



# CENTER ON BUDGET AND POLICY PRIORITIES

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## **WHERE WOULD THE CUTS BE MADE UNDER THE PRESIDENT'S BUDGET?**

### **An Analysis of Reductions in Education, Human Services, Environment, and Community Development Programs**

by Sharon Parrott, Jim Horney, Isaac Shapiro, Ruth Carlitz, Bradley Hardy, and David Kamin

#### **Summary**

The Bush Administration's budget calls for substantial reductions in a wide range of "domestic discretionary" programs. These are the programs funded by annual appropriations, except for programs related to the Department of Defense, homeland security, or international affairs. The budget calls for \$214 billion in reductions over five years in these programs, compared to current funding levels adjusted only for inflation. These programs encompass a broad array of public services such as education, environmental protection, transportation, veterans' health care, medical research, law enforcement, and food and drug safety inspection. Many of these programs provide funding to states and localities and are essential to the services that states provide to their residents, as well as to the soundness of state budgets. (The President's budget also calls for cuts in "entitlement" programs such as Medicaid, food stamps, and agricultural subsidies. These cuts are not discussed in this analysis.)

While the overall level of the reductions proposed in this part of the budget is reflected in Administration budget documents (including supplementary budget materials that the Office of Management and Budget has provided to the budget committees of Congress), the budget obscures important information for assessing these proposals. The budget does not directly show how the proposed reductions in discretionary funding would affect particular programs after fiscal year 2006. Only the first \$18 billion of these \$214 billion in program reductions — those that would occur in 2006 — are identified by program. The budget does not detail how the remaining \$196 billion in cuts — for the years 2007 through 2010 — would affect individual programs. It thereby obscures the impact of its proposed policy on benefits and services that affect a broad swath of the public. The omission of this information breaks sharply with longstanding budget practice. It is the first time since 1989 that an Administration's budget has not provided information about the proposed levels of funding for individual discretionary programs for years beyond the coming year.

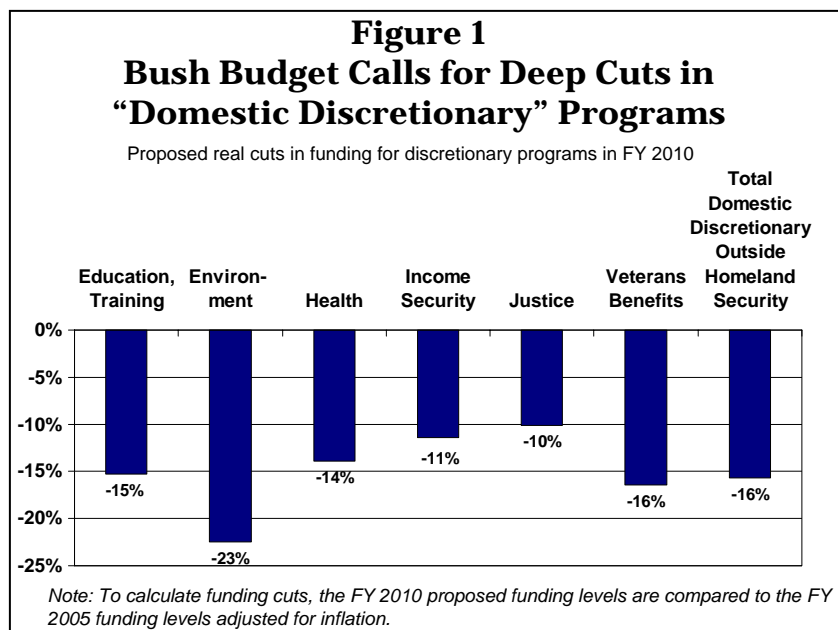
Despite the unwillingness of the Administration to provide details about its plans for cuts in discretionary spending in 2007 through 2010, those plans should be taken seriously. For instance, the cuts in domestic discretionary spending in years after 2006 are an integral part of the Administration's plan "to cut the deficit in half by 2009." More importantly, the Administration is proposing that the levels of overall discretionary funding (including domestic

discretionary, defense, and homeland security funding) assumed in the President’s budget for 2007 through 2010 should be enforced by statutory caps it wants enacted this year. Enactment of such caps would lock in substantial cuts in domestic discretionary spending through 2010 even though the Administration was unwilling to detail and defend those cuts in the President’s budget.

This analysis provides estimates of cuts in a number of specific programs or closely related program areas that are consistent with the Administration’s plans for domestic discretionary spending. These estimates are based on information that the Administration has released, including background information provided to the Congressional budget committees. That information enables analysts to calculate (through simple addition and subtraction of the Administration data) the levels of funding proposed by the President’s budget for 57 categories of domestic programs over the next five years and how these levels differ from current funding levels, adjusted only for inflation. As the methodology section of this analysis explains, we have then taken the further step of estimating the level of funding for individual programs for 2007 through 2010 implicit in the President’s budget. To do this, we started with the level of funding that the President’s budget proposes for each program for 2006 and assumed that each program in a given program category would grow (or shrink) after 2006 at the rate that the budget proposes for that program category. The federal budget is divided into 20 budget “functions” or groups. Those functions are subdivided into a total of 57 “subfunctions” or categories that group similar programs together. For example, there is one category for federal funding for K-12 education and adult and vocational education. Another category covers federal funding for pollution control and abatement.

This approach is based on the belief that, in the absence of any information to the contrary from the Administration, the priorities of the Administration in allocating funds within each domestic discretionary program category in 2006 (as shown by the Administration’s funding requests for 2006) are the best indication of the Administration’s priorities for allocating funds within that category in 2007-2010. This approach allows us to estimate the level of reductions that would be needed in individual programs in order to maintain the priorities of the Administration and comply with the total level of funding that the budget assumes for each budget category in each of the next five years. We also estimate the effects of these reductions on a state-by-state basis.

The reductions in domestic discretionary programs called for in the budget grow significantly deeper over time. The budget calls for \$18 billion in cuts in



domestic discretionary programs in 2006, but \$66 billion in cuts in these programs in 2010. Domestic discretionary programs would have to be cut an average of 16 percent in 2010. To illustrate the dimensions that the proposed reductions would reach, this analysis focuses on the reductions both over the 2006-2010 period and in 2010.

The findings include:

- **Education:** The overall level of funding for education and training programs would be reduced in 2006, with the reductions growing larger in subsequent years. In 2010, funding for education programs would be cut 14 percent below the 2005 level adjusted for inflation.

These cuts would not spare K-12 education programs. Overall funding for the major elementary and secondary education programs — Education for the Disadvantaged, Special Education funding, School Improvement programs, and Impact Aid — would be reduced by \$11.5 billion over the 2006-2010 period and by \$4.6 billion, or 12 percent, in 2010 alone.

- **Low-Income Programs:** Programs targeted on low-income families that provide food assistance to pregnant women, infants, and young children; early childhood education and child care; and home energy and rental assistance would all be subject to substantial cuts by 2010. These cuts could significantly reduce the number of low-income people who are served by these programs. For instance, the projected cuts in this area suggest that, in 2010, some 670,000 fewer women, infants, and children would be served under the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). In addition, 300,000 fewer children in low-income working families would be provided child care, 370,000 fewer families and elderly and disabled individuals would receive rental assistance vouchers, and nearly 120,000 fewer children would be served through Head Start. (These estimates assume that cuts would be achieved by reducing the number of participants rather than cutting the value of the benefits or services provided.)
- **HIV/AIDS Treatment Funding:** The federal government provides funding to states and communities for HIV/AIDS treatment services, including funding to help those with HIV/AIDS purchase drugs. Under the budget, this funding would be cut by \$550 million over the 2006-2010 period and by \$191 million, or 10 percent, in 2010 alone.<sup>1</sup>
- **Environmental Protection:** The reductions to environmental protection and natural resource programs (including national parks) would be severe. Overall, environmental and natural resource programs would be cut by \$27 billion over the 2006-2010 period and by \$8 billion, or 23 percent, in 2010 alone. This would require widespread, deep cuts in these programs. For instance, the set of EPA

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<sup>1</sup> This analysis only considers funding under Titles I and II of the Ryan White Care Act. The other funding under the Ryan White Care Act does not go to states and cities on a formula basis but is awarded on a competitive basis to individual service providers.

programs that support state and local environmental efforts related to ensuring clean drinking water, upgrading sewage treatment facilities, and reducing air pollution (known as the State and Tribal Assistance Grants) would be reduced by \$1.1 billion — a cut of 28 percent — in 2010.

- **Community Development Funding:** The Administration is proposing to consolidate 18 community development and community service programs — including the Community Development Block Grant and the Community Services Block Grant — into a single block grant with reduced funding. Under this proposal, funding for community and economic development to states and localities would fall by more than one-third in 2010.
- **Impact on States and Localities:** The impact on state and local budgets would be substantial. In 2010, federal grants to states and localities provided through discretionary programs would decline by nearly \$22 billion. The cumulative reduction over the five-year period from 2006 to 2010 would amount to \$71 billion. In effect, the federal government would be shifting a sizable amount of program costs to other levels of government. To cope with the drop in federal funding, states and localities would have to choose between reducing services and raising taxes.

The remainder of this paper proceeds as follows. The section immediately below explains the background and methodology underlying this analysis. Section II provides more detail on reductions in various programs under the Administration’s budget. Finally, Section III provides an array of tables that show the state-by-state effects of most of the cuts discussed here.

## I. Background and Methodology

The Administration’s budget proposes to set statutory limits on overall discretionary spending — called “discretionary caps” — for each of the next five years. The annual caps would be set at levels equal to the total amount that the President’s budget requests for discretionary programs in each of these next five years. If these caps are established and Defense Department, homeland security, and international affairs programs are funded at the levels proposed in the budget, then domestic programs funded through the annual appropriations process would have to be cut by \$214 billion over these years, and by \$66 billion — or 16 percent — in 2010 alone.<sup>2</sup> (These reductions are measured relative to OMB’s current services baseline projections of discretionary spending for 2006 through 2010, which are based on enacted appropriations for 2005, adjusted only for inflation. Unless otherwise noted, all reductions in funding discussed in this analysis are measured on the same basis.)

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<sup>2</sup> See James Horney, Robert Greenstein, and Richard Kogan, “What the President’s Budget Shows About the Administration’s Priorities,” Center on Budget and Policy Priorities, Revised February 9, 2005.

It should be noted that the part of the budget that would be reduced \$214 billion over five years includes programs outside of the Defense Department that are considered part of the defense budget function, such as atomic energy programs of the Energy Department. The OMB documents provide budget details in a way that requires this approach to measuring reductions in domestic discretionary programs outside homeland security.

### **Would Congress Comply with Discretionary Caps?**

Questions may be raised about whether Congress would comply with discretionary caps, in light of Congressional evasion of such caps in the late 1990s and early years of this decade. But that ignores the earlier history of statutory caps, which were first enacted as part of the Budget Enforcement Act of 1990 when the current President's father and Congressional Democrats and Republicans agreed to a major deficit-reduction package. Most observers agree that the caps had a substantial effect and that Congress and the White House took compliance with the caps very seriously through most of the 1990s, when the nation confronted large deficits. It was only when budget deficits fell sharply in the late 1990s and surpluses were achieved that evasion of the caps became common. Now, with the return of large deficits and with a President who is calling for these caps, it is likely that caps enacted into law would be taken seriously and adhered to.

Moreover, the details of the Administration's discretionary cap proposal would make it difficult for Congress to exceed the caps. Under the President's proposal, if Congress approved funding in excess of the cap, across-the-board cuts would be imposed automatically. To change the level of the caps, Congress would have to pass a bill raising the caps and the President would have to sign the bill into law. If the President did not consent to the increase in the caps, a two-thirds majority in both the House and Senate would be required to override his veto. Similarly, if Congress tried to breach the cap by writing into a bill a declaration that the bill be considered as "emergency spending" or otherwise be exempt from the cap, the President would have to sign that bill and agree to the emergency designation. If the President did not want the discretionary cap breached through such a mechanism, he could veto the bill, and, once again, a two-thirds majority would be required to override the veto. In short, the President is calling for discretionary caps that almost certainly would require his consent to raise.

