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ACTION ALERT

DATE: March 11, 2008
TO: Concerned Parties
FROM: Hilary O. Shelton, Director, Washington Bureau

NAACP Opposes Bush's 2009 Budget Proposal; White House would Eliminate and/or Cripples Many Crucial Domestic Services and Programs while Benefiting the Wealthiest Americans

NAACP CALLS ON CONGRESS TO DEVELOP, ADVOCATE AND PASS ITS OWN FAIR AND JUST BUDGET BLUEPRINT, AND TO RESTORE AND STRENGTHEN KEY FEDERAL CIVIL RIGHTS INITIATIVES

THE ISSUE:

A nation's budget is, in its aggregate, a statement about the values and priorities of its people. On February 4, 2008, President Bush released his budget proposal for fiscal year 2009 (which begins October 1, 2008) and it is most notable in that it features cuts in scores of programs that are essential to millions of middle- and low-income families and calls for additional tax cuts that will primarily benefit the wealthiest Americans. In short, it is a continuation of the disturbing budget choices President Bush has been making for the last 8 years.

President Bush has proposed spending \$3.11 trillion while bringing in \$2.7 trillion in revenues in fiscal year 2009. He would squeeze most domestic programs by essentially freezing them at this year's levels. Furthermore, President Bush has not included much of the anticipated cost of the war in Iraq in his estimate, he has made unrealistic tax assumptions and he has assumed that domestic spending will remain stagnant for the next five years. All of these are considered to be flawed assumptions. President Bush also used his 2009 budget proposal to again call to permanently extend tax cuts for the wealthiest Americans that were enacted in 2001 and 2003. In addition to freezing domestic spending, many of these tax cuts would be paid for by reductions in Medicare and Medicaid.

Over the next seven months the United States Congress will debate and decide not only how the American taxpayers' money is spent, but also how it is collected (in other words, should we continue to provide tax breaks to the wealthiest Americans). It is important that we make our voices heard and that we let our elected officials know that we place a premium on federal programs which help low- and middle-income Americans reach their potential and help fight continued racism and discrimination, which hold everyone back. The NAACP will continue to fight for more federal funding for public education, access to safe, secure and affordable housing, health care access and quality, crime prevention, job training and job creation, small business promotion, the protection of our basic civil rights and liberties, energy assistance, the protection of workers' rights and more, including continued assistance for those whose lives were devastated by Hurricanes Katrina and Rita in 2005.

[More...](#)

For an in-depth analysis of President Bush's 2009 Budget proposal, please see pages 4-9.

THE ACTION WE NEED YOU TO TAKE:

Contact your Representative and both your Senators **and URGE THEM TO REJECT PRESIDENT BUSH'S PROPOSED BUDGET FOR 2009 AND INSTEAD DEVELOP A PLAN THAT SUPPORTS AND ENCOURAGES LOW- AND MIDDLE-INCOME AMERICANS.** To contact your Senators and Representative, you may:

✓ **Make a Phone Call:**

Call your Senators and your Representative in Washington by dialing the Capitol Switchboard and asking to be transferred to your Senators'/Congressman's offices. The switchboard phone number is **(202) 224-3121** (see message section, below).

✓ **Write a Letter**

To write letters to your Senators, send them to:

The Honorable (name of Senator)
U.S. Senate
Washington, D.C. 20510

To write a letter to your Representative, send it to:

The Honorable (name of Representative)
U.S. House of Representatives
Washington, D.C. 20515



✓ **Send a Fax**

If you would like to send a fax, call your Senators' or Representative's offices (through the Capitol switchboard) and ask for their fax numbers (you can use either the attached sample letter or the message box, below).

✓ **Send an E-Mail**

To send an e-mail to your Senators, simply go to www.senate.gov, and click on "Contacting the Senate"; you can look your Senators up either alphabetically or by state. To send an e-mail to your Representative, go to www.house.gov, and click on "Write Your Representative." This will help you identify who your congressman is and how to contact him/her.

Unfortunately, not all Members of Congress have e-mail addresses.

REMEMBER TO CONTACT BOTH YOUR SENATORS!!!!

