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## HOUSE BILL MEANS FEWER CHILDREN IN HEAD START, LESS HELP FOR STUDENTS TO ATTEND COLLEGE, LESS JOB TRAINING, AND LESS FUNDING FOR CLEAN WATER

By James Horney, Danilo Trisi, and Arloc Sherman<sup>1</sup>

Some 157,000 at-risk children up to age 5 could lose education, health, nutrition, and other services under Head Start, while funds for Pell Grants that help students go to college would fall by nearly 25 percent, under a bill passed by the House that would cut current-year non-security discretionary funding by an average of 14.3 percent. The bill (H.R.1), which would fund the government for the rest of fiscal year 2011, now must be considered by the Senate.<sup>2</sup>

H.R. 1 also would kill a program that helps low-income families weatherize their homes and permanently reduce their home energy bills, cut federal funds for employment and training services for jobless workers and for clean water and safe drinking water by more than half, and raise the risk that the WIC nutrition program may not be able to serve all eligible low-income women, infants, and children under age 5. In addition, it would cut funds for the Centers for Disease Control and Prevention by 10 percent, for the Food and Drug Administration by 10 percent, and for the Food Safety and Inspection Service by 9 percent.

The House bill does not apply its overall 14.3 percent cut on an across-the-board basis. Some cuts, such as the 6.0 percent reduction in funding for House of Representatives staff salaries and expenses, would be smaller. But many important programs, including some of the ones listed above, would be cut much more to make up the difference. (The table on the next page shows the average size of the cut for programs within the jurisdiction of each subcommittee.)

At the same time, H.R. 1 would *increase* overall funding for security programs (those funded by the Defense, Homeland Security, and Military Construction-Veterans Affairs appropriation bills) by a little less than 1 percent.

Also, the 14.3 percent figure is a bit deceiving. To achieve that level of overall cuts for non-security programs for the entirety of 2011, funding for those programs will have to fall on average by *nearly one-fourth* over the seven remaining months of the fiscal year. This could make it even

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<sup>1</sup> Kelsey Merrick, Hannah Shaw, Indivar Dutta-Gupta, Zoë Neuberger, and Douglas Rice made significant contributions to this report.

<sup>2</sup> Because it seems unlikely that differences between the House and the Senate can be ironed out quickly, the House is expected to pass legislation this week that would extend for two weeks the continuing resolution that is currently funding the government and would reduce the current funding level by \$4 billion (as estimated on an annual basis).

## Cuts Below Current Discretionary Funding Required by H.R. 1

Budget authority in billions of dollars <b>Appropriations Subcommittee</b>	<b>Continuing Resolution*</b>	<b>Percent Cut in Total 2011 Funding</b>	<b>Percent Cut in Funding for Remainder of 2011</b>
Agriculture, Rural Development, FDA	\$23.305	-22.2%	-38.5%
Commerce, Justice, Science	\$56.681	-7.0%	-12.2%
Energy and Water Development	\$33.870	-11.8%	-20.5%
Financial Services and General Government	\$23.363	-12.8%	-22.3%
Interior, Environment	\$32.280	-13.9%	-24.1%
Labor, Health and Human Services, Education	\$169.350	-15.0%	-26.1%
Legislative Branch	\$4.654	-4.1%	-7.2%
State, Foreign Operations	\$50.774	-11.5%	-20.0%
Transportation, HUD	\$66.292	-21.0%	-36.5%
<b>Non-security</b>	<b>\$460.569</b>	<b>-14.3%</b>	<b>-24.9%</b>
Defense	\$508.692	1.4%	2.4%
Homeland Security	\$42.555	-2.4%	-4.2%
Military Construction, Veterans Affairs	\$75.649	-1.9%	-3.4%
<b>Security</b>	<b>\$626.896</b>	<b>0.7%</b>	<b>1.3%</b>
<b>Total</b>	<b>\$1,087.465</b>	<b>-5.7%</b>	<b>-9.8%</b>

\*If Congress were to extend the continuing resolution through the end of fiscal year 2011.  
Source: Congressional Budget Office; CBPP.

harder for some agencies to maintain important activities than the 14.3 percent figure for all of 2011 suggests.