The Administration has not provided the customary level of information regarding funding levels for discretionary programs for years after the coming year. Budgets in recent years have typically detailed proposed funding levels for each discretionary program or account for at least each of the next five years.

This year, in the budget documents widely distributed to the public, the Administration provided no information on proposed funding levels for discretionary programs for years beyond 2006 even at the level of budget "functions" (large groupings of programs with similar policy ends) or subfunctions (smaller groupings within each budget function), much less at an account or program level. A recent report by the Center on Budget and Policy Priorities, however, showed the proposed function and subfunction levels for discretionary programs for 2007-2010, using both the published budget documents and unpublished supplementary budget tables and data that the Office of Management and Budget has provided to the budget committees of Congress.<sup>3</sup>

Even the unpublished information, however, fails to provide proposed funding levels for individual discretionary programs or accounts for any year after 2006, a departure from the

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<sup>3</sup> See Sharon Parrott, Isaac Shapiro, David Kamin, and Ruth Carlitz, "Unpublished Administration Documents Show Domestic Cuts Would Significantly Reduce Funding for Most Public Services," Center on Budget and Policy Priorities, revised February 14.

historic practice. For at least the last 17 years, Administrations have provided this information for more than just the year ahead.

### **How Program Funding Levels Were Estimated**

This analysis attempts to provide some clarity about the effects that the Administration's proposed levels of funding for discretionary programs — which it proposes should be enforced by statutory caps — could have on specific domestic programs. The following method is used to estimate funding levels for selected programs:

- We begin with the actual funding levels the Administration proposes for each program for fiscal year 2006. (This information is readily available in Administration budget materials.)
- We then calculate from published and unpublished OMB data how much funding is proposed for each function and subfunction in 2007 through 2010. (This calculation involves only simple addition and subtraction of Administration data and does not entail making any assumptions on our part.<sup>4</sup>) Domestic discretionary programs are divided into 15 budget functions and 57 subfunctions. Each function and subfunction groups together similar programs. For example, programs dealing with education, training, employment, and social services are grouped together in one function. That function is then divided into six separate subfunctions dealing with programs related to: K-12 education and vocational education; higher education; research and general education aids; training and employment; other labor services; and social services.
- For each program in this analysis, we identify both the funding level proposed for the program in 2006 under the President's budget and the overall level of funding that the budget proposes for 2006 for the subfunction that contains the program. From these data, we calculate the percentage of the subfunction's funding that the particular program would receive in 2006. We then calculate the projected amount of funding in the budget for the program in 2007 through 2010 by assuming that the percentage of the subfunction's funding that would go to the program in the years from 2007 through 2010 would be the same as the percentage that would go to the program in 2006.

In other words, we assume that the relative priorities reflected within each subfunction in the Administration's budget proposal for 2006 would continue in the years from 2007 through 2010. Thus, if the Administration proposes that a particular program receive 40 percent of the total funding for its subfunction in 2006, we assume the program would similarly receive 40 percent of the funding that the budget includes for that subfunction in 2007, 2008, 2009, and 2010.

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<sup>4</sup> For a detailed description of the data sources and the calculations involved, see Ruth Carlitz, "Domestic Discretionary Funding Levels for 2006 through 2010, Detailed Data," Center on Budget and Policy Priorities, February 15, 2005, [www.cbpp.org/2-15-05bud.htm](http://www.cbpp.org/2-15-05bud.htm).

In this straightforward manner, we project funding levels for a range of human service, education, community development, and environmental programs. The goal is to provide examples across a range of programs of the depth of the reductions that would be needed to meet the President's overall targets for reducing discretionary spending. As noted, the budget would require that these targets be locked in through the enactment of restrictive discretionary caps.

It is worth noting that the reductions in particular programs described here are not worst-case examples; we do not look only or primarily at programs that would be subject to larger-than-average reductions. To the contrary, the reductions described here are broadly typical of the domestic program reductions reflected in the budget.

For example, we examine reductions in the WIC program, which provides nutrition assistance to low-income pregnant women, infants, and young children. This program appears to be slated for somewhat *lower*-than-average reductions, although the reductions in the WIC program would still have substantial impacts. We also examine education programs, which are slated for about-average cuts, and environmental and community development programs, which are slated for larger-than-average cuts. In a budget that calls for a 16 percent reduction in overall domestic discretionary funding in 2010, few areas are spared from significant cuts.

- Under the budget, overall funding for discretionary programs would be reduced in 2010 in 13 of the 15 budget *functions* that include domestic discretionary programs. (The only two functions *not* slated for cuts are the function that consists solely of the administrative costs for operating the Medicare program, including the costs of administering the new drug benefit, and the function that is dominated in 2010 by funding for the decennial census that must be carried out that year.)
- Similarly, funding for discretionary programs would be cut in 2010 in 49 of the 57 *subfunctions* that contain domestic discretionary programs. In 45 of these subfunctions, the reduction would exceed 10 percent.

It should be noted that the budget calls for some program areas to receive modest *increases* in funding in 2006, such as “education for the disadvantaged” (which is designed to strengthen educational efforts for low-income and other disadvantaged students). In a number of the cases where the budget proposes an increase for a program in 2006, however, funding would then be reduced significantly in the years *after* 2006 for the budget subfunction of which the program is a prominent part. This means that a number of the programs that would be increased in 2006 would be slated for reductions in the years that followed.

### **Why These Estimates Are Necessary**

If the Administration had released program-by-program budget proposals for discretionary programs for 2007 through 2010 and those proposals were consistent with the funding levels reflected in the budget for the functions and subfunctions, the calculations described above would not be necessary. The Administration's figures would themselves facilitate a full and open debate about the priorities in the budget. Unfortunately, the Administration has elected not to make public the funding levels it envisions for individual

discretionary programs after 2006, despite proposing five-year discretionary caps that would lock in reductions in such programs. As a result, the estimates provided here of the funding levels for individual programs, which are fully consistent with all of the information the Administration has released about its plan, are important if policymakers and the public are to engage in a more fully informed debate about the policies the Administration has proposed and the appropriate path for American fiscal policy.

Administration officials may respond that these estimates do not reflect their policies and that they have not proposed the cuts discussed here. By failing to provide program-specific details about the discretionary funding cuts that its budget would require, the Administration may hope to be able to say to particular constituencies that certain programs or groups of programs would not be cut. If such claims are made, however, the Administration should be asked to identify the programs or program areas that it plans to cut *more deeply* than is indicated by the function and subfunction funding levels reflected in the budget materials it has provided to the Congressional budget committees. Deeper reductions would be required to come up with the savings the Administration would need to avert any cuts it may claim it would not make. Without deeper cuts in some discretionary programs, the Administration would not be able to cut other programs less deeply than this analysis shows and still meet the caps on discretionary spending it has proposed and seeks to have enacted into law.

### **Do the Proposed Cuts Represent Policy or Are They Merely “Formulaic”?**

Last year, the Administration provided proposed funding levels by program for each year over the 2005-2009 period. These data were not provided in the published budget volumes, as had been customary since 1989, but rather in supplementary budget materials provided to the congressional budget committees. When asked about the cuts in individual programs after 2005, the Administration claimed those proposed funding levels did not represent a policy decision but were strictly formulaic. In the spring of 2004, it became clear that this was not the case, however, when the Director of the Office of Management and Budget issued a memorandum instructing federal agencies to adhere to the proposed funding levels shown for 2006 in these supplementary budget documents when the agencies developed their 2006 budget requests.

The Administration is now once again claiming that the reductions in funding that its budget documents reflect for numerous budget functions and subfunctions for 2007-2010 are merely “formulaic” and should not be regarded as representing its policy. The discretionary funding levels that the budget includes for the various functions and subfunctions, however, do *not* appear to follow any discernable formula. For instance, discretionary funding for the Natural Resources and Environment function (function 300) would decrease by 2 percent (in nominal terms) between 2006 and 2010, but funding for General Science, Space, and Technology (function 250) would grow by 5.8 percent (in nominal terms). Even within a single function, the path of spending varies. Funding for Conduct of Foreign Affairs (subfunction 153) would decline by 4 percent between 2006 and 2010, while funding for International Development and Humanitarian Assistance (subfunction 151) would grow by 18 percent. Perhaps most tellingly, funding for the “Other Advancement of Commerce” subfunction (subfunction 376) suddenly more than doubles (from \$3.4 billion to \$7.3 billion) between 2009 and 2010, presumably to accommodate the increased funding needed by the Census Bureau to carry out the 2010 census. It is extremely difficult to imagine a formula that could produce these results.



More importantly, the discretionary caps that the Administration has proposed would be set at exactly the overall discretionary funding levels that are produced by adding the discretionary funding amounts the budget documents include for the various budget functions (and subfunctions). In other words, the caps would lock in the overall level of cuts in discretionary programs that are reflected in the function and subfunction funding levels that we analyze here. If the Administration claims that programs within a particular subfunction would not be cut as deeply as its proposed funding level for that subfunction would indicate, then other subfunctions would have to be cut more deeply than the Administration's budget documents show.

## **II. Cuts in Domestic Discretionary Programs Under the President's Budget and State-by-State Effects of those Cuts**

This section provides more detail on estimated funding cuts in a variety of areas, such as various types of education programs, HIV/AIDS programs, community development, and the low-income home energy assistance programs. Following this section are tables that show the state-by-state effects of most of these cuts. The estimates of the state-by-state funding reductions have been computed by assuming that the cuts in these programs would be distributed proportionately across states. Thus, if a state currently receives five percent of the funding under a particular program, this analysis assumes it would absorb five percent of the funding reduction in that program. Each table provides notes on the data used to determine the state-by-state distribution of the funding reductions.

In some cases, the descriptions of cuts in this section and the tables that follow this section include estimates of the number of families or individuals who could lose assistance due to the funding reduction. These estimates generally are straightforward calculations based on the most recent program data available. For instance, the funding cut in the WIC program is projected to be eight percent in 2010. In fiscal year 2005, the Administration expects 8.2 million pregnant women, infants, and young children to be served by the program. Thus, this analysis assumes that an eight percent reduction translates into 670,000 fewer people being served (which is eight percent of 8.2 million). To distribute the reduction in the number of recipients in a particular program by state, we relied on the most recent data about the number of recipients across states. Thus, if five percent of WIC recipients currently reside in a state, our method would indicate that the WIC cuts would reduce its number of recipients by 33,500 (five percent of 670,000).

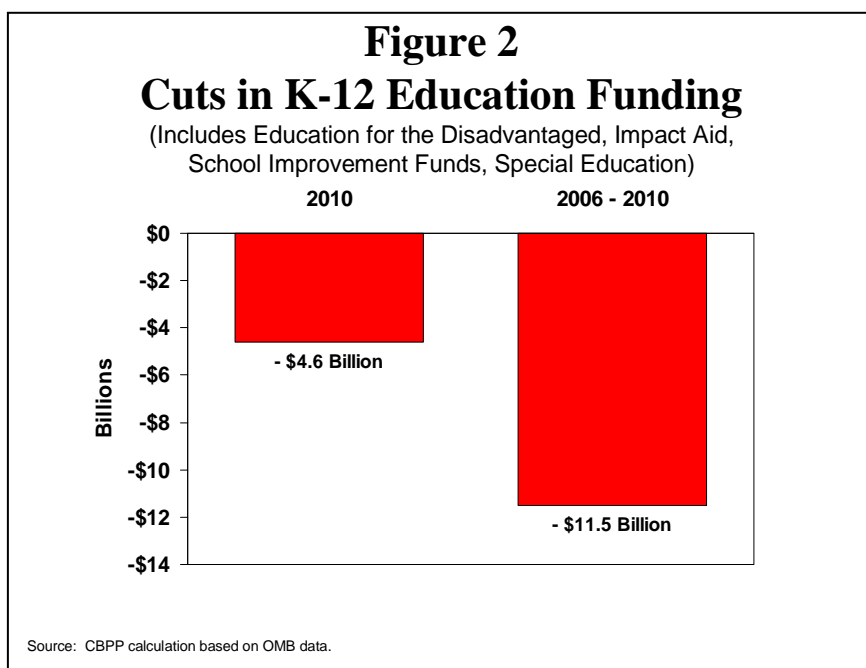
In some programs, states and localities could choose to cut their programs in different ways in the face of insufficient funding. In this analysis, we provide estimates of the number of individuals or families who would lose assistance under the proposed funding reductions, assuming that states or localities did not choose instead to reduce the average benefit or level of services provided under the program.

