



Statement of Senator Dianne Feinstein On the President's FY 08 Budget

February 5, 2007

“President Bush today unveiled a \$2.9 trillion budget for fiscal year 2008.

This budget reflects the misplaced priorities of the Bush Administration. It moves our nation one more step in the wrong direction. It does not do enough to close the budget deficit and reduce our nation's debt. And it once again squeezes many of the programs that matter most to Americans.

I am deeply concerned about cuts to dozens of programs, large and small. This includes:

- **SCAAP** (The State Criminal Alien Assistance Program), which was zeroed out in the President's Budget for the 7th year in a row, despite the fact that the program was reauthorized by Congress at \$950 million for FY 08.
- **CALFED** -- Overall CALFED-related Federal funding would decline to \$162 million in FY 08 from \$208 million in FY 2007, a decline of 22 percent. The CALFED account (in the Bureau of Reclamation's budget), which was proposed at \$31.75 million, an 18% decrease from the \$38.6 million that the President proposed in FY2007.

One of the biggest proposed cuts in CALFED is to the Environmental Water Account, from \$10.9 million proposed in the President's FY 2007 budget, to \$7 million proposed in the FY2008 budget. This is of real concern in the effort to protect fisheries in the Delta.

- **S-CHIP** (State Children's Health Insurance Program) - the President's blueprint provides only half the funding that is necessary to continue to serve the children already enrolled in this program. He also proposes lowering the eligibility cap to families of four making only \$40,000. California's Healthy Families program currently provides coverage for families of four making up to \$50,000. I cannot support any initiative that will increase the number of California children who must go without health insurance.
- **CDBG** (Community Development Block Grants) – CDBG is once again cut in the budget, this time by 28 percent. The proposed funding of \$3 billion is \$1.2 billion below the amount in the 2007 Continuing Resolution. This means that California's CDBG

funding would be cut by almost \$140 million from its 2006 funding level of \$474 million – impacting low-income neighborhoods that rely on this critical funding.

I fear that these programs – and the dozens like them – are being squeezed between the need to reduce the debt and deficit and the increased defense spending, which will exceed \$481 billion.

Over the next days and weeks, more work needs to be done to analyze the budget and its impact on Americans.

But following is preliminary analysis on how this proposed budget might affect just a few of California's priorities.

Levees and Flood Control

The President's proposal provides \$109.028 million for flood control projects in the State of California. These projects will protect some Californians, but does not provide any funding for projects in the Delta.

The Army Corps of Engineers can do up to \$18 million in work in the Delta this year, but the President does not fund this work in his budget. The Delta is the heart of California's water system – if we lose these levees, 23 million people could lose their drinking water. This is a major shortcoming in the President's Budget.

The budget does fund some of the important California flood control projects, but at much lower levels than the Corps Capability:

- \$36.5 million for the American River Watershed
 - The Corps Capability for these projects is \$90.5 million
- \$21.528 million for Sacramento River Bank Protection
 - The Corps Capability is \$64.8 million
- \$8 million for South Sacramento County Streams
 - The Corps Capability is \$11 million
- \$7.5 million for Napa River
 - The Corps Capability is \$19.619 million
- \$17 million for Santa Ana River Mainstem
- \$18 million for Success Dam

While California has thus far avoided disaster, its levees and flood control systems must be strengthened in order to adequately protect lives, property, and the state's vibrant economy.

Gangs

The President's budget provides \$350 billion for the Byrne grant program, plus \$200 million for a new proposed violent crime reduction initiative which would create a partnership among federal, state and local law enforcement. But a decade ago almost five times this amount – \$2.5 billion – was allotted for state and local law enforcement programs alone.

Under the President's latest budget, the COPS program is eliminated. The Justice Assistance Grant (JAG) formula component of the Byrne/JAG program that provides assistance to both metropolitan and rural areas to address problems related to gangs, drugs, and school violence is also eliminated.

In short, the President's budget cuts virtually all of the law enforcement programs managed by the Department of Justice that assist local law enforcement agencies. And within the Department of Homeland Security, the President's budget funds the Law Enforcement Terrorism Prevention Program (LETPP) – the primary program for local law enforcement acting as first responders – at only \$262.5 million – over a hundred million below the FY2007 estimated level.

Health

With respect to health care, this budget is a move in the wrong direction.

It is clear that the President is attempting to balance the budget on the backs of the most vulnerable. We should be looking for ways to expand health care coverage to all children and to strengthen the health care safety net.

I am especially disappointed that the National Cancer Institute was one of the only NIH institutes targeted for cuts. 1 in 2 American men will get cancer in their lifetime, as will 1 in 3 American women.

Just last month, we learned that the number of cancer deaths decreased for the second consecutive year. Now is the time to expand our efforts against this devastating disease. Without more research, more targeted drugs, and a greater understanding of how this disease works, I fear we will lose ground in our efforts to change cancer from a disease that kills, in to a chronic condition that can be managed.

US-VISIT

I believe that we will not be able to protect our nation effectively until we can protect our borders. We must know who is coming in and out of our country.

The Congressional mandate to create a system for tracking who enters and leaves this country was first codified in 1996 with a deadline of establishing a workable program by September 30, 1998. Now, almost eight years since that first deadline, we still do not know who is coming and going from our country.

I am heartened that the President is now requesting additional money (\$462 million, a \$100 million (28 %) increase over the 2007 enacted level) to strengthen US-VISIT. I hope this request signals a serious effort to create a comprehensive exit and entry system at all of our ports.

Mendota Prison

I am pleased that the President and the Justice Department have responded to my repeated requests for the federal government to finish construction of the 1,280-bed federal prison in Mendota, California.

This partially-completed prison has been sitting half-finished for several years, but the President's promise of \$115 million in his budget should finally allow this facility to be completed and start receiving inmates by 2010 – bringing needed jobs to this area of California and adding needed medium-security bed space for male inmates sentenced for federal crimes.

C-17 Funding

I am disappointed again that the Pentagon has chosen not to request funding in its budget to continue the C-17 program. The C-17 aircraft remains a critical part of our military's air mobility operations – both at home and abroad. It continues to fly the majority of our air transport missions in Iraq, Afghanistan, and part of the war on terror, and is a central component of any military humanitarian response.

Yet, with its exemplary record, the C-17 has been tasked to fly at some 60 percent above projected rates, leading to more rapid attrition rates than anticipated. The C-17 program, as Air Force Chief of Staff, General Mosely has often said, has been 'worth its weigh in gold' and must continue to be so in the future. I will work closely with the Air Force and my colleagues in Congress to see that this happens.

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