With these cuts, H.R. 1 threatens the ability of federal agencies to meet important needs. This paper analyzes the impact of the proposed cuts in a cross-section of important programs. Where possible, the paper examines the effects on program beneficiaries. In some cases, such as Pell Grants, the paper provides the state-by-state effects of proposed cuts. (See Appendix.)

The larger context in which the House is debating H.R. 1 is revealing as well. This week's debate comes just two months after December's extension of tax cuts for high-income taxpayers that were scheduled to expire on December 31. House Republicans now claim that the nation cannot afford to maintain the \$1.1 billion in Head Start funding that could help improve lifetime opportunities for 157,000 disadvantaged children — after Republican congressional leaders insisted two months ago that we must spend scores of billions a year to provide tax cuts for the most affluent 2 percent of Americans (and threatened to end unemployment benefits for, and raise taxes on, millions of less fortunate Americans if they did not get their way). The priorities represented by the proposed cuts in H.R. 1 and the enacted tax cuts for the wealthy are upside down.

## Background

More than a third of fiscal year 2011 (which began last October 1) has elapsed, but Congress has not yet enacted full-year appropriations. During the lame-duck session in December, the House passed a continuing resolution that would have funded government agencies for all of 2011, with most agencies and activities funded at the same level as in 2010. Senate Appropriations Chairman Daniel Inouye proposed an omnibus appropriation bill to provide full-year funding at levels for all programs and activities that reflected his assessment (and that of other Senate appropriators with whom he worked to develop the omnibus) of priorities in 2011. But Senate Republicans threatened to filibuster both the House-passed continuing resolution and the omnibus bill, and the House and Senate eventually passed a continuing resolution providing funding generally at the 2010 level only through March 4.

House Republicans are capitalizing on the need to enact appropriations for the rest of fiscal year 2011 to try to impose deep cuts in discretionary funding for 2011 — to a level that then-incoming House Speaker John Boehner initially proposed last September and that House Republicans subsequently included in their “Pledge to America.” Under it, funding for non-security programs (those not funded by the Defense, Homeland Security, or Military Construction/Veterans appropriation bills) for 2011 would be cut by about \$100 billion — or more than 20 percent — below the level of funding that President Obama proposed in his 2011 budget (which was only slightly above the level that the Congressional Budget Office estimated would be required to maintain funding at the 2010 level, adjusted for inflation).<sup>3</sup>

H.R. 1 would reduce *total* discretionary funding for 2011 below what the President requested by \$108 billion, with an \$89 billion cut in non-security funding<sup>4</sup> and a \$19 billion cut in security funding.

The level of funding proposed in H.R. 1 for *non-security* programs is \$66 billion below what is provided (on an annual basis) under the continuing resolution now in effect, which is already \$23 billion below what the President requested. (As noted above, H.R. 1 would slightly increase funding for *security* programs relative to the current funding level under the current continuing resolution.)

As noted above, the \$66 billion reduction in non-security discretionary funding represents a 14.3 percent cut below what would be available for 2011 if Congress simply extended the current continuing resolution for the rest of the year, instead of letting it expire on March 4. Since programs will have been funded at the higher continuing resolution rate for just over five months, however, the rate of funding for non-security programs will have to fall by 24.9 percent (assuming the cuts take effect on March 5) in order to reduce funding for the year by \$66 billion.<sup>5</sup>

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<sup>3</sup> See James R. Horney and Robert Greenstein, “Boehner Proposal Would Cut Non-Security Discretionary Programs 21 Percent, the Deepest Such Cut in Recent U.S. History,” Center on Budget and Policy Priorities, revised September 15, 2010.

<sup>4</sup> The cuts are relative to the Congressional Budget Office’s estimate of the amount requested for fiscal year 2011 in the budget the President submitted in January 2010, adjusted for the full cost of providing discretionary appropriations sufficient to fund the \$4,860 basic maximum Pell Grant award the President proposed (the President had proposed Pell Grants be made mandatory).

<sup>5</sup> A 24.9 percent cut in effect for 0.575 of a year — 210 days divided by 365 days — will produce a 14.3 percent cut for the entire year.