## Education

Education programs, including the K-12 education programs funded under the No Child Left Behind Act, are slated for significant cuts under the President's budget. Total education funding would fall by \$28.5 billion over the next five years, and by \$9.2 billion — or 14 percent — in 2010 alone.<sup>5</sup>

Funding for K-12 education would not be spared. The Administration is proposing to cut the Elementary, Secondary and Vocational Education subfunction by \$20.5 billion over the 2006-2010 period — and by \$6.7 billion, or 15.7 percent, in 2010.

Under the budget, adult and vocational education would be reduced significantly starting in 2006. The President's budget does not reduce overall funding for K-12 education in 2006 (although funding for Special Education and School Improvement would fall). But after 2006, the funding levels proposed for the Elementary, Secondary, and Vocational Education subfunction are such that substantial reductions in funding for K-12 education programs would have to be made.



- **K-12 Education.** The major K-12 education funding streams — Education for the Disadvantaged, Impact Aid, School Improvement funds, and Special Education — all are part of a single subfunction. The budget proposes that these programs receive 90 percent of the funding for this subfunction in 2006. Under the budget, these programs would be cut by \$11.5 billion over the 2006-2010 period, and by \$4.6 billion, or 12 percent, in 2010 alone.

These estimates take into account the reduction of more than 50 percent that the Administration is proposing in adult and vocational education funding in 2006. In years after 2006, reductions in key K-12 education programs would be required in *addition to* these sharp cuts in adult and vocational education. (See Tables 1 - 4

<sup>5</sup> This reflects total discretionary funding for subfunctions 501, 502, and 503.

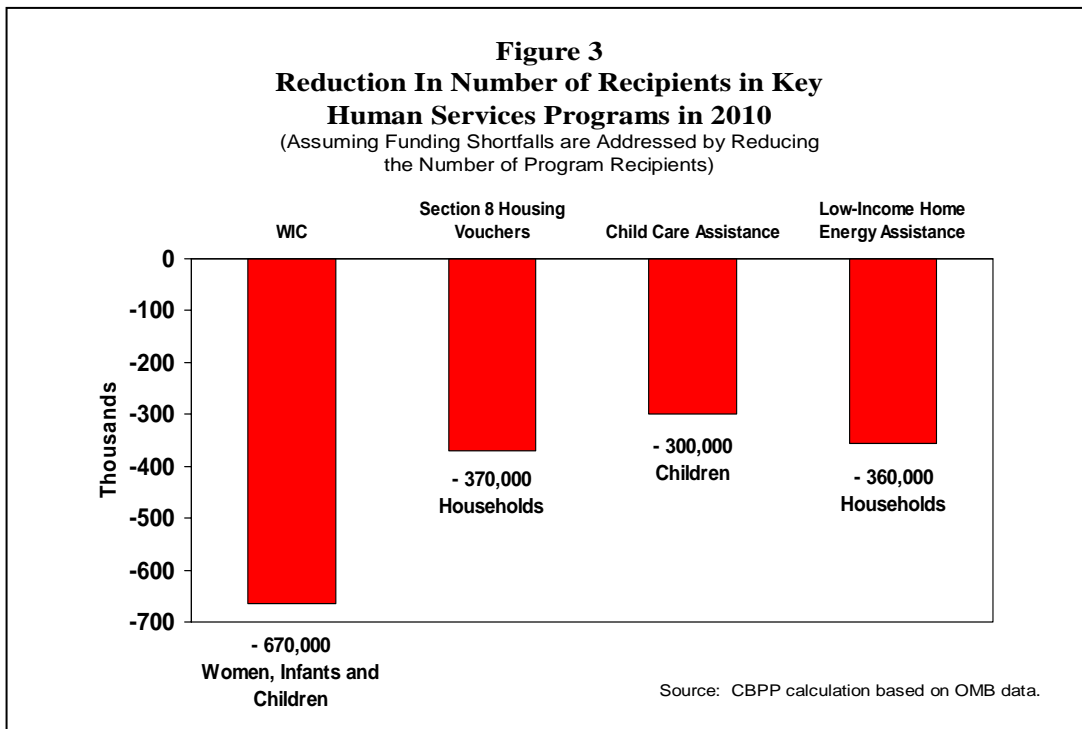
for state-by-state estimates on cuts in overall K-12 funding, education for the disadvantaged, special education, and school improvement funding.)

- *Education for the Disadvantaged* — The President has proposed to increase funding for education for the disadvantaged in 2006. Assuming that this program continues to receive the same proportion of total funding under the Elementary and Secondary Education subfunction after 2006 as it would receive under Administration policy in 2006, states would receive a net increase in funding under this program over the 2006-2010 period. Nevertheless, funding in each year after 2006 would fall below the 2006 level adjusted for inflation. And, in 2010, funding for education for the disadvantaged would fall below the *2005 level*, adjusted for inflation, by \$868 million, or five percent.
- *Special Education* — Under the President’s budget, special education funding would be cut by \$7.6 billion over the 2006-2010 period, and by \$2.3 billion, or 18 percent, in 2010 alone.
- *School Improvement* — This program includes several funding streams designed to improve school quality, including grants to states for teacher quality initiatives, educational technology grants, funding for school assessment mechanisms (such as testing), and before- and after-school enrichment programs in low-income communities. Under the President’s budget, funding for school improvement would be sliced by \$4.1 billion over the 2006-2010 period, and by \$1.2 billion, or 19 percent, in 2010 alone.
- **Vocational and Adult Education:** This provides funding for states for vocational education, adult education, and English literacy and civics classes for immigrants. The President’s budget calls for deep cuts in this funding beginning in 2006, when funding would be chopped by \$1 billion — or 50 percent — compared to 2005 levels adjusted for inflation. Over the 2006-2010 period, funding for vocational and adult education would be cut by \$5.9 billion. In 2010, funding would be \$1.3 billion — or 58 percent — below the 2005 level adjusted for inflation. (See Table 5 for state-by-state figures.)

### **Human Service Programs**

The Administration’s budget proposals would be damaging to large numbers of the nation’s most vulnerable citizens. Under the President’s proposed budget, key programs for low-income Americans would face significant reductions.

- **WIC.** While the Administration proposes to “fully fund” the WIC program in 2006 — that is, provide enough funding to serve all individuals who are eligible and who apply for the program — the Administration’s budget calls for



significant funding reductions to the WIC program after 2006.<sup>6</sup> *We estimate that the WIC program would be cut by \$658 million over the 2006-2010 period. The cut in 2010 alone is projected to be \$470 million, or eight percent.*

If the cut in WIC funding in 2010 were achieved by reducing the number of pregnant and breastfeeding women, infants, and children who participated in the program (rather than by reducing the level of nutrition assistance that individuals receive) *an estimated 670,000 fewer individuals could participate in the program in 2010 as compared to 2005.* (See Table 6 for state-by-state figures.)

- **Children and Family Services.** This set of programs includes Head Start, services for abused and neglected children, adoption-related services, and several small programs such as abstinence education and services for homeless youth.<sup>7</sup> In

<sup>6</sup> According to Administration figures, total funding for all programs in the subfunction containing WIC would be cut by 9.6 percent in 2010. Since WIC funding constitutes 92 percent of its subfunction, significant reductions in the subfunction cannot be attained without cutting WIC funding.

<sup>7</sup> Under current law, the children and family services programs also include several programs, such as the Community Services Block Grant, that the Administration has proposed to merge into a new block grant to be administered by the Commerce Department. As explained earlier, this analysis uses the President's proposals for 2006 as a basis for measuring cuts in years after 2006. Accordingly, the programs that would be included in this block grant are not considered in the analysis here of the level of reductions in children and family services' programs. Funding for the programs that would be moved into the block grant was subtracted from the OMB baseline for children and family services programs and was not considered when comparing projected funding levels for children and family services programs under the President's budget to the OMB baseline levels. For a brief discussion of the Administration's proposed new block grant for community development and community services programs, see page 15.

2006, funding for Head Start would constitute 82 percent of the funding for this set of programs. *Under the Administration's budget, this set of programs would be cut by \$3.3 billion over the 2006-2010 period.* The cut in 2010 would equal \$1.1 billion, or 13 percent. If all programs within this budget account were cut by the same percentage, *Head Start would serve 118,000 fewer children in 2010 than it currently serves.*<sup>8</sup> (See Table 7 for state-by-state figures.)

- **LIHEAP.** The Low-Income Home Energy Assistance Program provides assistance to needy households — including seniors and families with children — to help them pay their utility costs, principally home heating costs. The program is designed to help avert utility shut-offs, and the single largest use of LIHEAP funds is for heating assistance. *Under the budget, the LIHEAP program is projected to be cut by \$219 million over the 2006-2010 period, and by \$165 million — or eight percent — in 2010.* If these cuts were achieved by reducing the number of households receiving utility assistance, the number receiving help in 2010 would be 360,000 less than are expected to receive assistance in 2005.<sup>9</sup> (See Table 8 for state-by-state figures.)
- **Housing.** Under the Administration's budget, funding for the Section 8 Housing Choice Voucher program — the government's main rental assistance program — would fall well short of the funding needed to continue to serve the number of households that now receive such assistance. *Under the budget, 370,000 fewer low-income households would receive rental assistance in 2010 than will receive this help in 2005, if the funding shortfalls in the program were addressed by reducing the number of households that the program assists.* (See Table 9 for state-by-state figures.)<sup>10</sup>
- **Child Care.** The federal child care block grant includes both discretionary funding and “entitlement” funding.<sup>11</sup> States also use some of the funds they receive under the Temporary Assistance for Needy Families (TANF) block grant

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<sup>8</sup> In 2006, funding for children and family services would constitute 70 percent of the funding in its subfunction. This makes it unlikely that the Administration could achieve its target for cuts in the subfunction without cutting the major components of children and family services — Head Start and child welfare services.

<sup>9</sup> In 2005, additional funding for LIHEAP was included in the omnibus appropriations bill with an emergency designation. These emergency funds were approved to help offset the sharp increases in fuel costs that were expected in 2005. CBO estimates that this additional funding will not lead to an increase in the number of households receiving LIHEAP assistance over the 4.5 million households that have received this help in recent years. The analysis presented here of LIHEAP funding levels compares projected future funding levels to the 2005 funding level *excluding the emergency appropriation*, which is not considered part of the program's baseline funding by OMB. Thus, if fuel prices remain at the 2005 levels, the funding shortfalls that would result under the Administration's budget proposal would be significantly larger than the shortfalls that we project here.

<sup>10</sup> For more information on the cuts to Section 8 housing choice vouchers, see “President's Budget Would Restore Some Rental Vouchers Cut In 2005 But Reduce The Program Substantially In Future Years: 370,000 Fewer Families Could Receive Voucher Assistance By 2010,” <http://www.cbpp.org/2-18-05hous.htm>.

<sup>11</sup> Funding for entitlement or “mandatory” programs is set for multiple years in existing law and is not determined through the annual appropriations process.

and the Social Services Block Grant for child care assistance. Under the President's budget, funding for all four sources of child care funding would remain frozen for the next five years at the 2005 funding level, without any adjustment to account for inflation. The cost of child care rises over time, however, because the wages and salaries of child care workers, the cost of renting space, and the cost of supplies increase over time. *The Administration's own budget shows that its proposed funding levels for these various child care funding sources would result in 300,000 fewer children receiving child care assistance in 2010 than received such help in 2004.*<sup>12</sup> (See Table 10 for state-by-state figures.)

