

**The U.S. Conference of Mayors Staff
Executive Summary of Key City Priorities
In the
President's FY 2008 Budget Proposal
February 6, 2007**

CUTS/ELIMINATIONS

- **Community Development Block Grant Fund (CDBG)**—Grants given directly to local governments to promote community and economic development would be cut from \$4.215 billion in 2007 to \$3.037 billion in 2008, a reduction of \$1.178 billion or a 27% cut.
- **Law Enforcement**—Funding for key local law enforcement partnership programs would be cut in half, from \$2.481 billion to \$1.234 billion. The Administration is requesting no funding for the COPS community policing program, the Byrne Justice Assistance Grant (JAG), the State Criminal Alien Assistance Program (SCAAP), and the Weed and Seed program.
- **Homeland Security First Responder Programs**—Overall funding for state block grants, law enforcement terrorism prevention grants, high-threat urban area grants and fire assistance grants would be cut by \$985 million (35%), down from \$2.791 billion to \$1.806 billion. Further, the budget calls for a \$125 million cut in state and local preparedness efforts to fight bioterrorism. Funding would be reduced from \$823 million to \$698 million or by 15%. With terrorists targeting mass transit worldwide, the budget fails to enhance transit security by freezing transit, passenger rail, and freight rail at \$175 million.
- **Amtrak**—A deep reduction has been proposed in funding for Amtrak, a cut of almost \$500 million or 38%. Funding would be reduced from \$1.294 billion to \$800 million.
- **Mass Transit**—Public transportation programs would be cut by \$309 million below the \$9.731 billion guaranteed in the surface transportation law.
- **Port Security**—A total of \$190 million would be cut from the \$400 million port security grant program enacted last year in the Port Security Improvement Act of 2006 (PL 109-347). This program provides critical security grants to the owners and operators of ports and terminals, as well as port authorities and state and local agencies.
- **Airport Improvement Program**—Funding for the Airport Improvement Program would be reduced \$800 million below the current authorized level of \$3.500 billion. This would threaten noise-reduction, safety, security, and capacity projects at the nation's airports.

- **Clean Water State Revolving Fund**—The President’s Budget request of \$688 million is a \$312 million cut (31%) from the FY 2007 enacted appropriations of \$1 billion. This represents an even more significant decrease when compared to previous levels such as in FY 2004 when the allocation was \$1.35 billion. The President’s proposal would represent nearly a 50% decrease from that appropriation amount.
- **Low-Income Heating and Energy Assistance Program (LIHEAP)**—Funding for low-income heating and energy assistance would be reduced from \$2.179 billion to \$1.800 billion, a cut of \$379 million or 17%.
- **Job Training Programs**—The budget calls for a \$715 million cut in workforce programs, down from \$5.378 billion to \$4.663 billion, a 13% reduction. It also calls for a new consolidated state block grant program which would combine funds for Workforce Investment Act Adult, Dislocated Worker, and Youth Programs with the Employment Service into a single funding stream.
- **Community Service Block Grant**—Similar to last year, the Administration is proposing to eliminate the Community Service Block Grant which was funded at \$636 million.

INCREASES

- **Pell Grants**—On a positive note, the Administration’s budget calls for a \$2.833 billion increase in the Pell Grant Program, which would raise the amount available in 2008 from \$12.606 billion to \$15.439 billion.
- **Private Activity Bonds**—The President’s budget also includes a proposal to help local governments fund water and wastewater projects through private activity bonds (PABs), which are used to finance water and other infrastructure projects. Under current law there is an overall limit on the volume of PABs that each state may issue. The President’s proposal would remove water and wastewater projects from the state volume cap, giving these projects greater access to the PAB market.
- **Arts and Culture**—For the first time in three years, the President has proposed a slight increase of \$4 million for the National Endowment for the Arts, which would make \$128 million available for 2008. The Administration has also proposed a 30% increase for the Office of Museum Services, an increase from \$31 million to \$40 million.

U.S Conference of Mayors Staff Budget Analysis President's FY 2008 Budget Proposal

ANTI-CRIME PROGRAMS (Staff Contact: Ed Somers)

The Administration is proposing to cut in half funding for key local law enforcement partnership programs. Overall funding for these programs would be cut from \$2.4 billion to \$1.2 billion in FY 2008.

No funding is requested for numerous existing law enforcement programs including COPS grants, the Byrne Justice Assistance Grant (JAG) program, the State Criminal Alien Assistance Program (SCAAP), and Weed and Seed.

