As food stamp cuts set to begin

US budget conference committee meets to slash social spending

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As the US government prepared to slash food benefits for tens of millions of poor people, the bipartisan conference committee created as part of the deal to end October's government shutdown met for the first time Wednesday. Democrats and Republicans are seeking to strike a deal to further chip away at the living conditions of working people.

The food stamp cuts, which are scheduled to take effect today and which would amount to over $300 per year for a family of three, will be the first-ever nationwide reduction in benefits under the US government's Supplemental Nutrition Assistance Program (SNAP).

The bipartisan conference committee has a deadline of December 13 to come up with a budget agreement for the next fiscal year, and Congress would have to pass the agreement by the middle of January to prevent another government shutdown.

Both sides made clear that they would not be seeking to use the conference committee to strike a "grand bargain" agreement on corporate taxes and entitlement cuts, even though leaders of both parties have said they would favor such a deal in the long term.

Instead, the conference committee will focus on tweaking or replacing the automatic spending cuts known as the sequester, which contain scheduled cuts to military spending that both parties would like to remove or reduce.

The sequester cuts, put in place as part of the 2012 "fiscal cliff" crisis, are scheduled to cut government spending by $1.3 trillion over ten years. The first round of cuts, which began in March, cut spending by $85 billion, while the second round, scheduled to begin next year, would cut $109 billion.

In additional to sweeping cuts to social spending, next year's cuts will reduce defense spending by an additional $20 billion. "There are significant numbers of Republicans in the Senate and the House who recognize that the cuts to defense are too much, too fast and that it's irresponsible, so they're going to have to weigh that," Democratic Representative Chris Van Hollen, a member of the conference committee, told CNN.

Tom Price, a Georgia Republican, told CNN that a plan to replace or modify the sequester cuts is "a reasonable expectation."

Even with the limited set of goals that the conference committee has set, participants said that there is no guarantee that the group will come to an agreement. Van Hollen told CNN that he puts the likelihood of a deal at "50-50." The next time the Conference Committee plans to meet is November 13, one month before they are required to reach a deal.

Another possible area of agreement in the conference committee is a proposal to slash federal workers retirement benefits, which was raised in the budget proposals of both the Republicans and the White House.

Under the Republican budget proposal, federal workers would increase their contributions toward their retirement plans by over five percent of their salaries, while some workers who retire early would see a cut in payments. The proposal would slash the government's retirement costs by $132 billion over 10 years.

The White House made a similar proposal in its budget for next year—an increase in employee payments toward benefits by 1.2 percent over the next ten years, cutting $20 billion in pension costs.

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Federal workers have already been hit with a three-year pay freeze, as well as furloughs resulting from the sequester cuts, in some cases amounting to a 15 to 20 percent pay cut.

Also Wednesday, a separate conference committee led by Republican House Agriculture Committee Chairman Frank D. Lucas and Democratic Senate Agriculture Committee Chairman Debbie Stabenow met to reconcile competing agriculture bills, each of which include additional sweeping long-term cuts to food stamps.

The Democratic-controlled Senate is proposing $4 billion in cuts to the food stamp program over the next decade. The Republican-controlled House of Representatives has passed a bill that would cut $40 billion from SNAP and would also force adults between 18 and 50 to either work or attend work training in order to reapply for benefits, as well as instituting drug-testing for recipients.

In addition to the cuts in food stamps, on January 1, the federal program that provides extended unemployment benefits for the long-term jobless is slated to expire, throwing millions more into poverty.

In addition to the these cuts, both the Republicans and the White House have repeatedly made clear over the past month that they are still looking to make a deal in the longer term for a “grand bargain” that would lower corporate taxes and slash hundreds of millions of dollars from Social Security and Medicare.

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