- **Ryan White HIV/AIDS Funding:** Funding for HIV and AIDS treatment and services for low-income Americans is provided to states and cities through two sets of formula grants under Titles I and II of the Ryan White Care Act. These funds are used for HIV/AIDS health services, counseling, and testing. In 2004, some 45 percent of these funds were for the AIDS Drug Assistance Program (ADAP) which helps those living with HIV/AIDS afford antiretroviral drugs. Under the President's budget, funding for HIV/AIDS grants to states and cities would be cut by \$550 million over the 2006-2010 period, and by \$191 million - or 10 percent - in 2010 alone. (See Table 11 for state-by-state figures.)

### Environmental Programs

The President's proposed budget calls for deep cuts in environmental programs beginning in 2006. In 2006, overall funding for the Natural Resources and Environment budget function would be cut by 10 percent. The reduction in funding would reach 23 percent in 2010. Over the 2006-2010 period, cuts in environmental and natural resources programs would total \$27 billion.

The Natural Resources and Environment function is divided into five subfunctions. Each of these subfunctions is slated for large cuts under the President's proposed budget. One of these subfunctions — Pollution Control and Abatement — houses all of the funding for the Environmental Protection Agency (EPA) and funding for efforts to reduce pollution under the Clean Air Act and the Clean Water Act. The President's budget would cut funding in this subfunction by \$6.4 billion over the 2006-2010 period, and by \$1.9 billion, or 20 percent, in 2010 alone.

About 45 percent of the funding under this subfunction is for State and Tribal Assistance Grants — grants to states and tribes for efforts to reduce air and water pollution and ensure safe drinking water. Under the President's proposed budget, funding for these grants — which include funding for individual projects, for two revolving funds related to sewage treatment and water purification, and for formula grants to states — would be cut by \$4.5 billion over the 2006-2010 period and by \$1.1 billion, or 28 percent, in 2010 alone. (The Center does not have adequate data to estimate the cuts on a state-by-state basis.)

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<sup>12</sup> See page 393 of the 2006 Analytical Perspectives volume of the President's budget, [www.whitehouse.gov/omb/budget/fy2006/pdf/spec.pdf](http://www.whitehouse.gov/omb/budget/fy2006/pdf/spec.pdf). The Administration's estimate assumes that states will continue to devote the same level of TANF and Social Service Block Grant funds to child care each year over the 2006-2010 period that they devoted to child care in 2003.

## **Community Development**

The President is proposing to consolidate 18 different community development and community service programs into a single block grant housed in the Commerce Department. The two largest sources of community development funding — the Community Development Block Grant and the Community Services Block Grant — would be among the programs folded into the new “Strengthening America’s Communities” (SAC) block grant.

Like many block grant proposals in the past, the Administration’s proposal would substantially reduce overall funding for the programs to be merged into the block grant. In 2006, the Administration proposes to fund the SAC block grant at \$3.7 billion. The programs being consolidated into this new block grant received a total of \$5.3 billion in 2005.

Over the 2006-2010 period, projected funding for the SAC block grant would fall a total of \$9.2 billion below the funding levels that the affected programs received in 2005, adjusted for inflation. The cut in 2010 alone would be \$2.1 billion, or 36 percent. (See Table 13 for state-by-state estimates of the loss in funding under this proposal.)

### **Overall Grants in Aid to State and Local Governments**

Federal funds going to states and localities are known collectively as “grants in aid” to states and localities. The individual education, human service, environmental, and community development programs discussed above all provide assistance through such grants in aid to states and localities. The cuts proposed for these programs thus constitute a reduction in overall grants in aid.

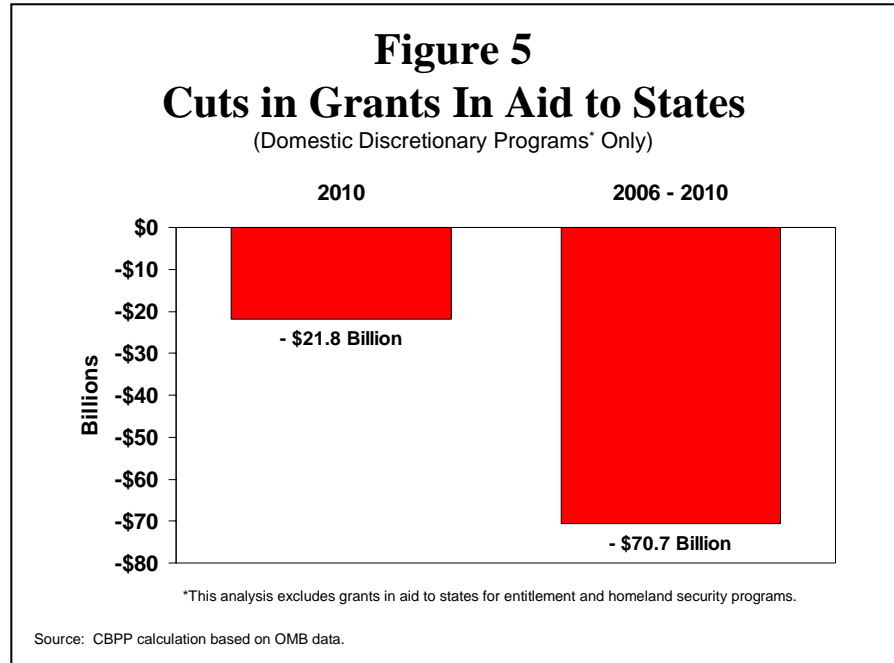
Many other federal programs not discussed here also provide funding for various public services through grants in aid to states and localities. The budget includes reductions in many of those programs, as well.

Under the budget, grants in aid to states and localities from domestic discretionary programs would be cut by a total of \$5.9 billion, or 3.6 percent, in 2006 alone.<sup>13</sup> One-third of the proposed cut in overall domestic discretionary funding in 2006 would come from cuts to programs that provide funding to states and localities. This is not surprising, since grants in aid to states and localities constitute about 40 percent of total domestic discretionary funding in 2005.

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<sup>13</sup> In 2006, overall grants in aid to states and localities — including both domestic discretionary programs, homeland security funding, and entitlement programs but excluding Medicaid — would fall by \$10.7 billion as compared to 2005 levels adjusted for inflation. See “Deep Cuts in Federal Grants in FY 2006 Budget Will Squeeze States And Localities,” by Iris Lav, Center on Budget and Policy Priorities, February 2005. <http://www.cbpp.org/2-7-05sfp.htm>.

States are ill-prepared to absorb such cuts. For example, at least 26 states must close deficits as they enact their fiscal 2006 budgets. Shortfalls in these states are projected to amount to at least \$32 billion, averaging roughly eight percent of state general fund expenditures. States already face tough choices about how to balance their budgets. Federal funding cuts will force states to choose between additional reductions in programs and services and raising additional revenue.



As noted earlier, the cuts in domestic discretionary programs would grow substantially larger over time and amount to \$214 billion over the 2006-2010 period. If, as would be the case in 2006, one-third of the reductions in domestic discretionary programs in years after 2006 came from cuts in grants in aid to states and localities, then states and localities would lose a total of \$70 billion over the 2006-2010 period under the Administration’s budget. In 2010 alone, the cuts in discretionary grants in aid to states and localities would reach \$22 billion.

Cuts of this magnitude — coming in education, human services, environmental protection, and community development programs, as well as in transportation and health care — would leave states few easy options. Over the next five years, states are likely to struggle with the rising costs of health care in our society, as reflected in their employee health costs and in Medicaid and other health-related programs. There also is substantial pressure in many states to improve their education systems. Faced with such cuts in federal aid on top of these internal pressures, many states would need to cut public services significantly, raise taxes to make up for the federal funding reductions, or do both.

### III. State-by-State Tables

The following provide estimates of the cuts in the programs discussed above, with the exception of the State and Tribal Assistance Grants in the Environmental Protection Agency.



**WHERE WOULD THE CUTS BE MADE UNDER THE PRESIDENT'S BUDGET?  
State Data**

Table 1  
**Elementary and Secondary Education**

*Includes Education for the Disadvantaged, Impact Aid, School Improvement funding,  
and Special Education (including special education for preschoolers and infants)*

(in millions)

State	Projected Cuts in 2010	Total Projected Cuts 2006 - 2010
<b>U.S. Total</b>	<b>-\$4,564.3</b> <b>-12%</b>	<b>-\$11,544.8</b>
Alabama	-\$68.9	-\$174.8
Alaska	-\$35.7	-\$102.3
Arizona	-\$103.2	-\$264.3
Arkansas	-\$43.9	-\$110.4
California	-\$523.8	-\$1,219.8
Colorado	-\$55.0	-\$146.5
Connecticut	-\$46.2	-\$123.4
Delaware	-\$14.9	-\$40.6
District of Columbia	-\$13.0	-\$30.0
Florida	-\$222.2	-\$565.2
Georgia	-\$126.5	-\$308.0
Hawaii	-\$26.8	-\$73.6
Idaho	-\$21.7	-\$59.3
Illinois	-\$187.7	-\$477.1
Indiana	-\$80.8	-\$220.4
Iowa	-\$38.1	-\$108.7
Kansas	-\$41.1	-\$111.1
Kentucky	-\$63.6	-\$159.4
Louisiana	-\$84.3	-\$203.6
Maine	-\$21.9	-\$59.2
Maryland	-\$69.1	-\$183.0
Massachusetts	-\$92.1	-\$243.6
Michigan	-\$149.7	-\$379.5
Minnesota	-\$62.2	-\$176.2
Mississippi	-\$53.5	-\$131.5
Missouri	-\$82.6	-\$219.5
Montana	-\$25.7	-\$72.1
Nebraska	-\$30.4	-\$85.0
Nevada	-\$25.3	-\$65.4
New Hampshire	-\$18.2	-\$51.9

## Elementary and Secondary Education

*Includes Education for the Disadvantaged, Impact Aid, School Improvement funding,  
and Special Education (including special education for preschoolers and infants)*

(in millions)

State	Projected Cuts in 2010	Total Projected Cuts 2006 - 2010
New Jersey	-\$118.4	-\$318.6
New Mexico	-\$52.7	-\$140.4
New York	-\$329.9	-\$764.6
North Carolina	-\$112.4	-\$291.7
North Dakota	-\$18.9	-\$53.0
Ohio	-\$152.3	-\$401.1
Oklahoma	-\$63.2	-\$169.0
Oregon	-\$47.4	-\$120.3
Pennsylvania	-\$159.2	-\$399.0
Rhode Island	-\$18.7	-\$49.1
South Carolina	-\$63.3	-\$161.1
South Dakota	-\$23.3	-\$65.5
Tennessee	-\$80.5	-\$211.4
Texas	-\$385.6	-\$942.9
Utah	-\$34.8	-\$99.3
Vermont	-\$13.2	-\$35.9
Virginia	-\$99.5	-\$269.0
Washington	-\$86.8	-\$233.3
West Virginia	-\$32.1	-\$79.2
Wisconsin	-\$73.0	-\$197.8
Wyoming	-\$15.2	-\$41.8

### Technical Notes

This table shows projected cuts in four major education accounts: Education for the Disadvantaged (900), Special Education (300), Impact Aid (102), and School Improvement (300). Each of these accounts is in subfunction 501. Cuts for three of these four accounts are broken out separately below: Education for the Disadvantaged (Table 2), Special Education (Table 3), and School Improvement (Table 4).

Cuts are measured relative to the Office of Management and Budget (OMB) baseline for this account. That baseline reflects the 2005 funding level adjusted only for inflation. U.S. total figures include cuts attributed to U.S. territories.