Squeezing the cuts into the remaining part of the fiscal year could produce significantly more severe effects on certain programs and activities than the percentage cut in funding for the entire year suggests. For example, federal agencies that devote a large share of their discretionary funding to salaries and ongoing expenses (rather than to grants or purchases of durable equipment) will likely face particular problems.

One agency that may be adversely affected is the Social Security Administration (SSA). H.R. 1 would cut funding for SSA operations (including funds transferred from Medicare to cover SSA activities related to Medicare) by \$624 million (or 5.5 percent) below what the current continuing resolution would provide for the year — and by \$1.6 billion (or 12.6 percent) below what the President requested for 2011. The funding available for the *rest of the year*, however, will have to fall by 9.5 percent below the current rate of funding.<sup>6</sup> Since virtually all SSA discretionary funding goes for salaries, personnel benefits, and the cost of ongoing activities (such as computer repairs, phone service, etc.), a 9.5 percent cut for the rest of the year will almost certainly require furloughs of personnel, temporary closing of offices, or other steps that will significantly reduce SSA's ability to make sure that Social Security benefits are provided in a timely and accurate manner and that citizens receive the kind of assistance they deserve when questions or problems arise.

Another point worth noting: House Republicans have repeatedly described their proposal to cut non-security discretionary funding as returning such funding to the “pre-bailout, pre-stimulus” level of 2008. This has led many people to believe that the current funding level is bloated — and can easily be cut — because it includes funding for bailouts and stimulus spending that was supposed to be temporary. *That is not true.*

- The “bailout” funding — presumably for the Troubled Asset Relief Program and other Treasury Department efforts to shore up the nation's financial system — was mandatory spending (meaning it was not provided through annual appropriation acts) and, therefore, *never* appeared as part of discretionary funding, much less the current level of discretionary funding.
- The 2009 Recovery Act did include a significant amount of discretionary funding, *but that funding was for fiscal year 2009*. The current continuing resolution generally provides funding for government agencies at the levels and under the conditions set by appropriation bills for 2010.

Since the 2010 bills did *not* include new stimulus funding or any bailout funding, funding available under the continuing resolution does not include either stimulus or bailout funding. *There is no current discretionary funding for bailouts or stimulus that Congress can cut to achieve the reductions proposed by House Republican leaders.*

At the same time, some programs are currently operating at higher levels than current funding can sustain because they are still bolstered by funds that the Recovery Act provided in 2009. This occurs for two reasons. First, the Recovery Act provided that some budget authority that it made available for 2009 could remain available for obligation in subsequent years if it was not obligated in 2009. Second, a number of programs — particularly education and related programs that states and localities operate — use such funds on a lagged basis. For example, 2009 funding for Head Start

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<sup>6</sup> This assumes, as is likely, that about five-twelfths of the total that would have been available for the year under the current continuing resolution will have been obligated when H.R. 1 takes effect.

that the Recovery Act provided and that was obligated in 2009 and 2010 is now supporting Head Start programs in the 2010-2011 school year. The estimated total number of children enrolled in Head Start is 965,000. Recovery Act funding supports 61,000 of them, with the remaining 904,000 enrollees funded by the 2010 appropriation. Thus, if the 2011 appropriation remained at the same level as the new funding in the 2010 appropriation bill, enrollment in the 2011-2012 school year would drop by 61,000. This report shows both the Head Start reduction that will result from the end of the boost from temporary Recovery Act funding and the *additional* 157,000 reduction in enrollment that will occur if new funding for 2011 falls by the 15 percent proposed by H.R. 1.

## Impact of Proposed Cuts

*Note:* Unless otherwise noted, all cuts described below and in the state-by-state tables in the Appendix are cuts in fiscal year 2011 discretionary budget authority below the level that would be available if the continuing resolution currently in place were extended for the rest of fiscal year 2011. The estimates are based on an analysis of H.R. 1 and the current continuing resolution by the Center on Budget and Policy Priorities, which is based in part on analyses of the two bills by the Congressional Budget Office.

### Education, Early Learning, and Job Training

- **Head Start (including Early Head Start):** Head Start promotes school readiness among at-risk children up to age 5 by enhancing social and cognitive development through education, health, nutritional, and other services and by engaging families in children's learning. *Early* Head Start serves children from birth to age 3 and some pregnant women. Currently, Head Start and Early Head Start have funding to serve 965,000 children. This includes 61,000 slots that are paid for by the 2009 Recovery Act but are scheduled to expire in September 2011.