Instead, the budget proposed to consolidate these and other programs into two new programs, with deep cuts.

The Administration requested \$200 million for “The Violent Crime Reduction Partnership Initiative” that would “help communities suffering from high rates of violent crime to address this problem by forming and developing effective multi-jurisdictional law enforcement partnerships between local, State, and Federal law enforcement agencies.”

The Administration also requested \$350 million for the “Byrne Public Safety and Protection Program” that would consolidate a number of existing programs into “a single, flexible grant that will help State, local, and tribal governments develop programs appropriate to the particular needs of their jurisdiction.” Funding would be allowed for uses such as: (1) reducing violent crime at the local levels through Project Safe Neighborhoods; (2) address substance abuse through drug courts, residential treatment for prison inmates, prescription drug monitoring programs, methamphetamine lab cleanup, and cannabis eradication efforts; (3) law enforcement information sharing efforts; (4) forensic evidence and reducing DNA evidence analysis backlogs; (5) addressing domestic trafficking in persons; (6) prisoner re-entry initiatives; and (7) improving services to victims of crime.

Further, \$370 million is requested for Violence Against Women Act grants, and \$280 million for Juvenile Justice programs.

ARTS, PARKS AND TRAVEL (Staff Contact: Tom McClimon)

Arts, Humanities and Museums – The National Endowment for the Arts would receive a \$4 million increase in its budget, bringing its annual funding to \$128 million. The National Endowment for the Humanities would see a small increase of \$2 million. Grants for museums at the Institute of Museum and Library Services would rise to \$40 million.

Parks and Trees – The Administration continues its pattern of proposing no funding for the state assistance program of the Land and Water Conservation fund or the Urban Parks and Recreation Recovery Program. Neither of these programs received funding last year. The Administration proposes a cut of 38% in the Urban and Community Forestry Program.

Travel and Tourism – The Administration once again proposes no funding for the promotion of an international destination marketing campaign to attract foreign visitors to the United States.

COMMUNITY DEVELOPMENT AND HOUSING (Staff Contact: Eugene Lowe)

Community Development Block Grants (CDBG) – The Community Development Block Grant Fund would be cut from \$4.215 billion in 2007 to \$3.037 in 2008, a reduction of \$1.178 billion or 27%. CDBG formula grants, which are directly allocated to localities, would be cut to \$735 million, a 19.8% cut. As it did last year, the Department of Housing and Urban Development (HUD) will pursue legislation to reform the CDBG program, including the allocation formula.

Public Housing Capital Funds – Funds for public housing authorities to carry out capital activities are cut from \$2.178 billion in FY 2007 to \$2.024 billion in FY 2008.

HOPE VI – The Administration proposes the termination of this program, which was last funded at \$99 million. The program provides assistance for the revitalization of severely distressed public housing.

Housing Choice Vouchers – Funding is slightly increased for tenant based Section 8 from \$15.920 billion to \$16.000 billion.

Homeless Assistance Grants – The administration proposes to increase homeless assistance from a funding level of \$1.536 billion to \$1.586 billion in FY 2008. The Administration will also propose the consolidation of competitive homeless programs into a block grant.

HOME Investment Partnerships Program – The program would be increased from \$1.917 billion to \$1.967 billion. The American Dream Down payment Initiative (ADDI) would receive \$50 million. A legislative proposal will be submitted to Congress to re-authorize ADDI, which will sunset at the end of 2007.

HOPWA – Funds for Housing Opportunities for Persons with AIDS (HOPWA) would be level funded at \$300 million. The administration will propose to change the program's allocation formula to distribute funds on a more equitable basis.

The Section 202 Elderly Housing Program and the Section 811 Disability Housing Program – These programs would be cut in FY2008 from \$947 million to \$700 million.

HEALTH AND HUMAN SERVICES (Staff Contact: Crystal Swann)

HIV/AIDS Programs – The budget requests \$2.2 billion for Ryan White activities, an increase of \$95 million over FY 2007. Of the \$95 million, \$70 million will go to grants for states, while the remaining dollars will support the AIDS Drug Assistance Program. The FY 2008 budget request provides \$1 billion, to develop, implement, and evaluate effective domestic prevention programs for HIV/AIDS, Viral Hepatitis, STD and TB.