THE MESSAGE

- ◆ A nation's budget reflects its real and tangible priorities; our willingness and ability to enforce our Nation's civil rights laws, to care for the sick and elderly, educate the young, protect our environment, respond to natural emergencies and house and protect those less fortunate.
- ◆ The budget proposal put forth by President Bush for fiscal year 2009 recklessly reflects priorities that do not serve the poor, ethnic and racial minorities or the basic human needs of a majority of Americans.
- ◆ Rather, the President's proposal would continue to benefit the wealthiest Americans while short-changing and squeezing low- and middle-income Americans and saddling future generations with a debilitating deficit.

THANK YOU FOR YOUR ATTENTION TO THIS IMPORTANT MATTER!!!
If you have any questions, call Hilary Shelton at the Washington Bureau at (202) 463-2940.

MEMBERSHIP IS POWER! JOIN THE NAACP TODAY.

To become an NAACP member or to sign up for e-mail legislative and press updates, visit www.naACP.org

(date)

The Honorable _____
United States Senate / House of Representatives
Washington, DC 20510 / 20515

RE: URGING YOU TO REJECT PRESIDENT BUSH'S PROPOSED BUDGET FOR 2009 AND INSTEAD DEVELOP, ADVOCATE AND PASS AN ECONOMIC PLAN THAT PROTECTS, SUPPORTS AND ENCOURAGES ALL AMERICANS, INCLUDING LOW- AND MIDDLE-INCOME FAMILIES

Dear Senator / Representative _____;

As your constituent, I am urging you, in the strongest terms possible, to reject President Bush's proposed budget for 2009 and instead develop and advance a plan that protects, supports and encourages all Americans, including those of low- and middle-incomes. A nation's budget reflects its priorities; our willingness and ability to care for the sick and elderly, educate the young, protect our environment, respond to natural emergencies and house and protect those less fortunate. The budget proposal put forth by President Bush for fiscal year 2009 does not reflect the priorities of, nor does it serve, the majority of Americans. Rather, the President's proposal would benefit the wealthiest Americans while short-changing low and middle income Americans, while saddling future generations with a debilitating deficit.

I urge you to demonstrate the leadership skills for which you were elected and to work with your colleagues to develop a budget proposal that ensures that the basic needs of all our citizens are met. This means rejecting the cuts and instead strengthening federal funding for education, health care, job training, small business promotion, workers' protection, the protection of our basic civil rights and liberties as well as energy assistance. This also means rejecting the President's proposed tax cuts, which have been proven to overwhelmingly benefit only the wealthiest Americans while crippling our ability to address some of the most basic needs of our society while ballooning our deficit.

As my elected federal representative I hope that you will work hard to see that the values of supporting our young, our ill and our elderly as well as those less fortunate are addressed in this year's budget. I look forward to working with you to ensure that the needs of all Americans are met. Please contact me in the near future to let me know of your thoughts on the federal budget, and what more I can do to ensure that it is fair and balanced.

Sincerely,

(sign and print your name
and be sure to include your address)

