

A BETTER BUDGET FOR ALL:

***Saving Our Economy and Helping
Those in Need.***

A report by the Coalition on Human
Needs for **SAVE for All**
February 25, 2011



MONICA MILLS

Monica Mills is the
Director of Government
Relations at Bread for the
World. She will act as
moderator for today's
webinar.



STAN GREENBERG

Dr. Greenberg is Chairman and CEO of Greenberg Quinlan Rosner, a preeminent public opinion research firm. He has served as polling advisor to President Clinton, Prime Minister Tony Blair, President Nelson Mandela, and other leaders in the U.S. and the world. He co-leads **Democracy Corps** with James Carville, conducting public opinion research to guide progressives seeking a more responsive Congress and presidency.



DON MATHIS

Don Mathis is President and CEO of the Community Action Partnership. Don leads an organization that represents 1,100 community action agencies nationwide. Community action agencies help lift people out of poverty, through services such as job training, Head Start, energy assistance, community economic development, and weatherization, and emergency food. Their work is being threatened by harsh proposals to cut their federal funding sources.



**DEBBIE
WEINSTEIN**

Debbie Weinstein is the Executive Director of the Coalition on Human Needs.



GREENBERG QUINLAN ROSNER RESEARCH

February 25, 2011

Winning the budget debate

Presentation for the Coalition on Human Needs

Democracy Corps



Key findings and action for budget debate

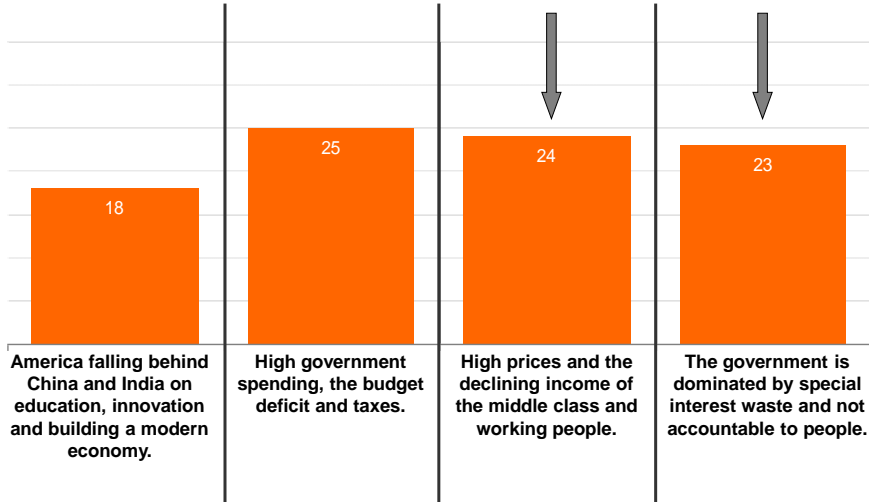
- **Improving climate creates opportunity to be heard – no longer the ugly polarized mood of 2010 – with 6 point congressional shift**
- **Must link budget to solving problems that improve the US economy – helping the middle class and eliminating special interest waste and spending**
- **While Democrats begin in a hole on the budget, the more the issue is debated, the more voters pull back from budget cuts – particularly the new Democratic base, unmarried women, younger, non-college, senior women, and suburban voters**
- **Strong messages and attacks in this survey**
- **Voters prefer a Democratic ambitious deficit reduction plan, but not when it includes Social Security reform. Social Security reform should stand on its own – disconnected from the deficit – to be more secure.**

Message To Do's

- **Clear that first priority is creating jobs and that is not the Republicans'**
- **Be serious about getting to work on deficit and spending reductions**
- **America's economic comeback requires 1) helping middle and working class get on its feet and 2) changing government.**
- **We must start with wasteful, special interest subsidies (oil and drug companies), weapons' boon-doggles and tax breaks for top 2 percent that add hundreds of billions to deficit.**
- **And in tough economic times, don't start with cutting those who can least afford it – middle class, working families with children, the poor and elderly.**
- **Focus in on the cuts in education, food safety, meals and energy for the elderly, Head Start and cuts to local government**

Most important to address to have better economy

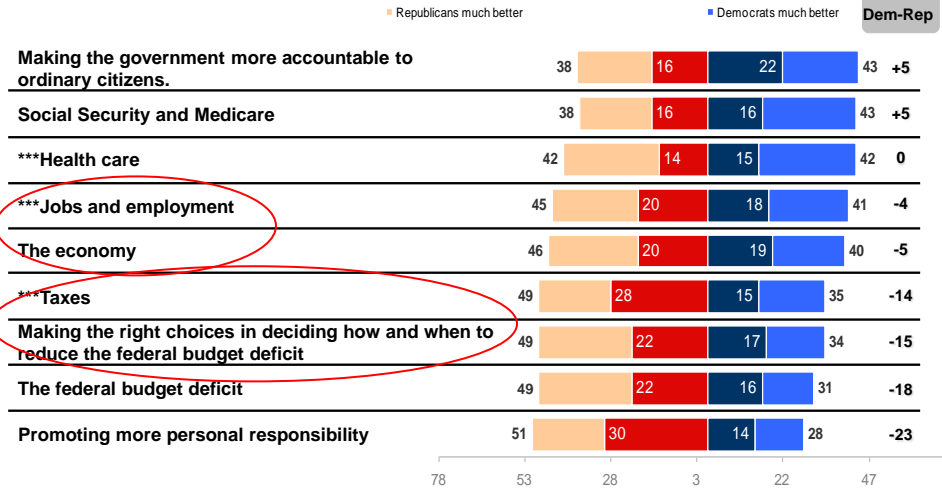
As you know unemployment is still high, but tell which ONE of the following problems is most important to address to have a better economy?