Nutrition Programs – The budget calls for \$37 billion to fund the Food Stamp Program in FY 2008. The Child Nutrition Programs are funded at \$14.582 billion in FY 2008. Additionally the

Special Supplemental Nutrition Program (WIC) request is \$5.494 billion in FY 2008 in anticipation of increased monthly participation expected to grow to 8.3 million participants per month.

LIHEAP – The budget reduces funding for the Low-Income Heating and Energy Assistance Program by \$379 million to \$1.8 billion. The FY 2008 request includes \$282 million for the Contingency Fund.

Chronic Disease Prevention and Health Promotion – The budget proposes \$834 million for chronic disease prevention and health promotion activities.

Bioterrorism – Included in the Centers for Disease Control and Prevention budget is \$698 million for state and local preparedness efforts, which is \$125 below FY 2007.

Pandemic Influenza – The budget calls for \$158 million for pandemic influenza activities while decreasing bioterrorism state and local grants by \$125 million to \$698 million in FY 2008.

Eliminated Programs – The Administration proposes the elimination of the Community Services Block Grant (CSBG) which was funded at \$636 million, the Commodity Supplemental Food Program (CSFP) which was funded at \$107 million, and the Preventative Health and Health Services Block Grant which was funded at \$99 million.

HOMELAND SECURITY (Staff Contacts: Ed Somers and Ron Thaniel)

First Responder Programs – Overall funding in the four big first responder grant programs (state block grants, law enforcement terrorism prevention grants, high-threat urban area grants, and fire assistance grants) would be cut by \$985 million, down from \$2.791 billion to \$1.806 billion. Within this total, urban area funding would receive a slight increase, but funding for state block grants would be cut by \$650 million, and fire grants would be cut by \$362 million.

Public Safety Interoperable Communications – In 2006, Congress authorized and directed advanced funding for a new interoperable communications grant program in FY 2007. The Department of Homeland Security will be co-administering the \$1 billion Public Safety Interoperable Communications (PSIC) grant program, in partnership with the Department of Commerce. But no new money is requested for FY 2008.

Port Security – The budget would cut \$190 million from the \$400 million port security grant program enacted last year in the Port Security Improvement Act of 2006 (PL 109-347). This program provides critical security grants to the owners and operators of ports and terminals, as well as port authorities and State and local agencies.

Transit Security – With terrorist targeting public transportation systems worldwide, including Madrid, London, and Mumbai in the last three years, the budget failed to enhance transit security by freezing transit, passenger rail, and freight rail at \$175 million. This is far short of the \$6 billion identified by the American Public Transportation Association needed to protect Americans who take public transit 9.7 billion times per year.

Intercity Bus Security – The budget would freeze grants at \$12 million to owners and operators of fixed route intercity bus services, as well as certain charter bus operations, serving high risk areas.

Trucking Security – The budget would cut grants to the Highway Watch Program (grants to enhance security and overall preparedness on the nation’s highways) from \$12 million to \$9 million.

Aviation Security – The budget proposes \$4.953 billion for the Transportation Security Administration’s aviation security activities. This is a slight increase over the FY 2006 appropriation of \$4.722 billion; however, a slight decrease from the estimated FY 2007 appropriations of \$4.982 billion. Of this amount an estimated \$2.613 billion is financed by offsetting collections from passenger and air carrier security fees, air cargo fees, and fees collected at Ronald Reagan Washington National Airport for general aviation.

Overall, this account will be used to fund screening personnel, compensation and benefits, and related expenses for transportation security officers; screening technology; privatized passenger and support activities; air cargo screening operations; and operational testing and activities to improve flight deck and air crew safety.

Coast Guard – The budget would provide a 6% increase for the Coast Guard to \$6.1 billion.

ENERGY (Staff Contact: Debra DeHaney – Howard)

The President’s FY 2008 budget calls for \$24.3 billion in spending for the Department of Energy (DOE). This is a \$700 million increase from the estimated funding in FY 2007.

Energy Efficiency and Renewable Energy – The budget calls for \$1.24 billion for energy efficiency and renewable energy spending to develop diverse sources of energy and related technologies to meet the need for clean, reliable, and affordable energy. This represents \$60 million (5%) more than the estimated funding level for FY 2007. The FY 2008 budget request for solar energy is \$40 million, a \$4 million decrease from FY 2007. It also proposes \$40 million for wind energy, a \$44 million decrease over FY 2007. Further, it calls for \$179 million for the Biomass program, an increase of \$29 million. The budget requests \$213 million for Hydrogen Technology, an \$18 million increase over FY 2007. The budget also requests \$86 million for the Building Technologies Program (residential/commercial), a \$9 million increase over FY 2007.