**BE SURE TO WRITE TO
YOUR REPRESENTATIVE IN
THE HOUSE AS WELL AS
BOTH YOUR SENATORS!**

“HIGHLIGHTS” OF PRESIDENT BUSH’S PROPOSED 2009 BUDGET

EDUCATION

- Modest increases in discretionary funding for some programs are offset by cuts to other vital programs and the proposed elimination of 48 other valuable education programs;
- The President’s budget would freeze Education Department discretionary funding at \$59.2 billion. When adjusted for inflation, this amount is \$826 million less than the 2008 funding level;
- While the President’s budget does contain enough discretionary funds to support a maximum Pell Grant award of \$4,800 for the 2009-2010 school year – the level envisioned by Congress last year in the *College Cost Reduction and Access Act* – the budget deeply cuts other programs, hurting students. For example, the President proposes to eliminate Federal Supplemental Educational Opportunity Grants (SEOG), and Leveraging Education Assistance Partnerships (LEAP), which help lower-income students afford a college education.
- Approximately 17 million students are served through the Perkins career and technical education programs. In 2006, Congress passed and the President signed a bill to reauthorize and strengthen these programs. Despite overwhelming bipartisan support for these programs, the President’s budget proposes to eliminate the entire federal contribution for career and technical education.
- The Bush budget cuts \$457 million over five years in interest rate subsidies for individuals in low-paying jobs, and dramatically reduces eligibility for the new loan forgiveness program, costing student borrowers \$1.5 billion over five years;
- President Bush’s proposed budget once again recalls capital for the Perkins Loan revolving program, cutting benefits to low-income students by \$4.2 billion.
- The budget would cut funding for Historically Black Colleges and Universities (HBCUs). The President proposes to cut \$85 million, or 26 percent, in funding for HBCUs, which are educational institutions that have historically served African American, as well as other minority, students. The Bush budget also proposes funding the historic Howard University at \$4.4 million less than is needed to keep up with inflation.
- The President’s budget increases No Child Left Behind funding by only \$125 million over the 2008 funding level. This amount is \$179 million less than the 2008 funding level, adjusted for inflation.
- The Bush budget provides inadequate funding for Head Start. Head Start prepares low-income children to enter kindergarten ready to learn by providing child development, education, health, nutrition and other services. Since its creation in 1965, the program has served more than 24 million children, over 900,000 of them in 2006. Nearly 31 percent of these children were African American. Nevertheless, the program only serves about one-half of the children eligible, and fewer than five percent of eligible Early Head Start children. Moreover, the program’s funding has been cut by 11 percent in real terms since 2002. Thus, while the Bush budget proposes an increase of \$149 million in funding for Head Start, for a total of \$7.03 billion, the program is not funded at the level necessary to meet the needs of America’s children.
- The President would eliminate Even Start. Over 19 percent of all families that participate in Even Start are African American. Even Start is a family-focused program, which offers early childhood education, adult education, parenting education, and interactive literacy activities for parents and children.

- The budget reflects a \$406 million increase for state grants under Title I, the main program serving children from disadvantaged backgrounds. But these new funds are targeted toward new requirements for high schools, rather than helping schools meet the goals that have already been established.
- The President's budget proposes that, for the fourth year in a row, the federal government provide a smaller share of states' total costs for special education. This would be the lowest level of support since Fiscal Year 2002.
- The 21st Century Learning Centers provide enrichment and a safe and supervised environment for students after the school day ends. But the President's budget slashes funding for this program by nearly \$300 million (or more than one quarter) and restructures it as a vaguely-defined after-school and summer "scholarship program." According to Department of Education estimates, anywhere from 635,000 to 1.1 million students would lose services. Funding would drop from the Fiscal Year 2008 level of \$1.08 billion to \$800 million.
- The Bush budget proposes an increase of \$149 million in funding for Head Start, for a total of \$7.03 billion. Since 2002, Head Start funding has been cut by 11 percent in real terms. The program currently only serves only about one-half of the children eligible for the pre-school program, and fewer than five percent of eligible Early Head Start children.
- Safe and drug-free school programs improve school safety, allowing students to learn. Even as schools struggle to improve security and keep students safe, the President proposes to cut of \$194.8 million for safe and drug-free schools state grants, leaving only \$100 million for these vital programs.
- The President proposes to eliminate 48 discretionary education programs, including – in addition to those described above – education technology state grants, educational opportunity grants, arts in education, elementary school counseling, Even Start family literacy programs, Reading Is Fundamental, mentoring, parental information and resource centers, physical education, dropout prevention, and school leadership grants.

ENERGY ASSISTANCE

- The Bush budget requests a \$2 billion block appropriation for the Low Income Home Energy Assistance Program (LIHEAP), a \$400 million cut from what is needed to maintain LIHEAP funding at the Fiscal Year 2008 level (excluding emergencies), adjusted for inflation. Since 2001, natural gas, electricity, and home heating oil prices have strained the pocketbooks of middle-class Americans. Since President Bush took office, the cost of heating a home with natural gas during the winter has increased by 90 percent (from \$465 to \$884), the annual electricity costs for an average American home have increased (by 18 percent from \$972 to \$1,148), and the cost of home heating oil has increased from \$1.53 per gallon to approximately \$3.30 per gallon today.

HEALTH CARE

- The President has again failed to invest enough in the successful Children's Health Insurance Program (CHIP) to cover any of the millions of children who are eligible for the program but unenrolled.
- At the same time, his budget proposes another round of deep cuts to Medicare and Medicaid totaling close to \$200 billion over five years.
- Approximately 44 million senior citizens and people with disabilities depend upon Medicare for their health care, and the great majority of them participate in the traditional Medicare fee-for-service program. Instead of setting forth a plan to

address the underlying reasons for rising costs in the Medicare program, the President's budget proposes \$186 billion in legislative and regulatory Medicare cuts over the next five years – slashing payments to hospitals, nursing homes, hospices and other health care providers participating in the traditional Medicare program. These drastic, across-the-board cuts could prompt some health care providers to limit the number of Medicare patients they see, or to drop out of the program altogether. As a result, significant numbers of elderly and disabled could lose access to their health care providers.

