States Commission on International Religious Freedom (USCIRF) requests \$4 million for FY 2013. NTUF assumes the presidential commission would be similar to the USCIRF. However, USCIRF has a broader mission than what Speaker Gingrich proposes.

<http://www.whitehouse.gov/sites/default/files/omb/budget/fy2013/assets/leg.pdf>

### **B. Establish National Language:**

“English must be the official language of government.”

<http://www.newt.org/solutions/immigration>

Cost: Unknown.

Note: Related legislation has been introduced in the form of H.R. 1164 (112<sup>th</sup> Congress), the National Language Act of 2011. The bill would establish English as the official language of the U.S. Government. A current cost estimate is not available.

### **C. Reestablish Gold Commission:**

“Part of our approach ought to be to reestablish something Ronald Reagan did in 1981 and that is to have a Commission on Gold to look at the whole concept of how do we get back to hard money. ... We need to repeal the Humphrey-Hawkins Act.”

<http://www.newt.org/news/gingrich-calls-for-creation-of-commission-on-gold-to-examine-how-to-get-back-to-hard-money/>

Cost: Unknown.

Note: President Reagan’s 17-member Commission on Gold was established to assess and make recommendations on the government policy concerning the role of gold in the domestic and international monetary systems. NTUF is unable to determine how much, if any, federal dollars were spent for the commission’s activities.

<http://www.goldsextant.com/Resources%20PDF/Gold%20Commission%20Report%20Volume%20I.pdf>

### **D. Reform Federal Reserve:**

“I will also include in jobs and prosperity legislation provisions to reform the Federal Reserve. They will include a full-scale audit of Federal Reserve activities as well as a narrowing of the Fed’s statutory mandate.”

<http://www.newt.org/contract/legislative-proposals#Six>

Cost: Unknown.

Note: Related legislation has been introduced in the form of H.R. 459 (112<sup>th</sup> Congress), the Federal Reserve Transparency Act of 2011. The bill would require the Government Accountability Office to conduct a full audit of the Federal Reserve. A current cost estimate is not available.

### **E. Reform Unemployment Benefits and Job-Training:**

“Additionally, any individual who cannot find work and collects unemployment benefits (currently a joint state-federal program, with federal taxes paying for a majority of the program) will be required to participate in a job-training program. We can better help these Americans by requiring them to participate in real training programs in private companies, in exchange for temporary unemployment aid.”

<http://classicalprinciples.com/Gingrich%20entitlement%20reform.pdf>

Cost: Unknown.

Note: In a CBS interview, Speaker Gingrich said his job-training program would be paid for by participating businesses. However, it is unclear if the new program would result in additional benefit-administration costs or savings.

<http://www.cbsnews.com/video/watch/?id=7392577n>

## **F. Reform Welfare:**

“The same [1996 welfare legislation] reforms can and should be extended to all of the remaining 184 federal means tested welfare programs. ...

The federal welfare bureaucracy would be substantially pared down as control of these initiatives is handed back to the states. ...

States would then be free to each completely redesign welfare for their state.”

<http://classicalprinciples.com/Gingrich%20entitlement%20reform.pdf>

Cost: Unknown.

Note: The specific 1996 reforms that are cited in Speaker Gingrich’s position paper, *Unleashing Growth and Innovation to Move Beyond the Welfare State* are:

- Transforming the former Aid to Families with Dependent Children program into a block grant; and
- Giving states “broad flexibility in designing the new replacement program” except for “a requirement for able-bodied individuals to work in order to receive federal aid.”

The campaign refers to Peter Ferrara’s 2011 book, *America’s Ticking Bankruptcy Bomb*, in which he calls for transforming the 184 means-tested programs (a mix of entitlement programs, grants, and block grants) into a single block grant program. The campaign paper, citing Ferrara, estimates “approximately \$3.25 trillion in savings by the federal government and approximately \$1.4 trillion in savings by the states over the next decade. Indeed, while substantial costs would remain for a program like Medicaid, the above incentives would likely drive down costs for most of the remaining programs by more than half.” Although the block-granting of programs back to the states could result in administrative savings to the federal government, NTUF does not have access to the underlying calculations of the savings estimates cited above.

