

Tauscher Release: What the Bush Budget Means for the 10th Congressional District

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Bush Budget: A Legacy of Fiscal Irresponsibility – What the Bush Budget Means for the 10th Congressional District – Washington, DC – President Bush has delivered his final budget proposal to Congress. The budget reflects the Bush Administration’s priorities, but unfortunately, it does not reflect the priorities of the average American family, especially those of us living in and around the Bay Area. – The Bush budget continues the President’s legacy of fiscal irresponsibility and leaves behind a \$407 billion deficit. When President Bush took office, the national debt stood at \$5.7 trillion; and it is projected to increase to \$9.7 trillion by the time President Bush leaves office, up by \$4 trillion in eight years. The debt held by foreign governments and entities has more than doubled on President Bush’s watch. This fiscal record ties the hands of the next generation, which faces growing obligations with increasingly limited resources. President Bush’s budget slashes money for working families and seniors, eliminates lifesaving medical research, raises health care costs for veterans, overlooks the need for clean air and water and fails to address the need for energy assistance. The President is saying one thing but doing another. He tells the American people that nuclear proliferation is a top national security threat, but his budget cuts programs that reduce weapons of mass destruction. He preaches safe communities, but eliminates COPS, (Community Oriented Policing Services) a proven public safety program. The Bush budget even cuts funds to states and local governments to fight terrorism. The President’s budget also drastically understates the cost of the war in Iraq. He is asking for \$70 billion dollars for Iraq – an estimate wildly off for a President who refuses to change course when you consider his failed strategy is costing more than \$2 billion per week. He seems perfectly content to rail against the earmarks that build roads, hospitals and medical clinics throughout America, while financing a war in Iraq with a credit card whose bill will be sent to our future generations. – Rep. Ellen Tauscher Below, please find a more in depth look at what some of these cuts would mean for families in California, especially in and around the Bay Area.

Highway Funding -- The President’s budget proposes to cut funding for highways by \$800 million below the total guaranteed by SAFETEA-LU. Every \$1 billion in new infrastructure investment creates 47,500 American jobs. Cuts \$1.8 billion from the federal-aid highway program, which provides assistance to states to build, rehab, and improve the National Highway System – including structurally deficient bridges. This will reduce CA funding by \$54 million. Homeland Security Programs to protect the Bay Area are cut. State and Local security grant funds are cut to \$1.9 billion from \$3.46 billion in FY2008. Funding for Port Security grants are nearly halved from \$400 million in FY2008 to \$210 million in the FY2009 request and public transit security grants are more than halved from \$400 million to \$175 million. Critical Housing Programs Cut by President Bush Again. President Bush’s FY 2009 budget again cuts federal housing programs, despite widespread recognition that the U.S. economy is facing a housing crisis. Bush’s budget cuts to public housing and rental assistance programs would eliminate critical assistance for those who have been disproportionately impacted by the subprime housing crisis – lower income families, the elderly, and minorities – compounding the deep funding cuts of the previous six years. Under the President’s budget proposal, the public housing capital fund would be cut by \$415 million from 2008, depriving California of \$15.1 million in necessary funding to keep its public housing stock a viable option for families that have lost their homes to foreclosure. [President Bush’s Budget, FY2009; Federal Funds Information for States Database; National League of Cities; Center for Budget and Policy Priorities.]

Huge Cuts Would Endanger Access to Quality Care for California’s 4.1 Million Medicare and 6.3 Million Medicaid Beneficiaries. The Administration’s budget includes \$105 billion in cuts over five years to Medicare and Medicaid that threaten to endanger California’s 4.1 million Medicare and 6.3 million Medicaid patients’ access to the care they need to lead healthy, independent lives. Under the President’s plan, more than \$91 billion would be cut from Medicare and \$14 billion from Medicaid over five years. [Kaiser Family Foundation, State Health Facts, March 2006 and December 2006; New York Times, 1/31/08.] Hospitals and health systems in California stand to lose as much as \$18 billion over the next five years, with Medicaid losses totaling up to \$2 billion over the same time frame [California Hospital Association]

Steep Cuts to Health Programs Jeopardize the Well-Being of California Residents. The President’s budget would slash discretionary spending for government health resources and services by \$982 million, in addition to \$378 million in cuts to the Centers for Disease Control and Prevention. These cuts would jeopardize the health of millions nationwide who are suffering from life-threatening diseases and depend on these programs to fund life saving research projects. They include 153,000 people living with invasive cancer in California and the 7 percent of California adults who have been diagnosed with diabetes. [President Bush’s Budget, FY2009; Kaiser Family Foundation, State Health Facts 2003 and 2005.]

