



John Spratt,  
Chairman

U.S. HOUSE OF REPRESENTATIVES

# COMMITTEE ON THE BUDGET

207 Cannon House Office Building, Washington, DC 20515 (202) 226-7200 ★ [www.budget.house.gov](http://www.budget.house.gov)

February 4, 2008

## **What's At Stake?**

### **State-by-State Analysis**

**of the**

### **President's Fiscal Year 2009 Budget**

*This document has not been reviewed and approved by the Democratic Caucus of the Budget Committee and may not necessarily reflect the views of all members.*

## **Executive Summary**

Today's budget continues the same failed Bush fiscal and economic legacy: large deficits, a growing burden of debt, a weakened economy, and an expensive deficit-financed tax agenda offset only in part by cuts to important services including Medicare, Medicaid, environmental protection, the Centers for Disease Control, and the Low-Income Home Energy Assistance Program (LIHEAP). Though the Administration claims its budget eventually reaches balance, under realistic assumptions it remains in deficit in every year. The Administration now shows that the 2008 deficit will be \$410 billion (the second largest in history), followed by a deficit for 2009 currently estimated to be \$407 billion (the third largest in history) but likely to grow once the full costs of Administration policies are included.

To better understand the impact of the President's budget cuts for families and communities, the House Budget Committee staff compared the funding levels in the President's budget with the level needed to maintain current service levels for selected programs. The programs analyzed are critical to state and community efforts to educate children, fight crime, and create jobs. The tables that follow estimate the size of the President's cuts in each state and their likely impact on our everyday lives, impacts that range from fewer police officers on the street to lower private-sector investment in American manufacturing.

The tables that follow only show the impact of the President's 2009 cut. In many cases, the programs analyzed have suffered repeated cuts below the level needed to keep pace with inflation since 2001, and the budget would continue cutting them in the future.

## Listing of State-by-State Tables

### Community Safety and Security

Homeland Security State Grants .....	1
Byrne Justice Assistance Grants .....	2
Assistance to Firefighters Grants .....	3
Clean Water State Revolving Fund .....	4

### Economic Development and Worker Assistance

Community Development Block Grant (CDBG) .....	5
Dislocated Worker Program .....	6
Manufacturing Extension Partnership .....	7

### Education

Improving Teacher Quality State Grants .....	8
Career and Technical Education (Vocational Education) .....	9
21 <sup>st</sup> Century Learning Centers (After-School Care) .....	10
Child Care Block Grant .....	11

### Help for Families, Elderly and Disabled Persons

Low-Income Home Energy Assistance Program (LIHEAP) .....	12
Social Services Block Grant .....	13
Public Housing Capital Fund .....	14

### Transportation

Federal-Aid Highways Program .....	15
Essential Air Service .....	16

# Homeland Security State Grants

The President's budget cuts funding for homeland security grants, which include the State Homeland Security Program, Urban Area Security Initiative, Metropolitan Medical Response System, and the Citizen Corps Program, by \$762 million below the level needed to maintain current services. The purpose of these programs is to enhance the capabilities of states and localities to prevent, respond to, and recover from terrorist attacks and other disasters. These grants fund a range of preparedness activities, including planning, equipment purchase and training for first responders, and management and administration costs. The President has proposed cuts to these programs every year despite Congress repeatedly rejecting them.

The following table estimates the impact of the President's cut below the amount needed to maintain services using the assumptions detailed in the technical notes.

	President's Cut From 2008 (adjusted for inflation)		President's Cut From 2008 (adjusted for inflation)
Alabama	-\$7,275,000	Montana	-\$3,767,000
Alaska	-\$4,442,000	Nebraska	-\$4,443,000
Arizona	-\$15,250,000	Nevada	-\$5,866,000
Arkansas	-\$4,244,000	New Hampshire	-\$4,105,000
California	-\$102,168,000	New Jersey	-\$25,092,000
Colorado	-\$9,646,000	New Mexico	-\$4,105,000
Connecticut	-\$6,096,000	New York	-\$83,363,000
Delaware	-\$3,767,000	North Carolina	-\$13,476,000
District of Columbia	-\$23,856,000	North Dakota	-\$3,767,000
Florida	-\$38,739,000	Ohio	-\$23,132,000
Georgia	-\$18,990,000	Oklahoma	-\$7,069,000
Hawaii	-\$5,610,000	Oregon	-\$7,080,000
Idaho	-\$3,768,000	Pennsylvania	-\$28,097,000
Illinois	-\$36,113,000	Rhode Island	-\$5,613,000
Indiana	-\$11,483,000	South Carolina	-\$6,383,000
Iowa	-\$4,128,000	South Dakota	-\$3,767,000
Kansas	-\$5,086,000	Tennessee	-\$10,822,000
Kentucky	-\$7,007,000	Texas	-\$55,369,000
Louisiana	-\$11,955,000	Utah	-\$4,106,000
Maine	-\$3,768,000	Vermont	-\$3,767,000
Maryland	-\$15,445,000	Virginia	-\$17,815,000
Massachusetts	-\$16,791,000	Washington	-\$14,013,000
Michigan	-\$18,756,000	West Virginia	-\$3,768,000
Minnesota	-\$9,627,000	Wisconsin	-\$9,146,000
Mississippi	-\$4,106,000	Wyoming	-\$3,767,000
Missouri	-\$13,198,000		

**Sources and Technical Notes:** This analysis assumes that states receive the same shares of the State Homeland Security Program Grants, the Metropolitan Medical Response System, the Citizen Corps Grant Program, and the Urban Area Security Initiative as in 2007 under both the President's budget and the current services level. The President's funding level is from his 2009 budget and the inflation rate for the current services level is from the Office of Management and Budget.

## Byrne Justice Assistance Grants

The President's budget eliminates formula funding for the Edward Byrne Memorial Justice Assistance Grants (JAG), which provide funding to states and local law enforcement agencies for crime prevention, law enforcement, prosecution, drug treatment, corrections (prisons), and performance improvement, providing \$174 million below the level needed to maintain services at the 2008 level. After years of steady decline, violent crime has increased in both of the last two years. The Government Accountability Office estimates that for every one percent increase in the number of officers, the violent crime rate decreases by 0.4 percent, but the Administration has repeatedly proposed deep cuts in local law enforcement funding. If the President's cut to JAG were adopted, the amount of federal law enforcement funding lost to communities would be equal to the amount needed to pay the salaries of more than 3,500 law enforcement officers.

The following table estimates the impact of the President's cut below the amount needed to maintain services using the assumptions detailed in the technical notes. The grants can be used for any of the statutory purposes, but if 100 percent of the lost funding were used to hire new police officers, the table below provides data on the potential impact.

