

The President's Budget

The story of \$3.7 trillion

The Process

The Numbers – Spending & Revenue

The Impact

& Five Budget Stories

Budget Process



Historically, the first Monday of every February, the President sends a *proposed budget plan* to Congress. The FY2012 budget was released on February 14, 2011.

February



Congress carries out a series of evaluations ultimately passing a *budget resolution*.

Early Spring



Congressional Subcommittees 'Markup' Appropriation Bills.

Late Spring



Budget Process



The House & Senate vote on Appropriation Bills and reconcile differences.



President signs the bill approved by Congress and the Senate, and the budget is *enacted*.



Late Spring

Early Fall

Sept. 30th

What does this really mean?



**Congressional
Budget
Resolution**

**12
Appropriators:
House &
Senate**

Agriculture

**Commerce,
Justice &
Science**

Defense

**Energy &
Water**

**Financial
Services**

**Homeland
Security**

**Interior &
Environment**

**Labor, HHS &
Education
FY 2012
HHS = \$885.8B**

**Legislative
Branch**

**Military
Construction &
Veterans'
Affairs**

**State &
Foreign
Operations**

**Transportation
& Housing
& Urban Dev.**

Head Start = \$8.1B

LIHEAP = \$1.98B

TANF = \$17.7B

NV = \$30.4 M

WI = \$69.8M

CA = \$3.7B

The Whole \$3.7 Trillion Pie

Mandatory Spending

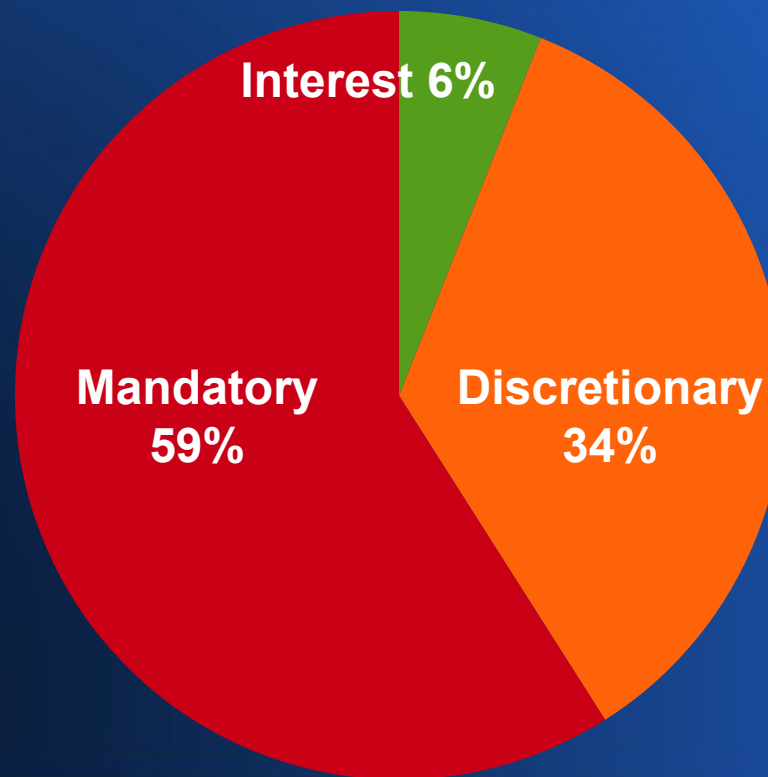
Includes: Social Security, Medicaid, Medicare, Food Stamps, CHIP