Weatherization Assistance Grants – The budget request calls for \$144 million in spending for weatherization assistance grants, which represents a decrease of \$20 million from the \$164 million estimate available in FY 2007.

Vehicles Technologies – A total of \$176 million is included in the President’s budget for the Vehicles Technologies Program (FreedomCar, Hybrid Technology, Plug-in Hybrids). This amount is \$10 million more than the estimated amount available in FY 2007.

EDUCATION (Staff Contact: Kathy Amoroso)

For FY 2008, President Bush is requesting \$56 billion in discretionary appropriations for the Department of Education – which reflects level funding from the 2007 estimated funding level. Mandatory costs, primarily for postsecondary student aid programs, would decrease by \$3.1 billion to \$6.6 billion; a 32% cut from the FY 2007 estimated funding level of \$9.7 billion.

No Child Left Behind (NCLB) Elementary and Secondary Education Act, Title I – The President requests \$13.9 billion for Title I Grants to Local Educational Agencies (LEAs), an increase of \$1.2 billion or 9.4% over the FY 2007 level. This would both support a comprehensive Title I reauthorization proposal and more fairly distribute Title I resources to the high school level, strengthen assessment and accountability in high schools, provide more choices to students and parents, and encourage more effective restructuring of chronically low-performing schools.

Title I School Improvement Grants – The budget also calls for \$500 million for a reauthorized Title I School Improvement Grants program that, along with the existing 4% reservation of Title I Grants to LEAs funds for school improvement, would double the investment in turning around low-performing schools while ensuring that States have the resources they need to play their essential role in LEA and school improvement.

Math and Science Instruction in K-12 – Further, it calls for \$365 million in new funding to improve math and science instruction in K-12 schools requested as part of the President’s American Competitiveness Initiative including:

- **\$125 million for the Math Now for Elementary School Students initiative**, modeled after Reading First, to implement proven practices in math instruction;
- **\$125 million for a new Math Now for Middle School Students initiative**, based on the principles of the Striving Readers program, to support research-based math instruction;
- **A \$90 million increase for Advanced Placement**, to expand the training of teachers and increase opportunities for students; and
- **\$25 million for the Adjunct Teacher Corps**, to create opportunities for qualified professionals from outside the K-12 educational system to teach secondary school courses.

Supplemental Educational Services – It also calls for \$300 million to expand private school choice and supplemental educational services options for the parents of students in Title I schools that have been identified for improvement, corrective action and restructuring.

Pell Grants – The FY 2008 budget calls for a \$2.83 billion increase in Pell Grant funding to \$15.439 billion – a 22.46% increase over FY 2007. The President requests the largest Pell Grant funding increase in three decades by providing for \$19.8 billion in new mandatory funding for the Pell Grant Program over the 2008-2017 period. Provisions would:

- Raise the maximum Pell Grant by \$550 to \$4,600 in 2008;
- Increase the maximum award by \$200 annually from 2009 – 2012, to \$5,400.

The increased funding would be a mandatory expenditure rather than a discretionary expenditure subject to annual appropriations (though the base grant amount of \$4050 would continue to be funded through appropriations). The new mandatory expenditure would be funded through mandatory savings outlined below.

Academic Competitiveness Grants – The President’s FY 2008 budget proposes to increase the Academic Competitiveness Grants awarded to Pell Grant recipients in the first two years of college who completed a rigorous high school curriculum by 50%, from \$750 to \$1.125 for first-year students and from \$1.300 to \$1.950 for second year students – an increase of \$330 million over FY 2007 funding levels. The cost will be \$260 million in mandatory funds for 2008 and \$1.0 billion from 2008-2012.

The budget proposes the elimination of the **Supplemental Education Opportunity Grant (SEOG)** and the **Perkins Loan Program**.

In addition, no funds were included for the **Leveraging Educational Assistance Partnership (LEAP)** program, as the Administration believes it would be most effective to consolidate federal grant efforts into the larger Pell Grant program.

ENVIRONMENT (Staff Contact: Judy Sheahan)

The Environmental Protection Agency’s (EPA) proposed budget for FY 2008 is \$7.200 billion, a decrease of \$100 million from the FY 2007 Budget of \$7.300 billion. This is a continued downward trend for the Agency’s budget. The FY 2006 budget was \$7.600 billion.

