



## COALITION ON HUMAN NEEDS

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### **Sequestration Impacts: May 24 – May 31**

#### **Effects on Grants to States and Localities**

**National:** The Economic Policy Institute released a report, [\*What Do Current Federal Funding Levels in the Wake of Sequestration Mean for State Budgets?\*](#) The report shows a reduction of \$5.1 billion in grants to local and state governments because of sequestration this year, and also takes into account funding levels enacted in the full-year spending bill for FY 2013. The combined impact of sequestration and the FY 2013 spending legislation finds that Louisiana, Indiana, Maine, Connecticut and Massachusetts were the states with the largest percentage reductions compared to FY 2012. Percentage cuts for these states averaged 4.5 percent. The largest spending reductions for these states were in mandatory programs exempt from sequestration, such as the Children’s Health Insurance Program and Medicaid. In addition, the report identifies 23 percent cuts in the Juvenile Accountability Block Grant (juvenile justice funding) in each of the states) and in public works, cut 36 percent in each state.

#### **Housing and Utilities**

**Massachusetts:** Forty-three households were told by the state’s largest distributor of federal rental vouchers that they won’t be getting vouchers after all because of sequestration cuts. Some had been on a waiting list for vouchers for ten years. The Metropolitan Boston Housing Partnership would usually expect to have 120 vouchers available for new families each year, because previous voucher recipients no longer use them. The cutbacks mean that no new vouchers will be offered. Statewide, 80,000 households languish on waiting lists. The Boston Housing Authority has also stopped issuing new vouchers, and has laid off 33 staff and required 5 unpaid furlough days for remaining employees. That may not be enough to make up the \$10 million in sequester cuts so far to the BHA. In the fall, it may be necessary to take vouchers away from 10 percent of the 11,000 households now using them. “We’ve never been in this situation — we’ve never had to cut people off the program,” said Lydia Agro, spokesperson for the Boston Housing Authority, as quoted in the [\*Boston Globe\*](#) (May 26).

**Iowa:** The North Iowa Community Action Organization announced it will close 8 outreach offices from June 1 through August 15. These offices, in Garner, Forest City, Osage, Hampton, Charles City, Manly, Algona and Clarksville, take requests for home energy and weatherization assistance. People seeking help with heat or electric bills or weatherization will have to contact the central office in

Mason City.

## Public Defenders

**Washington, DC:** Santa Lopez, a federal investigator at the Washington, DC Public Defenders' office, was forced to take 6 unpaid furlough days by May 3. All the 35 staff at the Public Defenders' office in Washington went without pay for those 6 days, and will have to take at least another 9 days off by the end of September. Ms. Lopez, on the job for 19 years, continued to take calls from clients during her unpaid days. "If we don't do it, who's going to do it?" she *told* [CNN Money](#).

**Syracuse, NY:** Public defenders in this Central New York city will be forced to take 32 unpaid furlough days.

## Education

**Minnesota:** The Red Lake Independent School District, located on an Indian reservation, has relied on federal funding through the Impact Aid and Title I programs for 38 percent of the district budget. When they received a \$1.6 million sequester cut, reductions could not be postponed until the start of the new school year. The district immediately laid off 7 teachers and delayed repairs. They also cut back on security guards for the district's only high school, despite a 2005 shooting at the high school that left 10 people dead.

**New York:** Indian River, Carthage, and Watertown, whose schools have many students from military families, will average cuts worth about 20 percent of their budgets. Indian River's student body is about two-thirds related to the military; one-quarter of its budget comes from federal Impact Aid funding.

**Missouri, National:** Diana Reese wrote in the [Washington Post](#) on May 30 that her daughter was denied the \$150 - \$200 work-study job she was counting on to manage the costs at the Missouri university she attends. Nationally, the \$1.2 billion work-study program is being cut by \$49 million, which was initially estimated by the U.S. Department of Education as leading to 33,000 students being denied work-study jobs.

**Norton, Virginia:** Kids Central, a Head Start program, made its initial sequester cuts by slicing ten days off its school year and by cutting supply purchases and property maintenance.

## Unemployment and Jobs

**Missouri:** [Long-term unemployed workers](#) went without any federal Emergency Unemployment

Compensation benefits for the week that ends June 1, and will also lose all benefits for the weeks ending July 27 and September 21. While other states have made the required sequestration cuts to federal unemployment benefits by a reduction of 10.7 percent or more, Missouri has chosen to reduce spending by \$15 million by leaving people with no benefits for three weeks. According to the publication *Stateline*, 1.3 percent of Missouri's labor force was receiving federal unemployment benefits in January 2013.

**Detroit, Michigan:** Last week we incorrectly reported that Focus: HOPE, a job training program in Detroit, had indefinitely suspended [its Machinist Training Institute](#). Greg Kaufmann, in his [Sequester Watch](#) for the Moyers and Company blog, clarifies that other programs within Focus: HOPE are feeling the brunt of the sequester cuts. Their [Earn + Learn](#) program will be discontinued. It serves minority youth and adults who have been in prison or are chronically unemployed. The job training agency faces a \$800,000 funding shortfall which at this point in the year means they will be unable to train 160 people; on an annualized basis, if they cannot replace the lost funding, they will serve 250-350 fewer students. Kaufmann reports on Focus: HOPE's frustration that, just when the economy is picking up and there is more interest among Detroit employers in hiring, they are unable to help willing workers into jobs finally available because of the lack of funds.

### **Senior Nutrition**

**Missouri:** The Mid-East Area Agency on Aging must cut 9 percent from its 2014 budget, or \$250,000. Since 70 percent of their budget provides for meals to seniors, Patricia Hoeft, director of senior center nutrition, is forced to ask herself this question: "How do I decide which 300 seniors aren't going to eat that day?" (as quoted in the [Melville-Oakville Patch](#)). The funding cuts are enough to eliminate 36,000 meals from a program that now provides 3,000 meals a day to seniors in St. Louis, Jefferson, Franklin, and St. Charles counties. This is playing out at the South County Senior Center, which is now trying to decide whether to close its Meals on Wheels program altogether, cut back days of home deliveries, and/or switch to frozen meals instead of hot meals delivered less frequently.

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For more information or to share information about the impact of sequestration you know about, please contact Deborah Weinstein, [dweinstein@chn.org](mailto:dweinstein@chn.org)