



Federal Budget Must Respond to Pressing Needs

Even before the economic downturn, average Americans worked hard but lost ground to rising costs. Now they struggle to avoid joining the millions of unemployed. Even in “good times,” more than a third of Americans lacked steady health insurance and millions were unable to afford nutritious food. Now, more employers are dropping health care coverage and food banks cannot keep up with rising demand. Energy costs are soaring. Foreclosures are at record levels – and rising. For years federal human service funding has fallen behind the growing need. The recession has turned this shortfall into a crisis. More and more states are facing severe budget gaps that make it harder for them to respond. Congress must respond to these needs in its budget resolution.

The President’s budget for FY 2009 will make things worse for millions of families, especially for those vulnerable because of age or disability or hard-hit by the downturn. The Administration’s budget continues a trend of recklessly wrong choices – sacrificing progress in health, education, nutrition, and other needs while channeling many hundreds of billions of dollars in tax handouts to corporations and the very rich.

Congress must do better. Years of cuts are making it even harder for families and communities to withstand lean times. If Congress does not decisively turn away from the greater hardships inflicted by the President’s budget, it will allow the downturn to grow worse and hurt more.

The Emergency Campaign for America’s Priorities (ECAP) is a broad campaign of national and grassroots organizations working for a federal budget that creates opportunity and prosperity for all. ECAP seeks to reverse years of upside-down budget and tax policies that cut programs primarily benefiting the poor and middle class in order to finance tax cuts for the wealthy and special interests.

For FY 2009, we urge Congress to adopt a budget resolution that reverses drastic cuts and invests in services to protect people and communities from serious loss while giving them tools to rebuild and grow. To provide protection and growth, the budget resolution must:

- Boost domestic discretionary spending by at least \$40 billion over the President’s inadequate proposal.
- Increase outdated benefit levels for Food Stamps, fund the State Children’s Health Insurance Program (SCHIP) at levels adequate to cover all eligible children, protect Medicaid eligibility and benefits, restore funds cut from child support enforcement, and strengthen the unemployment insurance system.
- Reject new tax breaks for the wealthy and special interests, and oppose any changes in the tax system, such as the AMT “fix,” that do not make the system more progressive and that do not, at a minimum, replace lost tax revenue.

These are essential elements of a budget plan to respond to the dangers of an uncertain economy with practical steps forward. The President's budget is heedless of those dangers, depriving 100,000 families of rental vouchers despite the housing crisis; eliminating training for 161,000 adults, dislocated workers, and youth, and job search assistance even with rising unemployment; ending food packages for 500,000 poor seniors, mothers and young children through the Commodity Supplemental Food Program although food hardships are growing; and eliminating LIHEAP home energy aid to 1.2 million family and elderly households even though heat costs 80 percent more than it did seven years ago. Another 200,000 children and their families will go without child care help; 14,000 children will lose Head Start. As revenue losses hit states and counties, overall funding for K-12 education is cut, including funds to educate children with disabilities. Even urgently needed services to protect children from abuse and neglect and women and families from violence are cut. We cannot begin to cover the extent of the harm in this space.

It will take at least \$40 billion above the President's grossly underfunded domestic appropriations to begin to address unmet needs by reversing three years of cuts and responding to growing challenges. Undoing at least some of the past damage to services is necessary but not sufficient. Apart from the growing needs sketched above, the responsibility to care for veterans will rise, as will costs for infrastructure repair. The President's budget ignores these increased costs. If Congress tries to address these needs without raising the domestic discretionary total sufficiently, it will come at the expense of people struggling to get an education or a job, or to pay for housing or food.

We all have a shared responsibility to pay for these common-good investments through a fair and progressive tax system and by preventing wasteful uses of public funds, both in the United States and Iraq. This shared responsibility begins with ending the tax handouts that overwhelmingly benefit those making more than \$200,000 a year, and eliminating corporate tax breaks and other subsidies for the powerful few.

The budget resolution ought to be a practical expression of the nation's most vital priorities and an engine for expanding opportunity and prosperity for all. Carrying out such a plan must be the urgent work of this Congress.

ECAP partners include the following National Organizations

ACORN	National Head Start Association
Alliance for Retired Americans (ARA)	National Priorities Project
American Federation of Labor-Congress of Industrial Organizations (AFL-CIO)	National Women's Law Center (NWLC)
American Federation of State, County and Municipal Employees (AFSCME)	NETWORK: A National Catholic Social Justice Lobby
American Friends Service Committee (AFSC)	OMB Watch
The Arc of the United States	Planned Parenthood Federation of America
Association of Farmworker Opportunity Programs	RESULTS
Campaign for America's Future	Religious Coalition for Reproductive Choice
Children's Defense Fund	Sargent Shriver National Center on Poverty Law
Coalition on Human Needs	United for a Fair Economy
Food Research & Action Center (FRAC)	United States Student Association (USSA)
Legal Momentum	USAction
Let Justice Roll	Wider Opportunities for Women (WOW)
National Association of Social Workers	Women Work! The National Network for Women's Employment
National Consumer Law Center	The Workforce Alliance
National Council of Jewish Women	YWCA USA

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