	President's Cut From 2008 (adjusted for inflation)	Change in Police Officers Funded		President's Cut From 2008 (adjusted for inflation)	Change in Police Officers Funded
Alabama	-\$2,626,000	-76	Montana	-\$435,000	-11
Alaska	-\$836,000	-15	Nebraska	-\$1,149,000	-30
Arizona	-\$3,618,000	-73	Nevada	-\$1,920,000	-34
Arkansas	-\$1,921,000	-63	New Hampshire	-\$862,000	-21
California	-\$19,890,000	-293	New Jersey	-\$4,236,000	-61
Colorado	-\$2,607,000	-50	New Mexico	-\$1,623,000	-43
Connecticut	-\$1,827,000	-33	New York	-\$9,760,000	-203
Delaware	-\$932,000	-20	North Carolina	-\$4,839,000	-128
District of Columbia	-\$1,017,000	-18	North Dakota	-\$435,000	-11
Florida	-\$11,721,000	-247	Ohio	-\$5,408,000	-122
Georgia	-\$5,030,000	-137	Oklahoma	-\$2,286,000	-70
Hawaii	-\$932,000	-20	Oregon	-\$1,924,000	-38
Idaho	-\$996,000	-24	Pennsylvania	-\$6,341,000	-126
Illinois	-\$7,350,000	-133	Rhode Island	-\$835,000	-18
Indiana	-\$3,084,000	-75	South Carolina	-\$3,285,000	-93
Iowa	-\$1,622,000	-39	South Dakota	-\$435,000	-12
Kansas	-\$1,704,000	-44	Tennessee	-\$4,316,000	-130
Kentucky	-\$2,061,000	-57	Texas	-\$12,856,000	-288
Louisiana	-\$3,029,000	-103	Utah	-\$1,391,000	-34
Maine	-\$838,000	-24	Vermont	-\$435,000	-13
Maryland	-\$3,907,000	-78	Virginia	-\$3,476,000	-77
Massachusetts	-\$3,593,000	-74	Washington	-\$3,199,000	-55
Michigan	-\$5,827,000	-120	West Virginia	-\$1,150,000	-36
Minnesota	-\$2,525,000	-53	Wisconsin	-\$2,546,000	-56
Mississippi	-\$1,610,000	-34	Wyoming	-\$435,000	-11
Missouri	-\$3,508,000	-101			

**Sources and Technical Notes:** This analysis estimates state allocations using the statutory formula, 2007 Census Bureau population estimates, and 2004-2006 crime data from the Department of Justice. The estimates assume all funding is allocated to states according to the statutory formula. State allocations do not equal the total cut because the table does not show funding for set-asides and some non-state regions. The illustrative officer estimate is based on state average police officer salaries as reported by the Bureau of Labor Statistics. New York salaries are based on neighboring state averages because NY data was not available. The President's funding level is from his 2009 budget and the inflation rate for the current services level is from the Office of Management and Budget.

## Assistance to Firefighters Grants

The President's budget cuts Assistance to Firefighters Grants (Fire Grants) by \$465 million below the level needed to maintain current services, providing only \$300 million for 2009. Fire Grants help local fire departments obtain critically needed equipment, protective gear, emergency vehicles, training, and other resources needed to protect the public and emergency personnel from fire and related hazards. In 2006, fires killed 3,245 people, injured nearly 17,000 more, and caused \$11.3 billion in direct property loss. If the funding cut resulted in a reduction to the number of grants rather than a reduction in the size of the grants, the President's cut would reduce the number of grants to local fire departments by more than 5,000 in 2009.

The following table estimates the impact of the President's cut using the assumptions detailed in the technical notes.

	President's Cut From 2008 (adjusted for inflation)	Potential Change in Number of Fire Department Grants		President's Cut From 2008 (adjusted for inflation)	Potential Change in Number of Fire Department Grants
Alabama	-\$20,845,000	-232	Montana	-\$5,526,000	-61
Alaska	-\$714,000	-8	Nebraska	-\$4,164,000	-46
Arizona	-\$3,824,000	-42	Nevada	-\$811,000	-9
Arkansas	-\$7,286,000	-81	New Hampshire	-\$3,130,000	-35
California	-\$16,898,000	-188	New Jersey	-\$11,722,000	-130
Colorado	-\$3,041,000	-34	New Mexico	-\$1,383,000	-15
Connecticut	-\$5,185,000	-58	New York	-\$31,989,000	-355
Delaware	-\$1,048,000	-12	North Carolina	-\$17,327,000	-193
Florida	-\$6,423,000	-71	North Dakota	-\$2,328,000	-26
Georgia	-\$8,410,000	-93	Ohio	-\$24,018,000	-267
Hawaii	-\$251,000	-3	Oklahoma	-\$10,270,000	-114
Idaho	-\$2,567,000	-29	Oregon	-\$8,790,000	-98
Illinois	-\$19,987,000	-222	Pennsylvania	-\$39,044,000	-434
Indiana	-\$13,672,000	-152	Rhode Island	-\$1,917,000	-21
Iowa	-\$9,524,000	-106	South Carolina	-\$7,597,000	-84
Kansas	-\$4,717,000	-52	South Dakota	-\$2,829,000	-31
Kentucky	-\$12,594,000	-140	Tennessee	-\$10,608,000	-118
Louisiana	-\$6,563,000	-73	Texas	-\$17,067,000	-190
Maine	-\$6,343,000	-70	Utah	-\$2,094,000	-23
Maryland	-\$9,812,000	-109	Vermont	-\$1,378,000	-15
Massachusetts	-\$8,476,000	-94	Virginia	-\$7,871,000	-87
Michigan	-\$14,950,000	-166	Washington	-\$15,283,000	-170
Minnesota	-\$13,928,000	-155	West Virginia	-\$5,525,000	-61
Mississippi	-\$7,463,000	-83	Wisconsin	-\$13,243,000	-147
Missouri	-\$12,494,000	-139	Wyoming	-\$1,134,000	-13

**Sources and Technical Notes:** This analysis assumes that historical funding patterns, which are extremely consistent, continue, and funds are distributed in the same pattern as the most recent fully distributed year (2006). State cuts are not equal to the total cut because the table does not include the 12 percent of total funds the statute sets aside for fire safety grants, emergency medical services, and administration, which do not necessarily go to specific states or fire departments. The President's funding level is from his 2009 budget and the current services level is from the Office of Management and Budget. The analysis also assumes average grant size is the average of the last five years (2003-2007). Fire damage statistics are from the U.S. Fire Administration.

## Clean Water State Revolving Fund

The President's budget cuts the Clean Water State Revolving Fund (CWSRF), one of the government's most successful federal water quality programs, by \$148 million below the level needed to maintain current services, providing only \$555 million for 2009. The CWSRF program provides capitalization grants to states to help finance the construction of municipal wastewater facilities and nonpoint source pollution control projects. The Administration has repeatedly tried to cut CWSRF funding and has blocked the release of updated infrastructure needs assessments of our water systems, even though a 2000 Environmental Protection Agency (EPA) report documented over \$181 billion in unmet clean water infrastructure needs. The failure to provide safe drinking water has real-world public health consequences: According to an EPA investigation, 7.1 million Americans a year contract mild illnesses from bad water and 1,200 die.

The following table estimates the impact of the President's cut using the assumptions detailed in the technical notes.