Starting in the hole

Better job on issues: Democrats still trail on economy and budget

Now I am going to ask you something different. I am going to read a list of issues and I want you to tell me whether, overall, you think the Democrats or the Republicans would do a better job with this issue. If you do not know, just tell me and we will move on to the next item.

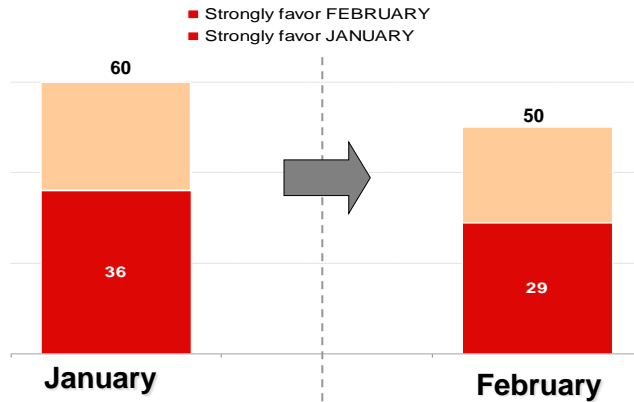


Debate moves voters away from budget cuts

Support for Republican budget cuts drops 10 points in month

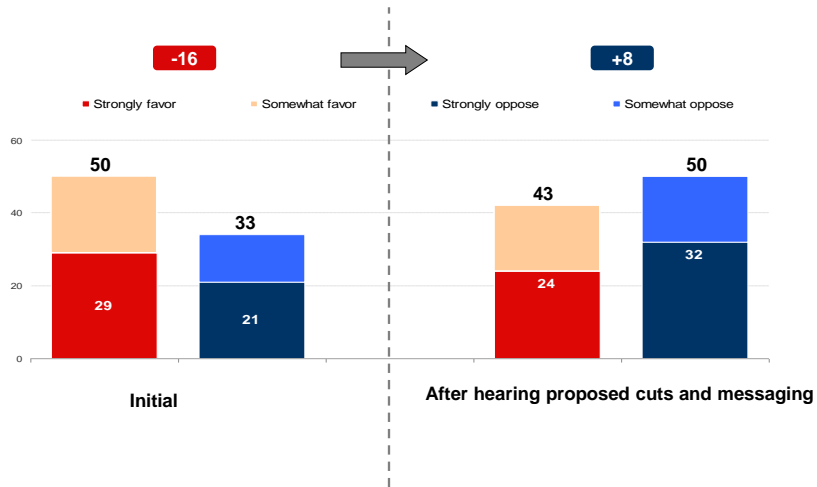
The Republicans will cut the federal government spending back to before Obama was president, which will cut one-hundred billion dollars in spending from the current year's budget alone

Let me ask something different. The Republicans in the House of Representatives will pass a budget that cuts 32 billion dollars from domestic programs this year. From what you know, do you favor or oppose this plan to cut spending by 32 billion dollars?



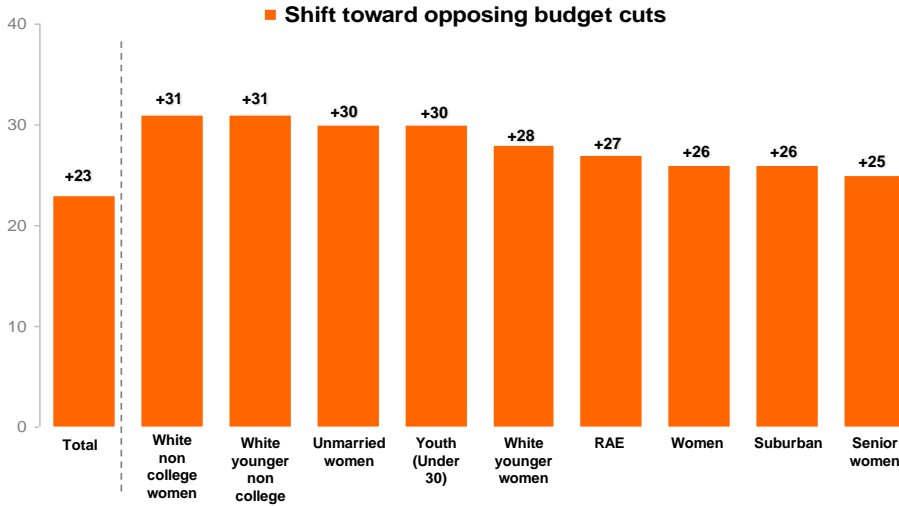
Dramatic change after hearing context (in tilted experiment)

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Budget cuts: groups shift against the cuts – RAE, young, and women

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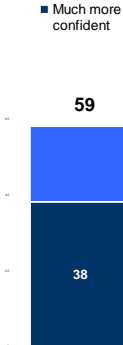
Message framework for budget debate

Reassurance messages: start with waste, ending subsidies and loopholes & streamline

Now let me read you some things that Democrats are saying on the deficit and spending. After each statement please tell me whether it makes you MUCH MORE CONFIDENT, SOMEWHAT MORE CONFIDENT, JUST A LITTLE MORE CONFIDENT, NO MORE CONFIDENT or LESS CONFIDENT in the Democrats.

