

ADDING UP THE MINUSES

Analysis Shows More Iowa Cuts in Proposed Bush Budget

Simple fairness and fiscal responsibility suffer in President Bush's proposed budget for fiscal 2008, according to a new state-by-state analysis by the Center on Budget and Policy Priorities (CBPP). The budget would cut services for Iowans or add responsibilities for state and local governments both in the coming year and over the next five years.

A key issue for accountability in budget and tax policy is transparency – which determines how well budget choices can be described to and understood by the public. Without this work by CBPP, this kind of state-by-state and five-year analysis would be extremely difficult. Budget documents publicly provided by the administration – for the third year in a row – do not show funding proposed for each discretionary program after the coming fiscal year. CBPP uses support materials provided to congressional committees to prepare its analysis.

A few highlights of the report's findings for Iowa:

- **Elementary and secondary education** – cut of \$19.3 million in 2012 compared with 2007, and \$70.8 million from 2008-12.
- **Grants in aid** – cut of \$99.2 million compared to 2006 (latest figures available) not including Medicaid. Grants in aid are how the federal government provides funding to state and local governments.
- **Supplemental nutrition for elderly** – 3,600 Iowans (440,000 nationwide) would lose this assistance from the Commodity Supplemental Food Program for the Elderly, which is targeted for elimination.
- **Supplemental nutrition for women, infants and children (WIC)** – 2,700 fewer Iowans (334,000 nationwide) would receive this assistance by 2012 compared with 2007.

See the full report at
www.cbpp.org

BIGGER DEFICITS DESPITE SERVICE CUTS

The budget would permanently extend virtually all tax cuts enacted in 2001 and 2003, at a cost of \$317 billion in 2012 alone. This is far more than the amount saved by cutting domestic discretionary services that low- and middle-income working families depend upon.

PROJECTED CUTS FOR IOWA UNDER PRESIDENT'S BUDGET

SELECTED SERVICE CUTS	In 2008	In 2012	5-Year Total
Vocational and Adult Education	\$ 9.4 million	\$ 10.7 million	\$ 50.7 million
Special Sup. Nutrition – Women, Infants & Children	+0.6 million*	1.7 million	4.7 million
Child Care & Development Block Grant	0.3 million	1.1 million	4.0 million
Community Services Block Grant	6.9 million	7.4 million	35.9 million
Low Income Home Energy Assistance	8.0 million	9.9 million	45.5 million
Public Housing Capital Fund	1.1 million	1.3 million	6.1 million
Community Development Block Grant (CDBG)	8.4 million	11.0 million	50.0 million
EPA Clean Water/Drinking Water Reolving Funds	6.0 million	7.7 million	35.0 million
Head Start	1.7 million	4.9 million	19.0 million

* increase

Note: All figures adjusted for inflation, 2007 dollars

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