

FY2008 Budget Summary

Introduction

President Bush delivered his \$2.9 trillion FY2008 budget to Congress on February 5. The budget proposes to cut the deficit by 50 percent by 2009 and eliminate it entirely by 2012. In order to accomplish that goal, overall discretionary spending would be held to one percent increases in FY2008, and for the five-year period thereafter. Defense spending would increase by 10.5 percent in FY2008. In addition, the administration proposes the elimination of 141 federal programs resulting in a savings of \$12 billion. The budget also calls upon Congress to make the 2001 and 2003 tax cuts permanent and proposes \$96 billion in mandatory savings over five years through FY2012.

The following summarizes President Bush's budget proposal for a number of programs important to women and their families. To date, the House has passed a continuing resolution (CR) to fund programs in the nine FY2007 appropriations bills that were not enacted before the end of the 109th Congress (see *The Source*, 2/2/07). The Senate is expected to consider the CR before February 15, when the current CR expires. Therefore, for comparison purposes, the enacted FY2006 levels have been provided.

Department of Agriculture

Child Nutrition Programs: Under the FY2008 budget, child nutrition programs would receive \$13.897 billion, \$1.46 billion more than FY2006. Child nutrition programs include the National School Lunch Program, the School Breakfast Program, the Child and Adult Care Food Program, the Summer Food Service, and the Special Milk Program.

Commodity Supplemental Food Program (CSFP): President Bush's budget would eliminate the CSFP in FY2008. In FY2006, this program received \$112 million. Budget documents note that that the CSFP "duplicates two of the nation's largest federal nutrition assistance programs – Food Stamps and WIC." The budget would provide "temporary benefits and outreach to help elderly households transition from CSFP to the Food Stamp program."

Food Stamp Program: The administration's budget would provide \$39.838 billion for the Food Stamp program in FY2008, \$861 million less than FY2006. The budget proposes to exclude all retirement and education savings when determining eligibility for the Food Stamp program. It would "limit Food Stamp categorical eligibility status to households which receive Supplemental Security Income or Temporary Assistance for Needy Families cash assistance." It also proposes that combat-related military pay be excluded in determining eligibility so as to ensure "that the families of the nation's servicemen and women do not lose food stamp benefits when their family member serves in combat."

McGovern-Dole International Food for Education and Child Nutrition Program: The FY2008 budget would fund the McGovern-Dole International Food for Education and Child Nutrition Program at \$100 million, \$1 million more than FY2006, "for the donation of U.S. agricultural commodities and associated technical and financial assistance to carry out preschool and school feeding programs in 13 foreign countries in order to improve food security, reduce the incidence of hunger and malnutrition, and improve literacy and primary education. The program also supports maternal, infant, and child nutrition programs for pregnant women, nursing mothers, infants and children."

Obesity: The FY2008 budget includes an additional \$7 million for the Agricultural Research Service to "undertake health and obesity prevention research to address the efficacy of the healthful eating and physical activity patterns set forth in the Dietary Guidelines in preventing obesity in the U.S. population. The research will focus on preventing obesity in children and understanding the dietary patterns that contribute to obesity in low socioeconomic and minority populations."

WIC: Under the administration's budget, the WIC program would receive \$5.477 billion in FY2008, \$114 million more than FY2006.

Department of Education

21st Century Community Learning Centers: The administration's budget would provide \$981.18 million in FY2008 for the 21st Century Community Learning Centers. This amount would be an increase of \$14,000 above FY2006.

Adult Education: The budget would provide \$579.808 million in FY2008 for Adult Education programs, an increase of \$256,000 over FY2006.

American Competitiveness Initiative: The president's budget would fund a new program, the American Competitiveness Initiative, at \$365 million in FY2008. Of this amount, \$125 million would be allocated for Math Now for Elementary School Students; \$125 million would be provided for Math Now for Middle School Students; \$90 million would be used to increase Advanced Placement programs; and \$25 million would go to the Adjunct Teacher Corps.

America's Opportunity Scholarships for Kids: The budget would fund a new Opportunity Scholarships program at \$50 million in FY2008. This program would allow students in underperforming schools to transfer to another public or private school or obtain supplemental educational services.