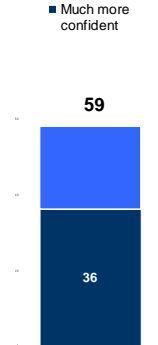
Cut waste, lose loopholes and subsidies, accountability to people

We must start by cutting wasteful and unnecessary spending, but before we cut middle class programs, we need to close tax loopholes, end subsidies for oil companies, and make government more accountable to people, not the special interests that dominate Washington.



Cut waste, streamline government

We have to cut programs that are wasteful and outdated. We should start by restructuring and streamlining government services and federal agencies to eliminate redundancy, inefficiency, and waste.

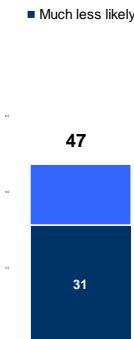


Democratic frameworks increase opposition to budget cuts

Let me read you some statements the Democrats are making about the budget cuts. After each statement please tell me whether it makes you MUCH LESS LIKELY, SOMEWHAT LESS LIKELY, JUST A LITTLE LESS LIKELY, NO LESS LIKELY or MORE LIKELY to support these budget cuts.

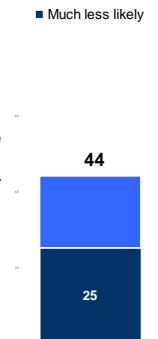
Tough economic times, don't start with those who can least afford them

In these tough economic times, these budget cuts hit those who can least afford it - working families with children and the elderly. It slashes help with childcare and Head Start, cuts scholarships to college, and cuts health care benefits for seniors.



Don't leave the breaks for top 2 percent while slashing for middle class

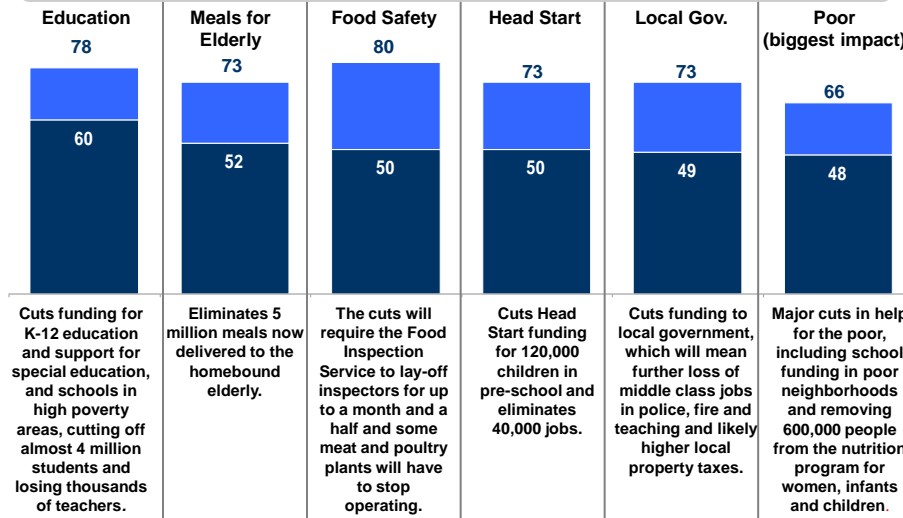
This budget maintains all the tax breaks for the top 2 percent and special deals for corporate lobbyists that increase spending and the deficit, while slashing education and student loans that help the middle class and struggling families.



The budget cuts: voters don't like them

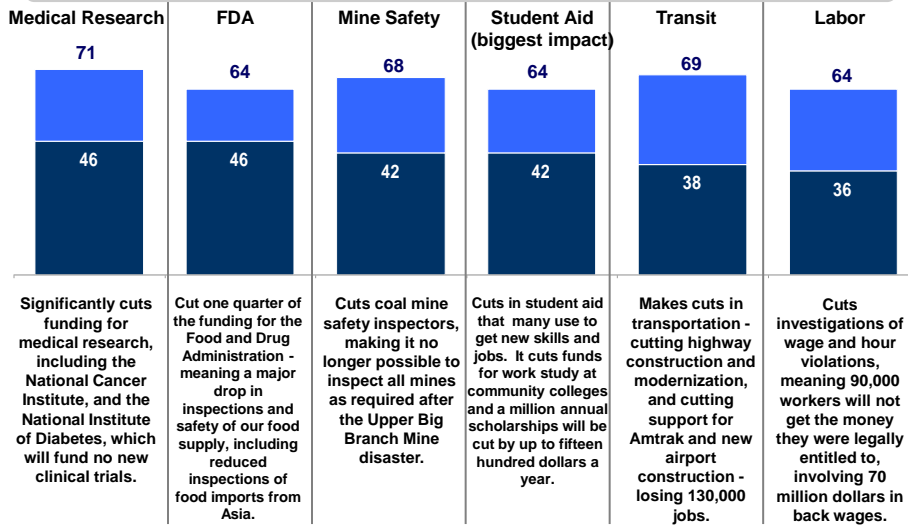
Unpopular cuts: 60 percent strongly oppose education; ½ elderly & food

Now I am going to read you some of the specific spending cuts proposed in the House Republicans' budget for this year. After I read each one, please tell me whether you favor or oppose it.



