



COALITION ON HUMAN NEEDS

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New Report Shows Millions of People Would Suffer Under House Budget Plan

*Tells Congress Best Approach to Reducing the Federal Deficit
is to Protect Vulnerable Families, Promote Economic Recovery*

WASHINGTON, D.C. -- At a time when 14 million people are out of work, the House approach to the federal budget fails those who are struggling most, according to a new report by the Coalition on Human Needs for the SAVE for All campaign.

The report draws a sharp contrast between the president's budget for next fiscal year and the House plan for the remainder of this year, although it also notes serious concerns with elements of the president's budget. It shows how the proposed budget cuts would both harm individuals and damage the country's fragile economic recovery. The House plan includes the largest cuts, on an annualized basis, in domestic appropriations funding in history.

Ultimately, the biggest deficit-reduction measure is an expanding economy, with more people working and paying taxes, according to the report, [*A Better Budget for All: Saving Our Economy and Helping Those in Need.*](#)

The Coalition on Human Needs released the report to help launch the Strengthening America's Values and Economy for All Campaign, or SAVE for All. SAVE for All is supported by more than 1,000 organizations across the country.

The report reviews the biggest differences in the two approaches to the federal budget, as well as the cuts with the largest effect on vulnerable people. It also analyzes current proposals for changing the federal budget process, pointing out that all of them share a common flaw: they reject revenue increases as part of a balanced solution for reducing the federal deficit and debt. The report calls on Congress to look at the entire federal budget -- including revenues, tax loopholes, and military spending -- not just domestic annual appropriations.

"Cutting only from a portion of domestic spending that constitutes less than a fifth of our total budget simply cannot solve our federal deficit and debt, but it will cause enormous pain and cripple our economic future," said Deborah Weinstein, executive director of the Coalition on Human Needs.

According to the report, millions of people would suffer under the House of Representatives' plan for the rest of fiscal year 2011. Here's a sampling:

- 218,000 young children would not be able to receive Head Start services;
- 11 million patients would lose health care they would have received at Community Health Centers over the next year, with 3.2 million losing care in the next few months; 127 health center sites would have to

close and 7,434 jobs would be lost;

- 20 million low-income people, including 5 million children, 2.3 million seniors, and 1.7 million people with disabilities, would have access to anti-poverty services disrupted;
- 9.4 million low-income college students would lose some or all of their Pell Grants;
- More than 8 million adults and youth would lose job training and other employment services. Job training under the Workforce Investment Act would essentially be shut down until July 2012;
- 81,000 low-income people, mostly seniors and some children, will no longer receive food packages and six states would not be able to join the program after being approved to do so;
- 1.2 million poor households in public housing (two-thirds of whom are elderly or have a disability) would see maintenance and repairs on their apartments deteriorate due to cuts in the Public Housing Capital Fund;
- 10,000 people with significant long-term disabilities would lose their rental assistance; most of these would lose their homes.

The report calls for any deficit reduction plan to:

- Make major steps towards deficit reduction gradual and long-term, because the solutions will be much easier and the resulting pain much less severe if the economy is stronger;
- Not rely primarily on cuts in domestic appropriations, which are not the cause of the ballooning federal deficit;
- Include equitable revenue increases;
- Reduce wasteful spending;
- Protect low-income people from harm.

"Just as federal investments following World War II paved the way for the largest middle-class expansion in history and made it possible to pay off the huge post-war deficit, the best way to recover from the Great Recession is to make strategic investments that will spur job creation, build a stronger economy, and allow for a more rapid reduction of the deficit" Weinstein said.

To read the complete report, click [here](#) or visit www.chn.org.

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