America's Promise Scholarships: The president's budget recommends funding a new Promise Scholarships program at \$250 million for FY2008. This program would allow students who attend "persistently low-performing schools" to transfer to out-of-district public schools or to private schools or obtain supplemental educational services while their schools are being restructured.

Child Care Access Means Parents in School (CCAMPIS): The CCAMPIS program would receive level funding of \$15.81 million in FY2008. The program provides grants to institutions of higher education to supplement child care services or to start a new child care program in order to assist low-income students who are parents.

Civil Rights Enforcement: The Department of Education's Office of Civil Rights would receive \$93.771 million in FY2008, an increase of \$3.2 million over FY2006.

Early Childhood Educator Professional Development Grants: Under the president's budget, the Early Childhood Educator Professional Development Grant program would be consolidated with the Early Reading First program. The combined programs, which would receive \$117.666 million in FY2008, would help to strengthen partnerships between preschool providers and institutions of higher education that provide professional development to early childhood educators. The program received \$14.549 million in FY2006.

Education for Homeless Children and Youth: The Education for Homeless Children and Youth program would be funded at \$61.871 million in FY2008, a \$7,000 increase over FY2006.

Education Technology State Grants: The president recommends the elimination of the Education Technology State Grants in FY2008. The program received \$272.25 million in FY2006.

Elementary and Secondary Education Act (ESEA): The administration's budget would provide \$13.91 billion in FY2008 for Title I grants to local educational agencies under the No Child Left Behind Act (P.L. 107-110). This amount, an increase of \$1.2 billion over the FY2006 level, would be used to "deliver greater resources to high-poverty high schools to support more rigorous instruction and coursework that will improve graduation rates and prepare all graduates for either postsecondary education or the workforce."

Even Start: The William F. Goodling Even Start Family Literacy Program would be eliminated under the president's FY2008 budget request. The Even Start program received \$99 million in FY2006.

Improving Teacher Quality: The FY2008 request for Improving Teacher Quality is \$2.787 billion, a decrease of nearly \$100 million from FY2006.

Individuals with Disabilities Education Act (IDEA): Under the budget request, \$10.491 billion would be allocated to IDEA in FY2008, a decrease of \$91 million from FY2006. In addition, \$380.751 million would be provided for preschool grants and \$423.067 million for grants for infants and families.

Minority Science and Engineering Improvement: The administration's budget would level fund the Minority Science and Engineering Improvement program at \$8.73 million in FY2008.

Pell Grants: The budget request would provide \$15.203 billion for the Pell Grant program in FY2008, an increase of \$2.158 billion over FY2006. The maximum Pell Grant award would increase to \$4,600.

Reading First: The Reading First literacy program would receive \$1.018 billion in FY2008, an \$11 million decrease from FY2006.

Safe and Drug-Free Schools and Communities: The budget proposes \$324.248 million in FY2008 for Safe and Drug-Free Schools, \$244.587 million lower than FY2006.

Vocational Education: The budget would fund vocational education programs at \$617.366 million in FY2008, a decrease of \$686.306 million from FY2006.

Women's Educational Equity Act (WEEA): The President proposes to eliminate funding for the Women's

Educational Equity Act in FY2008; the program received \$2.926 billion in FY2006.

Department of Health and Human Services

Administration for Children and Families

The Administration for Children and Families would receive \$45.327 billion in FY2008, \$3.963 billion more than FY2006.

Abandoned Infants Assistance: Programs for abandoned infant assistance would be level-funded at \$12 million in FY2008.

Abstinence Education: The administration's budget would increase funding for abstinence education programs by \$28 million for a total of \$191 million in FY2008.

Adoption: Under the FY2008 budget, the Adoption Incentives program would receive \$14 million in FY2008, \$2 million below FY2006. In addition, level funding of \$13 million would be provided for adoption awareness programs. Adoption Opportunities would be level funded at \$27 million.

Child Abuse and Neglect Treatment/Prevention Activities: Abuse and neglect prevention programs would receive \$106 million in FY2008, \$10 million above FY2006.

Child Care and Development Block Grant (CCDBG): The CCDBG would receive \$2.062 billion in FY2008, \$1 million more than FY2006.