Also unpopular: medical research, FDA and student aid

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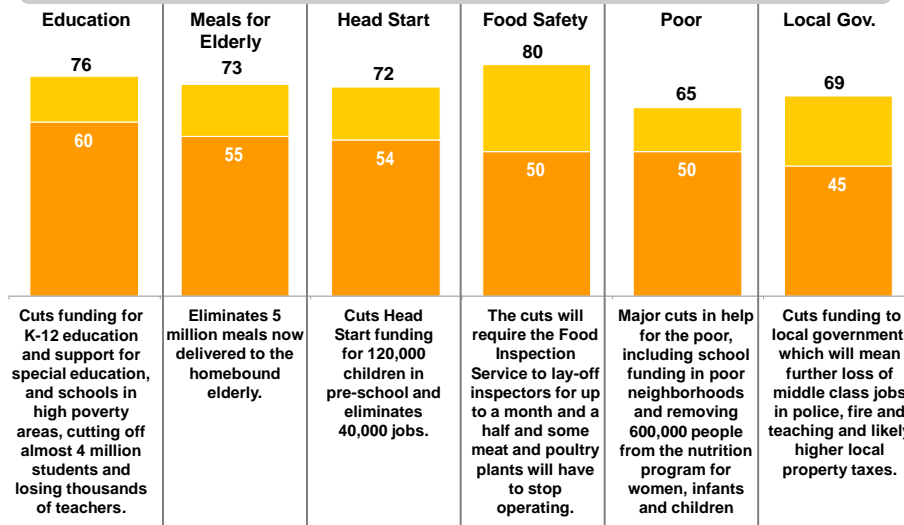


Cuts for the poor and student aid and work study has biggest impact on support for budget cuts

Effect on opposition to Republican budget						
	Odds Ratio	Std. Err.	P > z	95% conf interval.		z
It makes major cuts in help for the poor	3.851	0.899	0.000	2.437	6.085	5.770
Some of the biggest cuts are in student aid	3.696	0.903	0.000	2.290	5.967	5.350
Party ID	3.478	0.975	0.000	2.007	6.025	4.450
It cuts back the coal mine safety inspectors	1.942	0.560	0.022	1.103	3.418	2.300
R-Square = .61						

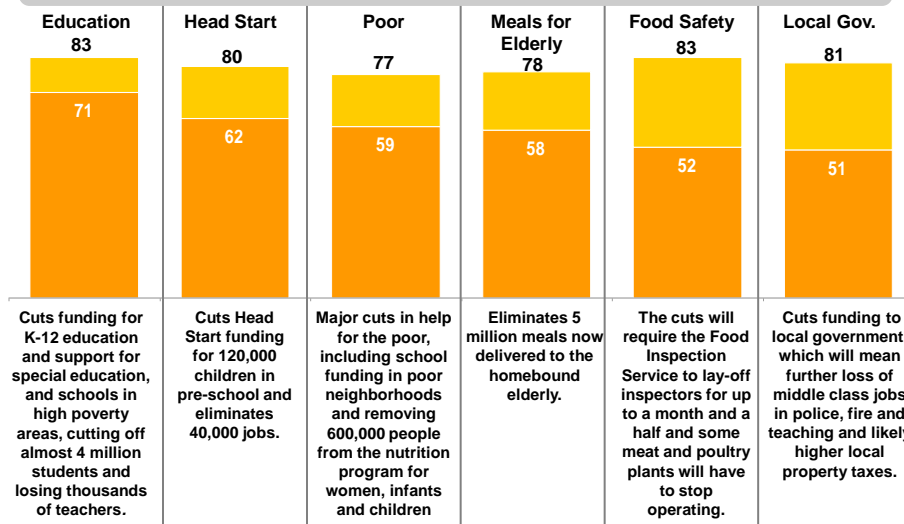
Strong opposition to cuts among Independents

Now I am going to read you some of the specific spending cuts proposed in the House Republicans' budget for this year. After I read each one, please tell me whether you favor or oppose it.