	President's Cut From 2008 (adjusted for inflation)		President's Cut From 2008 (adjusted for inflation)
Alabama	-\$1,701,000	Montana	-\$747,000
Alaska	-\$911,000	Nebraska	-\$778,000
Arizona	-\$1,027,000	Nevada	-\$747,000
Arkansas	-\$995,000	New Hampshire	-\$1,520,000
California	-\$10,880,000	New Jersey	-\$6,217,000
Colorado	-\$1,217,000	New Mexico	-\$747,000
Connecticut	-\$1,864,000	New York	-\$16,791,000
Delaware	-\$747,000	North Carolina	-\$2,745,000
District of Columbia	-\$747,000	North Dakota	-\$747,000
Florida	-\$5,135,000	Ohio	-\$8,564,000
Georgia	-\$2,572,000	Oklahoma	-\$1,229,000
Hawaii	-\$1,178,000	Oregon	-\$1,718,000
Idaho	-\$747,000	Pennsylvania	-\$6,026,000
Illinois	-\$6,880,000	Rhode Island	-\$1,021,000
Indiana	-\$3,666,000	South Carolina	-\$1,562,000
Iowa	-\$2,059,000	South Dakota	-\$747,000
Kansas	-\$1,373,000	Tennessee	-\$2,210,000
Kentucky	-\$1,936,000	Texas	-\$6,953,000
Louisiana	-\$1,672,000	Utah	-\$802,000
Maine	-\$1,178,000	Vermont	-\$747,000
Maryland	-\$3,679,000	Virginia	-\$3,113,000
Massachusetts	-\$5,165,000	Washington	-\$2,646,000
Michigan	-\$6,541,000	West Virginia	-\$2,371,000
Minnesota	-\$2,796,000	Wisconsin	-\$4,113,000
Mississippi	-\$1,371,000	Wyoming	-\$747,000
Missouri	-\$4,217,000		

**Sources and Technical Notes:** This analysis assumes that state shares of total funding continue to follow the statutory allocation formula. The President's funding level is from his 2009 budget and the inflation rate for the current services level is from the Office of Management and Budget. Other information about clean water needs and the impact of unsafe water is from the Environmental Protection Agency.

## Community Development Block Grant

The President's budget cuts the Community Development Block Grant (CDBG) by \$731 million below the level needed to maintain current services, providing only \$2.9 billion for 2009. CDBG, which created over 55,000 new jobs in 2006, provides flexible funding to communities and states for economic development and job creation, affordable housing, and help for citizens in need. The Administration has proposed deep cuts in CDBG in most years, leading to a current funding level that is \$816 million (18 percent) below the 2001 level. Over the same time period, the United States has lost over 3 million manufacturing jobs and 1 million affordable housing units. If the President's cut to CDBG were adopted this year, each of the 4,800 communities that currently receives CDBG funds would be at risk of cuts.

The following table estimates the impact of the President's cut using the assumptions detailed in the technical notes.

	President's Cut From 2008 (adjusted for inflation)	Number of Communities at Risk		President's Cut From 2008 (adjusted for inflation)	Number of Communities at Risk
Alabama	-\$9,157,000	54	Montana	-\$1,702,000	3
Alaska	-\$876,000	2	Nebraska	-\$3,591,000	2
Arizona	-\$10,072,000	31	Nevada	-\$3,762,000	9
Arkansas	-\$5,114,000	14	New Hampshire	-\$2,454,000	5
California	-\$86,239,000	368	New Jersey	-\$18,669,000	427
Colorado	-\$7,067,000	40	New Mexico	-\$3,916,000	5
Connecticut	-\$7,739,000	22	New York	-\$64,527,000	313
Delaware	-\$1,333,000	15	North Carolina	-\$13,262,000	41
District of Columbia	-\$3,418,000	1	North Dakota	-\$1,178,000	3
Florida	-\$29,780,000	223	Ohio	-\$29,956,000	306
Georgia	-\$15,337,000	60	Oklahoma	-\$5,610,000	9
Hawaii	-\$2,820,000	3	Oregon	-\$6,800,000	44
Idaho	-\$2,268,000	6	Pennsylvania	-\$41,053,000	982
Illinois	-\$32,314,000	376	Rhode Island	-\$3,184,000	6
Indiana	-\$12,950,000	44	South Carolina	-\$7,202,000	32
Iowa	-\$7,633,000	11	South Dakota	-\$1,484,000	2
Kansas	-\$5,177,000	32	Tennessee	-\$9,256,000	22
Kentucky	-\$8,465,000	10	Texas	-\$47,418,000	209
Louisiana	-\$12,123,000	18	Utah	-\$3,836,000	23
Maine	-\$3,675,000	27	Vermont	-\$1,550,000	1
Maryland	-\$10,223,000	52	Virginia	-\$11,318,000	47
Massachusetts	-\$20,330,000	36	Washington	-\$11,381,000	117
Michigan	-\$24,247,000	223	West Virginia	-\$4,653,000	8
Minnesota	-\$10,741,000	252	Wisconsin	-\$12,289,000	126
Mississippi	-\$6,558,000	6	Wyoming	-\$784,000	2
Missouri	-\$12,438,000	103			

**Sources and Technical Notes:** This analysis assumes that funding to states is allocated as described in the President's 2009 budget. The President's funding level is from his 2009 budget and the inflation rate for the current services level is from the Office of Management and Budget. Totals do not add up to the funding difference because the table does not include funding to the territories and other non-state allocations. Housing statistics are from the Department of Housing and Urban Development (HUD) and economic statistics are from the Bureau of Labor Statistics. Number of communities at risk includes both the 1,149 entitlement communities and communities that received state-administered CDBG funds in 2007. Hawaii chose to stop participating in the State-Administered program, so Hawaii's funds are HUD-administered.



## Dislocated Worker Program

The President's budget cuts funding for Dislocated Worker state grants by \$271 million below the level needed to maintain current services, providing only \$943 million for state grants in 2009. This program successfully provides job training, career guidance, placement, and other services for dislocated workers, including those who lost their jobs due to trade. In 2005, 83 percent of people participating in the program found a job within three months, and the vast majority remained employed after nine months. If the President's cut is adopted, nearly 65,000 fewer workers will receive job training and other services to help them find work.

The following table estimates the impact of the President's cut using the assumptions detailed in the technical notes.

