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New Details Show Bush Administration Proposed Budget Would Inflict Increasing Pain on Connecticut Over Next Five Years

Proposal Weakens Services and Places New Burdens on CT State Budget, While Increasing Federal Deficit

[New Haven, CT] Newly available information shows that Connecticut would experience large cuts in federal funding that increase over the next five years under the Bush Administration's Fiscal Year 2007 budget, warned Connecticut Voices For Children, a research-based child advocacy organization. If enacted, these cuts would weaken critical services in Connecticut and place significant new burdens on the state's budget. Despite the harm these cuts would cause, the President's budget as a whole would make the deficit nearly \$200 billion *worse* over the next five years, in part because the budget calls for tax cuts that are even larger than the program cuts. Connecticut Voices For Children called on the Connecticut congressional delegation to reject these harmful cuts and support a balanced approach to deficit reduction that includes reversing tax cuts for the wealthiest Americans, rather than only cutting spending on programs and services that benefit most everyone else.

The Administration's budget calls for \$183 billion in cuts in domestic discretionary (non-entitlement) programs over the next five years, more than 90 percent of which would take place *after* 2007. The *true* impact of these cuts — on services, and ultimately on the residents of Connecticut and other states — was purposefully hidden. In a break with standard budgeting practice, the Administration did not provide funding levels in its official budget documents for specific programs for years after 2007. While there are comparatively modest budget cuts (and even some increases) in the 2007 budget, these changes are misleading, because cuts become increasingly steep through 2011.

The Washington, DC-based Center on Budget and Policy Priorities, however, has just issued a report that shows how the budget would affect specific programs, as well as each state, over the next five years. The report is based on data from an Administration computer run that apparently was released inadvertently.

“The President chose to cut back on education, environmental cleanup, child care, and many other services that benefit everyone in Connecticut, while increasing the deficit by enacting tax cuts that will mostly benefit wealthy residents,” said Ellen Scalettar, Senior Policy Fellow at

Connecticut Voices for Children. “That’s the wrong choice for our country — Congress should reject the priorities of this budget and adopt a more fair and balanced approach.”

The budget would:

- Cut federal funding for **K-12 education** for Connecticut by \$82.4 million over the next five years (2007-2011). In 2011, the funding would be more than 8 percent below the 2006 funding level, adjusted for inflation (the OMB baseline).
- Totally eliminate federal funding for Connecticut’s **vocational education** programs.
- Slice federal funding for Connecticut’s **WIC nutrition program** (the Special Supplemental Nutrition Program for Women, Infants, and Children) by \$17.1 million over five years, which would mean 3,100 fewer people could be served in 2011.
- Cut Connecticut’s federal **child care** funding by \$7.1 million over five years, translating to a cut of 14 percent in 2011.
- Cut federal funding received by Connecticut for **Children and Family Services**, which includes **Head Start, services for abused and neglected children, and other community and social services** by \$68.9 million over five years, or a reduction of 20 percent in 2011. This means that at least 700 fewer Connecticut children would be able to participate in Head Start in 2011, for example.
- Dramatically reduce federal funding to **repair public housing** in Connecticut by \$32.3 million over five years, a 23 percent reduction in 2011.
- Sharply pare back funding for Connecticut’s **Community Development Block Grant** formula grant program, which funds numerous economic development activities (such as **improvements to roads and other infrastructure**) and housing-related activities (such as **rehabilitation of blighted buildings and assistance for the homeless**) by \$61 million over five years, or 31 percent in 2011.
- Cut federal **energy assistance for low-income Connecticut households** by \$40.1 million over five years, or 29 percent in 2011.
- Cut **EPA Clean Water/Drinking Water Revolving Funds** by \$23.3 million over five years, or 24% in 2011.

(All cuts are compared to 2006 funding levels, adjusted only for inflation.)

“The Administration and Congress must confront two realities – a growing federal deficit and the critical need for education and health and human services, if we are, as a nation, to remain economically competitive and provide opportunities for all our kids,” said Shelley Geballe, President of Connecticut Voices for Children. “There is no such thing as a free lunch. We can’t keep cutting taxes for the wealthy and remain a strong nation.”

The report was released by the Center on Budget and Policy Priorities, a Washington DC-based, nonprofit, nonpartisan research organization and policy institute that conducts research and analysis on a range of government policies and programs (www.cbpp.org), in partnership with Connecticut Voices for Children, a statewide, research-based policy and advocacy organization for children and families (www.ctkidslink.org).

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