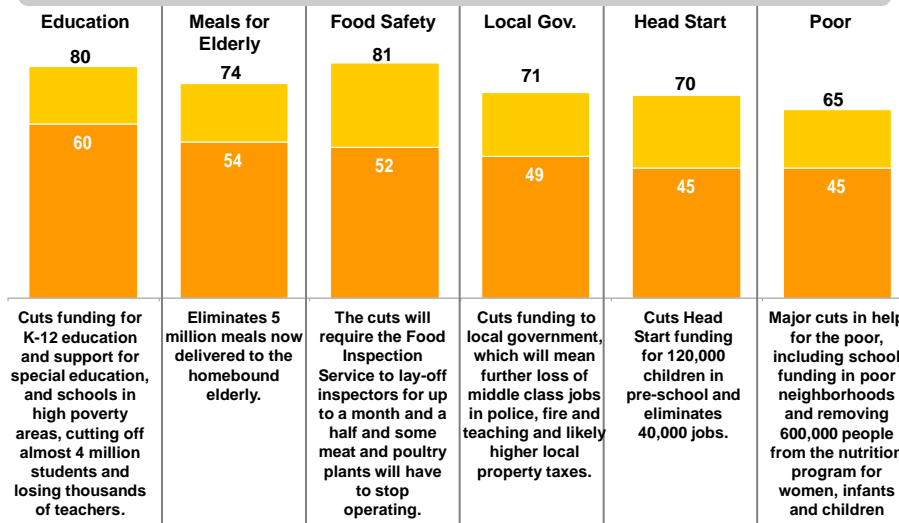
Opposition to cuts: Unmarried women

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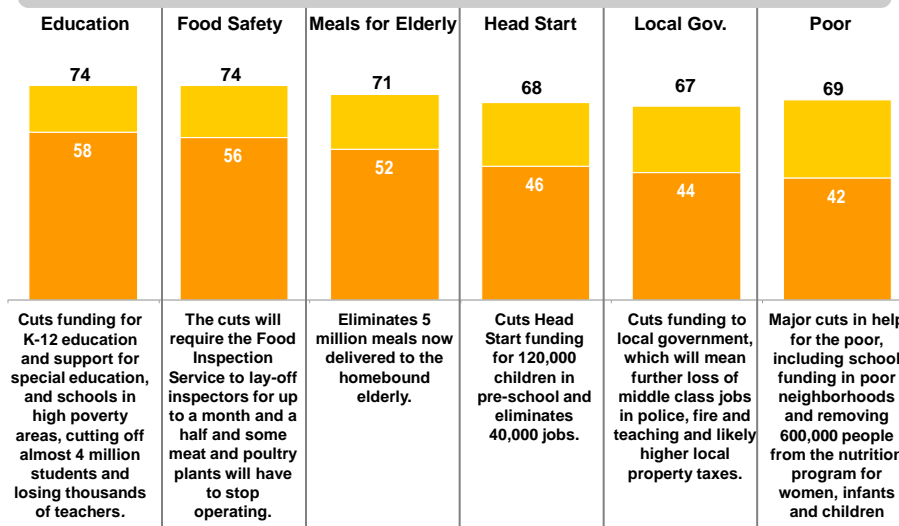
Opposition to cuts: White non-college

Now I am going to read you some of the specific spending cuts proposed in the House Republicans' budget for this year. After I read each one, please tell me whether you favor or oppose it.



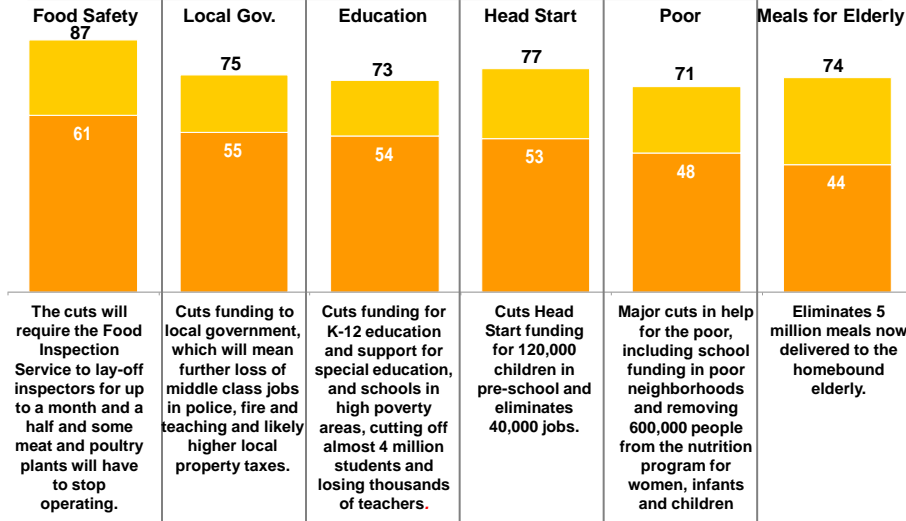
Opposition to cuts: White seniors

Now I am going to read you some of the specific spending cuts proposed in the House Republicans' budget for this year. After I read each one, please tell me whether you favor or oppose it.



Opposition to cuts: Suburban

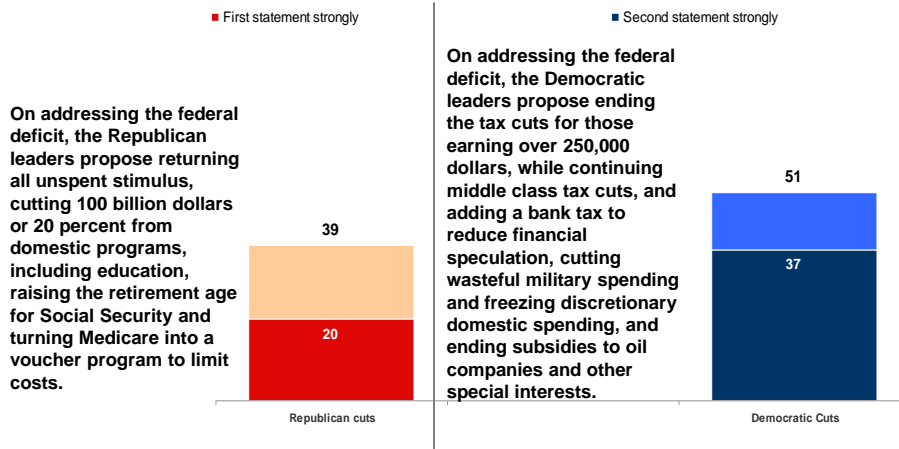
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Big choices on long-term deficit reduction

