



Bush Budget Values: The Rich Get Richer, The Rest Get Cuts

What's Happening Now

Describing the President's proposed budget, Vice President Cheney had this to say: *"[I]t is a fair, reasonable, responsible, serious piece of effort. It's not something we've done with a meat axe, nor are we suddenly turning our backs on the most needy people in our society."*

So, according to this administration, it's fair and reasonable to:

- Cut Medicaid funding by \$60 billion and take away coverage from 230,000 children.
- Cut Low Income Heating and Energy Assistance (LIHEAP) by almost \$200 million.
- Deny child care assistance to 300,000 children.
- Take food stamps benefits from as many as 300,000 people.
- Eliminate programs that support literacy, make college affordable, help public housing residents, provide food for hungry families, promote drug-free schools, reduce alcohol abuse among students, and strengthen urban and rural communities.

These are the wrong priorities. Our nation should be investing in programs that help all of us to afford the basic necessities, raise healthy children, get an education, and have a fair chance to make a decent life for ourselves and our families. Instead, this administration's budget proposal cuts billions from programs that serve children, working adults, veterans, and the elderly.

But the administration is much more generous to the wealthy. The President's budget will:

- Establish new tax-sheltered savings accounts that will almost exclusively serve families with incomes over \$100,000 a year, and will cost the nation more than \$35 billion per year when fully phased in.
- Make income tax changes that will cost \$16 billion per year when fully phased in, with 54% of the benefits going to households with incomes over \$1 million per year – and virtually none of the benefits going to families earning less than \$100,000 per year.
- Extend tax cuts from the President's first term that primarily benefit wealthy households at a cost of over \$1 trillion in the next ten years.

This is the wrong way to reduce the deficit. When President Bush took office, he inherited a budget *surplus* of well over \$200 billion. Today we have a record high *deficit* of \$427 billion. The Bush administration has spent the bulk of federal funds not on programs that help all of us, but on the war, tax cuts for the wealthy, and pet programs such as the Medicare prescription drugs benefit. The domestic programs that are on the chopping block today represent less than 20 percent of the federal budget. Even cutting them ALL wouldn't eliminate the budget deficit.

Here's What You Can Do

Time is short! Congress will be deciding what to do about the budget in the next few months. We need to let members of Congress know that the choices and values reflected in the Bush budget don't reflect what most Americans want and need.

Here's what you can do:

- Write a letter to the editor of your local newspaper.
- Send a message to your Senator and Congressperson.
- Visit your Senator and Congressperson at their home offices and tell them why you want to stop budget cuts that will hurt American families.
- Learn how the federal budget process works and how it affects you.
- Sign up to get action alerts from the Actions Speak Louder campaign.
- Post a message on the Actions Speak Louder campaign blog.
- Participate in activities taking place in your local area.
- Donate to the Actions Speak Louder campaign.