The House proposal would reduce funding for Head Start by nearly \$1.1 billion, or 15 percent, relative to the level under the current continuing resolution. This cut would be in addition to the expiration of Recovery Act funds.

If these cuts were implemented by reducing enrollment, rather than cutting the amount spent per child (by cutting the services these children receive), about 157,000 children would lose Head Start. The cuts would be on top of the loss of the 61,000 expiring Head Start and Early Head Start slots paid for by the Recovery Act.<sup>7</sup>

### Education and Job Training

- **K-12 Education:** Federal education funding for kindergarten through grade 12 refers in this analysis to two major program areas within the Department of Education: Education for the Disadvantaged (recently renamed Accelerating Achievement and Ensuring Equity), and School

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<sup>7</sup> The Center for Law and Social Policy (CLASP) has issued state-by-state estimates of the reduction in Head Start participation ([www.clasp.org/issues/in\\_focus?type=child\\_care\\_and\\_early\\_education&id=0295](http://www.clasp.org/issues/in_focus?type=child_care_and_early_education&id=0295)). Accordingly, we have not included state-by-state Head Start figures in this paper.

Improvement (renamed Education Improvement).<sup>8</sup>

As amended and passed by the House, H.R.1 would cut education funding for these two areas by \$2.4 billion, or 11.3 percent, including \$2.1 billion in cuts to formula grants to states – funds distributed to all states in accordance with an established formula. Specifically, within Education for the Disadvantaged, H.R.1 cuts Title I of the Elementary and Secondary Education Act for schools in low-income communities by \$694 million and school improvement grants by \$337 million. It terminates the Even Start program (a cut of \$66 million), which provides grants to support comprehensive literacy projects designed to improve the academic achievement of young children and their parents.

Under School Improvement, H.R.1 cuts 21<sup>st</sup> Century Learning Centers (a cut of \$100 million) and terminates both Mathematics and Science Partnerships (a reduction of \$180 million) and Educational Technology State Grants (a cut of \$100 million). H.R. 1 also cuts Improving Teacher Quality State Grants by about half a billion dollars. 21<sup>st</sup> Century Learning Centers provide academic opportunities during non-school hours for students from schools that are in high-poverty areas and have low performance records. The Mathematics and Science Partnerships program works to improve the performance of students in math and science through grants to encourage institutions of higher education to improve teacher education in these areas. The Educational Technology State Grants program promotes student achievement through use of technology in elementary and secondary schools. The Improving Teacher Quality State Grants provide funds to schools to increase academic achievement by improving teacher and principal quality. (See Appendix for state-by-state tables.)

In addition to these formula grants, H.R. 1 cuts funding for a wide range of other education programs. For example, it ends Striving Readers (a \$250 million competitive grant program that pays for remedial literacy programs in low-income schools) and eliminates funding for the Special Olympics (an \$8 million program). In general, this analysis does not show state-by-state projections for cuts in non-formula funds because it is difficult to know how the money cut from such programs would have been allotted among states.

- **Pell Grants:** The Pell Grant program provides grants to low- and moderate-income undergraduate students to help pay for college. Pell Grants also help low-income working adults return to school to improve their skills.

The House proposal would reduce funding for Pell Grants by approximately \$5.7 billion, or 24 percent, and would reduce the maximum discretionary Pell Grant award by \$845 (from \$4,860 to \$4,015), or 17.4 percent. This cut would affect all 9.4 million students who receive Pell Grants. (See Appendix for state figures.)

As described in the box on the next page, there is also a separate, “mandatory” component of Pell Grants that provides an additional maximum award, which currently equals \$690 and is scheduled to increase to \$870 in 2014 (and to \$1,245 in 2017 and succeeding years). H.R. 1 does not significantly affect the mandatory award in 2011, but the Congressional Budget Office estimates that H.R. 1’s reduction in the discretionary award in 2011 effectively *eliminates* the

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<sup>8</sup> An earlier version of H.R. 1 cut \$558 million from Special Education. An amendment on the House floor restored the funding for Special Education, but made additional cuts in other education areas.

mandatory component of the Pell Grant programs starting in 2014, providing an additional cut of \$66 billion in Pell Grants over the coming decade.