Funding is need-based & non-negotiable

Discretionary Spending

Includes: Energy, Environment, Science, Military, Education

Funding determined on an annual basis



The FY2012 Discretionary Budget

Environment, Energy & Science 6%

Transportation 2%

Income Security & Labor 2%

International Affairs 4%

Health 5%

Housing and Community 5%

Government 6%

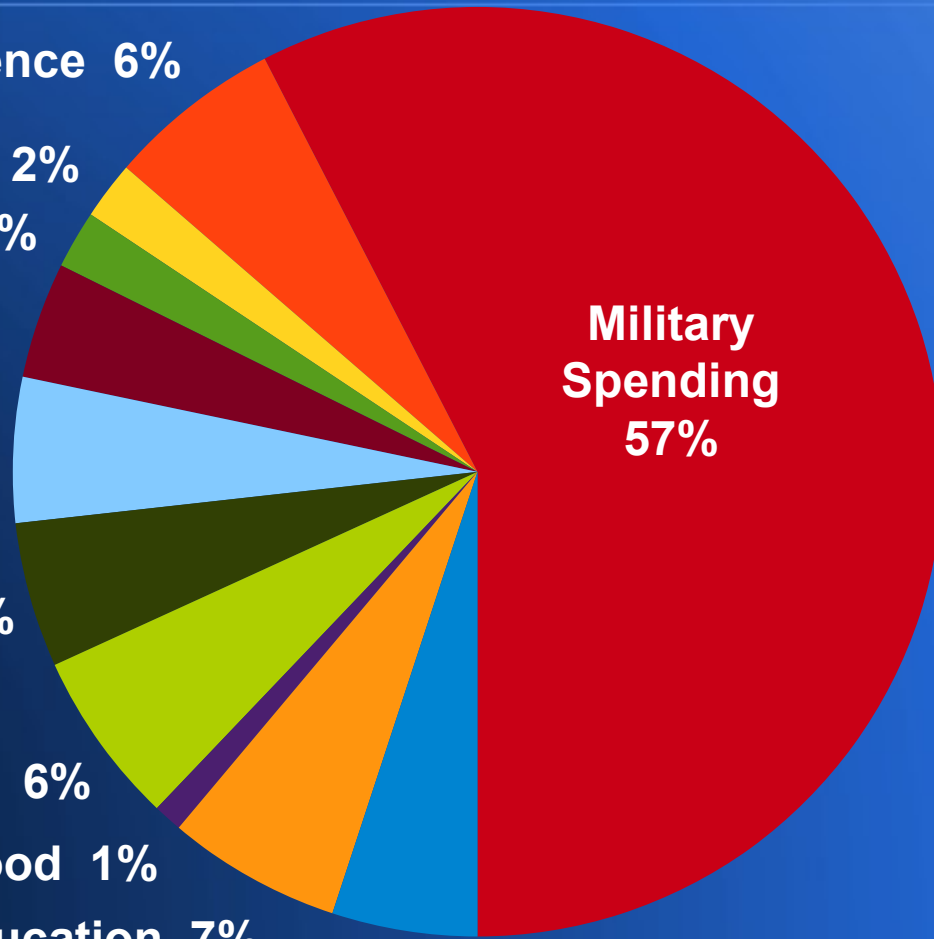
Food 1%

Education 7%

5% Veterans' Benefits