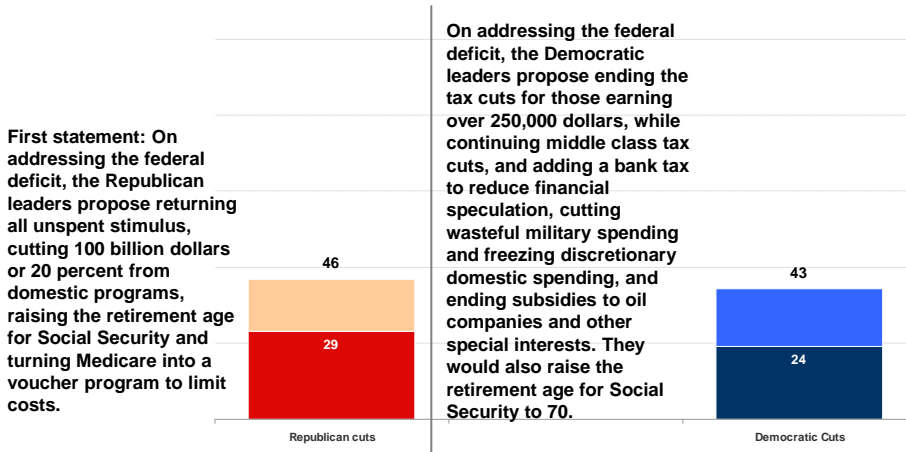
Democrats can win the big debate over long-term deficits

Now I'm going to read you some pairs of statements about Democratic and Republican policy priorities on different issues. After each pair, please tell me whether the FIRST statement or the SECOND statement comes closer to your own view, even if neither is exactly right.



But Democrats lose advantage when propose Social Security changes

Now I'm going to read you some pairs of statements about Democratic and Republican policy priorities on different issues. After each pair, please tell me whether the FIRST statement or the SECOND statement comes closer to your own view, even if neither is exactly right.



Message to do's

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Message To Do's

- Be serious about deficit and spending reductions.
- Congress should have started by attacking wasteful spending, special interest subsidies and tax breaks for oil companies and top 2 percent and ending boondoggles in the budget. But they didn't

What works the best:

"We must start by cutting wasteful and unnecessary spending, but before we cut middle class programs, we need to close tax loopholes, end subsidies for oil companies, and make government more accountable to people, not the special interests that dominate Washington."

- In these tough economic times, their priority was cutting those who can least afford it – the middle class folks trying to educate themselves, working families with children, the poor and the elderly.

What works the best:

"In these tough economic times, these budget cuts hit those who can least afford it - working families with children and the elderly." It slashes funding for K-12 education, Head Start, college aid and work study, food safety inspectors, and cuts meals on wheels and energy assistance for homebound elderly.

The cuts mostly strongly opposed by voters. In tough economic times...

(EDUCATION) It cuts funding for K-12 education and support for special education, students with disabilities and schools in high poverty areas, cutting off almost 4 million students and losing thousands of teachers. It cuts student aid and work study that many use to get new skills and jobs.

(MEALS FOR ELDERLY) It eliminates 5 million meals now delivered to the homebound elderly.

(FOOD SAFETY) The cuts will require the Food Inspection Service to lay-off all its inspectors for up to a month and a half and without inspectors, some meat and poultry plants will have to stop operating.

(HEAD START) It cuts Head Start funding for 120,000 children in pre-school and eliminates 40,000 jobs.

(LOCAL GOV) It cuts funding to local government, which will mean further loss of middle class jobs in police, fire and teaching and likely higher local property taxes.

(POOR) Major cuts in help for the poor, including school funding in poor neighborhoods and removing 600,000 people from the nutrition program for women, infants and children and cutting support for work study.

Community Services Block Grant (CSBG)

Presentation
by **Don Mathis**
President and CEO,
Community Action
Partnership



February 25, 2011

What is it?

- **The Community Services Block Grant (CSBG)**, funded through the federal Office of Community Services in the Administration for Children & Families (in HHS) is administered by the states, i.e. through the Governor's Office or her/his designated agency.
- **CSBG** funds local agencies to reduce poverty, revitalize low-income communities, and empower low-income families to become self-sufficient. The CSBG Network consists of more than 1,100 agencies that create, coordinate & deliver services in 96% of America's counties. The vast majority of these agencies are Community Action Agencies (CAAs).
- **CSBG** has 6 "national performance outcomes" that each CAA must measure and achieve. They focus on low-income program participants gaining employment, increasing & using economic assets, securing independent living for low-income, vulnerable populations, eliminating barriers to family stability, providing emergency assistance, & expanding community opportunities/resources.

Community Action Programs & Services Funded by CSBG

Energy Assistance & Emergency Fuel (LIHEAP) • Weatherization Assistance Program • Head Start/Early Head Start • Child Development & Wrap-Around Child Care • Affordable/Subsidized Housing • Emergency Shelter • Eviction Prevention & Mediation • Homeless Prevention/Rapid Rehousing • Emergency Rental/Mortgage Payment • Job Training & Counseling • Youth Employment & Training, including Summer Jobs • Adult Education, Vocation & Skills Training • Re-Entry Programs for Ex-Offenders • Children & Adult Care Feeding Programs • Food Pantries • Meals on Wheels • Asset Development • Individual Development Accounts • Financial Counseling • RSVP & Senior Volunteer Programs • Older Adult Services • Fatherhood Initiatives • Community Economic Development • Rural Economic Development • EITC Assistance • Women, Infants & Children (WIC) • SNAP/Food Stamp Outreach • Summer Feeding • AmeriCorps • VISTA • YouthBuild • Green Jobs • Microenterprise Development • Family Development Programs • Transitional Housing • Disaster Relief & Assistance • Cool Centers (hot weather areas) • Health Career Training • GED Programs • Deconstruction Programs • Recycling • Community Gardens • Obesity Prevention

Who is helped by CSBG?