Clean Water State Revolving Fund – The President’s Budget request of \$688 million is a \$312 million cut (31%) from the FY 2007 enacted appropriations of \$1 billion. This represents an even more significant decrease when compared to previous levels such as in FY 2004 when the allocation was \$1.35 billion. The President’s proposal would represent nearly a 50% decrease from that appropriation amount.

Drinking Water State Revolving Loan Fund – remains level funded at \$842 million for this year which is the same as enacted last year but down from the \$850 million that was proposed during previous years.

Brownfields – The President’s budget calls for \$162 million for the brownfields program which is approximately the same as proposed and enacted last year. However, in the past, the President has proposed additional monies (\$48 million) for local government assessment and cleanup activities. Congress, however, has never appropriated such sums. Of the \$162 million total, \$89.3million is allocated for brownfields assessment and cleanup funding, \$49.5 million for state programs, and the remaining money allocated for environmental program and management costs (\$23.45 million).

Superfund – The President has proposed \$1.245 billion for Superfund cleanup which is a decrease of \$14 million from previous proposals of \$1.259 billion in FY 2007. Previous proposed levels were \$1.300 billion.

Army Corps of Engineers – The proposed budget for FY 2008 calls for discretionary budget authority of \$4.871 million, an increase over the estimated 2007 expenditure of \$4.719 million but a decrease from the 2006 actual expenditure of \$5.341 million.

JOB TRAINING PROGRAMS (Staff Contact: Kathy Amoroso)

The President's Budget for the Department of Labor (DOL) calls for a new \$3.413 billion consolidated state block grant to deliver Career Advancement Accounts (CAA) by combining and cutting over \$434 million from the Workforce Investment Act (WIA) Adult, Dislocated Worker and Youth formula grant programs with the Employment Service (including Employment Service formula grants, labor market information grants, and grants for administration of Work Opportunity Tax Credit and Welfare-to-Work Tax Credit) into a single funding stream to states which provides greater flexibility for governors to redesign or eliminate the local workforce system and determine how funds are spent.

Career Advancement Accounts – States would use these funds primarily to provide Career Advancement Accounts which the Administration proposed last year but has yet to be enacted by Congress. The accounts would be available to both adults and out-of-school youth entering the workforce or transitioning between jobs. Incumbent workers in need of new skills could use CAAs to remain employed or to move up the career ladder.

CAAs would be self-managed accounts of up to \$3,000 that workers and people looking for work, can use to obtain training and other employment services. Accounts could be renewed for one additional year, for a two-year account of up to \$6,000 per worker. The accounts must be used to pay for expenses directly related to education and training, such as tuition, fees and textbooks, not supportive services. States would be required to use the majority of their funds for Career Advancement Accounts to ensure that most of the funds are utilized for skills acquisition. The remainder of CAA funding would be used to provide basic employment services to job seekers, such as labor market information, job search assistance, and career and skill assessments to workers.

One-Stop Career Centers would continue to provide these employment services as well as access to the accounts, so while the proposal does not define a role for the local workforce system, it leaves it up to the states to negotiate with local areas on their role.

Strict limits would be imposed on the use of grant funds for administrative and overhead costs. Caps of five and 10% at the state and local levels would be applied with a more rigorous definition of administration costs.

Adult Training Grants – DOL proposes to eliminate the WIA adult training formula grant program by combining and cutting it by \$149 million from FY 2007 levels into the consolidated block grant to administer Career Advancement Accounts.

Dislocated Worker Job Training Grants – DOL proposes to eliminate the WIA Dislocated Worker formula grant program by combining and cutting it by \$177 million from FY 2007 levels into the consolidated block grant to administer Career Advancement Accounts.

Youth Training – DOL proposes to eliminate WIA Youth training formula grant program by combining and cutting it by \$105 million from FY 2007 levels into the consolidated block grant to administer Career Advancement Accounts. In-school youth are not eligible for CAAs.

Community Based Job Training Grants – The budget would fund the community college initiative at \$150 million as part of the President’s High-Growth Job Training Initiative, a \$99 million cut from the FY 2007 levels.

Prisoner Re-Entry Program – The President’s budget combines the funding and resources of the Prisoner Re-entry Initiative and the Responsible Reintegration of Youthful Offenders into a single program and funds it at \$39.6 million. This represents a cut of \$29 million in funding from the FY 2007 individual program funding levels of \$19.6 million and \$49.1 million respectively.

