



U.S. Senate Committee on Appropriations

PRESS RELEASE

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Chairman Inouye Releases Analysis of House CR Proposal

WASHINGTON, DC – Senate Appropriations Committee Chairman Daniel K. Inouye (D-Hawaii), released the following statement and additional analysis of the FY 2011 Continuing Resolution (H.R. 1) that will be considered by the House of Representatives this week:

“The impact of H.R. 1 on the ability of the federal government to perform even some of its most basic functions is, in many instances, severe. The Constitution requires of the government that it ‘...establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity...’. The House Republican proposal would undermine our ability to live up to these ideals, and do little to address the long-term fiscal challenges facing our nation.

“There is no doubt that we must find a way to reduce our deficit and put America back on the path to a balanced budget. Part of the solution will be to eliminate programs that are no longer necessary, and to improve the efficiency of those that are. But many of the reductions proposed by the House were made not because programs were ineffective or wasteful, but out of desire to meet an arbitrary dollar figure cited during a political campaign. Many of the recommendations in this bill resulted from a “meat cleaver” approach to budget cuts, when we should be using a scalpel – responsibly identifying specific programs that are wasteful or unneeded.

“And at a time when our economy is struggling to recover from the worst recession in 70 years, just the few examples listed below show that the Republican cuts will cost at least 150,000 American jobs, thus increasing the unemployment rolls, instead of decreasing them. In such difficult times, the government has a responsibility to provide basic assistance to our workers who have lost their jobs through no fault of their own, ensure that our children do not go to bed hungry, and care for our heroes returning home from the battlefield. H.R. 1 would devastate our capability to meet those needs.

“Today’s America exists in a world that is both dangerous and competitive. If our nation is to maintain its unique status on the global stage, we must ensure that our security is protected both at home and abroad, that we out-innovate our competitors, that we preserve our nation for posterity by investing in both its infrastructure and people, and that we promote its welfare by helping those in need, particularly during these difficult economic times.

“In his State of the Union address, the President spoke of the need to “Win the Future.” Innovation, infrastructure, security, and compassion for the least fortunate are essential components of this strategy. Every one of these areas will be adversely affected if the cuts proposed in H.R. 1 were to be enacted into law. We cannot win the future by gutting the very programs that make America competitive in the first place. Below are specific examples of how the cuts proposed by the House will directly impact the ability of the government to meet its most vital obligations.”

Examples of the Impact of H.R. 1 on America's Security, Infrastructure, Innovation and Social Safety Net

Protecting the Security of the American People

The federal government has no greater responsibility than protecting the lives and safety of the American people.

Protecting our Cities and Towns:

- The Republican CR cuts \$470 million (or 62 percent) from the FY 2011 Omnibus agreement for all programs funded under the COPS account. This eliminates funding for the COPS Hiring program (-\$363 million), meaning that state, local and tribal police departments will be unable to hire, train or retain roughly 1,500 officers to patrol neighborhoods or to track down and arrest child predators who stalk children on the Internet. In addition, further cuts will have to be made to grants that equip police officers with bulletproof vests; hire and equip police officers in Indian Country; and improve community policing in our neighborhoods and schools.
- At a time when Department of Homeland Security Secretary Janet Napolitano, states that the terrorist threat to the United States may be at its most "heightened state" since the Sept. 11, 2001, the House bill slashes first responder grants by 34 percent – a total of \$1.4 billion - below the FY 2010 level, and \$1.5 billion below funding in the proposed FY 2011 Omnibus bill. In order to pay for past catastrophic disasters such as Hurricanes Katrina, Gustav, and Ike, and major recent floods, the short-sighted House Republican proposal cuts the precise agencies and programs that prepare for and respond to future disasters, including cuts to the Coast Guard, FEMA, and State and local first responders and emergency managers, including:
 - Reducing transit security grants by more than 66 percent even though world-wide there were over 1,300 attacks on trains, subways, and busses over the last seven years, killing or injuring over 18,000 people;
 - Cutting port security grants by 66 percent leaving our ports vulnerable to attacks and to Mumbai style events when our ports produce over \$3 trillion of economic activity and jobs for 13 million American workers;
 - Cutting 51 percent of funding for first responder weapons of mass destruction training resulting in more than 46,000 first responders not being trained in FY 2011;
 - The elimination of the firefighter hiring program – SAFER – a program that is estimated to create or save over 2,400 jobs in FY 2010;
 - Cutting Emergency Management Performance Grants (EMPG) by 12 percent. The events surrounding Hurricanes Katrina and Rita highlighted the critical importance of effective catastrophic all-hazards planning.