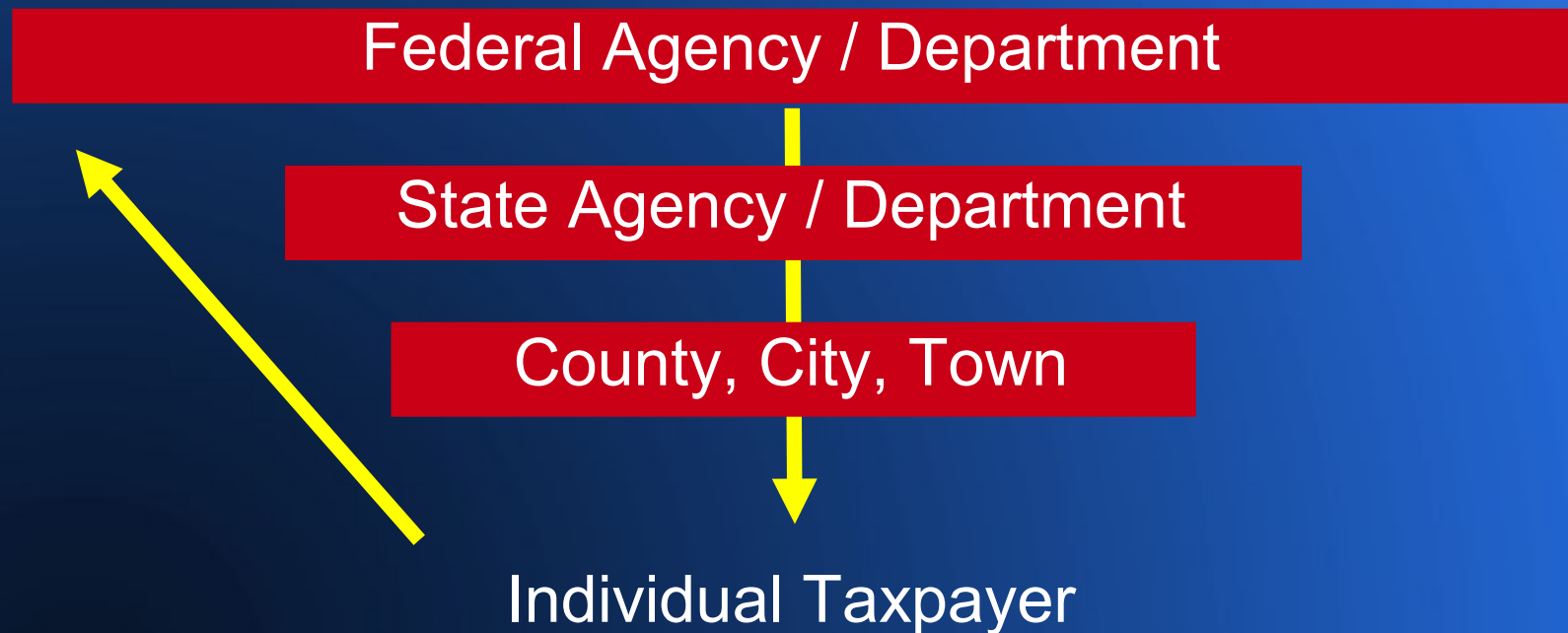
Military Spending
57%

\$1.24 Trillion



Our relationship to federal spending

Flow of most federal funds and cuts



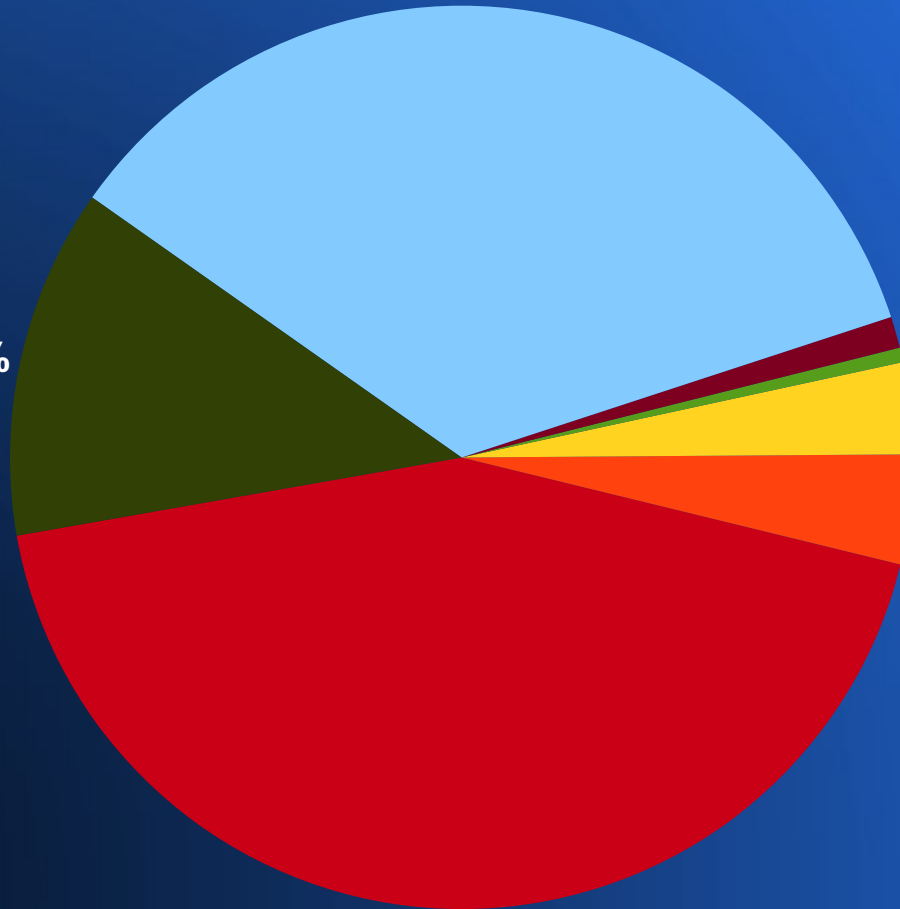
Revenues by Source

Social Insurance (payroll) Taxes 35%

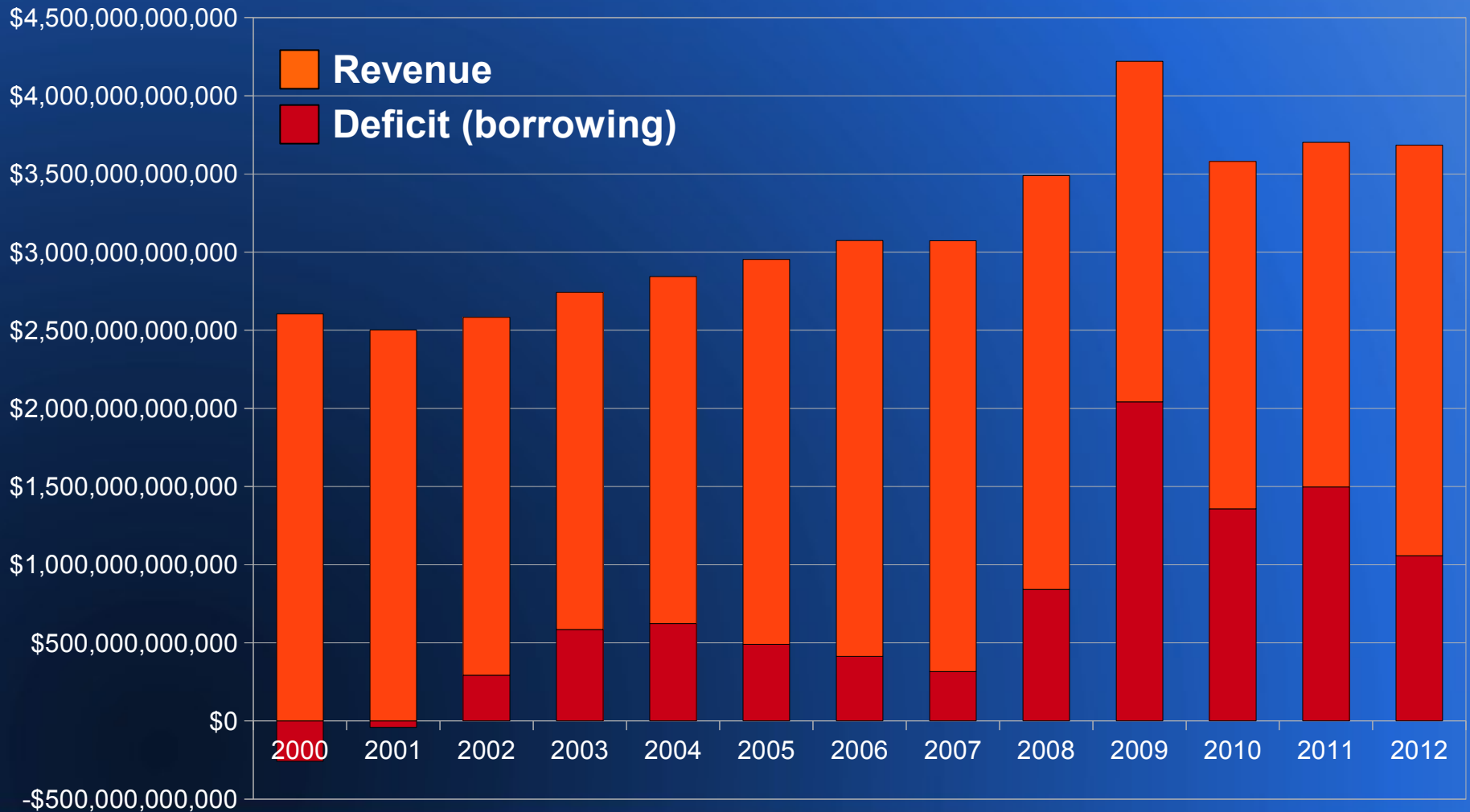
Corporate Income Taxes 13%

Customs Duties 1%
Estate and Gift Taxes 1%
Misc. Gov't Receipts 3%
Excise Taxes 4%

Individual Income Taxes 43%



Revenues and Deficits



Impact: Where Federal Funds Land in Our Communities

Where

Schools

City Hall

Housing Authority

Community/Antipoverty

State Agencies

Employment agencies

Colleges

Federal programs

Head Start, Title I

Infrastructure (water, transit, roads, bridges)

Housing assistance

Early childhood, economic development, social services block grant, weatherization, LIHEAP, youth programs, food and hunger programs

