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President's Budget Means Painful Cuts for Minnesota;
Congress Should Reject President's Misplaced Priorities, says Minnesota Budget Project

(St. Paul) – The U.S. Congress will decide as soon as this week whether to accept \$183 billion in cuts over five years to domestic discretionary spending proposed in President Bush's FY 2007 budget. The U.S. Senate Budget Committee is expected to pass their budget resolution tomorrow and the U.S. House Budget Committee may take up their budget resolution in the near future. In each body's budget resolution, the spending limit for discretionary programs will be locked in.

"The Congress should reject the President's budget, which does not represent Minnesota values," said Nan Madden, Director of the Minnesota Budget Project at the Minnesota Council of Nonprofits. "The President's budget calls for deep cuts to services that are critical to Minnesota's quality of life."

"The President's budget makes deep cuts in nutrition, education, housing, community development, environmental protection, energy assistance...in fact, nearly every program area that requires its funding to be appropriated each year is cut," said Madden. About half of these cuts come from programs that provide state and local governments with resources to meet critical needs in their communities. "Our Congressional delegation should reject this attempt to shift federal responsibilities onto state and local government, and support a Congressional budget resolution that contains a more reasonable level of funding."

The Minnesota Budget Project released today an analysis of the President's budget proposal on Minnesota. This analysis describes some of the pain that would be felt in Minnesota over the next five years under the President's budget, including:¹

- \$124 million cut from **K-12 Education** and an \$89 million reduction in federal funding for **Special Education**.
- \$113 million cut from **Vocational and Adult Education**. By 2011, the President's budget would cut funding for a range of employment and job training programs by 21 percent.
- \$35 million cut from **nutrition for women, infants, and children (WIC)** – 7,300 fewer Minnesotans would be served in 2011.
- 11,900 Minnesota seniors would lose food assistance from the **Commodity Supplemental Food Program**
- \$81 million cut from **Children and Family Services**. This includes a \$41 million cut to the **Community Services Block Grant** and the **elimination of federal funding for community action agencies**. In addition, at least 1,100 fewer Minnesota children would be served by **Head Start** in 2011 — a 10 percent reduction in the number of children served.
- \$36 million less for **repair of public housing** in Minnesota.

¹ The cuts described are reductions from current levels of funding adjusted for inflation. Estimates prepared by the Center on Budget and Policy Priorities.

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- \$85 million cut from the **Community Development Block Grant**, which state and local governments use for a range of community and economic development projects, as well as rehab of substandard housing and assistance to the homeless.
- \$76 million cut from the **Low Income Home Energy Assistance program (LIHEAP)**
- \$35 million cut from **EPA Clean Water/Drinking Water Revolving Funds**

The cuts in spending outlined in the President's budget are not used to pay down the federal deficit or produce a balanced budget. Rather, they are combined with \$285 billion over five years in tax cuts and increases in spending for defense and homeland security. As a result, the nation's budget deficit would increase under the President's proposed budget. "It adds insult to injury that these painful spending cuts are used to finance tax cuts that primarily benefit the wealthiest Americans," says Madden.

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Additional information:

- Minnesota Budget Project, [Impact of the President's Proposed 2007 Budget on Minnesota](#)
- Center on Budget and Policy Priorities, [Program Cuts in the President's Budget: Cuts Grow Deeper Over Time and Will Hit States Hard](#)
- Minnesota Center for Environmental Advocacy, [Federal Budget Cuts Will Harm Minnesota's Environmental Programs](#)

The Minnesota Budget Project — an initiative of the Minnesota Council of Nonprofits — provides independent research, analysis, and advocacy on budget and tax issues, emphasizing their impact on low- and moderate-income Minnesotans and the organizations that serve them.