

Washington, D.C. - "President Bush's 2007 Budget draws a very clear picture of who this Administration values and it's not the average American family," said U.S. Representative David Price (D-NC). "The underlying message to Congress is: Schools, hospitals, roads, veterans, seniors, prescription drugs, clean air and clean water are going to have to wait so we can deal with 'really important' matters."

Price pointed to the President's call in his State of the Union speech for making permanent his 2001 tax cuts, most of which benefit those who make more than \$200,000 per year. The tax cuts were a major factor in the federal government's plummet from budget surpluses in 2001 to staggering annual deficits in just a few years.

"Cutting taxes on investment income for the wealthiest Americans while we're spending more than \$6 billion per month in Iraq — more in a few months than we invest in public education, job training, medical research or veterans' healthcare in a whole year — makes absolutely no sense," Price said. "It's put the country in a fiscal hole that's only getting deeper."

"This 2007 budget reveals the true cost of the Bush tax cuts and the Iraq war," said Price, a member of the House Appropriations Committee. "Sadly, it's a cost that will have to be paid by millions of school children, senior citizens, military veterans, rural residents and families through cuts and freezes to vital federal services they count on. It's a budget that doesn't reflect the values of most Americans."

2007 BUDGET FACT SHEET

1. In his State of the Union speech, President Bush said his first priority was making Americans safer. However, his 2007 Budget Proposal:

- Cuts funding for emergency responders under the Department of Homeland Security by 25% (\$573 million) from this year;

- Reduces Firefighter Assistance Grants for new and upgraded equipment by \$355 million;
- Cuts the highly-acclaimed Community Oriented Policing Services (COPS) Grants program that has helped so many cities and towns hire more police officers by 79% (\$376 million) below 2006; and
- Cuts the State and Local Criminal Justice and Juvenile Justice program by 54% (\$1.1 billion) below this year.

2. The President said he wanted to strengthen American competitiveness by investing in science and math education. However, his budget plan:

- Eliminates all federal funding for Vocation Education Programs;
- Eliminates all federal funding for Educational Technology Programs
- Eliminates Safe and Drug Free Schools funding to the states
- Eliminates High School Achievement and Drop-Out Prevention Programs, including GEAR-UP and TRIO Upward Bound; and
- Underfunds the No Child Left Behind Program by \$15.4 billion below the promised level.

3. The President talked about an "Ownership Society," which creates opportunities for all Americans to succeed. However, his budget plan:

- Freezes the maximum Pell Grant— which helps millions who could not otherwise afford a college education— for the fifth year in a row, while the cost of a four-year public college education has soared by 36%; and

- Cuts all prior federal funding from the Perkins College Loan revolving fund, on top of the \$12 billion already cut from federal student loan programs earlier this year by Congressional Republicans.

4. The President expressed concern about the rising costs of healthcare. Yet, his budget plan:

- Cuts Medicare funding by \$105 billion over ten years by reducing payments to hospitals and ambulance services and increases premiums for higher-income seniors;

- Freezes medical research funding for the National Institutes for Health;

- Cuts funding by 5% below this year's for the National Centers for Disease Control; and

5. The President has talked about Americans taking care of each other, and helping those who need help. Yet, his 2007 budget plan:

- Cuts Community Development Block Grants, which help provide decent housing and living environments for low and moderate-income areas, by \$736 million below the 2006 level;

- Eliminates the Community Services Block Grant program, aimed at fighting poverty by providing assistance in:

- o employment

o education

o better use of available income

o housing

o nutrition

o emergency services

o substance abuse

- Freezes funding for Head Start at this year's level, which would put 19,000 children out of the program; and

- Eliminates or slashes funding for many housing programs, including HOPE VI, which has transformed run-down public housing into vibrant, mixed-income neighborhoods, and the Rural Housing and Economic Development Program.

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