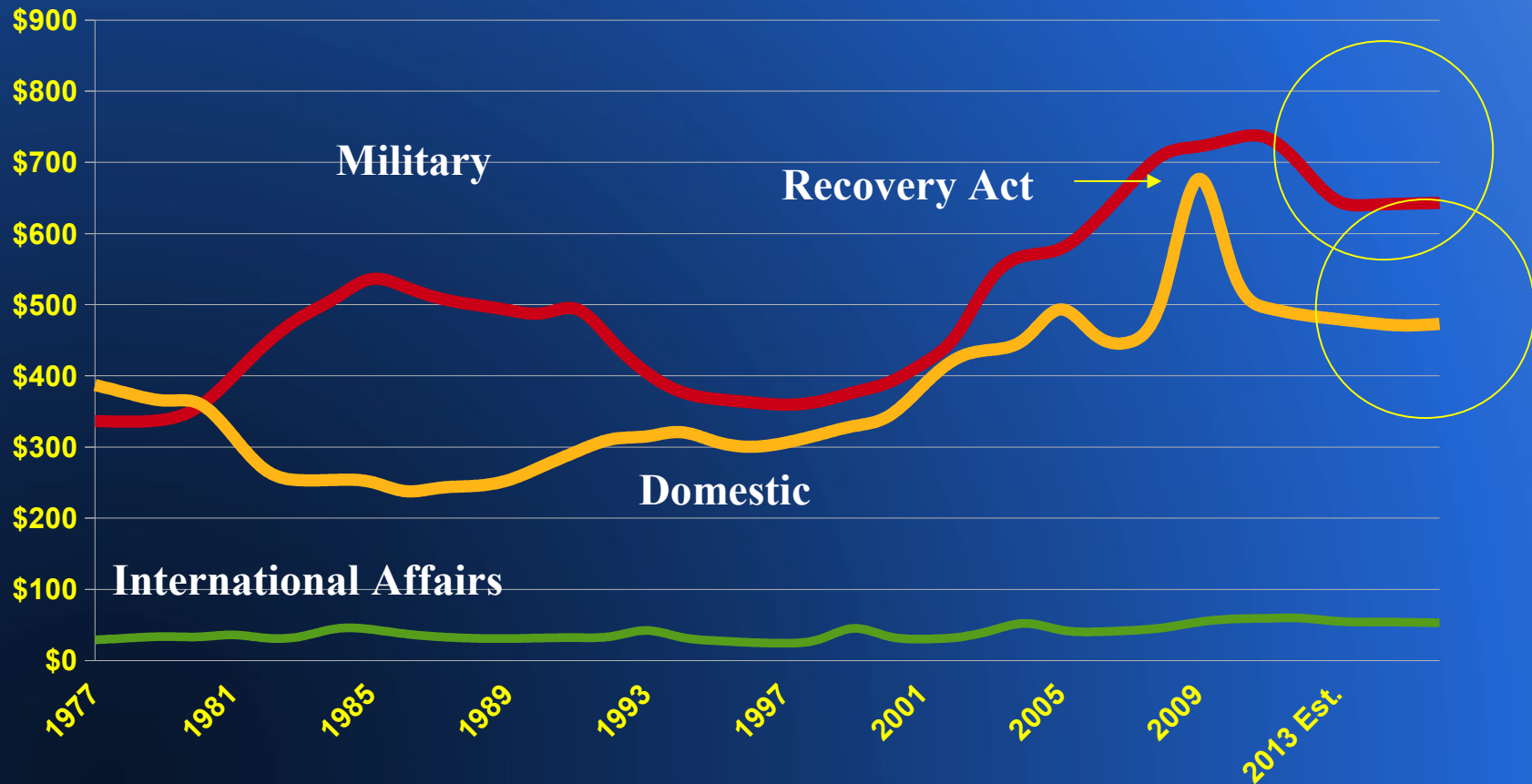
Medicare, Medicaid, TANF, SNAP, CHIP, Jobs programs