Child Support Enforcement: The FY2008 budget would provide \$3.95 billion for child support enforcement in FY2008, \$628 million above FY2006.

Child Welfare Programs: Under the administration's budget, child welfare programs would receive level funding of \$294 million in FY2008.

Consolidated Runaway and Homeless Youth Programs: The administration's budget would provide level funding of \$103 million for consolidated runaway and homeless youth programs in FY2008.

Faith-based and Community Initiatives Programs: President Bush proposes \$126 million for faith-based and community organizations in FY2008, \$11 million above FY2006.

Head Start: Under the administration's budget, Head Start would receive \$6.789 billion in FY2008, \$62 million below FY2006.

Healthy Marriages and Responsible Fatherhood: The administration's budget would provide level funding of \$150 million for healthy marriage and responsible fatherhood grants in FY2008.

Mentoring Children of Prisoners: Under the administration's budget, the Mentoring Children of Prisoners program would receive \$50 million in FY2008, \$1 million above FY2006.

Promoting Safe and Stable Families: The FY2008 budget would level-fund the Promoting Safe and Stable Families program at \$454 million.

Refugee and Entrant Assistance: President Bush proposes \$511 million for refugee and entrant assistance programs in FY2008, \$45 million above FY2006. Included in the president's FY2008 budget is \$135 million for costs associated with the care and placement of unaccompanied children, \$58 million more than FY2006.

Social Services Block Grant (SSBG): The administration's FY2008 budget would fund the SSBG at \$1.2 billion in FY2008, \$500 million less than FY2006.

Violence Against Women Act (VAWA): The administration's budget would provide level funding of \$3 million for the National Domestic Violence Hotline in FY2008. Battered women's shelters would receive level funding of \$125 million in FY2008.

Administration on Aging (AoA)

The FY2008 budget would fund the AoA at \$1.335 billion in FY2008, \$27 million less than FY2006.

National Family Caregiver Support Program: The National Family Caregiver Support Program would receive \$154 million in FY2008, \$2 million below FY2006.

Agency for Healthcare Research and Quality (AHRQ)

The FY2008 budget would provide \$329.564 million for AHRQ, \$11 million above FY2006.

Centers for Disease Control and Prevention (CDC)

Under the administration's budget, the CDC would receive \$5.688 billion in FY2008, \$228 million less than FY2006.

Adolescent Health Initiative: The budget proposes \$17 million for this new initiative. The program would "help our nation's youth take responsibility for personal health through actions such as regular physical activity, healthy eating, and injury prevention. The initiative will help communities implement the School Health Index to develop action plans to improve school health and safety policies and programs. This investment will enable more than 3,600 schools and more than three million young people and their families to take advantage of the science-based resources at HHS to encourage a culture of wellness that aims to halt the epidemic of childhood obesity plaguing our nation."

Birth Defects, Developmental Disabilities, Disability and Health: President Bush proposes \$125 million for research on birth defects in FY2008, \$1 million more than FY2006.

Chronic Disease Prevention and Health Promotion: The administration's budget would provide level funding of \$834 million for chronic disease prevention and health promotion in FY2008.

HIV/AIDS: The FY2008 budget would allocate \$494 million for CDC and NIH global HIV/AIDS activities.

Centers for Medicare and Medicaid Services (CMS)

The CMS would receive \$600.545 billion in FY2008, \$14.53 billion more than FY2006, under proposed legislative changes. According to budget documents, these changes are necessary because entitlement programs such as Medicaid and Social Security "are now growing faster than the economy and the population – and nearly three times the rate of inflation. By 2030, projected spending for Medicare, Medicaid, and Social Security alone will be almost 60 percent of the entire federal budget. The annual growth of entitlement programs needs to be slowed to affordable levels."

Medicaid: Under the administration's budget, the federal share of Medicaid benefits under current law is expected to be \$206.886 billion, \$8.585 billion below FY2006. The budget proposes several changes to the Medicaid program that will "save \$13.0 billion over five years." Administrative changes would "save \$12.7 billion over five years in order to continue to slow the annual growth in the Medicaid entitlement program."