## **Health Care: -\$41.155 billion (savings)**

### **A. Combat Health Care Fraud:**

“Stop health care fraud by moving from a paper-based system to an electronic one. Health care fraud accounts for as much as much as 10 percent of all health care spending, according to the National Health Care Anti-Fraud Association. That’s more than \$200 billion a year. Compare this to the 0.1% fraud rate in the credit card industry thanks to its high-tech information analysis systems.”

<http://www.newt.org/solutions/healthcare>

Cost: Unknown.

Note: The American Recovery and Reinvestment Act (ARRA) provided \$548 million in grants “to build or expand systems enabling health care providers within each state to share patient information” through 2015. However, it is unclear how states will maintain



the new systems thereafter. ARRA also provided \$27 billion in Medicare and Medicaid payments to incentivize health care providers to switch to the new digital systems.  
[http://www.iwatchnews.org/2011/11/02/7255/stimulus-funds-will-build-state-health-exchanges-might-not-sustain-them?utm\\_source=iwatchnews&utm\\_medium=site-features&utm\\_campaign=most-active](http://www.iwatchnews.org/2011/11/02/7255/stimulus-funds-will-build-state-health-exchanges-might-not-sustain-them?utm_source=iwatchnews&utm_medium=site-features&utm_campaign=most-active)

It is possible that efforts to reduce waste, fraud, and abuse in the health care system would result in significant savings. Based on the information available, NTUF is unable to estimate the level of resources that Speaker Gingrich would dedicate to fighting waste, fraud, and abuse; nor is NTUF able to determine with a reasonable degree of precision what level of savings those investments might generate or over what period of time those savings would begin to appear.

### **B. Create High Risk Pools:**

“A second step necessary to ensure a complete safety net is to provide federal funding to help each state run a High Risk pool. ... They would be charged a premium for this coverage based on their ability to pay, ensuring that they will not be asked to pay more than they could afford. Federal and state funding would cover remaining costs. Such risk pools already exist in over 30 states...”

<http://www.newt.org/news/unleashing-growth-and-innovation-to-move-beyond-the-welfare-state/>

Cost: \$1.5 billion (\$7.5 billion over five years).

Source: Related legislation has been introduced in the form of H.R. 364 (112<sup>th</sup> Congress), the Common Sense Health Reform Americans Actually Want Act. Section 101 calls for the establishment of a universal access program to improve high-risk pools and reinsurance markets in states. The text authorizes the funding.

### **C. Enact Medicaid Reform:**

“Congress should transform Medicaid to provide assistance to purchase private health insurance for all those who otherwise could not afford coverage, ideally with Medicaid provided premium support. This one step would enormously benefit the poor already on Medicaid. ...

Health insurance vouchers would [enable the poor] to obtain the same health care as the middle class, because they would be able to buy the same health insurance in the market.

Ideally this would be done by block granting Medicaid back to the states, as with the 1996 AFDC reforms discussed above. With finite block grants for Medicaid, states that innovate to reduce costs can keep the savings. States that operate programs with continued runaway costs would pay those additional costs themselves. ...

This would not cost much because only about 12 million Americans arguably cannot afford health insurance without some public assistance. ... Just give the assistance necessary, counting

what they can reasonably pay based on their income, to the 12 million Americans that need it to buy private health insurance. ...

The Medicaid block grants would likely cost less actually than Medicaid today ... .”  
<http://classicalprinciples.com/Gingrich%20entitlement%20reform.pdf>

Cost: Unknown.

Note: While the block-granting of programs back to the states could result in administrative savings to the federal government, NTUF is unable to estimate possible cost savings due to the lack of specificity in Speaker Gingrich’s proposal.

#### **D. Health Care Research:**

“Invest in research for health solutions that are urgent national priorities. Medical breakthroughs – ones that prevent or cure disease rather than treating its symptoms – are a critical part of the solution to long-term budget challenges. More brain science research, for example, could lead to Alzheimer’s Disease cures and treatments that could save the federal government over \$20 trillion over the next forty years.”