Unemployment benefits, job training, jobs

Pell grants, student loans, grants to schools

Impact: How Discretionary \$ Land in Our Communities

Billions of \$2010



Impact: The Winners and Losers



Child Care and Development Block Grant

State Children's Health Insurance Program

Federal Transit Formula Grants Program

Airport Improvement Program

Highway Planning and Construction Program



CDBG

Weatherization Assistance for Low-Income

LIHEAP

Drinking Water State Revolving Fund

Child Support Enforcement

The Budget's Story

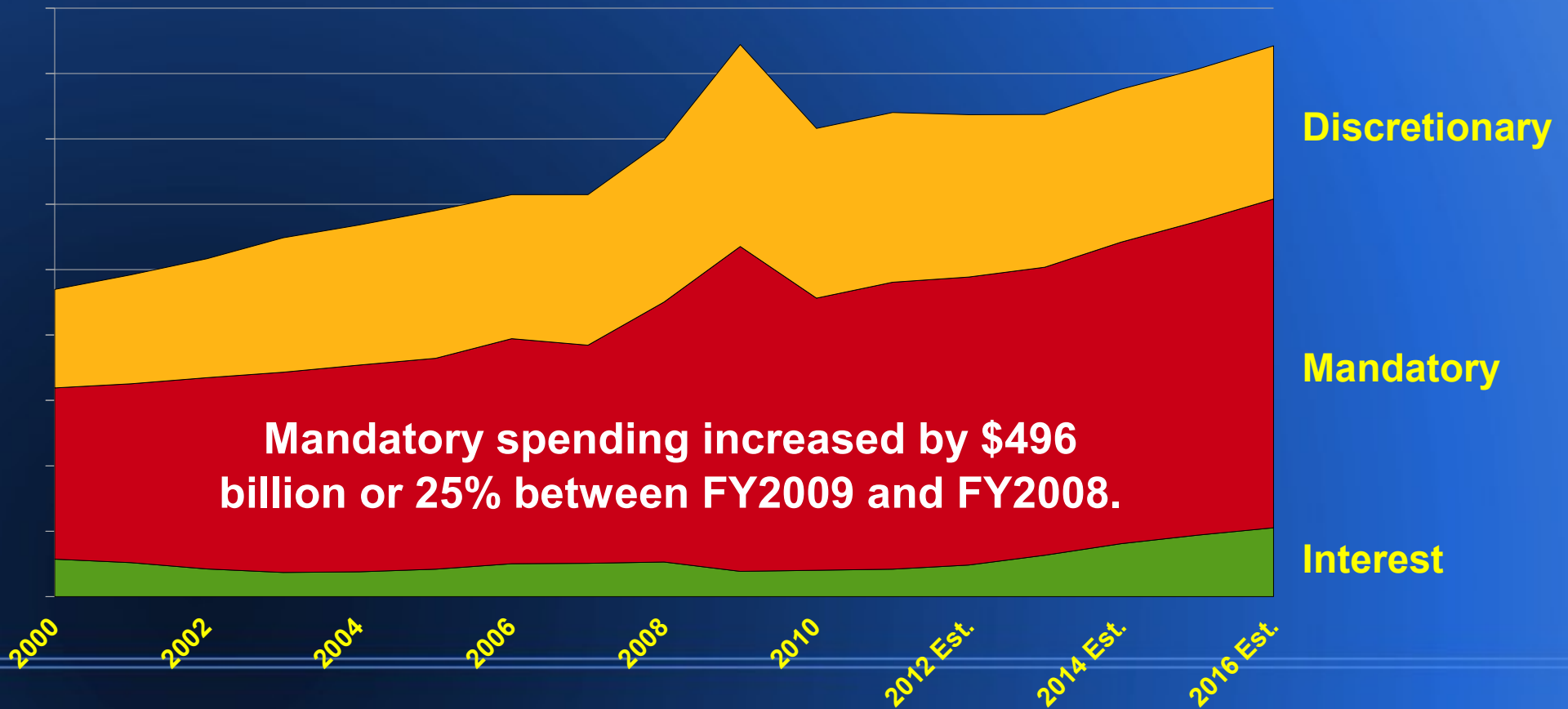
Deficits are more about revenue than spending

In FY2009, the real deficit grew to \$2.04 trillion (in 2012 dollars). This was an increase of \$1.2 trillion or 140% from FY2008.

- Individual Income Tax
- Corporate Income Tax
- Tax Cuts

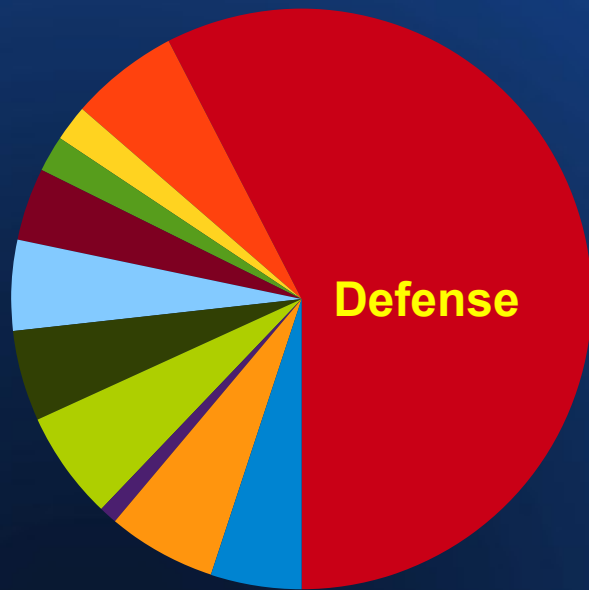
The Budget's Story

The recession is a major contributor to the near-term growth of mandatory spending