In FY 2009, CSBG agencies provided services to 20.7 million low-income individuals—5 million **children**, 2.3 million **seniors**, 1.7 million **people with disabilities**, and 3.7 million **lacking health insurance**.



CSBG Budget & CR Status... or lack of status

- **Current federal funding level:** \$700 million
- **Obama FY'12 proposed level:** \$350 million (50% cut; balance "reformulated")
- **House-Passed CR:** \$305 million cut (from FY 11 balance of \$405 million)
- **House FY 12:** Undetermined, House Rs want 2006 level or less

What would a 50% cut/reformulated system mean?

- Whereas all Community Action Agencies use their federal CSBG funds to leverage other dollars and resources (avg. \$1.98 private funds per 1 fed dollar; \$3.88 in local/state \$ per 1 fed dollar--the actual cut would be closer to a 65%-70% reduction in services & programs.
- Raw math, however, suggests at least 50% reduction in services, e.g. CEDA ,the nonprofit CAA for Chicago/Cook County got 260,000 requests for LIHEAP in 2010. A 50% cut means 6 caseworkers instead of 12; about 135,000 requests could be handled.
- As home foreclosure, SNAP participation rates; housing, food & fuel costs rise monthly—and when there are 4.5 unemployed workers for every available job, a 50 % cut makes no sense.

**The Administration's
Proposed Cuts and Reform to
CSBG are
Not Based on CSBG's
Documented Good
Performance**

Understanding CSBG Accountability in the Current Political Environment

CSBG Has a Highly Effective Management and Accountability System

- The Community Action Network is funded by the Community Services Block Grant – and, unlike other block grants, has developed a highly structured management and accountability system. This system is known as ROMA (Results Oriented Management and Accountability).
- In response to the Government Performance and Results Act of 1994, when the CSBG Act was reauthorized in 1998, outcome measures were required. The outcomes are reported using the National Performance Indicators (NPIs) which provide data on success in the Six National Goals.
- ROMA is about more than reporting performance data – it is also a framework for assessment, planning, and analyzing data that helps local agencies to manage and to continually improve performance and outcomes.

PERCEPTION:

CSBG is an older program that has not changed over the last 40 years.

FACT:

CSBG is not a program. CSBG is a federal investment that creates an infrastructure able to respond locally to the national problems that cause poverty. Community needs assessments drive the response and innovation. For one community, this might mean providing job placement and retention services; for another, a community development project. In rural areas, it might mean providing access to health services or developing a rural transportation system. Most recently, in 2009 and 2010, CSBG rose to meet the challenges of the Recovery Act, and was 8th out of 200 Recovery Act programs, in jobs created and saved.

PERCEPTION:

There is a lack of oversight in CSBG.

FACT:

States monitor and provide critical oversight of local agencies. In fact, in their review of CSBG, Government Accountability Office analysts found that the states they visited *“provided oversight in addition to on-site monitoring through such activities as reviewing reports, coordinating with other federal and state programs, and providing formal training and technical assistance.”* In addition to state monitoring, local agencies are required to obtain audited financial statements. States have indicated that due to the oversight and accountability provided by them, CSBG-funded local agencies are generally stronger and healthier than average nonprofits.

PERCEPTION:

There is no competition in CSBG.

FACT:

There is competition. Although poor-performing local agencies are few, competition is used to find new agencies – in the last 5 years 17 States took action to terminate and redesignate 30 agencies. Local agencies run competitions regularly to award CSBG and other funds to the best providers. In addition, States often use CSBG discretionary funds to provide competitive grants for innovative or demonstration programs.

PERCEPTION:

There is lack of accountability in CSBG.

FACT:

There is accountability. CSBG utilizes ROMA, which is an accountability system for 1,065 local agencies. The Obama Administration favors empirical and evidence-based research. However, implementing such practices would require a major federal investment to be made in the technology and manpower needed to conduct longitudinal and site-specific studies. ROMA makes more sense because it represents a wide ranging management tool used to establish, measure, and improve current outcomes.

Strengthening America's Values and Economy for All

- *We need a strong federal government able to*
 - spur growth
 - protect people
 - provide opportunity
- *We don't need a federal government unable to*
 - alleviate inequality
 - reduce poverty
 - prevent loss of vital services

SAVE for All principles

- **Protect low- and moderate-income people** in budget and deficit reduction proposals.
- **Prevent multi-year appropriations caps** that force harsh reductions in domestic/human needs services.
- **Prevent damaging structural changes** in essential programs.
- **Reject efforts to adopt a constitutional amendment** to balance the federal budget.
- **Support deficit reduction plans** that include **additional revenues** drawn from equitable sources.
- **Oppose rules** and statutory changes **that favor tax cuts** over important domestic investments



COALITION ON HUMAN NEEDS



**A Better Budget for All:
Saving Our Economy and
Helping Those in Need**

Two Visions

President's:

- Deficit reduction
 - over 10 years
 - 2/3 spending cuts
 - 1/3 revenue increases
 - Some military cuts
 - Some investments – more education, infrastructure, jobs, health care

• *House's:*

- Deficit reduction
 - **NOW!**
 - All spending cuts
 - No revenue increases
 - Increased military spending
 - Scaling back government role

The Radical Bathtub Project:

“My goal is to cut government in half in twenty-five years, to get it down to the size where we can drown it in the bathtub.”