<http://www.newt.org/solutions/healthcare>

Cost: Unknown.

Note: NTUF is unable to estimate other costs due to the lack of details in Speaker Gingrich’s proposal.

#### **E. Increase Brain Disorder Research:**

“Gingrich outlines Brain Science Initiative: ... A public-private research initiative to map the brain and maximize our understanding of how it works and what effects it. ... Developing an integrated public-private partnership to use new technologies to minimize the stress of caregiving and maximize the potential for independent living for those with brain disorders.”

<http://www.newt.org/news/in-iowa-city-gingrich-outlines-brain-science-initiative/>

Cost: Unknown.

Note: It is unclear what level of federal funding Speaker Gingrich would propose for this initiative.

#### **F. Modernize the Food and Drug Administration:**

“The [Gingrich Jobs and Growth Plan] includes ... [m]odernizing the Food and Drug Administration to get lifesaving medicines and technologies to patients faster.”

<http://www.newt.org/solutions/jobs-economy>

Cost: Unknown.

Note: Related legislation was passed in the form of H.R. 1411 (105<sup>th</sup> Congress), the Food and Drug Administration Modernization Act of 1997. Among other provisions, the bill reformed the drug approval process. CBO estimated the bill would cost \$513 million over

five years. The figure is adjusted for inflation. It is unclear what additional changes Speaker Gingrich is proposing now, and what the impact on federal outlays might be.

### **G. Provide Health Insurance Credits:**

“Make health insurance more affordable and portable by giving Americans the choice of a generous tax credit or the ability to deduct the value of their health insurance up to a certain amount...”

<http://www.newt.org/solutions/healthcare>

Cost: Unknown.

Note: The impact on outlays of this proposal would depend upon the extent to which “refundable” (i.e., in excess of actual tax liability) credits for insurance are offered. Budgetary agencies classify the refundable portion of tax credits as outlays. In his Fiscal Year 2008 Budget, President George W. Bush offered a health insurance tax credit proposal that had a refundable component. At the time, NTUF estimated the potential cost at \$4.051 billion per year. The figure is adjusted for inflation. However, NTUF is unable to estimate any costs here due to the lack of details in Speaker Gingrich’s proposal.

### **H. Provide Medicare Choice:**

“Create more choices in Medicare by giving seniors the option to choose, on a voluntary basis, a more personal system in the private sector with greater options for better care.”

<http://www.newt.org/solutions/healthcare>

Cost: Unknown.

Note: Related legislation has been introduced in the form of H.R. 3000 (112<sup>th</sup> Congress), the Empowering Patients First Act. Title X would allow Medicare beneficiaries to obtain health services from any qualified provider. A current cost estimate of this provision is not available.

### **I. Purchase Insurance across State Lines:**

“Make health insurance more affordable and portable by giving Americans the choice of a generous tax credit or the ability to deduct the value of their health insurance up to a certain amount and by allowing Americans to purchase insurance across state lines, increasing price competition in the industry.”

<http://www.newt.org/solutions/healthcare>

Cost: \$65 million (\$326 million over five years).

Source: CBO cost estimate for H.R. 2355 (109<sup>th</sup> Congress), the Health Care Choice Act of 2005. The figure is adjusted for inflation. The bill was reintroduced in the 112<sup>th</sup> Congress in the form of H.R. 299.

<http://www.cbo.gov/ftpdocs/66xx/doc6639/hr2355.pdf>

## **J. Reform Medical Malpractice:**

“Stop junk lawsuits that drive up the cost of medicine with medical malpractice reform.”

<http://www.newt.org/solutions/healthcare>

Cost: -\$2.42 billion (-\$12.1 billion over five years).

Source: Related legislation has been introduced in the form of H.R. 5 (112<sup>th</sup> Congress), the Help Efficient, Accessible, Low-cost, Timely Healthcare (HEALTH) Act of 2011. A CBO cost estimate is available.