	President's Cut From 2008 (adjusted for inflation)	Change in Number of Workers Helped		President's Cut From 2008 (adjusted for inflation)	Change in Number of Workers Helped
Alabama	-\$1,721,000	-538	Missouri	-\$5,059,000	-1,581
Alaska	-\$975,000	-305	Montana	-\$276,000	-86
Arizona	-\$2,074,000	-648	Nebraska	-\$516,000	-161
Arkansas	-\$2,528,000	-790	Nevada	-\$1,541,000	-482
California	-\$33,285,000	-10,401	New Hampshire	-\$463,000	-145
Colorado	-\$1,795,000	-561	New Jersey	-\$4,350,000	-1,359
Connecticut	-\$2,011,000	-629	New Mexico	-\$601,000	-188
Delaware	-\$280,000	-87	New York	-\$11,200,000	-3,500
District of Columbia	-\$823,000	-257	North Carolina	-\$5,559,000	-1,737
Florida	-\$6,780,000	-2,119	Ohio	-\$14,369,000	-4,490
Georgia	-\$4,516,000	-1,411	Oklahoma	-\$1,581,000	-494
Hawaii	-\$319,000	-100	Oregon	-\$3,470,000	-1,084
Idaho	-\$340,000	-106	Pennsylvania	-\$5,454,000	-1,704
Illinois	-\$11,198,000	-3,499	Rhode Island	-\$775,000	-242
Indiana	-\$3,816,000	-1,192	South Carolina	-\$5,978,000	-1,868
Iowa	-\$1,109,000	-346	South Dakota	-\$252,000	-79
Kansas	-\$1,220,000	-381	Tennessee	-\$3,601,000	-1,125
Kentucky	-\$4,410,000	-1,378	Texas	-\$9,886,000	-3,089
Louisiana	-\$2,007,000	-627	Utah	-\$558,000	-174
Maine	-\$724,000	-226	Vermont	-\$281,000	-88
Maryland	-\$2,331,000	-728	Virginia	-\$2,332,000	-729
Massachusetts	-\$4,726,000	-1,477	Washington	-\$3,757,000	-1,174
Michigan	-\$23,430,000	-7,322	West Virginia	-\$814,000	-255
Minnesota	-\$2,623,000	-820	Wisconsin	-\$5,375,000	-1,680
Mississippi	-\$4,547,000	-1,421			

**Sources and Technical Notes:** This analysis estimates state allocations, which are awarded on a calendar-year basis, based on the statutory formula and using the most recent 12 months of unadjusted unemployment data from the Bureau of Labor Statistics (BLS) and CRS estimates of 2007 long-term unemployment. The President's funding level is from his 2009 budget and the inflation rate for the current services level is from the Office of Management and Budget. Both are distributed according to current law. The table does not show the mandated reserve fund or the funding for some states and outlying areas. For illustrative purposes, the number of workers affected is estimated using the Department of Labor's 2008 cost per participant under current law. North Dakota and Wyoming are not shown because allocations could not be estimated with statistical significance due to small sample sizes in the Census Bureau's data.

# Manufacturing Extension Partnership

The President's budget essentially eliminates the Manufacturing Extension Partnership (MEP), cutting funding by \$87 million below the level needed to maintain current services and providing only \$4 million for 2009. MEP provides resources and services to U.S. manufacturers to help them create jobs, leverage private-sector investment, and be more competitive. The Administration has proposed MEP cuts in every year since 2002, even though over 3 million manufacturing jobs have been lost since 2001. If the President's cut were adopted, private-sector investment in U.S. manufacturing could be reduced by an estimated \$1.5 billion and approximately 37,000 fewer jobs could be created or retained.

The following table estimates the impact of the President's cut using the assumptions detailed in the technical notes.

	President's Cut From 2008 (adjusted for inflation)	Estimated Jobs Lost	Estimated Private Invest- ment lost		President's Cut From 2008 (adjusted for inflation)	Estimated Jobs Lost	Estimated Private Invest- ment lost
Alabama	-\$1,489,000	-734	-\$30,463,000	Montana	-\$428,000	-211	-\$8,758,000
Alaska	-\$674,000	-332	-\$13,795,000	Nebraska	-\$501,000	-247	-\$10,254,049
Arizona	-\$885,000	-436	-\$18,105,000	Nevada	-\$632,000	-312	-\$12,932,405
Arkansas	-\$787,000	-388	-\$16,099,000	New Hampshire	-\$352,000	-174	-\$7,206,949
California	-\$9,662,000	-4,764	-\$197,730,000	New Jersey	-\$1,404,000	-692	-\$28,731,455
Colorado	-\$548,000	-270	-\$11,208,000	New Mexico	-\$1,137,000	-561	-\$23,278,332
Connecticut	-\$859,000	-423	-\$17,577,000	New York	-\$4,571,000	-2,253	-\$93,537,428
Delaware	-\$253,000	-125	-\$5,173,000	North Carolina	-\$1,853,000	-913	-\$37,911,808
Florida	-\$2,862,000	-1,411	-\$58,569,000	North Dakota	-\$408,000	-201	-\$8,349,139
Georgia	-\$2,133,000	-1,052	-\$43,660,000	Ohio	-\$3,799,000	-1,873	-\$77,755,416
Hawaii	-\$365,000	-180	-\$7,477,000	Oklahoma	-\$820,000	-404	-\$16,783,382
Idaho	-\$425,000	-210	-\$8,704,000	Oregon	-\$651,000	-321	-\$13,319,333
Illinois	-\$3,434,000	-1,693	-\$70,285,000	Pennsylvania	-\$4,404,000	-2,171	-\$90,133,097
Indiana	-\$561,000	-277	-\$11,483,000	Rhode Island	-\$376,000	-186	-\$7,701,921
Iowa	-\$1,554,000	-766	-\$31,804,000	South Carolina	-\$1,896,000	-935	-\$38,797,214
Kansas	-\$1,559,000	-769	-\$31,902,000	South Dakota	-\$321,000	-158	-\$6,571,569
Kentucky	-\$442,000	-218	-\$9,049,000	Tennessee	-\$1,047,000	-516	-\$21,421,029
Louisiana	-\$492,000	-243	-\$10,073,000	Texas	-\$4,788,000	-2,360	-\$97,982,868
Maine	-\$722,000	-356	-\$14,772,000	Utah	-\$755,000	-372	-\$15,461,251
Maryland	-\$335,000	-165	-\$6,859,000	Vermont	-\$331,000	-163	-\$6,782,370
Massachusetts	-\$1,977,000	-975	-\$40,453,000	Virginia	-\$1,067,000	-526	-\$21,841,349
Michigan	-\$1,896,000	-935	-\$38,797,000	Washington	-\$1,557,000	-768	-\$31,872,776
Minnesota	-\$1,685,000	-831	-\$34,486,000	West Virginia	-\$280,000	-138	-\$5,735,411
Mississippi	-\$839,000	-414	-\$17,171,000	Wisconsin	-\$2,653,000	-1,308	-\$54,296,989
Missouri	-\$1,763,000	-869	-\$36,090,000	Wyoming	-\$311,000	-153	-\$6,364,394

**Sources and Technical Notes:** This analysis assumes that state shares of total funding are the same as in FY 2007. MEP grants are awarded based on merit, but state shares of total funding have been very constant over the past five years. The President's funding level is from his 2009 budget and the current services level is from the Office of Management and Budget. Data on manufacturing jobs are from the Bureau of Labor Statistics. Illustrative estimates of private-sector investment and jobs assume that future MEP investments will generate the same return on the dollar as the average for MEP clients in FY 2005. Data collected by the National Institutes of Standards and Technology (NIST) since 1997 show the private investment return on federal investment rising or remaining essentially constant in every year except 2001, when there was a small decline. Jobs created per dollar of federal investment have risen or remained nearly constant in every year except 2004, when the cost per job created briefly increased by \$22.

## Improving Teacher Quality State Grants

The President's budget cuts funding for Improving Teacher Quality state grants by \$130 million below the level needed to maintain current services, providing only \$2.8 billion for 2009. The grant program provides states with flexible funding to help ensure that schools have highly qualified teachers in core academic subjects, which is a requirement of the No Child Left Behind Act. States can use the funding to recruit, train, and retain high-quality teachers in a variety of ways, including reforming certification requirements, providing professional development, and mentoring teachers. Funding for the program had been frozen around \$2.9 billion under this Administration. If the President's cut were adopted, an estimated 540,000 fewer children would be taught by highly qualified teachers.