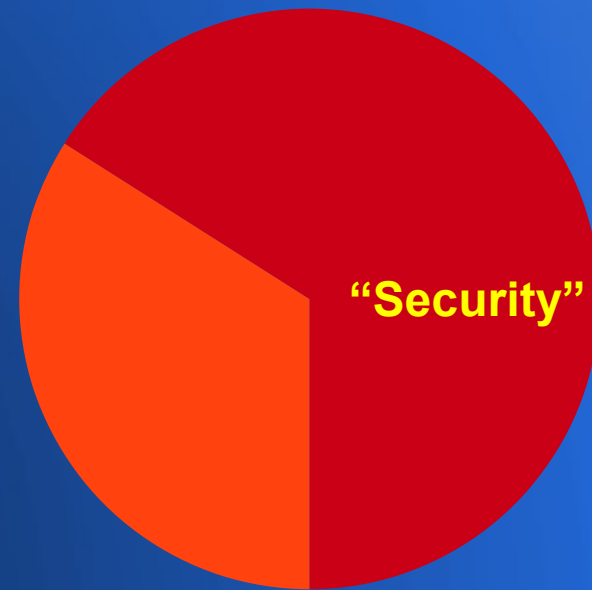


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The new Security v. Non-Security Paradigm



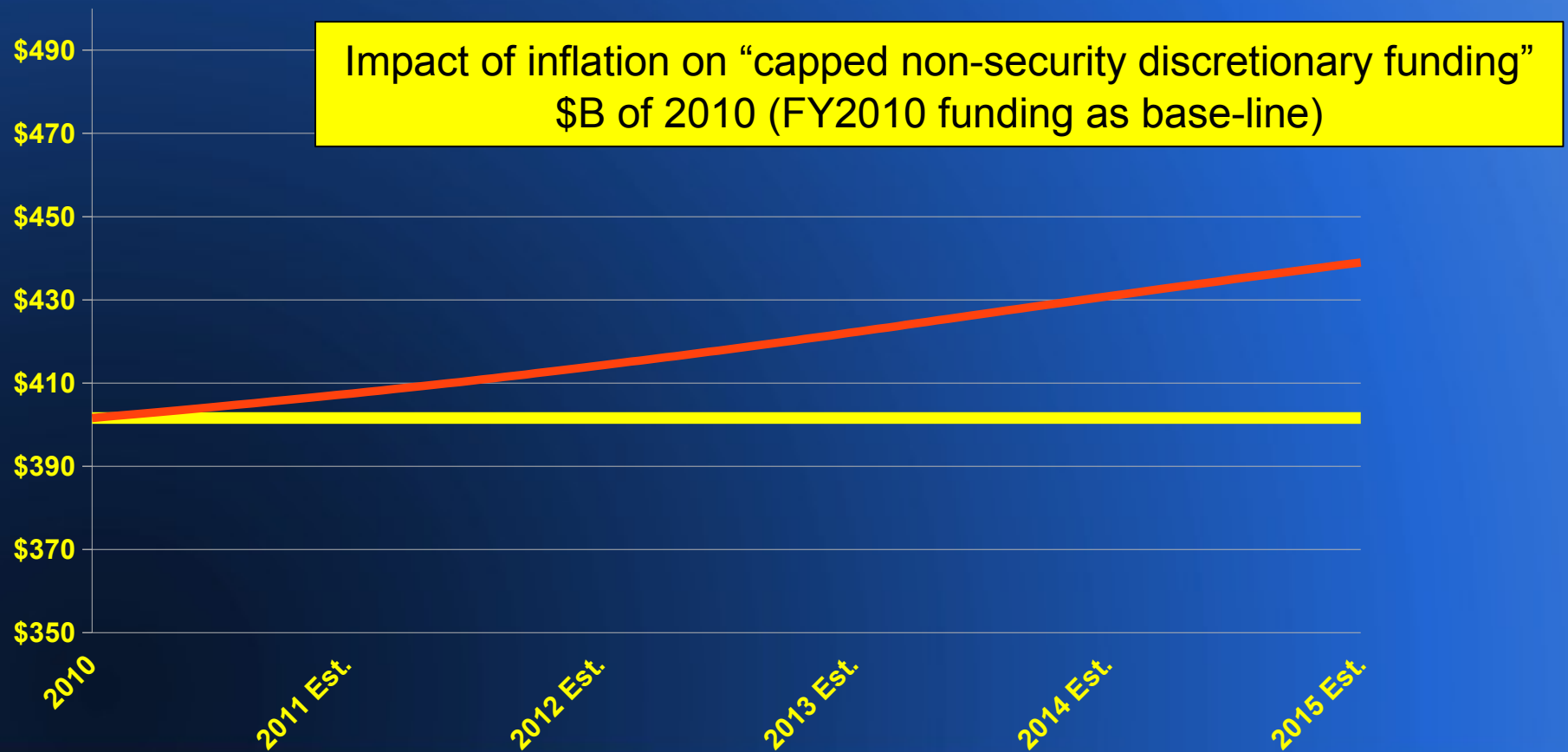
Old Paradigm



New Paradigm

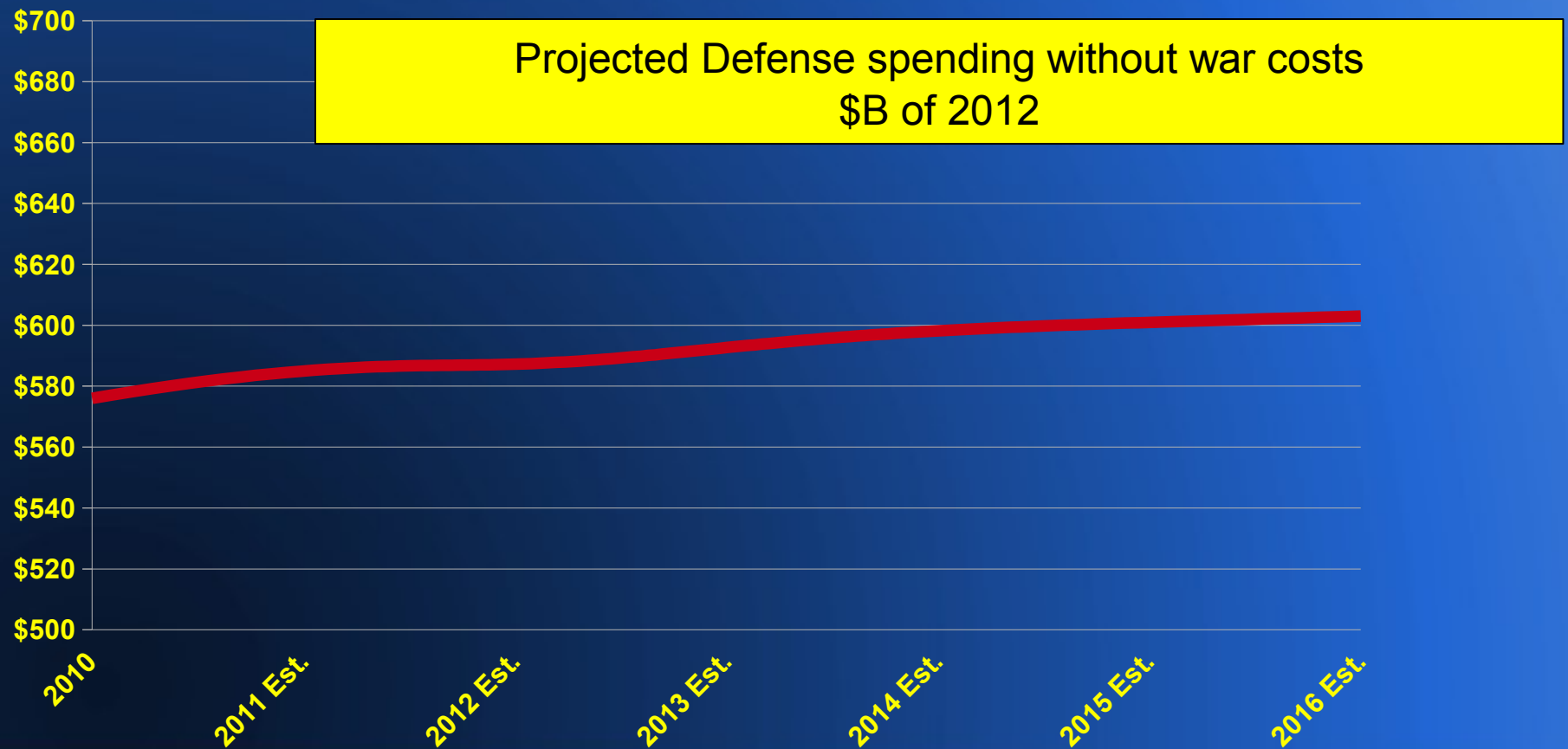
The Budget's Story

Domestic Programs Capped and Cut



The Budget's Story

Defense spending sees slowed growth



NPP Tools for Engagement

ONLINE RESOURCES

Federal Priorities Database
Federal Budget 101-Charts &
Budget Briefs

NATIONAL PRIORITIES PROJECT

*Bringing the
Federal Budget Home*

PUBLICATIONS

Tax Day Report
President's Budget
Jobs Report

INTERACTIVE TOOLS

Tax Chart
Data for Democracy Webinars
Trade Offs

Stay in touch!

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