Safeguarding Nuclear Weapons:

- The bill proposes to cut non-proliferation funding by nearly \$100 million below the current level which is also \$536 million below the amount proposed in the Omnibus last year.

- The U.S. would not be able to remove hundreds of kilograms of highly enriched uranium—the basic ingredient of a nuclear weapon—from unsecure facilities or facilities vulnerable to theft from several countries around the world that terrorists could use to build nuclear devices.
- The U.S. would not be able to develop and deploy technologies needed to monitor the nuclear activities of other countries and better detect nuclear weapons tests.

Countering Terrorism Abroad:

- Funding for the State Department’s operations is reduced by \$1.2 billion or 12% below FY 2010 falling far short of the amount necessary for the transition from military to civilian responsibility in Iraq and continuing State Department’s operations in Afghanistan and Pakistan. Similarly, cuts to USAID’s operations by \$121 million or 8.7% below FY10 will halt expansion of the civilian assistance component of the counter-insurgency strategy in Afghanistan and Pakistan that has been called for by U.S. military commanders. Funding for the State Department’s International Narcotics Control and Law Enforcement programs, which include the Iraqi police training program that had been a Defense Department function and is key to stability as U.S. forces withdrawal, would be cut by \$1.2 billion or 42.5% below FY10.

Investing in America’s Infrastructure

TIGER Program: The TIGER program provides grants and loans for surface transportation projects that will have a significant impact on the nation, a region, or a metropolitan area.

- The House Republican proposal would eliminate all funding for this successful program in FY 2011, cutting \$500 million of investment in our nation’s infrastructure in comparison to the Senate’s omnibus bill for FY 2011. The FY 2010 enacted level was \$600 million.
- The House proposal also would rescind all funding provided for the TIGER program for FY 2010, cutting an additional \$600 million of investment, and resulting in a total combined reduction of \$1.1 billion.
- Because the Department of Transportation has already awarded the FY 2010 funding, the House proposal will take funding away from 75 projects in 40 states across the country.
- Based on information from the Department of Transportation, cutting \$1.1 billion from the TIGER program will put 30,580 jobs at risk.

High Speed and Intercity Passenger Rail Grants: The Republican proposal would end the program and eliminate all funding for it in FY 2011, cutting \$1 billion of investment in our nation’s rail transportation network in comparison to the President’s budget request or the Senate’s omnibus bill for FY 2011.

- The House also proposes to rescind all funding provided for the program for FY 2010 and unobligated balances of funding provided in the stimulus, eliminating an additional \$6.1 billion of investment. Because the Department of Transportation has awarded the FY 2010 funding, the House proposal would take funding away from 54 projects in 23 states across the country.

- Based on information from the department, cutting \$7.1 billion from investment in our rail infrastructure would put more than 200,000 jobs at risk.

Clean Water and Drinking Water State Revolving Funds: The Clean Water and Drinking Water State Revolving Funds are formula grants to the states which capitalize low-interest and no-interest loans to our local communities to help them build and refurbish wastewater/sewer systems and drinking water systems. Most communities cannot afford these projects on their own and EPA's funding is vital if these projects are to get done.

