

December 19, 2005

Senator Norm Coleman  
Washington, DC  
Via fax (202) 224-1152

Dear Senator Coleman:

As representatives of nonprofit organizations from across the state of Minnesota, we are writing to express our deep dissatisfaction with the current budget reconciliation process. We are convinced that a conference report with total spending cuts in the range of \$40 billion or more will cause significant pain to some of the most vulnerable people in our communities. We therefore urge Congress to defeat any conference report which may reach the Senate and House floor. We also oppose the tax reconciliation provisions which would cut taxes for the wealthiest people in America.

Budget reconciliation was originally intended to reconcile spending and tax policies in order to eliminate budget deficits and achieve a balanced budget. The current process, as illustrated by both the Senate and House budget reconciliation bills as well as the tax reconciliation bills, represents a significant departure from this objective by imposing deep and painful spending cuts on the most vulnerable people in our communities while at the same time passing nearly \$70 billion in extended and new tax cuts, many of which will go to the wealthiest people in America.

The net result of this process will be that instead of producing a balanced budget, both the Senate and House bills and any conference report will result in an increased deficit of between \$16 and \$20 billion over the next five years. These ongoing deficits threaten the nation's ability to address a wide range of priorities in areas ranging from education to environmental protection, from affordable housing to energy, and more.

There are several strong reasons why Congress should now reject a budget reconciliation conference report. It is true that the Senate's budget reconciliation bill does not go as far as its counterpart in the House in making drastic cuts impacting low-income working families, persons with disabilities, students, and other Minnesotans. Nevertheless, the Senate bill still includes cuts aimed at low-income people while also paving the way for more unwarranted tax cuts.

The proposals under consideration by the budget conference committee include unacceptable cuts to vital human services, nutrition, health care, education, and environmental protection, and other crucial services. Some of the provisions of concern include:

- 1. Medicaid cuts of \$9.5 billion will reduce the availability of health care and will drive more low-income Minnesota families into the ranks of the uninsured.** Under the House's budget reconciliation bill, for the first time in Medicaid's 40-year history, millions of low-income children and other beneficiaries could face copayments and sizeable additional premiums. A family of three struggling to make ends meet on an income of \$18,000 a year could face total Medicaid charges of as much as \$900 a year. The nonpartisan Congressional Budget Office (CBO) has estimated that 100,000 people nationwide could lose their Medicaid coverage. CBO also projects that these charges will result in more emergency room visits and higher emergency care costs. The House bill allows states to provide reduced benefit packages that would ultimately affect 5 million beneficiaries, half of whom would be children, and also citizens with disabilities who rely on Medicaid services. One in nine Minnesotans relies on Medicaid for at least part of their health care.
- 2. Food Stamp cuts of \$844 million in the House proposal would end nutrition assistance for more than 220,000 people nationwide, including thousands of Minnesota working families with children.** As the nation's largest single child nutrition program, deep cuts to Food Stamps, contained in the House bill, would risk undoing our progress in eliminating malnutrition here in Minnesota and nationwide. Around 70,000 legal immigrants who have been in the U.S. for more than five years would also lose access to vital nutrition assistance.
- 3. Child support enforcement cuts of \$4.9 billion will lead to tens of billions of dollars in lost child support collections.** The CBO estimates that the provisions in the House bill will lead to \$24 billion in child support going uncollected nationally over the next ten years. As a result, many single parents in Minnesota will have a much harder time providing food, clothing, and shelter for their children.
- 4. Deeply flawed welfare rules and child care cuts will make it more difficult for TANF recipients to make a successful transition from welfare to work.** The child care funding in the House bill is so minimal that an estimated 330,000 working American families will lose access to child care over the next five years. The TANF reauthorization does not belong in the budget reconciliation process and should be considered separately where responsible decisions on welfare reform policies can be debated and be based on sound policy, not budget cutting targets.
- 5. Supplemental Security Income (SSI) cuts of \$425 million are achieved by making SSI recipients wait up to an additional year to receive retroactive benefits.** Due to the length of time necessary to establish disability, under the House bill, SSI beneficiaries will be penalized in having to wait longer to receive benefits they are owed.
- 6. Student Loan cuts of \$14.3 billion will put higher education beyond the reach of more Americans.** Under the House bill, these cuts will be achieved primarily through increases in interest rates and fees charged to students. CBO estimates that these changes will increase the total cost for an average student borrower by \$5,600.