- President Bush also proposes to increase the number of Medicare beneficiaries who are subject to higher premiums. Specifically, the President's budget would prevent the current income threshold for higher premiums in Part B (\$82,000 for singles and \$164,000 for couples) from increasing to reflect inflation, and establish in Part D the same income-related premiums he proposes for Part B. Accordingly, under the Bush budget, more middle-class beneficiaries will pay higher premiums, and one of the greatest strengths of the Medicare program – its universality – will erode.
- More than 50 million low-income people – about one out of six Americans – depend on Medicaid for their health care. Since President Bush's last budget, the Administration has proposed regulatory changes to Medicaid that, in effect, cut \$13.9 billion in federal Medicaid funding over the next five years. Now, on top of these cuts, the President's budget, through legislative proposals and regulatory changes, calls for an additional \$18.5 billion in net cuts over five years. These cuts, touted by the Administration as "savings," would be primarily achieved not by lowering health care costs, but by shifting costs to states. This means that states – already facing tough economic times, strained budgets and increased demand for services like Medicaid – will have to make up for lost federal dollars, or be forced to cut services to our nation's most vulnerable.
- The Title VII health professions training programs train health professionals to respond to the needs of special and underserved populations as well as to increase the racial and ethnic diversity of the health care workforce. But the President's budget proposes to cut funding for health professions training. The President's budget proposes a 29 percent reduction in funding to train nurses, despite the fact that the Bureau of Labor Statistics reports that registered nursing will have the second greatest job growth of all U.S. professions from 2004–2014. A proposed \$13 million increase in loan repayment for undergraduate nurses is more than offset by the elimination of the \$62 million Advanced Education Nursing program.
- The President proposes cutting the Substance Abuse and Mental Health Services Administration (SAMHSA), which supports mental health programs and alcohol and other drug abuse prevention and treatment services throughout the country, by \$209 million.
- The President also proposes to eliminate several important health programs, including the Preventive Health and Health Services Block Grant, Emergency Medical Services for Children, Universal Newborn Hearing Screening, Trauma Care, Traumatic Brain Injury, Children's Hospitals Graduate Medical Education, and Alzheimer's Disease Demonstrations.
- The proposed budget would eliminate categorical eligibility for food stamp recipients who receive Temporary Assistance for Needy Families (TANF)-funded work support services. The budget also proposes eliminating the Commodity Supplemental Food Program for low-income children and senior citizens, eliminating modest monthly food packages for almost half a million Americans, the vast majority of whom are senior citizens.

- The President's proposed budget once again proposes cuts to health promotion programs. Nearly 65 percent of adults and roughly 16 percent of children in the United States are obese or overweight. Within the African American community, approximately 70 percent are considered overweight and about 40 percent are obese. African Americans also suffer from heart disease at 1.5 times the rate of non-Hispanic Whites. African Americans are also 1.5 times more likely than Whites to be diagnosed with diabetes and 2.2 times as likely to die from diabetes. While investing in preventive health programs is both common sense and good medicine, the President proposes to cut overall funding for the Centers for Disease Control and Prevention (CDC) and again proposes eliminating the Preventive Health Block Grants. The President's budget would also eliminate the Universal Newborn Screening program, even though the infant mortality rate for African Americans (13.6 percent) is more than twice the rate for Whites (5.7 percent).
- The Bush budget provides only a paltry increase for community health centers. The Community Health Centers program includes community health centers, migrant health centers, and health care centers for the homeless. These organizations provide primary health care and social services for low-income people without other access to care. Last year, more than 15 million people received care through these health centers, 90 percent of whom have incomes below 200 percent of the federal poverty level. While President Bush has touted community health centers as an integral part of his "plan" to make health care more accessible and affordable, his budget request includes only a one percent increase in funding for the program, funding that is targeted for new centers in high-risk areas. The budget includes nothing for base adjustments to cover inflationary costs to existing health centers.