The changes would include: requiring states to report on Medicaid performance measures; limiting reimbursement for prescription drugs to 150 percent of the average manufacturer price; verifying income eligibility through electronic records; allowing states to "avoid costs for prenatal and preventive pediatric claims where a third party [e.g., a noncustodial parent] is responsible"; extending the refugee eligibility exemption; and, capping payments to government service providers.

Medicare: In FY2008, spending on Medicare benefits would total \$464.575 billion under current law, \$82.783 million more than FY2006. President Bush proposes several changes to the Medicare program that would result in net savings of "\$4.3 billion in FY 2008 and \$65.6 billion over five years. The Budget also reduces beneficiary premiums by \$5.6 billion over five years. These Medicare savings are part of a larger Administration effort to address the unsustainable growth of Federal entitlement programs. Our budget reduces Medicare's average annual growth rate over five years from 6.5 percent to 5.6 percent."

Among the proposed changes are: adjusting provider payments for skilled nursing facilities, ambulatory surgical centers, hospices, and home health agencies; requiring group health plans to report data to a federal clearinghouse; increasing cost-sharing for high-income beneficiaries; linking payment to performance; preventing fraud and abuse; and reducing erroneous payments to providers.

State Children's Health Insurance Program (SCHIP): The administration's budget would provide \$5.04 billion for SCHIP in FY2008, \$675 million more than FY2006. SCHIP's authorization expires at the end of FY2007; to that end, "the Administration proposes to reauthorize SCHIP for five years, consistent with submission of a five-year budget to the Congress, and focuses each of the program elements on SCHIP's original objectives to provide health insurance coverage for uninsured, low-income children at or below 200 percent of the FPL [federal poverty line]." The FY2008 budget "provides approximately \$5 billion over five years for additional allotment funds."

Food and Drug Administration (FDA)

Under the administration's budget, the FDA would receive \$1.642 billion in FY2008, \$172 million more than FY2006.

User Fees: The FY2008 FDA budget includes a total of \$18 million in mammography user fees. According to budget documents, "contingent upon the enactment of authorizing legislation, the secretary [of Health and

Human Services] shall charge a fee for mammography-related activities...for the purpose of ensuring mammography quality.”

Health Resources and Services Administration (HRSA)

HRSA would receive \$5.695 billion in FY2008, \$843 million less than FY2006.

Community Health Centers: Under the FY2008 budget, community health centers would receive \$1.944 billion, \$204 million more than FY2006.

Cord Blood Stem Cell Bank: Under the administration’s budget, this program would receive \$2 million in FY2008, \$2 million less than FY2006.

Family Planning: President Bush proposes level funding of \$283 million for Title X, the nation’s family planning program.

Healthy Start: In FY2008, this program would receive level funding of \$101 million. Healthy Start “provides services tailored to the needs of high risk pregnant women, infants and mothers in communities with exceptionally high rates of infant mortality.”

Maternal and Child Health Block Grant (MCHBG): The administration would level-fund the MCHBG at \$693 million in FY2008.

Ryan White: The Ryan White Comprehensive AIDS Resources Emergency (CARE) Act program and grants would be funded at \$2.158 billion in FY2008, \$97 million above FY2006.

Universal Newborn Hearing: The president’s budget would eliminate funding for this program in FY2008. In 2006, it received \$10 million.

Indian Health Services (IHS)

IHS programs would receive \$3.970 billion in FY2008, \$260 million more than FY2006.

National Institutes of Health (NIH)

NIH would receive \$28.866 billion in FY2008, \$459 million more than FY2006.

Minority Health: The National Center for Minority Health & Health Disparities would receive \$194.495 million in FY2008, \$2 million less than FY2006.

Office of the Secretary Adolescent Family Life: The FY2008 budget would fund the Office of Population Affairs/Adolescent Family Life at \$30 million.

Afghanistan: The Afghanistan Health Initiative would receive \$6.016 million in FY2008 to “continue support of HHS health care initiatives in Afghanistan, particularly in the areas of maternal and child health.”

Minority HIV/AIDS: The FY2008 budget would provide \$52 million to “support innovative approaches to HIV/AIDS prevention and treatment in minority communities.”