[http://www.cbo.gov/sites/default/files/cbofiles/attachments/HR\\_5\\_Rules.pdf](http://www.cbo.gov/sites/default/files/cbofiles/attachments/HR_5_Rules.pdf)

## **K. Repeal the Patient Protection and Affordable Care Act:**

“Repeal and replace Obamacare with a pro-jobs, pro-responsibility health plan that puts doctors and patients in charge of health decisions instead of bureaucrats.”

<http://www.newt.org/solutions/jobs-economy>

Cost: -\$40.3 billion (-\$201.5 billion over five years).

Source: Related legislation has been introduced in the form of H.R. 2 (112<sup>th</sup> Congress), the Repealing the Job-Killing Health Care Law Act. A CBO cost estimate is available.

<http://www.cbo.gov/ftpdocs/120xx/doc12069/hr2.pdf>

## **Homeland Security and Law Enforcement: \$120 million**

### **A. Deport Criminals:**

“When someone is here illegally and is dangerous, there should be expedited procedures to remove them from the United States as rapidly as possible.

The current system is so cumbersome and time-consuming that many arrested non-citizens are released back into society and simply break their word and disappear. This is wrong and dangerous.”

<http://www.newt.org/solutions/immigration>

“... [We] should make it much easier to deport people who should not be here, starting with [gang members], and there’s no reason, if you’re not a U.S. citizen, we do not have to give you all the appeals process.”

<http://www.newt.org/news/video-newt-participates-florida-awake-presidential-forum> (31:00)

Cost: Unknown.

Note: Related legislation has been introduced in the form of H.R. 2952 (112<sup>th</sup> Congress), the Immigration Backlog Reduction Act of 2011. The bill would expedite the removal of criminal and certain inadmissible arriving aliens. It is unclear if the bill, or Speaker Gingrich’s proposal, would result in new administrative costs.

## **B. Increase Border Security:**

“A border control strategy must be responsive to the unique threats that exist at different parts of the frontier. This strategy must include round-the-clock drone flights to monitor activity, multi-layer, strategic fencing in urban areas, and vastly improved communication between state and federal authorities.”

<http://www.newt.org/solutions/immigration>

Cost: \$75 million (\$373 million over five years) (*partial estimate*).

Source: Related legislation has been introduced in the form of H.R. 1507 (112<sup>th</sup> Congress), the Border Security Enforcement Act of 2011. Sections 6 and 7 would increase spending for improved surveillance vehicles and communications technologies. The text of the bill authorizes the spending.

Note: NTUF is unable to estimate the costs of a border fence due to the lack of details in Speaker Gingrich’s proposal.

## **C. Immigration Reform:**

“Another key part of this reform will be standardizing the technology of identifying documents. Every single visa issued by the United States government, at home and abroad, should include a biometric, tamper-proof card.”

<http://www.newt.org/solutions/immigration>

Cost: Unknown.

Note: This proposal could result in a mix of administrative savings and new costs for implementing the technology.

## **D. Path to Citizenship:**

“Congress must charge the Department of Justice to establish a ‘citizens’ review’ process for those here outside the law. It would establish committees to process these cases in individual communities and determine who will continue on this path to legality, and who will be sent home. ... The government will rigorously enforce a requirement that all individuals seeking this path to legality must be able to prove that they can independently pay for private health insurance. If an individual cannot prove this, they will lose the ability to stay in the United States. ... Once an applicant has been granted the right to obtain legal status, he or she will have to pay a penalty of at least \$5,000.”

<http://www.newt.org/solutions/immigration>

Cost: Unknown.

Note: Related legislation has been introduced in the form of S. 2611 (109<sup>th</sup> Congress), the Comprehensive Immigration Reform Act of 2006. The bill would have created a process for long-time illegal aliens to gain citizenship. CBO estimated that the bill would have increased mandatory spending for federal benefit programs such as Medicaid, Social Security, Medicare, and Food Stamps by \$14.568 billion over five years. The figure has

been adjusted for inflation. It is unclear how Speaker Gingrich's proposal of a minimum \$5,000 penalty and requirement of independent health care coverage would affect federal spending, nor how much funding would be required to the citizen-panels.