The following table estimates the impact of the President's cut below the amount needed to maintain services using the assumptions detailed in the technical notes.

	President's Cut From 2008 (adjusted for inflation)	Change in Children With Highly Qualified Teachers		President's Cut From 2008 (adjusted for inflation)	Change in Children With Highly Qualified Teachers
Alabama	-\$2,079,000	-9,014	Montana	-\$619,000	-2,683
Alaska	-\$619,000	-2,683	Nebraska	-\$631,000	-2,737
Arizona	-\$2,128,000	-9,227	Nevada	-\$677,000	-2,937
Arkansas	-\$1,267,000	-5,493	New Hampshire	-\$619,000	-2,683
California	-\$14,724,000	-63,834	New Jersey	-\$2,905,000	-12,593
Colorado	-\$1,453,000	-6,301	New Mexico	-\$1,023,000	-4,436
Connecticut	-\$1,188,000	-5,150	New York	-\$10,170,000	-44,089
Delaware	-\$619,000	-2,683	North Carolina	-\$2,981,000	-12,922
District of Columbia	-\$619,000	-2,683	North Dakota	-\$619,000	-2,683
Florida	-\$5,913,000	-25,634	Ohio	-\$4,788,000	-20,759
Georgia	-\$3,487,000	-15,116	Oklahoma	-\$1,502,000	-6,512
Hawaii	-\$619,000	-2,683	Oregon	-\$1,276,000	-5,533
Idaho	-\$619,000	-2,683	Pennsylvania	-\$5,134,000	-22,259
Illinois	-\$5,228,000	-22,664	Rhode Island	-\$619,000	-2,683
Indiana	-\$2,225,000	-9,644	South Carolina	-\$1,671,000	-7,246
Iowa	-\$991,000	-4,297	South Dakota	-\$619,000	-2,683
Kansas	-\$1,008,000	-4,372	Tennessee	-\$2,254,000	-9,773
Kentucky	-\$2,002,000	-8,678	Texas	-\$10,894,000	-47,228
Louisiana	-\$2,902,000	-12,579	Utah	-\$839,000	-3,637
Maine	-\$619,000	-2,683	Vermont	-\$619,000	-2,683
Maryland	-\$1,840,000	-7,976	Virginia	-\$2,320,000	-10,059
Massachusetts	-\$2,305,000	-9,995	Washington	-\$2,125,000	-9,212
Michigan	-\$4,998,000	-21,668	West Virginia	-\$1,060,000	-4,593
Minnesota	-\$1,712,000	-7,424	Wisconsin	-\$2,063,000	-8,943
Mississippi	-\$1,900,000	-8,237	Wyoming	-\$619,000	-2,683
Missouri	-\$2,255,000	-9,775			

**Sources and Technical Notes:** This analysis assumes that funding to states is allocated as described in the President's 2009 budget. The inflation rate for the current services level is from the Office of Management and Budget. State allocations do not total to the difference in funding levels because the table does not show funding for administration and other set-asides or funding for non-state regions other than the District of Columbia. Number of children taught by high-quality teachers is estimated using per-teacher cost of training derived from National Commission on Teaching and America's Future 2000 estimate and updated for inflation, National Center for Education Statistics projected teacher salaries, and an average class size of 22.

## Career and Technical Education

The President's 2009 budget again slashes funding for career and vocational education in high schools and community and technical colleges, this time completely eliminating the program, which is a \$1.2 billion cut below the level needed to maintain current services. The President has proposed to either eliminate this program entirely or reduce it by up to half in each of the last five years. The President's cut would withdraw assistance for the approximately 8 million students currently supported by federally funded vocational education.

The following table estimates the impact of the President's cut using the assumptions detailed in the technical notes.

	President's Cut From 2008 (adjusted for inflation)		President's Cut From 2008 (adjusted for inflation)
Alabama	-\$19,543,000	Montana	-\$5,503,000
Alaska	-\$4,242,000	Nebraska	-\$7,058,000
Arizona	-\$25,022,000	Nevada	-\$7,792,000
Arkansas	-\$12,509,000	New Hampshire	-\$5,746,000
California	-\$126,922,000	New Jersey	-\$25,557,000
Colorado	-\$15,358,000	New Mexico	-\$9,070,000
Connecticut	-\$10,595,000	New York	-\$59,947,000
Delaware	-\$4,876,000	North Carolina	-\$35,356,000
District of Columbia	-\$4,242,000	North Dakota	-\$4,242,000
Florida	-\$60,628,000	Ohio	-\$45,210,000
Georgia	-\$38,814,000	Oklahoma	-\$15,190,000
Hawaii	-\$5,746,000	Oregon	-\$14,131,000
Idaho	-\$6,661,000	Pennsylvania	-\$44,819,000
Illinois	-\$44,508,000	Rhode Island	-\$5,746,000
Indiana	-\$25,771,000	South Carolina	-\$19,161,000
Iowa	-\$12,205,000	South Dakota	-\$4,381,000
Kansas	-\$11,066,000	Tennessee	-\$23,574,000
Kentucky	-\$18,020,000	Texas	-\$93,638,000
Louisiana	-\$21,176,000	Utah	-\$12,775,000
Maine	-\$5,746,000	Vermont	-\$4,242,000
Maryland	-\$17,344,000	Virginia	-\$24,864,000
Massachusetts	-\$19,579,000	Washington	-\$21,774,000
Michigan	-\$39,948,000	West Virginia	-\$8,482,000
Minnesota	-\$17,563,000	Wisconsin	-\$21,712,000
Mississippi	-\$14,062,000	Wyoming	-\$4,242,000
Missouri	-\$23,413,000		

**Sources and Technical Notes:** This analysis assumes that funding to states is allocated as described in the President's 2009 budget. The inflation rate for the current services level is from the Office of Management and Budget. State allocations do not total to the difference in funding levels because the table does not show funding for administration and other set-asides or funding for non-state regions other than the District of Columbia.

## 21<sup>st</sup> Century Learning Centers

The President's 2009 budget changes the structure of the 21<sup>st</sup> Century Learning After-School Centers program and cuts funding by \$303 million below the amount needed to maintain services at the current level, providing only \$800 million for 2009. This program provides a safe place for supervised after-school activities for 1.6 million students, providing services that include academic assistance, career exploration, skills development and internships, and athletic programs. Funding reductions in the program could reduce the number of children served by the program, or reduce the quantity or quality of services provided by the after-school centers. If the President's cut were adopted and all of the funding cut resulted in a reduction in the number of after-school slots available, then at least 660,000 fewer students could receive these important services.

The following table estimates the potential impact of the President's cut if all of the reduced funding resulted in fewer available after-school slots, using the assumptions detailed in the technical notes.

