

THE PRESIDENT'S BUDGET & AFRICAN AMERICANS: More of the Same Misplaced Priorities

Key Points:

- **The Bush Administration's FY 2008 budget continues with more of the same wrong priorities of the past six years -- putting special interests first and the American people last.**
- **The President's budget is morally irresponsible, cutting health care, denying educational opportunity for our children, and doing too little to bring down energy prices.**
- **Democrats are committed to a new direction for America in which the interests of hardworking African American families take priority over the special interests.**

Democrats believe that on every issue our nation faces, we must pursue policies that take our country in a new direction. The Bush Administration's FY 2008 budget fails on that score; it continues with more of the same wrong priorities of the past six years that have failed African American families and the American people. It is fiscally reckless, adding trillions to the deficit over the next 10 years, and morally irresponsible, slashing funding for key priorities, such as health care and education, critical to America's middle class. Democrats are fighting for a budget that reflects the values of America's working families. We are working to restore fiscal responsibility and to deliver results to the American people, along with economic prosperity, a strong national defense, affordable health care and energy prices, and strong public schools.

Cuts Vital Health Care Programs. During President Bush's tenure in the White House, the number of African Americans without health insurance has increased by 795,000 to more than 7.5 million. [CPS, 8/06] And yet the President's budget slashes Medicare and Medicaid by more than \$300 billion. In addition, the President's budget significantly underfunds the State Children's Health Insurance Program (SCHIP) program, despite the fact that there are nearly 1.6 million African American children who lack health insurance. [Robert Wood Johnson Foundation, 8/06] The budget also slashes health professions training, much of which aids minority medical students, by 66 percent; slashes HRSA's Scholarships for Disadvantaged Students program; cuts the National Center for Minority Health and Health Disparities at NIH; cuts the Healthy Start infant mortality initiative; and cuts the Office of Minority Health.

Betrays the more than nine million African American children enrolled in K-12 school. The President's budget underfunds No Child Left Behind (NCLB) programs by \$14.8 billion in FY 2008. Under the budget, 3.2 million children will be denied the extra reading and math help they were promised by NCLB. Also, 2 million children will be denied after-school program activities promised by NCLB. The budget also slashes funding for the Safe and Drug-Free School program by 71 percent. It also eliminates key education programs, including Even Start, School Drop-Out Prevention, School Counseling, Mentoring, and programs to make college more affordable (Perkins Loans Cancellations, Supplemental Education Opportunity Grants, and Leveraging Educational Assistance Partnerships). Finally, Head Start is a vital program for African American children – comprising nearly one-third of all kids enrolled – and yet the President's budget cuts funding by \$100 million below the FY 2007 enacted level. [HHS, 2/07]

Does Not Do Enough to Protect America Here At Home. The President's budget slashes grants for first responders by 45 percent, including cutting firefighter grants by 55 percent and state homeland security grants by 52 percent. The budget also eliminates the Law Enforcement Terrorist Prevention Program (LETPP). The Bush budget cuts aid to state and local law enforcement in the Justice Department by 56 percent, slashing the successful COPS program by 94 percent.

Fails to Honor Promises to African American Veterans and Troops. About 2.4 million African Americans are honored veterans and nearly 250,000 brave African American men and women have been deployed to Afghanistan and Iraq since September 2001. [Census, 2006; DOD, 1/31/07] At a time when wounded troops returning

from Iraq could overwhelm the VA health system, the President's budget shortchanges veterans' health care, providing an increase in FY 2008, but cutting funds in FY 2009 and 2010 (below the proposed FY 2008 level) and freezing funding for VA health care thereafter. The President's budget imposes new health care fees on 1.3 million veterans and may increase TRICARE health premiums for the nation's military retirees under 65.

Cuts Job Training and Employment Assistance. Of the 2.8 million manufacturing jobs lost since President Bush took office, African Americans suffered the greatest loss – a drop of 25% in manufacturing jobs between February 2001 and December 2004. [National Urban League, 1/05] African American family income has dropped by \$2,676 since 2000, while health care and energy prices are climbing. [CPS, 8/06] And yet the President's budget cuts critical job training and employment services by \$639 million. The President's budget also slashes funding for vocational education by 49 percent below the FY 2007 enacted level.

Creates Trillions Of Dollars In New Deficits That Threaten Our Economy. The national debt has increased to \$8.7 trillion, increasing our borrowing from foreign countries. The President's budget squanders trillions of dollars on permanent tax cuts for the wealthy – giving America's wealthiest one percent \$62,000 in tax breaks in 2010. [Tax Policy Center, 11/06]

Cuts Small Business Administration Funding. More than 1.2 million small businesses in the U.S. are African American-owned. Even though small businesses employ nearly half of all workers and create three out of four new jobs, the President cuts the Small Business Administration by 25 percent from last year's request and 45 percent from 2001.

Leaves African American Families Out in the Cold. Average costs for American families to heat their homes this winter are up 57% from 2001. [EIA, 2/07] Yet, the Bush Administration cuts low-income home energy assistance (LIHEAP) for families by \$480 million, slashing help to working Americans to pay their energy bills. [FFIS, 2/07] Further, the President is cutting by 40 percent the Weatherization Assistance Program, denying help to an estimated 40,000 low-income Americans who are on waiting lists to reduce their energy bills by purchasing storm windows and insulation to improve their home's energy efficiency.

Gives No Relief to Working Families Struggling with Still High Gas Prices. Nationwide, gas prices have increased by ninety cents since January 2001, an increase of approximately 60 percent. [EIA, 2/07 & 1/01; AAA Fuel Gauge Report, 2/07] Ending our addiction to foreign oil is a key step in ensuring that energy will be more affordable for America's families in the future. But the President's budget for renewable energy and energy efficiency is the same as it was in 2001, and stagnant funding will not lead us to energy independence.

Revives Attack on Social Security. Among older African Americans, 32 percent of married couples and 54 percent of unmarried people rely on monthly Social Security benefits for 90 percent or more of their income. [SSA, 6/06] Yet the President once again proposes to privatize Social Security, which would result in cutting Social Security benefits for the middle class and adding trillions to the national debt.

Cuts Funding for U.S. Environmental Programs, Including the Clean Water Program. For the seventh year in a row, the Bush budget proposes significantly cutting funding for programs that protect public health and the environment. It slashes funding for the states' Clean Water revolving loan funds, which help improve wastewater treatment, by more than \$396 million. [FFIS, 2/07] The President's budget also cuts the nation's funding for environmental justice programs that protect the health of low-income and minority communities from environmental toxins by 28 percent below the 2007 level.

Cuts Funding For Vital Community Revitalization. The budget eliminates \$631 million in funding from the Community Services Block Grant program, which works to lessen poverty in communities, and cuts \$500 million in funding from the Social Services Block Grant, which provides people with social services directed toward achieving economic self-sufficiency. [FFIS, 2/07] The budget also slashes \$741 million in Community Development Block Grant funding, which provides critically-important funding for affordable housing, employment counseling, and transitional assistance. [FFIS, 2/07]