**WHERE WOULD THE CUTS BE MADE UNDER THE PRESIDENT'S BUDGET?**  
**State Data**

Table 2  
**Education for the Disadvantaged**

*Education for the Disadvantaged programs constitute one component of the larger group of programs found in Table 1 (Elementary and Secondary Education)*

(in millions)

<b>State</b>	<b>Projected Cuts in 2010</b>	<b>Total Projected Increase in Funding 2006 - 2010</b>
<b>U.S. Total</b>	<b>-\$867.6 -5%</b>	<b>\$807.5</b>
Alabama	-\$13.2	\$12.3
Alaska	-\$2.6	\$2.5
Arizona	-\$17.0	\$15.8
Arkansas	-\$8.6	\$8.0
California	-\$125.1	\$116.5
Colorado	-\$8.7	\$8.1
Connecticut	-\$7.2	\$6.7
Delaware	-\$2.3	\$2.1
District of Columbia	-\$3.2	\$3.0
Florida	-\$41.8	\$38.9
Georgia	-\$27.0	\$25.1
Hawaii	-\$3.2	\$2.9
Idaho	-\$3.1	\$2.9
Illinois	-\$35.4	\$32.9
Indiana	-\$11.7	\$10.9
Iowa	-\$4.4	\$4.1
Kansas	-\$6.0	\$5.6
Kentucky	-\$12.7	\$11.8
Louisiana	-\$18.6	\$17.3
Maine	-\$3.3	\$3.1
Maryland	-\$11.3	\$10.5
Massachusetts	-\$15.1	\$14.1
Michigan	-\$28.7	\$26.7
Minnesota	-\$7.3	\$6.8
Mississippi	-\$11.3	\$10.5
Missouri	-\$13.2	\$12.3
Montana	-\$2.8	\$2.6
Nebraska	-\$3.7	\$3.4
Nevada	-\$4.5	\$4.2
New Hampshire	-\$2.2	\$2.0

## Education for the Disadvantaged

*Education for the Disadvantaged programs constitute one component of the larger group of programs found in Table 1 (Elementary and Secondary Education)*

(in millions)

State	Projected Cuts in 2010	Total Projected Increase in Funding 2006 - 2010
New Jersey	-\$17.9	\$16.7
New Mexico	-\$7.3	\$6.8
New York	-\$80.2	\$74.7
North Carolina	-\$19.6	\$18.3
North Dakota	-\$2.2	\$2.0
Ohio	-\$25.6	\$23.8
Oklahoma	-\$9.5	\$8.8
Oregon	-\$9.0	\$8.4
Pennsylvania	-\$31.6	\$29.4
Rhode Island	-\$3.2	\$3.0
South Carolina	-\$11.9	\$11.1
South Dakota	-\$2.4	\$2.3
Tennessee	-\$13.6	\$12.7
Texas	-\$81.1	\$75.5
Utah	-\$3.9	\$3.6
Vermont	-\$2.0	\$1.9
Virginia	-\$14.4	\$13.4
Washington	-\$12.7	\$11.8
West Virginia	-\$6.7	\$6.3
Wisconsin	-\$10.8	\$10.0
Wyoming	-\$2.1	\$1.9

### Technical Notes

*Education for the Disadvantaged* is account 900 in the Elementary, Secondary and Vocational Education subfunction (501). This account includes funding under Title I of the Elementary and Secondary Education Act for schools in low-income communities as well as several smaller funding streams: Reading First, Even Start, Title I Comprehensive School Reform, State Agency Program - Migrant, and State Agency Program - Neglected and Delinquent.

Cuts are measured relative to the Office of Management and Budget (OMB) baseline for this account. That baseline reflects the 2005 funding level adjusted only for inflation. To determine the projected level of cuts each state would face, this analysis assumed that the cuts would be proportionate to each state's 2005 funding under the Education for the Disadvantaged account. When determining the estimated cuts to states from reductions in overall funding for Education for the Disadvantaged, this analysis assumed that a small proportion of the cuts (less than 1%) in this account would not be borne by states. This percentage was calculated by determining the proportion of 2005 funding that was not provided to states and localities. U.S. total figures include cuts attributed to U.S. territories.

**WHERE WOULD THE CUTS BE MADE UNDER THE PRESIDENT'S BUDGET?**  
**State Data**

Table 3  
**Special Education Programs**

*Special Education programs constitute one component of the larger group of programs found in Table 1 (Elementary and Secondary Education)*

(in millions)

<b>State</b>	<b>Projected Cuts in 2010</b>	<b>Total Projected Cuts 2006 - 2010</b>
<b>U.S. Total</b>	<b>-\$2,295.8</b> <b>-18%</b>	<b>-\$7,599.4</b>
Alabama	-\$36.1	-\$119.6
Alaska	-\$7.2	-\$23.9
Arizona	-\$35.6	-\$118.0
Arkansas	-\$22.7	-\$75.1
California	-\$246.5	-\$815.8
Colorado	-\$30.1	-\$99.6
Connecticut	-\$26.5	-\$87.9
Delaware	-\$6.7	-\$22.1
District of Columbia	-\$3.5	-\$11.6
Florida	-\$125.1	-\$414.1
Georgia	-\$62.3	-\$206.2
Hawaii	-\$8.1	-\$26.7
Idaho	-\$11.0	-\$36.3
Illinois	-\$101.3	-\$335.5
Indiana	-\$51.0	-\$169.0
Iowa	-\$24.2	-\$80.2
Kansas	-\$21.5	-\$71.2
Kentucky	-\$32.5	-\$107.6
Louisiana	-\$37.8	-\$125.3
Maine	-\$11.1	-\$36.8
Maryland	-\$40.1	-\$132.6
Massachusetts	-\$56.4	-\$186.6
Michigan	-\$79.6	-\$263.4
Minnesota	-\$38.1	-\$126.1
Mississippi	-\$23.8	-\$78.9
Missouri	-\$45.0	-\$148.8
Montana	-\$7.5	-\$24.8
Nebraska	-\$14.8	-\$49.1
Nevada	-\$13.4	-\$44.5
New Hampshire	-\$9.6	-\$31.6

## Special Education Programs

*Special Education programs constitute one component of the larger group of programs found in Table 1 (Elementary and Secondary Education)*

(in millions)

State	Projected Cuts in 2010	Total Projected Cuts 2006 - 2010
New Jersey	-\$71.8	-\$237.6
New Mexico	-\$18.1	-\$60.0
New York	-\$152.9	-\$506.2
North Carolina	-\$62.9	-\$208.1
North Dakota	-\$5.5	-\$18.1
Ohio	-\$86.9	-\$287.6
Oklahoma	-\$29.2	-\$96.8
Oregon	-\$25.6	-\$84.9
Pennsylvania	-\$85.1	-\$281.6
Rhode Island	-\$8.9	-\$29.4
South Carolina	-\$35.1	-\$116.3
South Dakota	-\$6.5	-\$21.6
Tennessee	-\$46.3	-\$153.3
Texas	-\$191.3	-\$633.3
Utah	-\$21.5	-\$71.2
Vermont	-\$5.3	-\$17.5
Virginia	-\$56.2	-\$186.1
Washington	-\$44.4	-\$146.8
West Virginia	-\$15.2	-\$50.4
Wisconsin	-\$42.0	-\$138.9
Wyoming	-\$5.6	-\$18.4

### Technical Notes

*Special Education* is account 300 in the subfunction (501). This account includes funding for special education grants (K-12), special education preschool grants, and grants for infants and families.

Cuts are measured relative to the Office of Management and Budget (OMB) baseline for this account. That baseline reflects the 2005 funding level adjusted only for inflation. To determine the projected level of cuts each state would face, this analysis assumed that the cuts would be proportionate to each state's 2005 funding under the major funding streams included in this account which represent 98 percent of total 2005 funding under this account. When determining the estimated cuts to states from reductions in overall funding for Special Education, this analysis assumed that a small proportion of the cuts (less than 1%) in this account would not be borne by states. This percentage was calculated by determining the proportion of 2005 funding that was not provided to states and localities. U.S. total figures include cuts attributed to U.S. territories.

**WHERE WOULD THE CUTS BE MADE UNDER THE PRESIDENT'S BUDGET?**  
**State Data**

Table 4  
**School Improvement Programs**

*School Improvement programs constitute one component of the larger group of programs found in Table 1 (Elementary and Secondary Education)*

(in millions)

<b>State</b>	<b>Projected Cuts in 2010</b>	<b>Total Projected Cuts 2006 - 2010</b>
<b>U.S. Total</b>	<b>-\$1,187.0</b> <b>-19%</b>	<b>-\$4,102.7</b>
Alabama	-\$18.9	-\$65.3
Alaska	-\$5.9	-\$20.5
Arizona	-\$20.5	-\$70.7
Arkansas	-\$12.4	-\$42.9
California	-\$138.6	-\$478.9
Colorado	-\$13.1	-\$45.2
Connecticut	-\$10.8	-\$37.5
Delaware	-\$5.9	-\$20.5
District of Columbia	-\$5.8	-\$20.1
Florida	-\$52.8	-\$182.4
Georgia	-\$33.2	-\$114.7
Hawaii	-\$6.0	-\$20.6
Idaho	-\$6.3	-\$21.6
Illinois	-\$47.1	-\$162.9
Indiana	-\$18.0	-\$62.3
Iowa	-\$9.3	-\$32.3
Kansas	-\$9.6	-\$33.3
Kentucky	-\$18.3	-\$63.2
Louisiana	-\$26.0	-\$89.8
Maine	-\$7.0	-\$24.1
Maryland	-\$16.3	-\$56.3
Massachusetts	-\$20.4	-\$70.5
Michigan	-\$40.6	-\$140.2
Minnesota	-\$14.1	-\$48.7
Mississippi	-\$17.5	-\$60.6
Missouri	-\$20.5	-\$70.9
Montana	-\$7.3	-\$25.2
Nebraska	-\$8.0	-\$27.5
Nevada	-\$6.6	-\$22.8
New Hampshire	-\$6.4	-\$22.3

## School Improvement Programs

*School Improvement programs constitute one component of the larger group of programs found in Table 1 (Elementary and Secondary Education)*

(in millions)

State	Projected Cuts in 2010	Total Projected Cuts 2006 - 2010
New Jersey	-\$25.4	-\$87.9
New Mexico	-\$10.4	-\$35.8
New York	-\$93.5	-\$323.3
North Carolina	-\$26.6	-\$92.0
North Dakota	-\$6.0	-\$20.9
Ohio	-\$39.2	-\$135.3
Oklahoma	-\$16.1	-\$55.5
Oregon	-\$12.1	-\$41.7
Pennsylvania	-\$42.2	-\$145.9
Rhode Island	-\$6.0	-\$20.6
South Carolina	-\$15.6	-\$53.7
South Dakota	-\$6.1	-\$21.2
Tennessee	-\$20.0	-\$69.0
Texas	-\$98.1	-\$339.2
Utah	-\$7.5	-\$25.9
Vermont	-\$5.9	-\$20.3
Virginia	-\$20.5	-\$70.8
Washington	-\$18.6	-\$64.2
West Virginia	-\$10.1	-\$35.0
Wisconsin	-\$17.8	-\$61.4
Wyoming	-\$5.8	-\$20.2

### Technical Notes

*School Improvement* is account 1000 in the Elementary, Secondary and Vocational Education subfunction (501). This account includes several funding streams designed to help improve school quality, including Teacher Quality State Grants, Educational Technology Grants, funding for school assessments, funding directed to small and rural schools and 21st Century Learning Center funding (which provides funding for before and after-school enrichment programs in schools in low-income communities).

Cuts are measured relative to the Office of Management and Budget (OMB) baseline for this account. That baseline reflects the 2005 funding level adjusted only for inflation. To determine the projected level of cuts each state would face, this analysis assumed that the cuts would be proportionate to each state's 2005 funding under the major funding streams included in this account which represent 89 percent of total 2005 funding under this account. When determining the estimated cuts to states from reductions in overall funding for School Improvement, this analysis assumed that a small proportion of the cuts (less than 1%) in this account would not be borne by states. This percentage was calculated by determining the proportion of 2005 funding that was not provided to states and localities. U.S. total figures include cuts attributed to U.S. territories.