Under the President’s request, \$20 million would be used to build basic literacy and math skills for juvenile ex-offenders and for the completion of secondary education through alternative pathways, leading to credentialing, pre-apprenticeship, and apprenticeship programs.

For adult ex-offenders, \$19.6 million would be used to help ex-offenders find immediate employment through grants made to faith-based and community organizations.

Job Corps – The FY 2008 budget seeks \$1.518 billion in funding for the Job Corps program – an \$88 million cut from FY 2007 levels.

TRANSPORTATION (Staff Contact: Ron Thaniel)

The President’s budget is seeking \$67.032 billion to fund the nation’s transportation system. While the overall budget for the Transportation Department would be increased by about \$2.9 billion over FY 2006 levels, Amtrak, transit, and aviation would receive deep cuts.

Federal Transit Program – With public transportation being a viable and immediate alternative to high gas prices and increasing congestion, the budget would cut public transportation programs by \$309 million below the \$9.731 billion guaranteed for FY 2008 in the current surface transportation law. The budget request \$9.423 billion for Federal transit programs. Key transit programs are funded at the following levels:

- Urbanized Area Program - \$5.800 billion is proposed for the Urbanized Area Formula program and the Fixed Guideway Modernization program, to help meet the capital replacement, rehabilitation, and refurbishment needs of existing transit systems.
- Capital Investment Grants - \$1.400 billion is proposed for the construction of new fixed guideway and non-fixed guideway corridor systems, and extension to existing systems. This is a cut of about \$300 million from the authorized level in the current surface transportation law. Of this, Small Starts (fixed and non-fixed guideway projects under \$250 million) would be cut \$100 million and New Starts (commuter rail, light rail, heavy rail, and bus rapid transit) would be cut \$200 million.

- Bus and Bus Facilities - \$928 million is requested to make funding available to finance bus and bus-related capital projects, including ferryboat projects.
- Job Access and Reverse Commute - \$156 million is requested for Job Access and Reversed Commute projects that provide new and expanded transportation services and connect welfare recipients and low-income persons to employment and employment support services.

Federal Highway Administration – The FY 2008 budget funds Federal-aid Highway Programs at \$39.585 billion, the amount called for under the current surface transportation law and \$500 million more than the House-passed continuing resolution would provide for FY 2007. The budget also requests \$175 million for an initiative aimed at reducing highway congestion. Key programs would be funded at the following levels:

- National Highway System (NHS) - \$5.700 billion for the NHS, which consists of roads that are of primary Federal interest, including the current Interstate system, other rural principle arterials, urban freeways and connecting urban principal arterials.
- Surface Transportation Program (STP) - \$6.000 billion for the STP program which supports projects on any Federal-aid highway, bridge projects on any public road, transit capital projects, and intracity and intercity bus terminals and facilities.
- Interstate Maintenance (IM) - \$4.700 billion for the IM program which is designed to rehabilitate, restore, resurface and reconstruct the interstate system.
- Bridge Replacement and Rehabilitation - \$4 billion for the bridge program which enables States to improve the condition of their bridges through replacement, rehabilitation, and systematic preventive maintenance.
- Congestion Mitigation and Air Quality Improvement Program (CMAQ) - \$1.6 billion for the CMAQ program which supports transportation projects that assist in meeting and maintaining national ambient air quality standards.
- The Transportation Infrastructure and Innovation Act (TIFIA) – The TIFIA loan program leverages limited Federal resources and stimulates private investment by providing credit assistance for major transportation projects. For FY 2008, \$93 million is estimated to be obligated for TIFIA projects.

Amtrak – The FY 2008 budget provides \$800 million for Amtrak. This is a cut of nearly \$500 million from the current funding level. Of note, Congress would fund Amtrak at about \$1.3 billion under the House-passed FY 2007 continuing resolution.

The Budget’s request zero-out operating funds for Amtrak, instead providing the railroad with \$500 million for capital grants.

In addition, \$100 million would be dedicated to issuing capital matching grants to states for intercity passenger rail projects. Under this new program, a state or states would apply to the Federal Railroad Administration (FRA) for grants up to 50% of the cost of capital investments

necessary to support improved intercity passenger rail service that either requires no operating subsidy or for which the state or states agree to provide any needed operating subsidy.

The budget further requires Amtrak to develop a plan to contract out operations of its own trains and other parts of its business.

It zeros out funding for the Next Generation High-Speed Rail Program.