--Grover Norquist



On the agenda in Washington



- Deciding on spending for the rest of this year (FY11)
 - **Current spending only approved through March 4**
- A budget for next year (FY12, starting October 1)
- Raising the debt ceiling (sometime this spring)
- Medium to long-term deficit reduction plans
 - Cap spending?
 - Constitutional balanced budget amendment?

More people jobless

Mike Dean's story

- YouthBuild: **eliminated**
- Green Jobs: **eliminated**
- Career Pathways Innovation Fund: **eliminated**
- Reintegration of ex-offenders: **eliminated**
- Community Svc. Employment for Older Americans: **cut 64%**
- WIA: **wiped out for this year**

Crucial Community Services Threatened

Maureen Powers,
YWCA of
Lancaster, PA

Sexual Assault
Prevention and
Counseling Center

- Community Services Block Grant Slashed:
 - FY11 House: \$305m cut
 - FY12 President: \$350m cut
- Community Development Block Grant Slashed:
 - FY11 House: \$2.5b cut
- Youth Justice Funds slashed:
 - FY11 House: \$191m cut
 - FY12 President: \$143.5m cut

More will lose their housing

- 10,000 people with disabilities will lose their housing vouchers (out of 14,000 with vouchers now)
- 10,000 homeless veterans will not receive vouchers
- Public housing maintenance/repair cut 40% (\$1b)
- No new construction of housing for the elderly or disabled

**More will
lack
health
care**

- 11 million people will lose health care at **Community Health Centers** over the next year; 3.2m in the next few months (funding slashed almost in half)
- **Health care law** partly defunded
- Funding for Planned Parenthood **eliminated**
- Funding for Teen Pregnancy Prevention **eliminated**

**Fewer
children will
get early
learning in
House bill.**

**But
President
invests in
early
learning for
FY 2012.**

- House: 218,000 children will not receive **Head Start** (\$1b or 15% cut)
- House: 150,000 children will lose subsidized **child care**
- President: \$1.3 billion **increase for child care**: no children lose care
- President: \$866m **increase for Head Start**, Early Head Start – will serve 968,000 children
- President: new **Early Learning Challenge Fund** (\$350m)
- President: expands **Child and Dependent Care Tax Credit**

Diminished educational opportunity in House.

But President invests in education.

- House: cuts **Title I** (K-12 ed for low-income communities) by \$700m. Would affect 957,000 children; cost 9,000 jobs.
- House: 9.4m college students lose some/all of **Pell grant** (max drops from \$5,500 to \$4,705).
- President: adds \$300m to **Title I**, \$200m for **special ed**, other new funding.
- President: adds funds to keep max. **Pell grant** at \$5,500

More people will go hungry

- 81,000 people (mostly older) will lose food packages through Commodity Supplemental Food Program (out of 467,000 served)
- No money in CSFP to expand to 6 states newly approved (CT, HI, ID, MD, MA, RI)
- FEMA Emergency Food and Shelter Program: cut in half. Has served nearly 90m meals
- WIC: cut nearly \$750m – problem if food prices rise

That's not all.

There are serious proposals for:

- A constitutional amendment for a balanced federal budget
- “Cut-go”
- Multi-year spending caps on appropriations and on Medicaid and Medicare
- Automatic cuts imposed if reduction targets are not met



**IS THIS OKAY WITH
YOU?**

There are alternatives

Revenues

For example:

Cut \$2b from home energy aid and \$350m from Community Services Block Grant?

or

Reduce tax breaks to oil companies: **\$2.5 billion** (write-offs for drilling and oil well costs)

Cut Community Health Centers and job training? (\$4b combined)

or

Reduce tax breaks for offshore operations of U.S. financial companies: **\$4.1 billion**

Military Spending

The “Deficit Commission” identified about \$100 billion in wasteful military expenditures that could be cut in one year

What you need to do.

- **Orgs:** sign the **SAVE for All** statement!
- **Individuals:** contact your **Senators and Rep**
- **Share stories about what cuts will mean:**
Story map: jointly with Half in Ten <http://halfinten.org/grassroots/stories/submit/>
 - Video clips, written stories
- **We need:** spokespeople, op-ed writers, leaders who can reach key Senators/staff, participate in DC lobby visits by phone...
- **Bring or send** the SAVE for All statement and report to your Senators and Rep
- **Events, site visits**
- **Stay connected – weigh in at key moments**

Here comes a key moment...

NOW:

Senators must decide how much to compromise with the House to continue funding (or let the spending bill expire).

SOON:

The final deal over this year may become entangled in decisions on raising the debt ceiling.

Tell the Senate and the President to hold firm.

Please join the **SAVE for All** campaign

- Sign up to receive emails: www.chn.org, Stay Connected
- Please encourage your friends and colleagues to do so too.

Thanks!



COALITION ON HUMAN NEEDS