



For Immediate Release
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BUDGET BILL SENT BACK TO U.S. HOUSE, MINNESOTA REPRESENTATIVE COULD CAST KEY VOTE

(St. Paul) – The Minnesota Council of Nonprofits (MCN), representing more than 1,500 nonprofit organizations statewide, is calling on Minnesota’s Congressional delegation to reject a painful budget reconciliation bill that would have a profound and damaging impact on Minnesota.

The U.S. Senate today sent the budget reconciliation bill back to the House of Representatives for a second vote. The House vote — in which Congressman Jim Ramstad will be a key swing vote — could take place as soon as tomorrow, or else early in the new year.

Passing the 775-page budget bill would mean that many Minnesotans would:

- lose access to health care services and prescription drugs
- lose child care assistance that enables to parents to work
- receive less of the child support that they are owed
- pay substantially higher borrowing costs for student loans
- see delays in support payments to people with disabilities
- see their local county child protection and disability services slashed

“There is no reason to pass this bill,” said Nan Madden, Minnesota Budget Project Director for the Minnesota Council of Nonprofits. “This bill does not reduce the deficit, does not provide funding for any critical government services, and makes large scale policy changes whose implications are not fully understood.”

The bill was originally passed by the U.S. House at 6:00 a.m. on Monday morning after an all-night session. Members of Congress and the public have not yet had an opportunity to fully understand all of the implications of the bill, but the information that has emerged is disturbing.

- The 1 in 9 Minnesotans who receive health care coverage funded in part by Medicaid could face substantially increased copayments, and health care providers would be allowed to deny services to those unable to pay.
- Persons on Medicaid could lose access to medically-necessary services like therapy services, personal care, eyeglasses, hearing aids, and crutches.
- The bill imposes expensive new expectations on states in their welfare-to-work program without providing them with adequate resources. Nationally, an estimated 255,000 fewer children would receive child care assistance as states would likely divert child care funding to other programs to meet the new welfare-to-work requirements.

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- Those same new federal welfare-to-work expectations mean Minnesota would lose the flexibility it has used to help families move towards self-sufficiency.
- Minnesota families would lose \$83 million in child support payments over five years.
- Additional funding for federal energy assistance would not be available to Minnesotans this winter, as the funding is not available until fiscal year 2007.

"The people of Minnesota have said that this budget deal violates our values, and this is not what we want from our representatives in Washington," said Steve Francisco, Federal Budget Campaign Coordinator for the Minnesota Council of Nonprofits. Francisco cited the fact that Senator Coleman's phone lines and voice mail have been frequently tied up over the last few days as the U.S. Senate approached their vote on the bill.

Representative Jim Ramstad is thought to be a key vote on the bill. Representative Ramstad voted against the original budget legislation and has expressed concerns about the bill's impact on seniors, low-income families, children, students, and people with disabilities.

Over 120 Minnesota organizations have signed on to a letter opposing the budget reconciliation legislation, including Children's Defense Fund-Minnesota, Epilepsy Foundation of Minnesota, the Girl Scout Council of Greater Minneapolis, Jewish Family & Children's Service of Minneapolis, Lutheran Social Service of Minnesota, Minnesota Council of Health Plans, and the Minnesota Senior Federation, which is being delivered to Minnesota's House delegation today.

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Additional information:

- Minnesota Budget Project analysis, *The Budget Conference Agreement's Impact on Minnesota* – www.mncn.org/bp/impactonmn.pdf
- Letter to Minnesota's Congressional Delegation – www.mncn.org/bp/finalsignonletter.pdf

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.