<http://cbo.gov/sites/default/files/cbofiles/ftpdocs/75xx/doc7501/s2611spass.pdf>

### **E. Reform Guest Worker Program:**

“We can build on the universal system of biometric, tamper-proof visa documents that all visitors must have, and invite a private-sector firm with a proven track record to monitor the guest worker program.

For guest workers, the new tamper-proof, biometric cards will replace the e-verify system, which has some promising elements, but is too error-prone. Employers will be able to swipe prospective employees [sic] biometric cards, and immediately be able to confirm that these workers are in the country legally.”

<http://www.newt.org/solutions/immigration>

Cost: \$45 million (\$226 million over five years).

Source: CBO estimate for S. 2611 (109<sup>th</sup> Congress), the Comprehensive Immigration Reform Act of 2006. Title VI would have established the Blue Card Program for temporary agricultural workers. Tamper-proof cards were to be issued to individuals as a means of identification and proof of legally being in the United States. The figure has been adjusted for inflation. The bill was reintroduced as H.R. 3017 in the 112<sup>th</sup> Congress. <http://158.219.33.254/ftpdocs/75xx/doc7501/s2611spass.pdf>

## **National Security and International Relations: \$52 million**

### **A. Reinstitute Don't Ask, Don't Tell (DADT):**

“Yes, I would advocate going back to ‘Don't Ask, Don't Tell.’”

<http://www.newt.org/news/newt-holds-townhall-new-hampshire-veterans> (51:20)

Cost: Unknown.

Note: ‘Don't Ask, Don't Tell’ was repealed in 2011. According to *The Washington Post*, DADT cost “at least \$364 million in associated funds over the policy's first decade.” It is unclear if reinstating DADT would result in similar budgetary effects.

[http://www.washingtonpost.com/wp-](http://www.washingtonpost.com/wp-dyn/content/article/2006/02/13/AR2006021302373.html)

[dyn/content/article/2006/02/13/AR2006021302373.html](http://www.washingtonpost.com/wp-dyn/content/article/2006/02/13/AR2006021302373.html)

### **B. Relocate U.S. Embassy to Jerusalem:**

“Each sovereign nation, under international law and custom, may designate its own Capital. Accordingly, the U.S. State Department should be instructed to respect the choice of each sovereign nation and place the American embassy in their Capital. (Israel is the only country the

United States discriminates against in this regard. The people of Israel have designated Jerusalem as their capital. Yet the United States retains its embassy in Tel Aviv.)”

<http://www.newt.org/contract/day-one-plan>

Cost: \$52 million (\$156 million over three years) (*partial estimate*).

Source: Related legislation was introduced in the form of H.R. 1595 (104<sup>th</sup> Congress), the Jerusalem Embassy Relocation Implementation Act of 1995. The bill would relocate the U.S. embassy from Tel Aviv. Speaker Gingrich was the sponsor. The text authorized \$156 million over three years. The figure is adjusted for inflation. The bill was reintroduced in the 111<sup>th</sup> Congress in the form of S. 2737.

Note: Since 1998, U.S. embassies have been built and renovated according to a universal design to emphasize security, minimal exposure to attack, and cost savings, compared to maintaining older buildings. Among other requirements and regardless its location in hostile or friendly nations, embassies are required to be built at least 100 feet away from streets on every side, have in-house mail screening facilities, and be constructed with blast-resistant materials. Similar enhancements would be required in building an embassy in Jerusalem. The CBO estimate for H.R. 1595 does not include these parameters and NTUF is unable to determine the cost of such upgrades.

<http://www.gao.gov/new.items/d08162.pdf>

## **Veterans: Unknown.**

### **A. Health Provider Flexibility:**

“... I am committed to an effective program that enables you [veterans], if you prefer, to use your local doctor and your local hospital so you don’t have to travel all the time.”

<http://www.newt.org/news/video-newt-connects-veterans-new-hampshire> (1:45)

Cost: Unknown.