- 7. Oil drilling leases in the Arctic National Wildlife Refuge pose a threat to one of the most ecologically-sensitive areas in the world.** According to a report by the U.S. Geological Survey, the Refuge would likely yield less oil than the U.S. consumes in a single year, and even industry officials admit that ANWR oil wouldn't be available for ten years.

In our view, this process is fatally flawed and cannot produce a result consistent with any kind of morally and fiscally-sound public policy consistent with Minnesota values. We therefore urge you to vote "NO" on any budget reconciliation conference report which reaches the House or Senate floor for a final vote.

We look forward to working with you on these issues and look forward to your reply. If you have questions or would like additional information, please contact Steve Francisco, Federal Budget Campaign Coordinator, Minnesota Council of Nonprofits, at [steve@mncn.org](mailto:steve@mncn.org) or at 651-249-3806.

Sincerely,

Steve Francisco  
Federal Budget Campaign Coordinator

on behalf of:

Alaska Coalition, Bloomington  
Alexandra House, Inc., Blaine  
Alexandria People with Disabilities Group,  
Alexandria  
Alliance for Sustainability  
American Oromo Community of Minnesota, St.  
Paul  
American Public Information on the  
Environment  
Bear Creek Service, Rochester  
Brain Injury Association of Minnesota,  
Minneapolis  
Breaking Free, St. Paul  
Brilliant Living, Bloomington  
Cabrini House, Minneapolis  
Camp Fire USA Minnesota Council, St. Paul  
Carpenter/St. Croix Valley Nature Center  
CEAP, Brooklyn Park  
Central Minnesota Task Force on Battered  
Women, St. Cloud  
Channel One Inc., Food Bank & Food Shelf,  
Rochester  
Children's Defense Fund of Minnesota, St. Paul

Chisago County Senior Center, North Branch  
Churches United in Ministry, Duluth  
Community Involvement Programs,  
Minneapolis  
Congregations Concerned for Children,  
Minneapolis  
Conservation League of Edina  
Corporation for Supportive Housing,  
Minneapolis  
CREED  
Dads Make a Difference, St. Paul  
Dakota Woodlands, Eagan  
Domestic Abuse Project, Minneapolis  
Dorothy Day House, Moorhead  
Douglas County Committee on Aging,  
Alexandria  
Duluth Adult Learning Center, Duluth  
Duluth Audubon Society  
ElderCare Rights Alliance, Bloomington  
Employment Action Center, St. Louis Park  
Epilepsy Foundation of Minnesota, St. Paul  
Families Moving Forward, Minneapolis  
Family & Children's Service, Minneapolis

Family Means, Stillwater  
Friends of the Boundary Waters Wilderness  
Generations: Community Support Services,  
Minneapolis  
Girl Scout Council of Greater Minneapolis,  
Brooklyn Center  
Grasstops, Inc., St. Paul  
Growth & Justice, St. Paul  
Guardian Angels Catholic Church, Oakdale  
Guild Incorporated, West St. Paul  
HOME Line, Minneapolis  
Home of the Good Shepherd/Rose Center, St.  
Paul  
HousingMinnesota, St. Paul  
Human Development Center, Duluth  
Immunization Action Coalition, St. Paul  
Intercongregation Communities Association,  
Minnetonka  
International Self-Reliance Agency for Women,  
Minneapolis  
Jacob Wetterling Foundation, St. Paul  
JennaCare, Woodbury  
Jewish Community Action, St. Paul  
Jewish Family and Children's Service of  
Minneapolis, Minnetonka  
JOBS NOW Coalition, St. Paul  
Joint Religious Legislative Coalition (JRLC),  
Minneapolis  
Justice, Peace & Integrity of Creation Advisory  
Committee, Little Falls  
Land Stewardship Project, Minneapolis  
Leo A. Hoffman Center, Inc., St. Peter  
Lifetrack Resources, St. Paul  
Life-Work Planning Center, Mankato  
Lutheran Social Service of Minnesota, St. Paul  
Mankato Area Environmentalists  
Merrick Community Services, St. Paul  
Metro Meals on Wheels, Minneapolis  
Midwest Health Center for Women,  
Minneapolis  
Minnesota Child Care Resource and Referral  
Network, St. Paul  
Minnesota Citizens for Tax Justice, St. Paul  
Minnesota Citizens Organized Acting Together  
Minnesota Coalition for the Homeless,  
Minneapolis  
Minnesota Community Action Association  
(MCAA), St. Cloud  
Minnesota Council of Child Caring Agencies,  
St. Paul  
Minnesota Council of Health Plans, St. Paul