**WHERE WOULD THE CUTS BE MADE UNDER THE PRESIDENT'S BUDGET?**  
**State Data**

Table 5  
**Vocational and Adult Education**  
 (in millions)

State	Projected Cuts in 2010	Total Projected Cuts 2006 - 2010
<b>U.S. Total</b>	<b>-\$1,275.0</b> <b>-58%</b>	<b>-\$5,855.1</b>
Alabama	-\$21.7	-\$99.5
Alaska	-\$3.9	-\$17.7
Arizona	-\$24.6	-\$113.1
Arkansas	-\$13.3	-\$61.3
California	-\$151.1	-\$694.1
Colorado	-\$16.0	-\$73.6
Connecticut	-\$11.5	-\$52.7
Delaware	-\$4.7	-\$21.6
District of Columbia	-\$4.1	-\$19.0
Florida	-\$69.9	-\$321.0
Georgia	-\$37.8	-\$173.7
Hawaii	-\$5.9	-\$27.2
Idaho	-\$6.6	-\$30.2
Illinois	-\$49.5	-\$227.5
Indiana	-\$26.6	-\$122.1
Iowa	-\$12.5	-\$57.6
Kansas	-\$11.5	-\$52.8
Kentucky	-\$19.8	-\$91.1
Louisiana	-\$23.0	-\$105.7
Maine	-\$5.7	-\$26.3
Maryland	-\$19.0	-\$87.2
Massachusetts	-\$21.1	-\$96.8
Michigan	-\$40.7	-\$187.1
Minnesota	-\$18.6	-\$85.5
Mississippi	-\$15.0	-\$68.8
Missouri	-\$24.5	-\$112.7
Montana	-\$5.1	-\$23.3
Nebraska	-\$7.4	-\$33.8
Nevada	-\$8.8	-\$40.6
New Hampshire	-\$5.6	-\$25.8

## Vocational and Adult Education

(in millions)

State	Projected Cuts in 2010	Total Projected Cuts 2006 - 2010
New Jersey	-\$29.9	-\$137.2
New Mexico	-\$9.5	-\$43.6
New York	-\$73.3	-\$336.6
North Carolina	-\$36.1	-\$165.9
North Dakota	-\$3.9	-\$18.1
Ohio	-\$47.0	-\$215.8
Oklahoma	-\$16.5	-\$75.6
Oregon	-\$14.7	-\$67.3
Pennsylvania	-\$48.6	-\$223.4
Rhode Island	-\$5.9	-\$27.2
South Carolina	-\$19.6	-\$90.0
South Dakota	-\$4.2	-\$19.5
Tennessee	-\$26.0	-\$119.4
Texas	-\$102.8	-\$472.1
Utah	-\$11.7	-\$53.9
Vermont	-\$3.8	-\$17.6
Virginia	-\$28.5	-\$130.9
Washington	-\$23.1	-\$106.1
West Virginia	-\$9.0	-\$41.5
Wisconsin	-\$22.3	-\$102.3
Wyoming	-\$3.7	-\$16.9

**Technical Notes**

*Vocational and Adult Education* is account 400 in subfunction (501). This account includes funding for vocational education, adult education, English literacy and civics education, and Technical Preparation State Grants.

Cuts are measured relative to the Office of Management and Budget (OMB) baseline for this account. That baseline reflects the 2005 funding level adjusted only for inflation. To determine the projected level of cuts each state would face, this analysis assumed that the cuts would be proportionate to each state's 2005 funding under the major funding streams included in this account which represent 89 percent of total 2005 funding under this account. When determining the estimated cuts to states from reductions in overall funding for Vocational and Adult education, this analysis assumed that a small proportion of the cuts (less than 1%) in this account would not be borne by states. This percentage was calculated by determining the proportion of 2005 funding that was not provided to states and localities. U.S. total figures include cuts attributed to U.S. territories.

**WHERE WOULD THE CUTS BE MADE UNDER THE PRESIDENT'S BUDGET?  
State Data**

Table 6  
**Special Supplemental Nutrition Program  
For Women, Infants, and Children**  
(in millions)

<b>State</b>	<b>Projected Cuts 2010</b>	<b>Projected Cuts 2006 - 2010</b>	<b>Projected Loss In Number Of Recipients 2010</b>
<b>U.S. Total</b>	<b>-\$470.2 -8%</b>	<b>-\$657.5</b>	<b>-670,000</b>
Alabama	-\$7.5	-\$10.5	-10,200
Alaska	-\$2.0	-\$2.9	-2,300
Arizona	-\$11.3	-\$15.7	-12,900
Arkansas	-\$5.3	-\$7.5	-7,600
California	-\$81.0	-\$113.3	-109,700
Colorado	-\$4.8	-\$6.6	-7,100
Connecticut	-\$3.3	-\$4.6	-4,400
Delaware	-\$1.0	-\$1.4	-1,600
District of Columbia	-\$1.2	-\$1.7	-1,400
Florida	-\$22.2	-\$31.0	-31,700
Georgia	-\$14.6	-\$20.4	-22,100
Hawaii	-\$2.8	-\$3.9	-2,800
Idaho	-\$1.9	-\$2.7	-3,100
Illinois	-\$17.0	-\$23.7	-23,400
Indiana	-\$7.1	-\$9.9	-11,100
Iowa	-\$3.7	-\$5.1	-5,600
Kansas	-\$3.7	-\$5.2	-5,400
Kentucky	-\$6.8	-\$9.6	-9,900
Louisiana	-\$8.7	-\$12.2	-12,000
Maine	-\$1.2	-\$1.6	-1,900
Maryland	-\$5.9	-\$8.3	-9,100
Massachusetts	-\$6.3	-\$8.8	-9,800
Michigan	-\$12.0	-\$16.7	-18,800
Minnesota	-\$6.3	-\$8.8	-9,900
Mississippi	-\$6.0	-\$8.4	-8,700
Missouri	-\$7.3	-\$10.3	-11,300
Montana	-\$1.3	-\$1.9	-1,800
Nebraska	-\$2.3	-\$3.2	-3,300
Nevada	-\$2.7	-\$3.7	-3,800
New Hampshire	-\$1.0	-\$1.3	-1,400

**Special Supplemental Nutrition Program  
For Women, Infants, and Children**  
(in millions)

State	Projected Cuts 2010	Projected Cuts 2006 - 2010	Projected Loss In Number Of Recipients 2010
New Jersey	-\$8.6	-\$12.0	-12,200
New Mexico	-\$3.8	-\$5.4	-5,100
New York	-\$31.3	-\$43.8	-40,100
North Carolina	-\$12.9	-\$18.1	-18,500
North Dakota	-\$1.0	-\$1.4	-1,100
Ohio	-\$14.5	-\$20.2	-22,700
Oklahoma	-\$6.3	-\$8.9	-7,900
Oregon	-\$6.0	-\$8.4	-8,500
Pennsylvania	-\$12.8	-\$17.9	-20,400
Rhode Island	-\$1.4	-\$1.9	-1,900
South Carolina	-\$5.9	-\$8.3	-9,100
South Dakota	-\$1.4	-\$1.9	-1,700
Tennessee	-\$9.4	-\$13.2	-13,200
Texas	-\$45.2	-\$63.3	-73,600
Utah	-\$3.3	-\$4.6	-5,700
Vermont	-\$1.1	-\$1.5	-1,400
Virginia	-\$7.3	-\$10.2	-11,200
Washington	-\$10.0	-\$14.0	-13,500
West Virginia	-\$3.0	-\$4.2	-4,300
Wisconsin	-\$6.1	-\$8.5	-9,400
Wyoming	-\$0.7	-\$1.0	-1,000

**Technical Notes**

The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) is account 3501 in subfunction (605).

Cuts are measured relative to the Office of Management and Budget (OMB) baseline for this account. The baseline for fiscal year 2005 was adjusted downward because contingency funds were provided in fiscal year 2005 that will not need to be provided in future years. The adjusted fiscal year 2005 baseline was inflated for subsequent years by the same factor used in the unadjusted OMB baseline. To determine the projected level of cuts each state would face, this analysis assumed that the cuts would be proportionate to each state's 2004 funding level. This table illustrates the loss in the number of individuals who could receive WIC benefits if the cut in 2010 were achieved by reducing the number of households receiving assistance. This calculation was done by computing a reduction of 8.2 percent in the number of WIC participants compared to the estimated level for 2005. U.S. total figures include cuts attributed to U.S. territories and tribal organizations.

**WHERE WOULD THE CUTS BE MADE UNDER THE PRESIDENT'S BUDGET?  
State Data**

Table 7  
Children and Family Services  
Includes Head Start and Services for Abused and Neglected Children  
(in millions)

State	Projected Cuts in 2010	Total Projected Cuts 2006 - 2010	Projected Loss In Number of Head Start Participants in 2010
<b>U.S. Total</b>	<b>-\$1,143.9</b> <b>-13%</b>	<b>-\$3,310.9</b>	<b>-118,000</b>
Alabama	-\$18.5	-\$53.6	-2,100
Alaska	-\$2.1	-\$6.1	-200
Arizona	-\$18.0	-\$52.1	-1,700
Arkansas	-\$11.2	-\$32.5	-1,400
California	-\$143.5	-\$415.3	-12,900
Colorado	-\$12.0	-\$34.7	-1,300
Connecticut	-\$9.0	-\$25.9	-900
Delaware	-\$2.3	-\$6.6	-300
District of Columbia	-\$4.2	-\$12.2	-400
Florida	-\$46.2	-\$133.6	-4,600
Georgia	-\$29.5	-\$85.3	-3,100
Hawaii	-\$4.0	-\$11.6	-400
Idaho	-\$4.0	-\$11.7	-400
Illinois	-\$46.6	-\$135.0	-5,200
Indiana	-\$17.0	-\$49.3	-1,900
Iowa	-\$9.1	-\$26.2	-1,000
Kansas	-\$8.9	-\$25.9	-1,000
Kentucky	-\$18.6	-\$53.9	-2,100
Louisiana	-\$25.1	-\$72.7	-2,900
Maine	-\$4.8	-\$13.9	-500
Maryland	-\$13.7	-\$39.7	-1,300
Massachusetts	-\$18.7	-\$54.0	-1,700
Michigan	-\$40.5	-\$117.3	-4,600
Minnesota	-\$12.6	-\$36.6	-1,300
Mississippi	-\$27.4	-\$79.4	-3,500
Missouri	-\$20.7	-\$59.9	-2,300
Montana	-\$3.6	-\$10.5	-400
Nebraska	-\$6.3	-\$18.2	-700
Nevada	-\$4.3	-\$12.6	-400
New Hampshire	-\$2.4	-\$7.0	-200

**Children and Family Services**  
**Includes Head Start and Services for Abused and Neglected Children**  
(in millions)

State	Projected Cuts in 2010	Total Projected Cuts 2006 - 2010	Projected Loss In Number of Head Start Participants in 2010
New Jersey	-\$22.4	-\$64.8	-2,000
New Mexico	-\$9.0	-\$26.0	-1,000
New York	-\$74.5	-\$215.5	-6,400
North Carolina	-\$24.8	-\$71.7	-2,500
North Dakota	-\$3.0	-\$8.6	-300
Ohio	-\$42.8	-\$123.9	-5,000
Oklahoma	-\$13.8	-\$40.0	-1,800
Oregon	-\$10.4	-\$30.2	-1,100
Pennsylvania	-\$39.7	-\$114.9	-4,000
Rhode Island	-\$3.8	-\$11.1	-400
South Carolina	-\$14.4	-\$41.8	-1,600
South Dakota	-\$3.2	-\$9.4	-400
Tennessee	-\$20.8	-\$60.2	-2,100
Texas	-\$83.5	-\$241.7	-8,800
Utah	-\$6.8	-\$19.7	-700
Vermont	-\$2.4	-\$6.8	-200
Virginia	-\$17.5	-\$50.7	-1,800
Washington	-\$17.7	-\$51.2	-1,400
West Virginia	-\$8.7	-\$25.3	-1,000
Wisconsin	-\$15.9	-\$46.1	-1,800
Wyoming	-\$2.1	-\$6.2	-200

**Technical Notes**

*Children and Family Services* is account 1536 in subfunction (506) and includes funding for Head Start and services for abused and neglected children or children at risk for abuse or neglect as well as several smaller funding streams. In addition, under current law, this account includes the Community Services Block Grant and several smaller community development programs. Under the President's budget proposals, these grants would be consolidated along with other community development funding into a new block grant in the Department of Commerce. Thus, the community development funding is excluded from the analysis of this account. See Table 12 for projected cuts in community development funding under the President's consolidation proposal.