Note: Related legislation has been introduced in the form of H.R. 2203 (112<sup>th</sup> Congress), the Alaska Hero’s Card Act of 2011. The bill would establish a pilot program for veterans in Alaska to receive health care services from the Department of Veterans Affairs at non-Department medical facilities. A current cost estimate is not available.

### **B. Reopen Veterans Hospital – New Hampshire:**

“First, I’m committed to reopening the Manchester [Veterans] Hospital as a full-service facility, not just an outpatient clinic. Second, I am committed to developing a very sophisticated clinic in the North Country that uses tele-medicine so that you can get a very high percentage of all your diagnostics and all your treatments done without even have to go as far as Manchester.”

<http://www.newt.org/news/video-newt-connects-veterans-new-hampshire> (1:35)

Cost: Unknown.

## **Miscellaneous: Unknown.**

### **A. Establish Personal Savings Accounts:**

“Workers could be empowered with the option to save and invest what they and their employers would otherwise pay into Social Security into personal savings accounts.”

“In 2005, Congressman Paul Ryan (R-WI) and Senator John Sununu (R-NH) introduced comprehensive legislation providing for such a personal accounts option for Americans. . . . The bill provided for no changes of any sort for those already retired, or anywhere near retirement. They would continue to receive all of their promised Social Security benefits in full without any change from current law. But workers up to age 55 were empowered with the freedom to choose to save and invest in the accounts just half the Social Security payroll tax. . . . Ryan-Sununu empowers American workers to designate a private investment firm to manage their retirement savings.”

“The [Social Security] Chief Actuary found that the personal accounts in the Ryan-Sununu bill would achieve full solvency for Social Security, completely eliminating Social Security deficits over time without any benefit cuts or tax increases. . . . ‘throughout the long-range period 2003 through 2077 and beyond.’”

“In September [2010], Rep. Thaddeus McCotter (R-MI) introduced a bill that builds on the strengths of Ryan-Sununu. . . . Under the McCotter plan, the contributions to the personal savings accounts are made from general revenues, and payroll taxes still flow directly and fully into Social Security payments. . . . Additionally, the McCotter bill specifically requires that the funding mechanism for the new personal savings accounts must be cost-neutral. The general revenues that flow into the new personal savings accounts must be offset by savings in other parts of the federal budget. . . . only Americans under age 50 can opt for the personal savings accounts.”

“Reform should begin with legislation along the lines of the Ryan-Sununu and the McCotter bills.”

<http://www.newt.org/news/unleashing-growth-and-innovation-to-move-beyond-the-welfare-state/> pages 7, 14-15, 18, 20-21, 23

Cost: Unknown.

Note: Related legislation was introduced in the form of H.R. 1776 (109<sup>th</sup> Congress), the Social Security Personal Savings Guarantee and Prosperity Act of 2005, also referred to as the Ryan-Sununu plan. The Social Security Administration (SSA) released estimates of the effect of the Ryan-Sununu plan in 2004. SSA assumes the higher yields of personal accounts would result in more Americans opting out of the system in place, once the plan is implemented after two years. The plan calls for federal funds to be used to bridge any gaps in the Social Security Trust Fund, resulting in a governmental transfer from the General Fund.

[http://www.ssa.gov/oact/solvency/PRyan\\_20040719.pdf](http://www.ssa.gov/oact/solvency/PRyan_20040719.pdf)



Related legislation has also been introduced in the form of H.R.2889 (112<sup>th</sup> Congress), the Save Social Security Act, also referred to as the McCotter plan. SSA released estimates of the McCotter plan on the Social Security system in 2011. Because the measure requires budget neutrality, no governmental transfers of General Fund monies would occur in the first five years.  
[http://www.ssa.gov/oact/solvency/TMcCotter\\_20110912.pdf](http://www.ssa.gov/oact/solvency/TMcCotter_20110912.pdf)

Transitioning to either system would likely require new spending to maintain the “legacy” system. It is unclear how Speaker Gingrich would address the transition.