### H.R. 1 Triggers Deep Cuts in Pell Grants in Future Years

H.R. 1 reduces 2011 funding for Pell Grants by \$5.7 billion and the maximum award amount for a student by \$845 below what the current continuing resolution provides. As described in the section on the effect of the cuts proposed in H.R. 1, this would reduce the average annual award for more than 9 million Pell Grant recipients by \$785 in school year 2011-2012.

But, according to the Congressional Budget Office (CBO), the proposed Pell Grant cut in H.R. 1 will have an additional large and growing effect on the program in fiscal year 2014 and later years. The Pell Grant program is unusual in having both a discretionary and a mandatory component. Annual appropriations set the basic maximum award level for Pell Grants and provide discretionary funding for that award. Under the current continuing resolution, that maximum award is \$4,860. The SAFRA Act (Student Aid and Fiscal Responsibility Act) of 2010 provides an additional award amount and mandatory funding to cover it. The maximum mandatory award is \$690 this year, but is projected to grow to \$870 in 2014 and \$1,245 in 2017. Starting in 2014, the amount of the maximum mandatory award can decrease based on the amount of the maximum discretionary award.

CBO estimates that reducing the discretionary award to \$4,015 as proposed in H.R. 1 will effectively eliminate the mandatory award starting in 2014. (CBO estimated that H.R. 1 will generate \$64 billion in cuts in Pell Grant mandatory funding over the next 10 years as a result of the deep reduction it would make in the 2011 discretionary award.) Thus, in 2014 the total maximum award for a Pell Grant recipient would be \$1,705 (or 30 percent) below the \$5,730 maximum award projected under the policy of the current continuing resolution (the combination of \$4,860 for the discretionary award and \$870 for the mandatory award) and \$1,525 below today's maximum Pell Grant award of \$5,550. The cut below the currently projected maximum award would grow to \$2,090 (or 34 percent) in 2017.

These cuts would discourage many prospective low- and moderate-income students from starting college and make it much harder for those who do to continue their studies and graduate. That will have a severe negative impact on the ability of these students to find and succeed in well-paying, productive jobs – and on the nation's ability to compete in a global economy that puts a premium on a well-educated workforce. Proponents of cuts in assistance to lower-income individuals and families often claim that America should strive to achieve equality in opportunities rather than equality in outcomes. Cuts in programs like this, which help provide improved opportunities for success in school and work to otherwise-qualified disadvantaged young people, make a mockery of such claims.

- **Vocational and Adult Education:** H.R.1 also makes cuts totaling \$208 million in funding for vocational and adult education programs. Cuts include elimination of two state grant programs, the Tech-Prep program, and the Workplace and Community Transition program. The Tech-Prep program (now funded at \$103 million) supports programs that help students combine at least two years of high school and two years of higher education to achieve a post-secondary degree or certificate. The Workplace and Community Transition program (now funded at \$17 million) provides grants to state correctional education agencies to provide educational and

vocational training to incarcerated youth.

The House proposal also includes a cut of \$88 million, or 85 percent, for another Vocational and Adult Education program, the Smaller Learning Communities program. This program funds local school districts to improve academic achievement in large public high schools by creating a more personalized learning environment. (Data that would enable us to estimate the state-by-state impacts are not available.)

- **Employment and Training Services:** Employment and training services help match job seekers with labor-market and employer needs. Workforce Investment Act (WIA) formula grants provide funds for states to provide job training, job search, and other employment assistance for low-income adults and workers whose jobs have been eliminated. They also provide summer jobs, training, and employment assistance for out-of-work youth. Other Employment and Training funds provide specialized training programs, as well as grants to community colleges and other institutions that support employment training programs.

The House bill would reduce combined annual funding for these programs by over \$2 billion, a cut of 52 percent. Some \$1.4 billion of this cut would come from sharply reducing funds available for WIA formula grants to states for Adult and Youth Training Services and the Dislocated Worker Program.<sup>9</sup> Those cuts could mean reductions of about 1.2 million people in the number served through the Adult Services program, a reduction of 314,000 dislocated workers served in the programs for those individuals, and a reduction of 254,000 in the number served through the Youth Services program (see Appendix for state figures).

