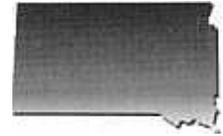




UNITED STATES SENATOR · SOUTH DAKOTA

TIM JOHNSON

N E W S R E L E A S E



Johnson Comments on President's Budget Request

Washington, DC—U.S. Senator Tim Johnson (D-SD) today released the following statement upon initial review of President George W. Bush's fiscal year 2005 budget request:

“The President's budget seems to be more of a wish list than anything based in reality for operating the federal government. This is no way to run a government. If families back home used these same budget tactics, they'd lose the house.

“We should be moving towards a fiscally responsible approach that balances the budget. Instead, this budget under-funds critical programs and uses gimmicks to hide the real costs of essential services. The President should accept that his tax policy is sending our deficit out of control.

“The President has cut spending to seven of the fifteen Cabinet level agencies, including an 8.1% cut to Agriculture and a stunning 10% cut to rural development programs. The President's budget still does not provide full funding for the *No Child Left Behind* education program. In fact, the NCLB budget is nearly \$9.5 billion short of full funding.

“One of the most egregious omissions is the lack of adequate funding to fight the war in Iraq and Afghanistan. The funding request has been kept artificially low so that this budget proposal can come in at a more attractive number. It is clear that the Administration will have to come back to Congress at some point to supplement what he has not accounted for in his budget proposal today.

“Now it will be up to Congress to put together a more workable budget for the year. As a member of the Senate Budget Committee, I will work with my colleagues to keep spending under control while providing the necessary funding to keep the government up and running,” Johnson said.

PROJECT SPECIFICS

--Drinking Water: The White House honored their commitment to the South Dakota congressional delegation to fund the Lewis & Clark and Perkins County projects. These budget numbers put South Dakota's drinking water projects at a better starting point than they were in the President's budget from last year. However, the numbers are still below what is needed to keep the projects on track. As a member of the Appropriations Committee, Johnson remains committed to working toward full funding to bring safe, reliable drinking water to these communities.

WH Budget Request '05

WH Budget Request '04

Enacted by Congress '04

- Agriculture:** The USDA's discretionary budget will be cut by 8.1 percent from \$20.729 billion to \$19.056 billion.
- Rural Development:** The USDA's Rural Development programs are being slashed by nearly 10 percent this year. The Bush Administration is seeking to reduce funding to \$2.2 billion -- a reduction of nearly \$250 million from last year's funding of \$2.45 billion. This is in the wake of significant cuts last year of \$315 million from the FY03 funding of \$2.764 billion. While the needs in rural areas are escalating, the Bush administration's budget for Rural Development is 25 percent less than the funding available two years ago.
- Education:** The President's 2005 Education budget again falls short of the President's promise when he signed the *No Child Left Behind* Act (NCLB) just two years ago. The President proposed an increase in funding of 3 percent, or \$1.68 billion, from \$55.67 billion to \$57.34 billion. If enacted, this would be the smallest increase for education since 1996, and it underfunds the NCLB program by \$9.4 billion.
- The President's requests for 21st Century Community Learning Centers, Impact Aid, and rural education do not meet the rate of inflation and thus, result in a cut in funding.
- Defense:** The President is requesting a total of \$401.7 billion for FY2005 defense spending. This request does not include funding for ongoing operations in Iraq or Afghanistan, which essentially ensures the President will submit a post-election supplemental appropriations request. The President's request does include a base 3.5% pay increase for military. It also includes \$21.482 million in military construction funding to replace 75 family housing units at the Ellsworth Air Force Base. This funding represents the next installment of a base housing replacement plan that is scheduled through 2009.
- Homeland Security:** The President is requesting \$31.4 billion for the Department of Homeland Security. This is a \$2.6 billion increase over FY2005. While this marks an increase of 9.7% in homeland security funding, the President's request is actually cutting funding for several of the most important first responder programs. These are the programs that ensure officials in the states and communities are getting the equipment and training they need to respond to an emergency, including a cut to the Firefighter Assistance Grant Program, which provides funding for local fire departments. The President requested \$500 million for the program, but last year, Congress provided \$746 million.
- Veterans:** The Bush Administration's Veterans Administration budget request for medical needs doesn't even keep up with the rate of inflation and requests legislative provisions that will increase costs for certain veterans and drive veterans out of the VA system. The President budget includes provisions to charge an annual enrollment fee and increase copayments for outpatient care and pharmacy benefits for certain veterans.
- Health Care:** In 2004, Congress appropriated \$39 million for the rural hospital flexibility grant program, which included \$15 million for the Small Rural Hospital Improvement Grant program. The President's 2005 budget eliminates all funding for this program. This program provides significant dollars for rural South Dakota hospitals.
- The President's request for Indian Health Service (IHS) does not meet the rate of inflation and thus, represents a cut in funding at a time when they are already badly underfunded and services are in high demand.
- COPS:** The President virtually eliminates the Community Oriented Policing Services by cutting funding from \$742 million last year to \$42 million this year.
-
-