Cuts are measured relative to the Office of Management and Budget (OMB) baseline for this account. That baseline reflects the 2005 funding level adjusted only for inflation. To determine the projected level of cuts each state would face in this account, this analysis assumed that the cuts would be proportionate to each state's 2005 funding under the major funding streams included in this account which represent 87 percent of funding under this account. When determining the estimated cuts to states from reductions in overall funding for Children and Family Services, this analysis assumed that a small proportion of the cuts (about 5 percent) in this account would not be borne by states. This percentage was calculated by determining the proportion of 2005 funding that was not provided to states and localities.

This table illustrates the loss in the number of children who could participate in Head Start. These estimates were calculated by assuming that Head Start funding would be cut in 2010 by the same proportion as the overall account (13 percent). State estimates were computed by calculating a 13 percent reduction in the number of children participating in Head Start based on the number participating in September 2004. U.S. total figures include cuts attributed to U.S. territories.

WHERE WOULD THE CUTS BE MADE UNDER THE PRESIDENT'S BUDGET?  
State Data

Table 8  
**Projected Loss In Number Of Families  
Receiving Rental Assistance Vouchers in 2010**

State	
<b>U.S. Total</b>	<b>-370,000</b>
Alabama	-5,200
Alaska	-700
Arizona	-3,600
Arkansas	-4,000
California	-52,900
Colorado	-4,900
Connecticut	-6,100
Delaware	-800
District of Columbia	-2,000
Florida	-15,900
Georgia	-8,700
Hawaii	-2,200
Idaho	-1,100
Illinois	-15,900
Indiana	-6,600
Iowa	-3,800
Kansas	-2,000
Kentucky	-5,600
Louisiana	-6,800
Maine	-2,200
Maryland	-7,900
Massachusetts	-12,600
Michigan	-8,600
Minnesota	-5,400
Mississippi	-3,200
Missouri	-7,100
Montana	-1,000
Nebraska	-2,000
Nevada	-2,100
New Hampshire	-1,600

## Projected Loss In Number Of Families Receiving Rental Assistance Vouchers in 2010

<b>State</b>	
New Jersey	-11,500
New Mexico	-2,400
New York	-36,300
North Carolina	-9,800
North Dakota	-1,300
Ohio	-15,500
Oklahoma	-4,000
Oregon	-5,600
Pennsylvania	-14,600
Rhode Island	-1,700
South Carolina	-4,200
South Dakota	-1,000
Tennessee	-5,500
Texas	-25,000
Utah	-1,800
Vermont	-1,000
Virginia	-7,800
Washington	-8,000
West Virginia	-2,600
Wisconsin	-4,900
Wyoming	-400

### **Technical Notes**

Cuts for this program are not measured relative to the OMB baseline because that baseline significantly understates the amount needed in 2010 to provide the same number of vouchers as in 2005. The OMB baseline — as called for in the standard baseline rules — projects future funding for this program by starting with the net funding for the program in 2005 and adjusting that amount by a standard measure of inflation (the GDP price index). But, in this instance, the standard baseline rules lead to a significant understatement of the amounts needed to maintain current services in future years. The net funding for the housing voucher program in 2005 was artificially low because it includes a \$1.6 billion offset from rescissions of unused prior year funds (similar rescissions are not expected in 2010). And, according to the Congressional Budget Office, the cost of providing each voucher is expected to rise somewhat faster than the increase in the GDP price index over the next five years, primarily because of the growing gap between market rents and the incomes of low-income families.

We estimated the amount needed to provide the same number of vouchers in 2010 as in 2005 by calculating the cost of each voucher in 2005, adjusting that by CBO's estimate of the growth in the cost of providing each voucher, and multiplying the inflated amount by the number of vouchers in 2005. We then compared the projected funding for housing vouchers in 2010 in the President's budget with this estimate of the amount needed to fund the 2005 number of vouchers in 2010.



WHERE WOULD THE CUTS BE MADE UNDER THE PRESIDENT'S BUDGET?  
State Data

Table 9  
**Projected Loss In Number Of Children Served  
By Child Care Assistance in 2009**

State	
<b>U.S. Total</b>	<b>-300,000</b>
Alabama	-5,400
Alaska	-800
Arizona	-4,800
Arkansas	-1,700
California	-29,600
Colorado	-3,100
Connecticut	-2,000
Delaware	-1,400
District of Columbia	-2,300
Florida	-22,600
Georgia	-8,200
Hawaii	-1,800
Idaho	-1,100
Illinois	-23,000
Indiana	-4,600
Iowa	-2,000
Kansas	-2,100
Kentucky	-5,800
Louisiana	-7,500
Maine	-800
Maryland	-4,300
Massachusetts	-6,200
Michigan	-16,500
Minnesota	-5,000
Mississippi	-3,500
Missouri	-6,100
Montana	-700
Nebraska	-1,600
Nevada	-900
New Hampshire	-1,000

## Projected Loss In Number Of Children Served By Child Care Assistance in 2009

### State

New Jersey	-5,200
New Mexico	-2,900
New York	-19,900
North Carolina	-14,400
North Dakota	-800
Ohio	-12,600
Oklahoma	-4,200
Oregon	-3,400
Pennsylvania	-9,900
Rhode Island	-1,400
South Carolina	-3,200
South Dakota	-600
Tennessee	-7,800
Texas	-15,900
Utah	-1,300
Vermont	-600
Virginia	-3,400
Washington	-8,700
West Virginia	-1,900
Wisconsin	-4,500
Wyoming	-700

#### Technical Notes

This table shows projected cuts in the number of children receiving child care assistance in 2009. These estimates were calculated by the Center for Law and Social Policy (CLASP) with consultation from the Center on Budget and Policy Priorities. Child care assistance includes assistance funded with the Child Care and Development Fund (CCDF), the Temporary Assistance for Needy Families (TANF) block grant funds, and funds from the Social Services Block Grant (SSBG). The CCDF includes both discretionary and mandatory funding while TANF and SSBG are mandatory programs.

The estimate that 300,000 children fewer children will receive child care assistance in 2009 as compared to 2004 was computed by the Administration and is published in their budget documents. This analysis assumed that each state's share of the total loss in child care slots would equal each state's share of all U.S. children receiving child care assistance in 2003. Figures on the number of children receiving child care assistance are available for CCDF, but not for TANF and SSBG. CLASP estimated the total number of assisted children in 2003, nationally and by state, as follows: They calculated the cost per assisted child in CCDF funded child care in 2003 using HHS data on participation and expenditures. They summed total child care expenditures by state using the CCDF spending data plus expenditures for TANF child care in 2003 and SSBG child care (derived as each state's total SSBG expenditures times percent of SSBG spent on child care). They used SSBG spending data for 2002 because 2003 data are not yet available. In calculating both total spending and costs per child, both federal and state funds were included. CLASP applied the same unit cost to all funding streams. The actual distribution of the 300,000 children could differ from these estimates based on changes in the formula allocation of federal funding as well as state policy choices regarding eligibility requirements, co-payments, reimbursement rates, and the use of TANF funds for child care.

**WHERE WOULD THE CUTS BE MADE UNDER THE PRESIDENT'S BUDGET?  
State Data**

Table 10  
**Low Income Home Energy Assistance**  
(in millions)

<b>State</b>	<b>Projected Cuts in 2010</b>	<b>Total Projected Cuts 2006 - 2010</b>	<b>Projected Loss In Number Of Recipients in 2010</b>
<b>U.S. Total</b>	<b>-\$165.2 -8%</b>	<b>-\$219.0</b>	<b>-360,000</b>
Alabama	-\$1.4	-\$1.9	-5,500
Alaska	-\$0.9	-\$1.2	-500
Arizona	-\$0.7	-\$0.9	-1,800
Arkansas	-\$1.1	-\$1.4	-3,800
California	-\$7.6	-\$10.1	-8,800
Colorado	-\$2.7	-\$3.5	-5,200
Connecticut	-\$3.5	-\$4.6	-5,400
Delaware	-\$0.5	-\$0.6	-1,100
District of Columbia	-\$0.5	-\$0.7	-1,200
Florida	-\$2.2	-\$3.0	-5,600
Georgia	-\$1.8	-\$2.4	-4,700
Hawaii	-\$0.2	-\$0.2	-400
Idaho	-\$1.0	-\$1.4	-2,200
Illinois	-\$9.6	-\$12.7	-12,700
Indiana	-\$4.3	-\$5.8	-11,400
Iowa	-\$3.1	-\$4.1	-5,100
Kansas	-\$1.4	-\$1.9	-2,100
Kentucky	-\$2.3	-\$3.0	-12,000
Louisiana	-\$1.5	-\$1.9	-4,200
Maine	-\$2.2	-\$3.0	-3,200
Maryland	-\$2.7	-\$3.5	-4,100
Massachusetts	-\$6.9	-\$9.2	-8,900
Michigan	-\$9.1	-\$12.1	-21,500
Minnesota	-\$6.6	-\$8.7	-8,400
Mississippi	-\$1.2	-\$1.6	-2,900
Missouri	-\$3.8	-\$5.1	-8,900
Montana	-\$1.2	-\$1.6	-1,100
Nebraska	-\$1.5	-\$2.0	-3,900
Nevada	-\$0.3	-\$0.4	-1,800
New Hampshire	-\$1.3	-\$1.7	-1,800

## Low Income Home Energy Assistance (in millions)

State	Projected Cuts in 2010	Total Projected Cuts 2006 - 2010	Projected Loss In Number Of Recipients in 2010
New Jersey	-\$6.4	-\$8.5	-10,100
New Mexico	-\$0.9	-\$1.1	-2,500
New York	-\$21.0	-\$27.9	-56,000
North Carolina	-\$3.1	-\$4.2	-14,100
North Dakota	-\$1.3	-\$1.8	-1,000
Ohio	-\$8.5	-\$11.3	-26,600
Oklahoma	-\$1.3	-\$1.7	-6,000
Oregon	-\$2.1	-\$2.7	-3,900
Pennsylvania	-\$11.3	-\$15.0	-32,200
Rhode Island	-\$1.1	-\$1.5	-1,700
South Carolina	-\$1.1	-\$1.5	-3,500
South Dakota	-\$1.1	-\$1.4	-1,000
Tennessee	-\$2.3	-\$3.0	-5,700
Texas	-\$3.7	-\$5.0	-3,900
Utah	-\$1.2	-\$1.6	-2,100
Vermont	-\$1.0	-\$1.3	-1,500
Virginia	-\$3.2	-\$4.3	-7,500
Washington	-\$3.4	-\$4.5	-3,800
West Virginia	-\$1.5	-\$2.0	-3,700
Wisconsin	-\$5.9	-\$7.8	-8,400
Wyoming	-\$0.5	-\$0.7	-600

**Technical Notes**

The *Low Income Home Energy Assistance Program* is account 1509 in subfunction (609).

Cuts are measured relative to the Office of Management and Budget (OMB) baseline for this account. That baseline reflects the 2005 funding level adjusted only for inflation. To determine the projected level of cuts each state would face, this analysis assumed that the cuts would be proportionate to each state's 2004 gross funding level, before tribal set-asides. This table illustrates the loss in the number of households that could receive LIHEAP assistance if the cut in 2010 was achieved solely by reducing the number of households receiving assistance, not by reducing the average benefit level. This calculation was done by computing an 8 percent reduction in the number of LIHEAP participants compared to 2004 levels.

