
Iowa Fiscal Partnership

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EDITOR'S ADVISORY: The Center on Budget and Policy Priorities will hold conference call briefings on this new budget analysis Tuesday, Feb. 22, at 11:30 a.m. and 1:30 p.m. (CST) Reporters may participate by signing up at <http://www.cbpp.org/confcall2.htm>; sending an e-mail to bazie@cbpp.org, or calling the Center's media team at (202) 408-1080.

Analysis: Bush Budget Whacks Iowa Services

New report projects Iowa cuts of nearly \$580 million in federal spending

MOUNT VERNON, Iowa – A new report reveals sweeping cuts in services for Iowa in the budget proposed by President Bush.

A Washington budget watchdog group, the Center on Budget and Policy Priorities (CBPP), reports that Iowans would see cuts in federal grants in aid of more than \$577 million from 2006 through 2010, including \$178 million in 2010 alone.

"The administration is hiding the effects of its budget proposals as no administration has done in over 15 years," said David Osterberg, executive director of the nonpartisan Iowa Policy Project. "It's pretty hard for Iowans and other Americans to battle back on cuts the administration won't detail. Fortunately, this new report gives Iowans a better idea of what they're facing – and information they can use to talk to their representatives in Congress."

While the proposed budget details the cuts only for 2006, the CBPP analysis uses further information provided to congressional committees to make estimates of future cuts in several areas.

This is the first time since 1989 that an administration's budget has not provided information about the proposed funding levels for individual discretionary programs in years beyond the first year.

Nationally, the president's budget would cut \$214 billion in domestic "discretionary" spending in the five years. However, only the first \$18 billion of those proposed cuts – cuts that would occur in 2006 – are identified by the administration.

"The pain in the budget comes mostly after 2006, with the cuts growing deeper with each passing year," said Sharon Parrott, CBPP director of welfare reform and income and the report's lead author.

Among the Iowa cuts:

- \$3.7 million in 2010 in the supplemental nutrition program for women, infants and children (WIC), \$5.1 million over the 2006-2010 period and a projected loss in number of recipients of 5,600.
- \$38.1 million in 2010 in elementary and secondary education, including education for the disadvantaged, impact aid, school improvement funding, and special education, \$108.7 million in total projected cuts for 2006-2010.
- \$12.5 million in 2010 for vocational and adult education, \$57.6 million in total projected cuts for 2006-2010.
- \$3.1 million in 2010 for low-income energy assistance, \$4.1 million in total projected cuts for 2006-2010.
- \$9.1 million in 2010 for children and family services, including Head Start, services for abused and neglected children, and other children's programs, \$26.2 million in total projected cuts for 2006-2010.
- A loss of rental assistance vouchers for 3,800 families in 2010.
- \$23.2 million in 2010 in the president's proposed "Strengthening America's Communities" initiative, \$100.7 million in total projected cuts for 2006-2010.

"These cuts will be a new burden on the people in Iowa who can least afford to bear them," said Charles Bruner, executive director of the Child & Family Policy Center in Des Moines. "It is important for Iowans and all Americans to understand that the proposed cuts in these services do not provide deficit reduction. Instead, they will shift costs to state and local governments, and will be used to help pay for tax cuts that are primarily benefiting the wealthiest Americans."

The new analysis by the Center on Budget and Policy Priorities, "Large Cuts to a Wide Range of Programs are Obscured in the Administration's Budget," is available at the Center's website: www.cbpp.org.

The Iowa Policy Project and the Child & Family Policy Center will make federal budget information available in the coming months through their joint initiative, the Iowa Fiscal Partnership, which is on the web at www.iowafiscal.org.

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