The proposal would also terminate funding for specialized training programs that served over 40,000 participants last year and eliminate \$165 million in competitive grants to community colleges and other institutions that prepare workers for careers in emerging and high-demand fields.

## Health and Nutrition

- **Community Mental Health Services Block Grant and Substance Abuse and Treatment Block Grant:** The Community Mental Health Services Block Grant is a major source of funding for state and local government health systems serving adults and children at risk of, or experiencing, mental illness. In FY 2008, more than 6 million people were served by programs supported in part by these grants. The Substance Abuse Prevention and Treatment Block Grant helps state and local governments support and expand prevention and treatment to individuals and families at risk of, or affected by, substance abuse and to reduce the impact of substance abuse on communities. In FY 2008, nearly 2.3 million people were served by programs partly supported by these grants. These two programs currently receive \$2.2 billion a year.

The House proposal would reduce funding for the portion of the budget that contains these

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<sup>9</sup> H.R. 1 also does not include any funding for the portion of the 2011-12 program year (October 2011 through June 2012) that is not in the current fiscal year, which ends September 30, 2011. Unless subsequent appropriations are made, there will be no funding for the three formula grants for any of the 2011-12 program year. See "[House Republican Cuts for This Year Would Hit Job Training Next Year, Too](http://www.offthechartsblog.org/house-republican-cuts-for-this-year-would-hit-job-training-next-year-too/)," *Off the Charts*, February 18, 2011, <http://www.offthechartsblog.org/house-republican-cuts-for-this-year-would-hit-job-training-next-year-too/>.



and other substance abuse and mental health programs by 6.3 percent. If these programs are cut 6.3 percent, the Community Mental Health Services Block Grant will lose \$26 million and the Substance Abuse and Treatment Block Grant will lose \$113 million. (See Appendix for state figures.)

- **The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).** WIC provides nutritious foods, counseling on healthy eating, and health care referrals to low-income pregnant and postpartum women, infants, and children under age 5 who are at nutritional risk. An extensive body of research has found that WIC is effective in improving birth outcomes, diets, and the overall health of participants. Since 1997, every Congress and Administration has provided sufficient WIC funding to serve all eligible women, infants, and children who apply.

The House bill reduces funding for WIC by \$752 million from its fiscal year 2010 level, which, in combination with another provision in the bill, poses a substantial risk that WIC will not be able to continue meeting this longstanding goal. Ordinarily a cut of such magnitude would reduce the number of people who could receive benefits by hundreds of thousands. But food costs and participation were lower than expected in fiscal year 2010, and some unspent funds from last year remain available for use this year. This mitigates the effects of the proposed funding reduction.

Nevertheless, H.R.1 poses significant risks to WIC. First, the proposed funding level could prove to be too low to serve all eligible applicants (even if the \$125 million in WIC contingency funds are made available to states as needed). Based on food prices and participation in the first quarter of fiscal year 2011, the proposed funding level would seem to be sufficient to avoid waiting lists. But food prices now are rising significantly, and USDA is expected to soon raise its price forecasts for the coming months. The increase in food costs will push up the cost of providing WIC foods to eligible women, infants, and children. As a result, there is risk that the \$752 million funding cut could cause WIC funding to be inadequate.

Second, the House bill also includes a *rescission of \$585 million* in unspent Department of Agriculture funds, leaving it to USDA to decide which programs to rescind the funds from. It is impossible to know the implications of these rescissions for WIC; it's unclear at this time which USDA programs have unspent funds and in what amounts. Because WIC is one of the largest discretionary programs in USDA, it may be difficult for the Department to make rescissions of this magnitude without cancelling some WIC funds.

If currently available WIC funds are rescinded *on top of* the \$752 million cut in the legislation, the risk becomes much greater that the proposed WIC funding level will be inadequate and significant numbers of eligible low-income women with young children who are struggling to put food on the table will be turned away.

### **Housing and Home Energy Assistance**

- **Public Housing Capital Fund:** The Public Housing Capital Fund helps local housing agencies across the country make needed repairs, such as repairing boilers and roofs, to public housing units for approximately 1.2 million low-income households. Most of these households have incomes well below the poverty line, and two-thirds include an elderly person or someone

with a disability.