Federal Aviation Program – The budget requests \$14.077 billion for the Federal Aviation Administration (FAA). The budget includes the Administration’s plan to replace the taxes currently levied on commercial passengers’ tickets with a user fee. Details will not be available until next week when the FAA sends Congress a draft proposal for its own reauthorization of the nation’s aviation law.

Of particular concern to the Conference of Mayors are the deep cuts to the Airport Improvement Program (Grants-in-Aid for Airports). At \$800 million below the authorized level of \$3.500 billion in the current aviation law, key planning and development projects at the nation’s airports, including grants for noise-reduction, safety, security, and capacity programs are at risk.

Comparison of Funding Levels for Key Municipal Programs in Enacted FY 2006 and 20007 Budgets and Proposed FY 2008 Budget

Prepared by
The United States Conference of Mayors
February 6, 2007

(Dollars in Millions)

	FY 2006 Enacted	FY 2007 Enacted	FY 2008 Proposed
ARTS, HUMANITIES, MUSEUMS AND PARKS			
National Endowment for the Arts	124	124	128
National Endowment for the Humanities	141	139	141
Museum Grants	41	28	40
Urban Parks	0	0	0
Land and Water Conservation Fund	0	0	0
Historic Preservation	41	41	42
Travel and Tourism Promotion	4	0	0
Urban and Community Forestry	28	28	17
EDUCATION			
Title I Education for the Disadvantaged	12,713	12,800	13,910
Title I School Improvement Grants	0	125	500
Pell Grants (Discretionary)	13,045	13,600	13,223
Pell Grants (Mandatory)	4,300	-	2,216
Perkins Loan Program	1,296	1,296	617
Adult Basic and Literacy Education	13,045	13,600	15,439
ENERGY			
Nuclear Waste Repository (Yucca Mountain)	450	305	378
Vehicle Technologies (FreedomCar/Plug-in Hybrids)	182	166	176
Hydrogen Technology (Hydrogen Fuel Cells)	157	196	213
Building Technologies Program (Residential/Commercial)	68	77	86
Energy Efficiency/Renewable Energy			
Biomass/Biorefinery Systems	91	150	180
Solar Energy	83	149	148
Wind Energy	39	44	40
Geothermal Technology	23	0	0
Weatherization Grants for Low Income Families	243	164	144
State Energy Program Grants	36	49	46
ENVIRONMENT			
Clean Water State Revolving Loan Funds	900	1,000	688
Drinking Water State Revolving Loan Funds	850	842	842
Superfund	1,260	1,259	1,245
Brownfields Assistance	165	163	162
Army Corps of Engineers – Discretionary Authority	5,341	4,719	4,871
FOOD AND NUTRITION ASSISTANCE			
Food Stamps	34,811	34,795	36,998
Child Nutrition Programs	13,206	13,902	14,582
WIC	5,399	5,361	5,494
Commodity Assistance Program (TEFAP)	150	190	190

	FY 2006 Enacted	FY 2007 Enacted	FY 2008 Proposed
HEALTH			
Medicare	337,922	436,368	464,575
Medicaid (outlays)	192,334	191,841	203,886
Ryan White CARE Act	2,083	1,900	2,158
CDC AIDS, STD, TB	947	964	1,057
Health Centers	1,800	1,900	1,988
Family Planning	286	283	283
Healthy Start	102	102	101
Maternal and Child Health Block Grant	700	693	693
Preventive Health Block Grant	100	0	0
Immunizations	530	507	425
Mental Health Partnership	432	428	428
Health Promotion	971	819	834
HOMELAND SECURITY			
State First Responder Formula Grant Program	550	525	187.5
Homeland Security Law Enforcement	400	375	62.5
High-Threat Urban Areas Program	740	770	800
Port Security Grants	175	210	210
Rail/Transit Security Grants	150	175	175
Intercity Bus Security Grants	10	12	12
Trucking Industry Grants	5	12	9
High-Risk-Non-Profit Organization Grants	25	0	0
Buffer Zone Protection	50	50	50
Firefighter Grants	545	547	300
Fire Department Staffing Assistance Grants	110	115	0
Metropolitan Medical Response System	30	33	0
Urban Search and Rescue	20	25	0
Citizen Corps	20	15	15
Emergency Management Performance Grants	185	200	200
Bio-Terrorism (HHS State & Local Capacity)	824	824	698
TSA – Aviation Security	4,722	4,982	4,953
Transportation Security Support	515	525	525
Coast Guard	5,763	5,882	6,121
CRIME AND DRUG CONTROL			
COPS Funding	472	542	32
Byrne Justice Assistance Grant Program	417	520	0
Juvenile Justice Program	343	343	280
Violence Against Women Act Grants	387	387	370
Violent Crime Reduction Partnership Initiative (New)	0	0	200
Byrne Public Safety and Protection Program (New)	0	0	350
Southwest Boarder Prosecutors	28	28	0
Drug Courts	9	9	0
State Criminal Aliens Assistance Program	405	405	0
Weed & Seed	50	50	0
Project ChildSafe (Gun Locks)	1	1	0
Offender Reentry	5	5	0
Bullet Proof Vests	30	30	0
Safe and Drug Free Schools and Communities National Programs	222	216	224
Safe and Drug Free Schools and Communities State Grants	347	0	100
Substance Abuse Partnership Block Grant	1,776	1,759	1,759
Substance Abuse Prevention	194	181	156
Substance Abuse Treatment	398	375	352

