



For Immediate Release

March 1, 2005

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**The President's Budget: Huge Reductions
for Programs Vital to New Mexico,
While Tax Cuts for the Affluent are Extended and Expanded**

**Dozens of New Mexico organizations call on Senators to oppose five-year
reductions in funding for education, childcare, environmental protection,
veterans and community development**

DATELINE – A broad array of New Mexico groups called on Senators Domenici and Bingaman today to resist major cuts in critical domestic programs proposed in President Bush's budget for next year. A letter signed by 32 groups urged the senators to oppose cuts in a host of programs – including education, health care, childcare, energy assistance, veterans' benefits and many others.

“At a time when the New Mexico legislature is looking for enough money to fully fund children's healthcare and education, we are in no position to also fund programs that have previously been funded out of our federal tax dollars,” said Kay Monaco, Executive Director of New Mexico Voices for Children. “From community development to Medicaid, this budget will hurt the state's efforts to deliver services.”

The letter follows the release of a report by the Center on Budget and Policy Priorities, a nonpartisan Washington budget watchdog group, showing that the administration's budget would cut domestic discretionary spending by \$214 billion between 2006 and 2010. In that time, New Mexico would lose an estimated \$550 million in federal grants for a variety of programs – including Head Start, special education and infant nutrition. The Center on Budget's analysis shows that between 2006 and 2010:

- K – 12 Education funding to New Mexico would be cut by about \$140.4 million, damaging local schools ability to meet the needs of special education students and provide after school programs;
- As part of the education cutbacks, special education programs would lose \$60 million. School improvement programs would lose \$36 million under the Bush plan;
- Also included in the education cuts, Vocational and Adult Education would be cut by \$43.6 million, damaging New Mexico workforce development efforts;

- 2,400 families would stop receiving rental assistance vouchers by 2010;
- 2,900 New Mexico children would lose child care assistance;
- 5,100 pregnant women, new mothers, and their children would lose food and nutrition support as a result of a \$5.4 million cut in funding for the Women, Infants and Children (WIC) program;
- \$50.4 million would reduce community development and economic development grants and programs, which support Main Street revitalization, neighborhood rehabilitation, and job training programs for low-income workers.

The administration's budget also calls for significant reductions in Medicaid spending – \$450 million in New Mexico alone over the next 10 years. Such a major reduction will force New Mexico to roll back health services and remove thousands of people from the program, including elderly, the disabled and low-wage working parents.

The letter calls on New Mexico's senators to oppose these large program cuts. It also asks them to oppose ill-conceived budget schemes such as block grants, entitlement caps, or global spending caps that will force significant cuts in critical services now and for many years in the future.

The proposed budget places almost the entire burden for reducing the federal deficit on cuts in domestic spending. Unlike deficit-reduction efforts in the past, the administration's spending plan does not balance spending cuts with revenue increases; rather, it would make permanent two rounds of tax breaks that tend to go to the wealthiest individuals, and would shower them with yet new tax breaks, exacerbating the nation's fiscal problems.

“This budget provides more tax breaks for the wealthy by cutting programs that benefit everyone else,” said Carolyn Ford, Executive Director of Health Action New Mexico. “We can do better. We should be making sure we are adequately investing in children, protecting our elderly and taking care of veterans, not rolling back taxes for a few.”

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