	President's Cut From 2008 (adjusted for inflation)	Potential Change in Number of Children		President's Cut From 2008 (adjusted for inflation)	Potential Change in Number of Children
Alabama	-\$3,930,000	-9,202	Montana	-\$1,486,000	-3,303
Alaska	-\$1,486,000	-3,303	Nebraska	-\$1,486,000	-3,303
Arizona	-\$7,294,000	-14,923	Nevada	-\$2,143,000	-4,471
Arkansas	-\$1,794,000	-4,908	New Hampshire	-\$1,486,000	-3,303
California	-\$42,181,000	-88,749	New Jersey	-\$4,551,000	-11,194
Colorado	-\$2,478,000	-5,806	New Mexico	-\$1,838,000	-4,490
Connecticut	-\$3,108,000	-6,346	New York	-\$34,948,000	-70,640
Delaware	-\$1,486,000	-3,303	North Carolina	-\$4,559,000	-12,392
District of Columbia	-\$1,486,000	-3,303	North Dakota	-\$1,486,000	-3,303
Florida	-\$11,089,000	-26,734	Ohio	-\$8,702,000	-20,890
Georgia	-\$8,985,000	-20,319	Oklahoma	-\$1,860,000	-5,069
Hawaii	-\$1,486,000	-3,303	Oregon	-\$1,987,000	-5,141
Idaho	-\$1,486,000	-3,303	Pennsylvania	-\$11,301,000	-25,651
Illinois	-\$18,512,000	-36,332	Rhode Island	-\$1,486,000	-3,303
Indiana	-\$5,735,000	-12,306	South Carolina	-\$4,034,000	-9,237
Iowa	-\$1,666,000	-3,614	South Dakota	-\$1,486,000	-3,303
Kansas	-\$1,929,000	-4,364	Tennessee	-\$3,290,000	-8,679
Kentucky	-\$3,436,000	-8,396	Texas	-\$23,782,000	-55,417
Louisiana	-\$5,352,000	-12,788	Utah	-\$1,486,000	-3,303
Maine	-\$1,486,000	-3,303	Vermont	-\$1,486,000	-3,303
Maryland	-\$5,344,000	-10,867	Virginia	-\$4,007,000	-9,527
Massachusetts	-\$4,413,000	-10,156	Washington	-\$4,652,000	-9,865
Michigan	-\$8,988,000	-21,493	West Virginia	-\$1,306,000	-3,481
Minnesota	-\$2,540,000	-5,715	Wisconsin	-\$6,400,000	-12,499
Mississippi	-\$3,763,000	-8,507	Wyoming	-\$1,486,000	-3,303
Missouri	-\$4,122,000	-9,625			

**Sources and Technical Notes:** This analysis assumes that funding to states is allocated as described in the President's 2009 budget. The inflation rate for the current services level is from the Office of Management and Budget. State allocations do not total to the difference in funding levels because the table does not show funding for administration and other set-asides or funding for non-state regions other than the District of Columbia. For illustrative purposes, the number of children losing access to after-school care is estimated using the 2009 national per-child cost for this program under the President's proposal and current law, as provided in the Department of Education Congressional Budget Justification.

## Child Care Development Block Grant

The President's budget cuts discretionary funding for the Child Care Development Block Grant (CCDBG) by \$41 million below the level needed to maintain current services, providing only \$2.1 billion for 2009. CCDBG reduces child care costs for low-income children while their parents work, and also monitors and improves quality and safety of care for all children. The Administration's failure to keep up with inflation will also reduce dedicated federal resources to improve the quality, safety, and availability of child care by \$1.6 million below the level needed to keep pace with inflation in 2009. Appropriated CCDBG funding has been effectively frozen since 2001, even as the percentage of children under six with only working parents has grown.

The following table estimates the impact of the President's funding cut using the assumptions detailed in the technical notes.

	President's Cut From 2008 (adjusted for inflation)		President's Cut From 2008 (adjusted for inflation)
Alabama	-\$793,000	Montana	-\$118,000
Alaska	-\$81,000	Nebraska	-\$233,000
Arizona	-\$1,025,000	Nevada	-\$293,000
Arkansas	-\$507,000	New Hampshire	-\$94,000
California	-\$4,551,000	New Jersey	-\$699,000
Colorado	-\$475,000	New Mexico	-\$366,000
Connecticut	-\$273,000	New York	-\$2,064,000
Delaware	-\$90,000	North Carolina	-\$1,339,000
District of Columbia	-\$57,000	North Dakota	-\$75,000
Florida	-\$2,229,000	Ohio	-\$1,342,000
Georgia	-\$1,593,000	Oklahoma	-\$629,000
Hawaii	-\$144,000	Oregon	-\$448,000
Idaho	-\$239,000	Pennsylvania	-\$1,231,000
Illinois	-\$1,492,000	Rhode Island	-\$107,000
Indiana	-\$834,000	South Carolina	-\$730,000
Iowa	-\$363,000	South Dakota	-\$109,000
Kansas	-\$374,000	Tennessee	-\$907,000
Kentucky	-\$709,000	Texas	-\$4,403,000
Louisiana	-\$846,000	Utah	-\$454,000
Maine	-\$136,000	Vermont	-\$58,000
Maryland	-\$498,000	Virginia	-\$770,000
Massachusetts	-\$491,000	Washington	-\$668,000
Michigan	-\$1,134,000	West Virginia	-\$269,000
Minnesota	-\$517,000	Wisconsin	-\$596,000
Mississippi	-\$642,000	Wyoming	-\$55,000
Missouri	-\$773,000		

**Sources and Technical Notes:** This analysis assumes that funding to states is allocated as described in the President's 2009 budget. The current services level is from the Office of Management and Budget. Analysis does not include \$2.9 billion in mandatory funding authorized under current law. 2000 Statistics on the number of children receiving assistance are from the Department of Health and Human Services and 2009 estimate is from the Office of Management and Budget. Statistics on working parents are from the Census Bureau's American FactFinder.

## Low-Income Home Energy Assistance Program

The President's budget cuts total Low-Income Home Energy Assistance Program (LIHEAP) funding by \$367 million below the amount needed to maintain services at the current level, providing only \$2.0 billion for 2009. LIHEAP helps about 5.8 million very low-income households, the majority of which include a child under five or an elderly or disabled person, keep the heat on in the winter or mitigate dangerously hot summer temperatures. According to the Department of Energy, home heating costs for the average family have increased by 80 percent since 2001, but the Bush Administration has proposed cuts below the amount needed to maintain current services in six of the past eight years. The average benefit level has declined since 2001, and the program currently serves about 16 percent of eligible families.

The following table estimates the impact of the President's cut using the assumptions detailed in the technical notes. The table only shows the state impact of the \$320 million cut in formula funding and does not project which states will be affected by the cut in available contingency funds.