- The House Republican proposal would cut \$1.2 billion from the Clean Water State Revolving Fund in comparison to the Senate Omnibus bill for FY 2011, and \$1.4 billion from the FY 2010 enacted level.
- This level of cut would result in 454 fewer sewer projects getting started nationwide.
- The House Republican proposal would cut \$370 million from the Drinking Water State Revolving Fund in comparison to the Senate Omnibus bill for FY 2011, and \$557 million from the FY 2010 enacted level.
- This level of cut would result in 214 fewer clean water projects getting started nationwide.
- Together, the total cut of \$1.6 billion from the Senate Omnibus bill for FY 2011 (or \$2 billion from the FY 2010 enacted level) will result in 33,600 fewer jobs.

Corps Of Engineers Programs, Projects and Activities: The Corps of Engineers PPAs provide positive economic benefits to the Nation through reduction of flood and storm damages, transportation savings, and environmental restoration.

- The House Republican proposal would cut \$415M to the programs, projects and activities of the Corps of Engineers, in comparison to the Senate Omnibus bill for FY 2011, and \$540M from the FY 2010 enacted level.
- This level of cut will cause the loss of 20,000 jobs nationwide: 5,300 well paying jobs in the private sector with an average income between \$38,000 and \$42,500; and 14,700 jobs in industries supplying the construction and operation and maintenance activities and the industries that sell goods and services to these workers and their families.

Federal Aviation Administration's NextGen Initiative: The Federal Aviation Administration's (FAA) NextGen initiative is a long-term investment in the modernization of our air traffic control system. This modernization initiative takes advantage of modern technologies such as satellite surveillance and computer networks to increase the capacity of our air transportation system, prevent flight delays, save fuel, and reduce emissions.

- The House Republican proposal would cut funding for the FAA's facilities and equipment, a critical part of the agency's NextGen initiative, by \$229 million in comparison to the Senate's omnibus for FY 2011, and \$234 million in comparison to the President's budget request.
- The House Republican proposal would create significant delays for the FAA's NextGen initiative, and put at risk the FAA's goals to reduce flight delays by 21 percent and save 1.4 billion gallons of fuel by 2018.

- Such delays would increase the cost of the FAA's NextGen investments over the long term, increasing the amount of money that taxpayers would have to pay.

Nautical Charts and High-Resolution Port Information: NOAA is responsible for providing nautical charts and high-resolution port information to American's shipping industry.

- The House Republican proposal to eliminate \$454 million from NOAA services would include at least \$28 million in funding cuts for nautical charts and ports, in comparison to the Senate Omnibus bill for FY 2011, and \$22 million from the FY 2010 enacted level. Plus any remaining contract funding to help NOAA address its survey backlog would be lost.
- This level of cut would result in no less than 500 fewer miles mapped to ensure our waterways are safe to navigate, which means several ports will not receive updated nautical charts.
- These nautical charts are critical to America's shipping industry and the transportation of billions on dollars in goods.

Construction, Management and Repair of Federal Buildings, Border Stations, and Courthouses: The GSA Federal Buildings Fund is responsible for new building construction such as border stations and courthouses, as well as property management of Federal buildings across the United States.

- The House Republican proposal would cut \$1.015 billion (or 12%) below the FY10 enacted/current CR level for the GSA Federal Buildings Fund. This is also \$1.725 billion (or 19%) below the FY11 budget request and \$1.2 billion (or 14%) below the Omnibus.

Investing in Innovation

To strengthen our economy and compete for the jobs of the future, America must invest in the basic scientific research and development that enables discovery, innovation, and new products and industries. Innovation rests on the building blocks of restoring American leadership in basic research and development, educating the next generation of innovators and world-class workforce, building infrastructure to connect people with businesses, fostering an environment to help U.S. companies be internationally competitive and supporting opportunities in national priority sectors. The House CR would stifle essential innovation in many ways, direct and indirect.

National Science Foundation:

The National Science Foundation (NSF) provides investments in basic scientific research and development that enables discovery, innovation, and new products and industries.

- The House proposal would cut funding to the NSF by \$778 million below the proposed FY2011 Omnibus level. The proposed reduction is \$359.5 million below the FY 2010 enacted level.
- This amount includes a cut of \$174 million below the proposed FY 2011 Omnibus level to the account that funds science, technology, engineering and mathematics (STEM) education, building the next generation of STEM teachers, scientists and technicians who fuel the innovation economy.