	FY 2006 Enacted	FY 2007 Enacted	FY 2008 Proposed
HOMELESS ASSISTANCE			
Homeless Programs	1,326	1,442	1,561
Emergency Food and Shelter (DHS)	151	151	140
Education for Homeless Children & Youth	62	62	62
PATH Formula Grants	54	54	54
HOUSING AND COMMUNITY DEVELOPMENT			
Community Development Block Grant (Formula)	3,704	3,704	2,968
HOME Investment Partnership	1,733	1,733	1,967
American Dream Down payment (within HOME)	25	25	50
Public Housing Operating Subsidies	3,564	3,864	4,000
Public Housing Capital Fund	2,439	2,439	2,024
HOPE VI	99	99	99
Housing Opportunities for People with AIDS	286	286	300
Section 202 Elderly/Section 811 Disabled	972	972	700
Section 108 Loan Guarantees	138	0	0
Section 8 Rental Assistance	15,417	15,920	16,000
Community Development Financial Institutions	54	54	28
Brownfields Assistance	10	10	0
Urban Empowerment Zones	0	0	0
Economic Development Administration	271	255	194
HUMAN SERVICES			
Temporary Assistance to Needy Families	17,406	17,471	17,296
Child Care & Development Block Grant	2,062	2,062	2,062
Head Start	6,786	6,900	
Social Services Block Grant	2,224	1,700	
Low-Income Home Energy Assistance	2,161	2,161	
Community Services Block Grant	694	694	0
Administration on Aging Programs	1,376	1,335	1,338
State Children's Health Insurance Program (SCHIP)	5,775	5,647	5,424
Refugee and Entrant Assistance	570	599	
JOB TRAINING PROGRAMS			
Consolidated Block Grant/Career Advancement Accounts Adult Training	N/A 864	N/A 861	3,413 ¹ Consolidated Block Grant
Dislocated Workers Assistance	1,471	1,292	Consolidated Block Grant
Community Based Job Training Grants Youth Training	125 941	249 946	150 Consolidated Block Grant
Job Corps	1,557	1,606	1,518
Reintegration of Youth Offenders	49	49	0
Prisoner Reentry Program	20	20	40 ²
Migrant and Seasonal Farm Workers Employment Service (Wagner-Peyser)	79 749	79 749	0 Consolidated Block Grant
YouthBuild	0	50	50

¹ This figure represents the Consolidated State Block Grant to administer Career Advancement Accounts and combines and cuts the following programs into a single funding stream:

WIA Adult - \$712 million, cut by \$149 million from \$861 million in FY 07 est.

WIA Dislocated Worker - \$1,115 million, cut by \$177 million from \$ 1,292 million in FY 07 est.

WIA Youth - \$841 million, cut by \$105 million from \$946 million in FY 07 est.

Wagner-Peyser - \$746 million, cut by \$3 million from \$749 million in FY 07 est.

Total Decrease – \$434 million

² This figure combines Reintegration of Youth Offenders and Prisoner Re-entry Program funding – a cut of \$29 million.

	FY 2006 Enacted	FY 2007 Enacted	FY 2008 Proposed
TRANSPORTATION			
Amtrak	1,293	1,294	800
Federal Aviation Administration	14,271	14,798	14,077
Federal Aid Highway Program	34,206	39,100	39,585
Federal Transit	9,853	8,970	9,423