Bush Administration’s Budget Fails College Students in Educational Grants, Even As California’s Tuition Has Risen 81 Percent in Four Years. In 2007, Democrats fought to save critical college aid programs like the Supplemental Educational Opportunity Grants (SEOG) program, but once again the President’s budget completely eliminates the program. California would lose \$77.9 million in SEOG grants in 2009. As average tuition and fees at 4-year public schools in California increased 81 percent in just four years, the Bush Administration’s cuts in student aid would put college further out of reach for many California students. [President Bush’s Budget, FY2009; U.S. Department of Education; Fiscal Year 2001-2008 State Tables for the U.S. Department of Education – U.S. Department of Education, Institute of Education Sciences, Digest of Education Statistics, – Average undergraduate tuition and fees and room and board rates charged for full-time students in degree-granting institutions, by type and control of institution and state or jurisdiction, – 2001-2002 and 2005-2006.]

California’s LIHEAP Funding Cut By President Yet Again. The President’s 2009 budget calls for a 22 percent cut in the overall funding for the Low-Income Home Energy Assistance Program (LIHEAP) from 2008. LIHEAP helps America’s lowest-income families afford to cool their homes in the summer and heat their homes in the winter. It is especially important to families with elderly persons and very young children. This year’s budget would slash California’s LIHEAP funding, leaving it up to the Congress once again to ensure that California’s

families can afford to cool and heat their homes. [President Bush FY2009 Budget; Federal Funds Information for States Database; U.S. Department of Health and Human Services, Administration for Children and Families.] Programs to Keep California's Neighborhoods Safe Zeroed Out by Bush. The President's budget again assaults two of California's local crime fighting tools—the Community Oriented Policing Service (COPS) program and Justice Assistance Grants (JAG). COPS helps California's law enforcement agencies hire police officers, enhance crime fighting technology, and support crime prevention initiatives, while JAG supports state and local drug task forces, community crime prevention programs, and prosecution initiatives. Last year, California received \$10.7 million in JAG funding and \$29.5 million in COPS funding to keep neighborhoods safer for California families in FY 2007. California would receive no funding under President Bush's 2009 budget proposal. [President Bush FY2009 Budget; Federal Funds Information for States Database; U.S. Department of Justice, COPS Office.] California's 10th District received more than \$2 million in FY2008 in funding through both JAG and COPS for county and municipal efforts to fight methamphetamine, gangs, and domestic violence, and to link Bay Area-wide systems for public safety communications. Another Round of Cuts to Community Investments Could Slow Economic Development in California. Year after year, Democrats have been called on to defend the Community Development Block Grant (CDBG) program, which is once again on the President's chopping block. The CDBG program is a signature program for California's cities, counties and local communities to create jobs, spur economic development and small business opportunities, and expand homeownership. California's CDBG funding in the President's budget represents a decrease of \$84 million from its 2008 funding level of \$458 million. By cutting CDBG, the President's budget would undermine the economic well-being of California's communities. [President Bush's Budget, FY2009; Federal Funds Information for States Database; National League of Cities.] President Calls for Elimination of Grants to Fight Poverty. President Bush's budget would eliminate the Community Services Block Grant program which provides critical funding for state, local, and tribal poverty programs. Last year, this grant provided a total of \$654 million in crucial funding for education, employment, housing, and health programs serving California's 4.6 million residents living in poverty. Last year, California received \$58.3 million in federal funding to combat poverty. Under the President's budget, California would receive no funding for this program. At the same time, his budget would slash spending on Temporary Assistance to Needy Families, which provides a wide range of benefits and services to low income families with children, by \$340 million nationwide. [President Bush's Budget, FY2009; Federal Funds Information for States Database; U.S. Department of Commerce, Census Bureau, Income, Poverty and Health Insurance Coverage in the United States: 2006 report.] ###