**WHERE WOULD THE CUTS BE MADE UNDER THE PRESIDENT'S BUDGET?  
State Data**

Table 11  
**Ryan White HIV/AIDS Funding  
(Titles I and II only)**  
(in millions)

<b>State</b>	<b>Projected Cuts 2010</b>	<b>Projected Cuts 2006 - 2010</b>
<b>U.S. Total</b>	<b>-\$191.4 -10%</b>	<b>-\$550.3</b>
Alabama	-\$1.3	-\$3.8
Alaska	-\$0.1	-\$0.3
Arizona	-\$2.2	-\$6.2
Arkansas	-\$0.6	-\$1.7
California	-\$26.3	-\$75.7
Colorado	-\$1.4	-\$4.2
Connecticut	-\$3.2	-\$9.1
Delaware	-\$0.6	-\$1.8
District of Columbia	-\$5.3	-\$15.3
Florida	-\$21.5	-\$61.9
Georgia	-\$6.1	-\$17.5
Hawaii	-\$0.4	-\$1.1
Idaho	-\$0.1	-\$0.3
Illinois	-\$7.1	-\$20.4
Indiana	-\$1.3	-\$3.9
Iowa	-\$0.2	-\$0.7
Kansas	-\$0.4	-\$1.0
Kentucky	-\$0.8	-\$2.3
Louisiana	-\$3.3	-\$9.5
Maine	-\$0.2	-\$0.5
Maryland	-\$6.4	-\$18.4
Massachusetts	-\$4.1	-\$11.9
Michigan	-\$2.8	-\$8.1
Minnesota	-\$0.8	-\$2.4
Mississippi	-\$1.1	-\$3.2
Missouri	-\$2.1	-\$6.0
Montana	-\$0.1	-\$0.3
Nebraska	-\$0.2	-\$0.6
Nevada	-\$1.3	-\$3.7
New Hampshire	-\$0.1	-\$0.4

**Ryan White HIV/AIDS Funding  
(Titles I and II only)**  
(in millions)

New Jersey	-\$9.1	-\$26.1
New Mexico	-\$0.4	-\$1.1
New York	-\$35.2	-\$101.1
North Carolina	-\$2.5	-\$7.2
North Dakota	\$0.0	-\$0.1
Ohio	-\$2.4	-\$6.9
Oklahoma	-\$0.7	-\$2.0
Oregon	-\$1.1	-\$3.2
Pennsylvania	-\$7.4	-\$21.2
Rhode Island	-\$0.4	-\$1.1
South Carolina	-\$2.3	-\$6.5
South Dakota	-\$0.1	-\$0.2
Tennessee	-\$2.5	-\$7.2
Texas	-\$13.3	-\$38.3
Utah	-\$0.4	-\$1.1
Vermont	-\$0.1	-\$0.3
Virginia	-\$3.0	-\$8.7
Washington	-\$2.0	-\$5.7
West Virginia	-\$0.2	-\$0.7
Wisconsin	-\$0.6	-\$1.8
Wyoming	\$0.0	-\$0.1

**Technical Notes**

The *Ryan White HIV/AIDS* program is part of the Health Resources and Services Administration account (350) in the health care services subfunction (551). Ryan White HIV/AIDS includes two funding streams that are awarded to states and cities on a formula basis and several additional funding streams that are awarded as competitive grants to service providers. This table provides estimates of the cuts in the two funding streams awarded on a formula basis to states and cities. In 2004, these two sets of formula grants constituted 83 percent of total Ryan White HIV/AIDS funding. This analysis assumed that these two sets of formula grants would absorb 83 percent of the projected cut to overall Ryan White HIV/AIDS funding.

Cuts in overall Ryan White HIV/AIDS funding were measured relative to the Office of Management and Budget (OMB) baseline for this program. That baseline reflects the 2005 funding level adjusted only for inflation. To determine the projected level of cuts each state would face, this analysis assumed that the cuts would be proportionate to each state's 2004 funding level, including funding provided to cities within states.

**WHERE WOULD THE CUTS BE MADE UNDER THE PRESIDENT'S BUDGET?  
State Data**

Table 12  
**Projected Funding Cuts Under President's  
 Proposed "Strengthening America's  
 Communities" Block Grant**  
 (in millions)

State	Projected Cuts in 2010	Total Projected Cuts 2006 - 2010
<b>U.S. Total</b>	<b>-\$2,120.6</b> <b>-36%</b>	<b>-\$9,225.8</b>
Alabama	-\$28.6	-\$124.6
Alaska	-\$3.3	-\$14.4
Arizona	-\$32.5	-\$141.5
Arkansas	-\$16.9	-\$73.3
California	-\$260.7	-\$1,134.2
Colorado	-\$21.8	-\$94.9
Connecticut	-\$23.3	-\$101.2
Delaware	-\$4.9	-\$21.3
District of Columbia	-\$13.6	-\$59.2
Florida	-\$90.1	-\$392.0
Georgia	-\$48.7	-\$211.9
Hawaii	-\$8.8	-\$38.2
Idaho	-\$7.2	-\$31.3
Illinois	-\$102.8	-\$447.2
Indiana	-\$38.5	-\$167.4
Iowa	-\$23.2	-\$100.7
Kansas	-\$16.0	-\$69.6
Kentucky	-\$26.5	-\$115.1
Louisiana	-\$37.2	-\$162.0
Maine	-\$11.2	-\$48.9
Maryland	-\$30.7	-\$133.5
Massachusetts	-\$64.3	-\$279.7
Michigan	-\$73.7	-\$320.5
Minnesota	-\$33.4	-\$145.5
Mississippi	-\$21.5	-\$93.6
Missouri	-\$41.7	-\$181.6
Montana	-\$5.7	-\$24.8
Nebraska	-\$12.3	-\$53.5
Nevada	-\$14.6	-\$63.7
New Hampshire	-\$7.7	-\$33.7

**Projected Funding Cuts Under President's  
Proposed "Strengthening America's  
Communities" Block Grant  
(in millions)**

State	Projected Cuts in 2010	Total Projected Cuts 2006 - 2010
New Jersey	-\$64.3	-\$279.7
New Mexico	-\$11.6	-\$50.4
New York	-\$197.8	-\$860.4
North Carolina	-\$47.8	-\$208.1
North Dakota	-\$4.4	-\$19.1
Ohio	-\$90.7	-\$394.8
Oklahoma	-\$18.5	-\$80.4
Oregon	-\$23.5	-\$102.3
Pennsylvania	-\$121.3	-\$527.7
Rhode Island	-\$9.7	-\$42.3
South Carolina	-\$23.2	-\$100.9
South Dakota	-\$5.1	-\$22.1
Tennessee	-\$29.9	-\$130.3
Texas	-\$136.2	-\$592.4
Utah	-\$12.6	-\$55.0
Vermont	-\$5.4	-\$23.6
Virginia	-\$34.2	-\$148.7
Washington	-\$38.3	-\$166.8
West Virginia	-\$16.5	-\$71.7
Wisconsin	-\$36.7	-\$159.6
Wyoming	-\$3.5	-\$15.0

**Technical Notes**

The President's budget includes a proposal to consolidate 18 community development funding streams into a single block grant called "Strengthening America's Communities" or SAC. The two largest programs being consolidated into this new SAC block grant are the Community Development Block Grant (CDBG) and the Community Services Block Grant (CSBG). The new SAC block grant would be administered by the Commerce Department.

Cuts are measured relative to the Office of Management and Budget (OMB) baseline for this account. That baseline reflects the 2005 funding level adjusted only for inflation. To estimate the cuts from this proposal, we projected the funding level for the new SAC block grant by assuming that it would remain the same proportion of its subfunction (452) as it was in 2006. We then compared this funding level to the level of funding for the 18 programs that would be consolidated into the new SAC under the OMB baseline (that is, the cost of these programs in 2005, adjusted for inflation).

To determine the projected level of cuts by state, this analysis assumed that the cuts would be distributed in proportion to the funding received by states under the two major programs being folded into the new SAC - CSBG and CDBG. These two programs represent 85 percent of the 2005 funding for all of the programs that would be consolidated under the President's proposal. U.S. total figures include cuts attributed to U.S. territories.



**WHERE WOULD THE CUTS BE MADE UNDER THE PRESIDENT'S BUDGET?  
State Data**

Table 13  
**Projected Loss in Grants in Aid to States and Localities**  
(in millions)

State	Projected Cuts in 2010	Total Projected Cuts 2006 - 2010
<b>U.S. Total</b>	<b>-\$21,793.1</b>	<b>-\$70,661.6</b>
Alabama	-\$325.2	-\$1,054.4
Alaska	-\$130.0	-\$421.5
Arizona	-\$348.3	-\$1,129.2
Arkansas	-\$204.9	-\$664.3
California	-\$3,094.8	-\$10,034.5
Colorado	-\$254.1	-\$823.8
Connecticut	-\$262.6	-\$851.5
Delaware	-\$60.8	-\$197.1
District of Columbia	-\$102.3	-\$331.6
Florida	-\$997.3	-\$3,233.5
Georgia	-\$644.3	-\$2,089.2
Hawaii	-\$111.0	-\$359.9
Idaho	-\$95.2	-\$308.7
Illinois	-\$904.5	-\$2,932.8
Indiana	-\$365.1	-\$1,183.7
Iowa	-\$178.1	-\$577.4
Kansas	-\$174.6	-\$566.2
Kentucky	-\$303.2	-\$983.2
Louisiana	-\$361.3	-\$1,171.4
Maine	-\$90.5	-\$293.4
Maryland	-\$353.0	-\$1,144.7
Massachusetts	-\$511.1	-\$1,657.2
Michigan	-\$678.3	-\$2,199.4
Minnesota	-\$307.2	-\$996.1
Mississippi	-\$235.4	-\$763.4
Missouri	-\$374.0	-\$1,212.7
Montana	-\$87.2	-\$282.8
Nebraska	-\$119.0	-\$385.8
Nevada	-\$133.3	-\$432.1
New Hampshire	-\$78.1	-\$253.1

## Projected Loss in Grants in Aid to States and Localities (in millions)

State	Projected Cuts in 2010	Total Projected Cuts 2006 - 2010
New Jersey	-\$601.4	-\$1,950.1
New Mexico	-\$169.7	-\$550.1
New York	-\$1,896.2	-\$6,148.3
North Carolina	-\$521.9	-\$1,692.3
North Dakota	-\$72.2	-\$234.0
Ohio	-\$793.3	-\$2,572.1
Oklahoma	-\$259.4	-\$841.2
Oregon	-\$237.3	-\$769.3
Pennsylvania	-\$938.2	-\$3,041.9
Rhode Island	-\$92.4	-\$299.6
South Carolina	-\$255.7	-\$829.0
South Dakota	-\$78.0	-\$252.8
Tennessee	-\$396.9	-\$1,287.1
Texas	-\$1,524.0	-\$4,941.4
Utah	-\$146.0	-\$473.3
Vermont	-\$62.6	-\$203.0
Virginia	-\$423.1	-\$1,371.8
Washington	-\$408.9	-\$1,325.8
West Virginia	-\$163.9	-\$531.5
Wisconsin	-\$338.7	-\$1,098.3
Wyoming	-\$62.2	-\$201.8

### Technical Notes

According to the President's budget, grants in aid to states from domestic discretionary programs would be cut by \$5.9 billion in 2006 as compared to the 2005 level adjusted for inflation. In 2006, this cut in domestic discretionary grants in aid to states constituted one-third of the total cut in domestic discretionary funding (\$18 billion).

Cuts are measured relative to the Office of Management and Budget (OMB) baseline for this account. That baseline reflects the 2005 funding level adjusted only for inflation. To estimate the cut in domestic discretionary grants in aid to states after 2007, this analysis assumed that cuts in grants in aid would remain one-third of the total cut in domestic discretionary funding. Projected cuts by state were calculated by assuming that the cuts would be distributed proportionately to overall grants in aid to states (excluding Medicaid) in 2005. (Data on the distribution of grants in aid to states for domestic discretionary programs are not available, but overall grants in aid by state excluding Medicaid can be computed). U.S. total figures include cuts attributed to U.S. territories.