Minnesota Disability Law Center, Minneapolis  
Minnesota FoodShare, Minneapolis  
Minnesota Home Care Social Workers,  
Minneapolis  
Minnesota Legal Services Advocacy Project, St.  
Paul  
Minnesota National Organization for Women  
(NOW), St. Paul  
Minnesota Nurses Association, St. Paul  
Minnesota Ornithologists' Union  
Minnesota Senior Federation, Heartland Region,  
Brainerd  
Minnesota Senior Federation, Metro Region, St.  
Paul  
Minnesota Senior Federation, Midwest Region,  
Norcross  
Minnesota Senior Federation, Minnesota Valley  
Region, Willmar  
Minnesota Senior Federation, North Star  
Region, Virginia  
Minnesota Senior Federation, South Central  
Region, Mankato  
Minnesota Senior Federation, South West  
Region, Chandler  
Minnesota Social Service Association, St. Paul  
Minnesota Valley Action Council, New Ulm  
Mississippi Corridor Neighborhood Coalition  
National Association of Social Work -  
Minnesota Chapter, St. Paul  
National Council of Jewish Women,  
Minneapolis  
Northeast Minnesota Continuum of Care  
Committee to End Homelessness, Duluth  
North Country Food Bank, Crookston  
Northeast Entrepreneur Fund, Duluth  
Northeastern Minnesotans for Wilderness  
Northwest Community Action, Inc., Badger  
Northwest Youth & Family Services, Shoreview  
Office for Social Justice, Archdiocese of St. Paul  
& Minneapolis, St. Paul  
Olmsted Community Action Program, Rochester  
Opportunity Partners, Minnetonka  
PACER Center, Minneapolis  
Pax Christi Twin Cities, St Paul  
Planned Parenthood of Minnesota, North  
Dakota, South Dakota, St. Paul  
Pro Kinship for Kids, New Ulm  
Recovery Resource Center, Minneapolis  
Residents for Affordable Housing (RAH),  
Minneapolis  
RESOURCE, Inc., Minneapolis

Restart, Inc., Minneapolis  
Roseville Seniors at Home: A Living at  
Home/Block Nurse Program, Roseville  
Second Harvest Heartland, Maplewood  
Second Harvest North Central Food Bank,  
Grand Rapids  
Southwestern Center for Independent Living  
(SWCIL), Marshall  
St. Paul Area Council of Churches, St. Paul  
Streetworks Collaborative, Minneapolis  
The Affirmative Options Coalition, St. Paul  
The Arc of Minnesota, St. Paul  
Therapeutic Services Agency, Pine City  
Tubman Family Alliance, Minneapolis

Twin Cities Area Chapter of ACES, Cottage  
Grove  
Volunteer Resource Center, Minneapolis  
Warner Nature Center  
Way to Grow, Minneapolis  
West 7th Community Center Senior Program,  
St. Paul  
West Central Industries, Inc., Willmar  
Wingspan Life Resources, St. Paul  
Women's Health Center, Duluth  
Woodland Hills, Duluth  
Workforce Solutions, North St. Paul  
YWCA of Minneapolis, Minneapolis