- Overall, the proposed cut to NSF will mean the Foundation makes about 1,950 fewer grants and supports 27,300 fewer scientists, students, and teachers.

Department of Energy, Office of Science and Advanced Research Projects Agency-Energy (ARPA-E):

The Office of Science is the single largest supporter of basic research in vital areas of national importance including basic energy sciences, biological sciences, environmental sciences, computational sciences, and materials and chemical sciences. ARPA-E, among other things, provides funding for transformational energy research which the market is unlikely to support due to high risk and serves as a bridge between basic energy research and developmental/industrial innovation.

- The House proposal would cut more than \$1.04 billion from the Office of Science and ARPA-E at the Department of Energy. The proposed reduction is approximately \$886 million below the FY 2010 enacted level. This cut will result in the loss of approximately 5,400 jobs.
- The nearly \$900 million cut to the Department of Energy's Office of Science proposed by the House would significantly curtail fundamental research in areas of science that are a key to our nation's prosperity and to preserving America's place as the world leader in science and technology. Dozens of experiments related to, among other things, developing biofuels, next-generation electric batteries, and materials for next generation nuclear reactors would be terminated and the U.S. would risk losing its competitive advantage relative to other countries in maintaining leadership in these fields of science. The cut would shut down or reduce operations of many Office of Science facilities that American companies rely on to develop new products, such as pharmaceutical, computer, and clean energy companies, that they need to compete in the global marketplace.
- The proposed cut to ARPA-E would curtail its ability to develop technologies that are too risky for the private sector to invest in but once commercialized, will ensure U.S. technological lead in developing and deploying advanced technologies and boost the U.S. economy.

Protecting the Most Vulnerable in Our Society

As our nation's economy struggles to recover from the worst economic crisis in generations, the House Republican proposal would inflict grave damage on programs designed to protect the most vulnerable in our society. These cuts come at the worst possible time for families who are struggling to get by, including the millions of Americans who have lost their jobs through no fault of the own.

Social Security Administration:

- The Republican proposal would force the SSA to cut more than 3,500 staff from SSA's 1,300 field offices, state disability determination services, and disability hearing offices and may ultimately result in furloughs of two to four weeks for about 50,000 Federal and state employees. As a result, the millions of Americans filing for retirement and disability benefits this year will wait longer for the benefits they've earned, backlogs of those with pending

disability claims and hearings could reach record levels, and waiting times at field offices and SSA's 1-800 number would increase dramatically.

Homeless Veterans:

- The Republican proposal would terminate a promising effort to end homelessness among veterans within five years. The Housing and Urban Development – Veterans Affairs Supportive Housing (HUD-VASH) program gives homeless veterans rental vouchers and supportive services. Just last week, HUD and the VA released a study that determined there were more than 130,000 homeless veterans in 2009. HUD-VASH is key to addressing this national tragedy and achieving the goal of ending homelessness among the nation's veterans in five years. This budget proposal undermines that goal and continues to ignore the needs of homeless veterans. By contrast, the Senate's Omnibus bill would have provided an additional \$75 million in FY 2011 to continue progress toward meeting the goal.

Head Start:

- The Republican proposal would eliminate comprehensive early childhood services for 218,000 low-income children and their families next year (a cut of over 20 percent), close over 16,000 Head Start and Early Head Start classrooms, and lay off 55,000 teachers, teacher assistants, and related staff.

Child Care:

- The Republican proposal would eliminate child care subsidies for 150,000 children compared to this year and 120,000 compared to the funding level in the Omnibus, drastically reducing the affordability and availability of quality child care for low-income families. These are families that are working, or in some cases looking for work, and that depend on those subsidies to do so.

Community Health Centers:

- The Republican proposal would eliminate funding for 127 clinics in 39 States (and two territories) and reduce services at another 1,096 Community Health Centers nation-wide. More than 2.8 million people would likely lose access to their current primary care provider and over 5,000 health center staff could lose their jobs.

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