

HOUSE DEMOCRATIC vs. PRESIDENT'S BUDGET: A NEW DIRECTION vs. WRONG PRIORITIES

	House Democratic Budget	President's Budget
Is fiscally responsible and restores government accountability	<p>The deficit is lower in FY 2008 and \$234 billion lower over the next 5 years compared to the President, and gets to balance by 2012.</p> <p>Reimposes the pay-as-you-go rules, which require that spending increases and tax cuts to be paid for, and which brought us to budget surpluses in 1990s.</p> <p>Reinvigorates efforts to eliminate wasteful spending and improve government efficiency – in Social Security, Medicare, as well the Defense Department.</p>	<p>The President's budget calls for deficits for as far as the eye can see.</p> <p>Increases the deficit by \$507 billion over the next five years.</p> <p>Fails to make sure that Defense Department funds are accounted for.</p>
Makes America safer here at home.	<p>Provides 6 percent more than the President for areas that deal with homeland security, thereby beginning to fund the 9/11 Commission recommendations and guaranteeing funding for port security, first responders, and law enforcement.</p> <p>Targets defense funds to critical priorities, including nuclear non-proliferation, military health care, and military pay raises.</p>	<p>Slashes grants for first responders by 49 percent, including firefighter grants and state homeland security grants. Slashes aid to state and local law enforcement by 54 percent, and freezes grants for port, rail and transit security.</p> <p>Cuts funding for nuclear non-proliferation by 6 percent below this year's level and makes military health care less accessible by increasing TRICARE health care costs for several million military retirees.</p>
Meets Our Obligations to veterans	<p>Provides for the largest veterans' budget increase in American history -- \$3.5 billion more this year than the President. This will provide excellent health care for all veterans, address VA health care's repair and maintenance backlog, make needed investments in veterans' mental health care and traumatic brain injury, and speed up and improve the accuracy of disability claims processing.</p> <p>Rejects the new health care enrollment fees and prescription drug co-payment increases in the President's budget.</p>	<p>Provides inadequate funding to treat VA's rising number of patients and particular conditions like post-traumatic stress disorder and traumatic brain injury. Cuts funding for veterans after FY 2008, even as the number of VA patients and returning soldiers will continue to grow – by a net total of \$3.6 billion over the next 5 years.</p> <p>Imposes on veterans \$2.3 billion in new fees and co-payment increases over the next five years.</p>
Protect the Planet -- Investments to reduce our dependence on foreign oil and address global warming	<p>Includes \$300 million more for Energy Department that could be invested renewable and alternative energy and energy efficiency in FY 2008.</p> <p>Invests in basic science and agriculture research and development to promote the production and use of cellulosic ethanol, and other clean renewable energy sources.</p>	<p>Holds funding for Energy Department renewable energy research and energy efficiency program and activities at the 2001 level.</p> <p>Fails to fully fund energy-related basic research or federal incentives that help expand the production of ethanol and biodiesel.</p>

	Creates a reserve fund that could target up to \$14 billion over 10 years to invest in clean, renewable alternative energy and energy efficiency paid for by redirecting oil subsidies.	
Grow the Economy	<p>Makes a sustained commitment to research and development and education, investments that are part of our Innovation Agenda: A Commitment to Competitiveness to Keep America #1. Includes funding such as \$450 million more than the President for General Science, Space and Technology, and Energy -- to put us on the path to double r & d funding for the National Science Foundation and other key research agencies, and providing significant increases in education, targeted for math and science education.</p> <p>Protects tens of millions of middle-income American families from a tax increase by setting up a reserve fund for a long-term fix for the Alternative Minimum Tax (AMT) and for middle-class tax relief</p> <p>Rejects the President's cuts in small business and job training.</p>	<p>Takes some steps forward in spurring innovation, but slashes help for U.S. manufacturing with new technologies. More must be done in education, research and development and broadband to spur innovation.</p> <p>After 2007, fails to do anything about the AMT, which could increase taxes on middle-income families by some \$300 billion over the next five years.</p> <p>Cuts the Small Business Administration by 26 percent from last year's request and 56 percent from 2001, and slashes \$639 million from job training -- including a \$60 million cut to Job Corps and a 23 percent cut to dislocated worker employment and training.</p>
Health care	<p>Provides for up to \$50 billion over the next five years in order to cover millions of uninsured children.</p> <p>Rejects the President's cuts in Medicare and Medicaid, which would make health care less accessible and affordable for millions</p> <p>Creates a reserve fund to prevent cuts in Medicare physician payments, improving program fairness.</p>	<p>Cuts off 1 million children from health care in 2012</p> <p>Cuts Medicare and Medicaid funding by \$300 billion over the next 10 years.</p> <p>Cuts physician payments under Medicare by 5 percent each year.</p>
Makes college more affordable.	Increases education funding, increasing the maximum Pell Grant to at least \$4,600 (compared to \$4,310 this year), while rejecting all of the President's proposed cuts to higher education.	Makes severe cuts in a range of higher education programs, including eliminating the Perkins Loan program and Federal Supplemental Opportunity Grants. Nearly 1.5 million students would lose financial aid awards due to these cuts.
Expands educational opportunity.	Provides a program level of nearly \$8 billion more for 2008 and 11 percent more over the next five years for education and training programs than the President.	Underfunds No Child Left Behind by 38 percent, denying extra math and reading help to 3.2 million children and shutting 2 million children out of after-school programs.