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The Republican Budget: A One Dimensional Approach That Would Setback Economic Recovery

WASHINGTON, D.C. Feb. 11 – “House Republicans have cobbled together a proposed budget for the remainder of the current fiscal year that would represent a serious setback to economic recovery and would increase unemployment across the nation,” said U.S. Rep. Norm Dicks (D-Wash.) the ranking Democratic member of the House Appropriations Committee.

Earlier this week Rep. Dicks urged the Republican House leadership to reject its “narrow focus on slashing the smallest segment of spending in the federal budget – the non-defense discretionary expenditures – at a time when the nation’s economy remains fragile.”

Today the Republican majority released a bill that included additional sharp reductions in transportation, education, law enforcement and other areas of the budget that will only exacerbate the damage to our economy, Rep. Dicks noted.

He said Democrats in Congress will be focusing on the overall economic situation. “Any serious solution to our looming debt crisis must include a look at the entire federal budget; not just a disproportionate focus on non-defense discretionary spending,” Dicks said.

He noted that from the beginning of this Congress, the Democrats on the Appropriations Committee have been committed to working with our Republican colleagues to eliminate wasteful spending across the federal budget and seriously address our nation's debt. “This promise still stands. For the time being, however, the Republican leadership seems determined to propose an arbitrary level of cuts that will cause serious harm to our economy,” Dicks said.

Among the most egregious cuts included in the bill are:

Safety of our meat and poultry: The Republican proposal dramatically reduces funds for the Food Safety and Inspection Service, which is responsible for the safety of meat and poultry, to 2008 level – \$88 million below current levels and \$107 million below the Administration’s 2011 budget. USDA states that this would mean furloughing the federal inspectors in slaughter and processing plants. Since plants cannot operate without inspectors, the plants would have to close their doors. USDA estimates that those plants would have to shut down for six to nine

weeks. This will hurt the plants, the economies in their towns, the workers, producers and consumers, as prices rise. USDA estimates an economic loss of \$11 billion.

Food and Drug Administration: The Republican proposal cuts FDA funding by \$241 million below 2010 and \$400 million below the Administration's 2011 budget request. This would lead to furloughs and/or RIFs of hundreds of FDA staff including those who inspect our domestic and imported foods. It would also lead to a sharp reduction in the number of samples of food and medical products coming into our country from overseas.

Cops Hiring and Other State and Local law enforcement grants: The Republican proposal reduced funding for State and local law enforcement assistance by \$1.3 billion, or 35 percent, compared to the current level, including the complete elimination of the COPS hiring program. Such a reduction would have significant impacts on criminal justice activities, and law enforcement operations and personnel across the country. It would translate into 5,200 fewer criminal justice jobs, including 1,330 fewer Cops hired or rehired.

Head Start: The cut of \$1.1 billion, or 14% below the FY2010 appropriation (\$7.2 billion in FY2010) and more than \$500 million below FY2008, would translate to a massive loss of comprehensive early childhood services, causing to more than 200,000 children across the country to be kicked out of the Head Start program. This further reduction is catastrophic and will also put thousands of Head Start teachers out of work and into the unemployment lines. Additionally, this funding level would mean cuts to research grants, training and technical assistance grants and monitoring activities.

Pell Grants for College Students—the Republican bill freezes funding for Pell Grants at last year's level, therefore requiring maximum grant amounts to be reduced by more than \$800 per student because of continued growth in the number of students eligible and the levels of financial need. Pell Grants provide the basic foundation of federal student aid and help more than 8 million students afford to attend college.

Homeless Veterans – The Republican proposal would terminate the Veterans Affairs Supportive Housing program that gives homeless veterans rental vouchers. A recent report from the Department of Housing and Urban Development concluded that there were more than 135,000 homeless veterans – nearly half of whom were living on the street or in abandoned buildings.

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