	President's Cut From 2008 (adjusted for inflation)		President's Cut From 2008 (adjusted for inflation)
Alabama	-\$2,691,000	Montana	-\$1,912,000
Alaska	-\$1,197,000	Nebraska	-\$2,899,000
Arizona	-\$1,203,000	Nevada	-\$615,000
Arkansas	-\$2,065,000	New Hampshire	-\$2,501,000
California	-\$14,404,000	New Jersey	-\$12,235,000
Colorado	-\$5,063,000	New Mexico	-\$1,508,000
Connecticut	-\$6,605,000	New York	-\$39,984,000
Delaware	-\$877,000	North Carolina	-\$5,862,000
District of Columbia	-\$1,026,000	North Dakota	-\$2,058,000
Florida	-\$4,282,000	Ohio	-\$16,173,000
Georgia	-\$3,386,000	Oklahoma	-\$2,260,000
Hawaii	-\$341,000	Oregon	-\$3,833,000
Idaho	-\$1,879,000	Pennsylvania	-\$21,512,000
Illinois	-\$18,282,000	Rhode Island	-\$2,169,000
Indiana	-\$8,276,000	South Carolina	-\$2,150,000
Iowa	-\$5,866,000	South Dakota	-\$1,680,000
Kansas	-\$2,687,000	Tennessee	-\$4,363,000
Kentucky	-\$4,307,000	Texas	-\$7,126,000
Louisiana	-\$2,767,000	Utah	-\$2,306,000
Maine	-\$4,123,000	Vermont	-\$1,874,000
Maryland	-\$5,057,000	Virginia	-\$6,160,000
Massachusetts	-\$13,207,000	Washington	-\$6,191,000
Michigan	-\$17,224,000	West Virginia	-\$2,851,000
Minnesota	-\$12,505,000	Wisconsin	-\$11,256,000
Mississippi	-\$2,316,000	Wyoming	-\$908,000
Missouri	-\$7,302,000		

**Sources and Technical Notes:** This analysis assumes that funding to states is allocated as described in the President's 2009 budget. The current services level is from the Office of Management and Budget. All data on household energy costs are from the Department of Energy. Information on LIHEAP households and benefits is from the Department of Health and Human Services and the National Energy Assistance Program Directors Association.

## Social Services Block Grant

The President's budget slashes the Social Services Block Grant (SSBG) by \$500 million below the level needed to maintain current services, providing only \$1.2 billion for 2009, and then eliminates SSBG in 2010. This grant provides states with broad discretion to use these funds for social services such as child care, child welfare, home-based services, employment services, prevention and intervention programs, and special services for the disabled. Since 2006, the President has sought to cut the grant every year, but he has proposed his largest cut yet at a time when nearly half of all states are facing budget shortfalls in 2009. If the President's cut were adopted, important services could be cut in needy communities across the country.

The following table estimates the impact of the President's cut using the assumptions detailed in the technical notes.

	President's Cut From 2008 (adjusted for inflation)		President's Cut From 2008 (adjusted for inflation)
Alabama	-\$7,638,000	Montana	-\$1,569,000
Alaska	-\$1,113,000	Nebraska	-\$2,937,000
Arizona	-\$10,240,000	Nevada	-\$4,144,000
Arkansas	-\$4,668,000	New Hampshire	-\$2,184,000
California	-\$60,545,000	New Jersey	-\$14,489,000
Colorado	-\$7,894,000	New Mexico	-\$3,246,000
Connecticut	-\$5,820,000	New York	-\$32,062,000
Delaware	-\$1,418,000	North Carolina	-\$14,708,000
District of Columbia	-\$966,000	North Dakota	-\$1,056,000
Florida	-\$30,042,000	Ohio	-\$19,062,000
Georgia	-\$15,551,000	Oklahoma	-\$5,944,000
Hawaii	-\$2,135,000	Oregon	-\$6,146,000
Idaho	-\$2,435,000	Pennsylvania	-\$20,660,000
Illinois	-\$21,310,000	Rhode Island	-\$1,773,000
Indiana	-\$10,485,000	South Carolina	-\$7,176,000
Iowa	-\$4,953,000	South Dakota	-\$1,298,000
Kansas	-\$4,590,000	Tennessee	-\$10,029,000
Kentucky	-\$6,985,000	Texas	-\$39,039,000
Louisiana	-\$7,121,000	Utah	-\$4,235,000
Maine	-\$2,195,000	Vermont	-\$1,036,000
Maryland	-\$9,326,000	Virginia	-\$12,693,000
Massachusetts	-\$10,690,000	Washington	-\$10,622,000
Michigan	-\$16,766,000	West Virginia	-\$3,020,000
Minnesota	-\$8,581,000	Wisconsin	-\$9,228,000
Mississippi	-\$4,833,000	Wyoming	-\$855,000
Missouri	-\$9,703,000		

**Sources and Technical Notes:** This analysis assumes that funding to states is allocated as described in the President's 2009 budget. The program's current services level is from the Office of Management and Budget.



## Public Housing Capital Fund

The President's budget cuts the Public Housing Capital Fund by \$461 million below the level needed to maintain current services, providing only \$2.0 billion for 2009. Within that amount, the budget provides less than the \$2.0 billion a year that the Department of Housing and Urban Development (HUD) has previously estimated is necessary to keep up with current maintenance needs, and less than half of the 2001 available funding of \$4.5 billion. According to HUD's most recent estimate, public housing also has an \$18.0 billion backlog of unmet need for repairs and modernization. Failure to maintain buildings leads to substantially higher repair costs and also creates dangerous living conditions for the residents. If the President's cut were adopted, it would mean another year of deferred repairs for 2.1 million residents of public housing, who are overwhelmingly elderly, disabled, or families with children.

Using the assumptions detailed in the technical notes, the following table estimates the impact of the President's cut. The final column of the table lists the number of public housing residents in each state, any of whom could be affected by the budget cut.

	President's Cut From 2008 (adjusted for inflation)	Number of Residents Potentially Affected		President's Cut From 2008 (adjusted for inflation)	Number of Residents Potentially Affected
Alabama	-\$13,417,000	72,590	Montana	-\$662,000	4,380
Alaska	-\$545,000	3,120	Nebraska	-\$1,891,000	11,001
Arizona	-\$2,054,000	17,372	Nevada	-\$1,589,000	8,857
Arkansas	-\$4,251,000	25,461	New Hampshire	-\$1,154,000	6,930
California	-\$18,775,000	95,509	New Jersey	-\$16,128,000	64,326
Colorado	-\$2,802,000	18,114	New Mexico	-\$1,381,000	9,308
Connecticut	-\$5,944,000	26,583	New York	-\$74,934,000	407,868
Delaware	-\$1,132,000	3,199	North Carolina	-\$11,669,000	75,616
District of Columbia	-\$5,138,000	not available	North Dakota	-\$487,000	2,986
Florida	-\$12,946,000	71,277	Ohio	-\$19,473,000	85,526
Georgia	-\$16,542,000	79,323	Oklahoma	-\$3,756,000	23,137
Hawaii	-\$2,476,000	13,884	Oregon	-\$2,208,000	7,966
Idaho	-\$263,000	1,441	Pennsylvania	-\$32,399,000	79,104
Illinois	-\$35,498,000	77,738	Rhode Island	-\$2,813,000	16,352
Indiana	-\$6,186,000	29,655	South Carolina	-\$5,151,000	31,933
Iowa	-\$1,113,000	5,972	South Dakota	-\$695,000	2,435
Kansas	-\$2,499,000	13,317	Tennessee	-\$12,164,000	63,929
Kentucky	-\$8,247,000	42,664	Texas	-\$19,874,000	123,777
Louisiana	-\$10,623,000	40,426	Utah	-\$648,000	5,004
Maine	-\$1,183,000	8,418	Vermont	-\$588,000	3,052
Maryland	-\$8,664,000	15,720	Virginia	-\$10,459,000	43,572
Massachusetts	-\$12,650,000	55,140	Washington	-\$6,260,000	14,215
Michigan	-\$8,807,000	37,335	West Virginia	-\$2,181,000	11,583
Minnesota	-\$6,934,000	35,362	Wisconsin	-\$3,805,000	21,264
Mississippi	-\$4,484,000	27,315	Wyoming	-\$201,000	1,430
Missouri	-\$7,439,000	31,334			

**Sources and Technical Notes:** This analysis assumes that funding to states is allocated as described in the President's 2009 budget. The program's current services level is from the Office of Management and Budget. The current number of public housing residents is from the Department of Housing and Urban Development Resident Characteristics Report as of November 30, 2007.