HOUSING & COMMUNITY DEVELOPMENT

- The Bush budget would gut funding for the Community Development Block Grant (CDBG) program by \$659 million below Fiscal Year 2008 levels. The CDBG program provides eligible areas with annual direct grants that can be used to revitalize neighborhoods, expand affordable housing and economic opportunities, improve community facilities and services, and provide foreclosure avoidance assistance.
- The Bush budget would woefully under-fund the tenant-based voucher program, cut the Tenant Protection Vouchers by \$50 million, and eliminate funding for the non-elderly disabled and Family Unification Program vouchers. Together, these programs ensure that more than two-million lower-income American families have a safe and affordable roof over their heads. Inadequately funding these key programs will result in the loss of housing vouchers for thousands of the neediest families.
- Moreover, while the President's budget would increase funding for the Section 8 project-based rental assistance program, HUD's recent revelation that it did not request enough funding last year -- a \$2 billion error -- has resulted in the current budget request being inadequate to cover voucher renewals. The project-based program provides rental subsidies to private landlords tied to specific housing units with housing for eligible low-income families.
- The President's proposed budget would completely eliminate funding for:
 - **HOPE VI.** The Bush budget would provide no funding for Fiscal Year 2009 for the Revitalization of Severely Distressed Public Housing Projects program (HOPE VI), a program that pays for the rehabilitation or replacement of run down public housing projects and is the only significant source of federal money for capital improvements of public housing.
 - **Rural housing.** The Bush budget would eliminate funding for Rural Housing and Economic Development programs (RHED). The Administration argues,

ironically, that the needs of rural communities are addressed by CDBG -- a program it proposes to cut by more than 18 percent.

- **The Brownfields Economic Development Initiative.** The Bush budget would eliminate funding for this program, which promotes economic development in abandoned and under-used industrial and commercial facilities where redevelopment is burdened by environmental contamination.
- **Community Development Loan Guarantee program.** The Bush budget would also eliminate funding for this program, which provides communities a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects.

JOB TRAINING

- Overall, the Bush Administration's Fiscal Year 2009 budget proposes \$10.5 billion in discretionary budget authority for Department of Labor, which is a \$857 million (or 7.5 percent) decrease from the 2008 level of \$11.4 billion.
- The President's budget would cut employment and job training programs by \$465 million, or 13percent, from Fiscal Year 2008 levels. These cuts could not come at a worse time for lower- and middle- income American workers who are struggling to support their families in the face of outsourcing, competitiveness, wage stagnation, and the increasing cost of living.
- Reduce funding for and consolidate several key programs into the new Career Advancement Accounts program, including the:
 - **Adult employment and training activities grant program**, which assists states and territories in developing and operating job training programs for adults, including low-income Americans and public assistance recipients. The proposal would cut this program by \$149.5 million from the 2008 program year level.
 - **Dislocated worker employment and training activities grant program**, which provides reemployment services and retraining assistance to Americans who have been dislocated from their jobs. The proposal would cut this program by \$241 million from the 2008 program year level.
 - **Youth activities grant program**, which provides academic, employment training, and youth development activities for low-income youth. The proposal would cut this program by \$83.6 million (or 9 percent) from the Fiscal Year 2008 level.
 - **Employment Service State grants program**, which helps unemployed workers find jobs and provides services to employers, including administering the Work Opportunity and Welfare-to-Work tax credits. The proposal would eliminate \$703 million currently available for this program, effectively destroying it and negatively impacting the more than 13 million Americans who depend on it each year.
- The President's proposed budget would cut \$46 million, or 3 percent, from 2008 levels for Job Corps, which is a system of primarily residential centers offering basic education, training, work experience, and other support, typically to economically disadvantaged youth.

SMALL BUSINESS DEVELOPMENT

- The President once again proposes to terminate funding for the microloan and microloan technical assistance programs. While this year's proposed budget reflects slight increases for the microloan program from \$21 million to \$25 million, the budget does not adequately fund this program. The Bush budget also eliminates Microloan Technical Assistance, which is essential to help micro-entrepreneurs succeed and repay their loans. Last year, 2,437 small businesses

received more than \$31 million in microloans nationwide. These loans are essential to African American business owners, who own over 1.2 million firms in the United States. Many of these businesses are small businesses that serve their local community and provide good-paying, stable jobs. Thus, supporting these businesses is not only vital to the success of the African American community, it is vital to the success of our nation.