H.R.1 cuts the Public Housing Capital Fund in 2011 by nearly \$1.1 billion or 43 percent.

- **HOME Investment Partnerships:** The HOME Investment Partnerships program provides states and local communities with block grant funding for rental assistance and the development, acquisition, and rehabilitation of affordable housing for low-income families.

H.R.1 cuts the program by \$175 million or 9.6 percent.

- **The Native American and Native Hawaiian Housing Block Grants:** The Native American and Native Hawaiian Housing Block Grants provide for the development and rehabilitation of affordable housing, the provision of housing-related services, and other community development activities that benefit low-income households on Native American reservations, tribal areas, and home lands.

H.R.1 cuts the program by \$213 million or 30 percent.

- **Low Income Home Energy Assistance Program (LIHEAP):** LIHEAP provides funding to states, tribes, and territories to provide assistance to help eligible low-income families pay their heating and cooling bills. The program consists of block grant formula funds (\$4.5 billion) and a smaller Contingency Fund (\$590 million). The Contingency Fund provides emergency funding to supplement regular LIHEAP grants and is distributed to states as needed to help households, especially those in states with particularly high home energy assistance needs.

The House proposal would eliminate the LIHEAP Contingency Fund for the rest of the year (a cut of \$390 million).

- **Weatherization Assistance Program (WAP):** This grant program provides funds to weatherize the homes of low-income families and thereby permanently reduce their home energy use and, thus, their home energy bills. The Department of Energy provides funding to states, tribes, and territories to distribute to community action agencies, nonprofit organizations, and local governments that provide the weatherization services. This program weatherizes hundreds of thousands of homes each year, providing hundreds of dollars of fuel savings for families each year while reducing fossil-fuel use.

The House proposal would eliminate all \$210 million in funding for the Weatherization Assistance Program.

## Environment and Infrastructure

- **EPA Clean Water and Drinking Water State Revolving Funds:** The Clean Water State Revolving Fund and Drinking Water State Revolving Fund provide resources, through state and tribal governments, to help communities pay for sewage and wastewater treatment, watershed management, and other water clean-up projects, and for upgrading drinking water treatment facilities and other infrastructure to ensure safe drinking water.

The House bill slashes combined funding for the two funds by \$2 billion, or 56 percent. (See Appendix for state figures.)

- **Community Development Block Grant (CDBG):** CDBG helps fund a broad range of community development activities, including housing development and rehabilitation, homelessness programs, improvements to public facilities such as senior and youth centers, economic development, and some social services.

The House bill cuts CDBG by \$2.5 billion. Another \$460 million would be cut from the Sustainable Communities Initiative and other grant programs funded under the Community Development budget account (which includes both CDBG and other programs). These figures do not include the House bill's rescission of \$130 million in funding for the Sustainable Communities Initiative that HUD already has awarded to dozens of communities across the country.

### Law Enforcement

- **Justice Assistance Grants (JAG):** The Edward Byrne Justice Assistance Grant Program is a formula grant that provides funding to state and local jurisdictions for law enforcement, prosecution and courts, prevention and education, corrections, drug treatment and enforcement, planning, evaluation, technology improvement, and crime victim and witness initiatives.

H.R. 1 does not specify exactly how much would be cut from JAG funds. Instead, it cuts combined annual funding for the group of programs that includes JAG by \$579 million, including a specified cut of \$185 million for a different program. If the remaining cut of \$393 million or 29 percent is applied proportionally across all other programs — meaning that JAG and the other programs would each be cut 29 percent — this would mean a cut of \$152 million in JAG for the rest of the current year. (See Appendix for state figures.)

### Other Critical Public Services

H.R.1 contains a wide range of cuts to federal efforts to preserve public health and safety and meet other important needs. For example, in 2011:

- The **Centers for Disease Control and Prevention** would be cut \$650 million or 10.1 percent.
- The **Food and Drug Administration** would be cut \$245 million or 10.4 percent.
- The **Food Safety and Inspection Service** would be cut \$89 million or 8.7 percent.
- The **National Institutes of Health** would be cut \$1.0 billion or 3.4 percent.