## Federal-Aid Highways Program

The President's budget cuts the Federal-Aid Highways Program (the highway program) by \$800 million below the level needed to maintain current services, providing only \$39.4 billion for 2009. The highway program provides federal assistance to states to build, rehabilitate, and improve the National Highway System and other roads and bridges, primarily in the form of flexible, formula-based assistance. Federal spending is restricted by annual ceilings on obligations that are provided in appropriations acts. The President's budget would lower the 2009 obligation limitation by \$800 million. Because many highway projects are major capital investments that take several years to plan and complete, states could lose formula funding needed for both new projects and projects that are already underway.

The following table estimates the impact of the President's cut below the amount needed to maintain services using the assumptions detailed in the technical notes.

	President's Cut From 2008 (adjusted for inflation)		President's Cut From 2008 (adjusted for inflation)
Alabama	-\$12,328,000	Montana	-\$5,889,000
Alaska	-\$5,323,000	Nebraska	-\$4,557,000
Arizona	-\$11,859,000	Nevada	-\$4,143,000
Arkansas	-\$7,643,000	New Hampshire	-\$2,903,000
California	-\$54,269,000	New Jersey	-\$16,454,000
Colorado	-\$8,001,000	New Mexico	-\$5,791,000
Connecticut	-\$8,387,000	New York	-\$28,783,000
Delaware	-\$2,412,000	North Carolina	-\$17,656,000
District of Columbia	-\$2,557,000	North Dakota	-\$3,857,000
Florida	-\$30,777,000	Ohio	-\$22,125,000
Georgia	-\$21,786,000	Oklahoma	-\$9,469,000
Hawaii	-\$2,686,000	Oregon	-\$6,926,000
Idaho	-\$4,561,000	Pennsylvania	-\$28,651,000
Illinois	-\$20,673,000	Rhode Island	-\$3,101,000
Indiana	-\$15,588,000	South Carolina	-\$10,154,000
Iowa	-\$6,693,000	South Dakota	-\$4,041,000
Kansas	-\$6,509,000	Tennessee	-\$13,352,000
Kentucky	-\$10,645,000	Texas	-\$51,631,000
Louisiana	-\$9,355,000	Utah	-\$4,447,000
Maine	-\$2,866,000	Vermont	-\$2,631,000
Maryland	-\$9,839,000	Virginia	-\$16,404,000
Massachusetts	-\$10,468,000	Washington	-\$10,474,000
Michigan	-\$18,835,000	West Virginia	-\$6,595,000
Minnesota	-\$9,755,000	Wisconsin	-\$12,010,000
Mississippi	-\$7,260,000	Wyoming	-\$4,024,000
Missouri	-\$14,260,000		

**Sources and Technical Notes:** This analysis assumes that formula funds are distributed in the same shares as in 2006 and 2007, the first full years of the SAFETEA-LU Highway Authorization, based on Federal Highway Administration data. The analysis assumes that the share of funds not distributed under the formula grants (Allocated Programs, High Priority Projects, Projects of Regional and National Significance, Corridor Infrastructure Projects, Sec. 144(g), and Transfers to Sections 154 & 164) remains at the average level from 2006 and 2007 under both the President's budget and current services, and those funds are not shown in the table. The President's funding level is from his 2009 budget and the current services level is the authorized level under the Highway Act, as adjusted by estimates of revenue aligned budget authority (RABA).

## Essential Air Service

The President's budget cuts the Essential Air Service (EAS) by \$61 million below the level needed to maintain current services, providing only \$50 million for 2009. Without the EAS, which preserves passenger air service at rural airports that would otherwise not be able to provide it, rural Americans would have to travel on average an additional 35 miles to reach an airport, and some residents would have to travel as far as 196 miles from their current airport. If the President's cut were adopted, over 100 rural airports would be at risk of closing.

The following table estimates the impact of the President's cut using the assumptions detailed in the technical notes. By statute, an EAS subsidy is only provided if an airport cannot maintain passenger service without it, so cuts in the subsidy lead to loss of access to air travel in affected communities. State cuts may not equal the total cut because of rounding.

	President's Cut From 2008 (adjusted for inflation)	Rural Airports at Risk		President's Cut From 2008 (adjusted for inflation)	Rural Airports at Risk
Alabama	-\$816,000	1	Montana	-\$3,840,000	8
Alaska	-\$11,762,000	39	Nebraska	-\$3,252,000	7
Arizona	-\$2,081,000	4	Nevada	-\$351,000	1
Arkansas	-\$1,820,000	5	New Hampshire	-\$580,000	1
California	-\$1,385,000	3	New Mexico	-\$1,926,000	5
Colorado	-\$1,478,000	3	New York	-\$2,721,000	6
Georgia	-\$339,000	1	North Dakota	-\$2,373,000	3
Illinois	-\$2,173,000	4	Oregon	-\$352,000	1
Iowa	-\$1,682,000	3	Pennsylvania	-\$2,869,000	6
Kansas	-\$3,933,000	8	South Dakota	-\$1,744,000	3
Kentucky	-\$491,000	1	Tennessee	-\$491,000	1
Maine	-\$1,942,000	4	Texas	-\$276,000	1
Maryland	-\$463,000	1	Utah	-\$1,495,000	3
Michigan	-\$1,461,000	4	Vermont	-\$460,000	1
Minnesota	-\$1,115,000	2	Virginia	-\$352,000	1
Mississippi	-\$497,000	1	West Virginia	-\$791,000	5
Missouri	-\$2,184,000	5	Wyoming	-\$791,000	2

**Sources and Technical Notes:** The EAS receives a combination of mandatory and discretionary funding. This analysis assumes that current airports remain eligible for subsidy and any changes in funding are evenly distributed across states. Analysis of data from the past five years shows that EAS airports and subsidy levels are extremely constant from year to year. States not shown do not currently have EAS-subsidized air service. Data on EAS subsidy distribution, rules, and impact is from the Office of Aviation Analysis, U.S. Department of Transportation. The number of airports at risk is the total number of airports in the state currently receiving EAS subsidy. The President's funding level is from his 2009 budget and the current services level is from the Office of Management and Budget.