National Abstinence Education Campaign: Under the administration’s budget, the Office of the Secretary could use up to \$10 million for a public awareness campaign in FY2008.

Public Health Service’s Office of Minority Health: The Office of Minority Health would receive \$44 million in FY2008.

Public Health Service’s Office on Women’s Health: Under the administration’s budget, the Office on Women’s Health would receive \$27 million in FY2008.

Substance Abuse and Mental Health Services Administration (SAMHSA)

SAMHSA would receive \$3.318 billion in FY2008, \$167 million less than FY2006.

Mental Health Services: Mental health services would receive \$807 million in FY2008, \$76 million less than FY2006. Included in that amount is level funding of \$104 million for children’s mental health services. Also included is level funding of \$407 million for the Mental Health Block Grant.

Substance Abuse Prevention and Treatment (SAPT) Block Grant: Under the administration’s budget, \$1.8 billion would be provided for the SAPT Block Grant in FY2008, \$1 million more than FY2006.

Department of Housing and Urban Development (HUD)

American Dream Downpayment Initiative: The FY2008 budget would provide \$50 million for the American Dream Downpayment Initiative to help low-income families purchase their first homes, \$25 million above

FY2006.

Fair Housing: Under the FY2008 budget, \$46 million would be provided for fair housing activities, \$4 million less than FY2006. Of that amount, the Fair Housing Assistance Program would receive \$26 million, a \$4 million decrease below FY2006. In addition, the Fair Housing Initiatives Program would be level-funded at \$20 million.

Homeless Housing: Homeless assistance grants would receive \$1.586 billion in FY2008, \$259 million above FY2006. The administration also proposes to consolidate the various competitive homeless programs into a single Continuum of Care grant program to simplify HUD's dispersal of homeless resources to cities and counties.

Housing Counseling: The administration's budget proposes \$50 million for housing counseling assistance in FY2008, \$50 million more than FY2006. This program has been funded through "a set-aside under the HOME [Investment Partnership Program] appropriation for the past several years. However, in 2008, it is being proposed as a stand alone account." This funding would assist families in preparing for homeownership, identifying predatory lending practices, and avoiding default on their homes.

Housing Opportunities for Persons with AIDS (HOPWA): The HOPWA program would receive \$300.1 million in FY2008, \$14 million more than FY2006. The program provides states and localities with resources and incentives to devise long-term comprehensive strategies for meeting the housing needs of persons with HIV/AIDS and their families.

Lead Hazard Reduction: The administration's FY2008 budget proposes \$116 million for the Lead Hazard Reduction Program, \$4 million less than FY2006. Of that total, level funding of \$9 million is provided for the Healthy Homes Initiative. The initiative targets funding to prevent housing-related childhood diseases and injuries such as asthma and carbon monoxide poisoning.

Neighborhood Reinvestment Corporation (NRC): Under the administration's budget, the NRC would receive \$119.8 million in FY2008, \$2.8 million more than FY2006.

Section 8 Housing Choice Voucher Program: The administration would provide \$16 billion for Section 8 vouchers in FY2008, \$1.599 billion more than FY2006.

Self-Help and Assisted Homeownership Opportunity Program (SHOP): The FY2008 budget would provide \$40 million for SHOP. In 2006, SHOP received \$25 million as a set-aside within the Community Development Fund. SHOP provides grants to nonprofit organizations to subsidize the costs of land acquisition and infrastructure improvements.

Department of Justice

Child Safety and Juvenile Justice Program: The FY2008 budget would provide \$280 million for programs that "reduce juvenile delinquency and crime; protect children from sexual exploitation; and improve the juvenile justice system so that it protects public safety, holds offenders accountable, and provides treatment and rehabilitative services tailored to the needs of juveniles and their families." The budget consolidates existing juvenile justice and exploited children programs such as the Internet Crimes Against Children into a "single, flexible grant program."

Missing Children's Program: The FY2008 budget proposes to consolidate the Missing Children's Program, Internet Crimes Against Children Task Force, and AMBER Alert program into one grant program – the Child Safety and Juvenile Justice Program (see above). In FY2006, the Missing Children's Program received \$48 million. In FY2006, The Internet Crimes Against Children Task Force received \$14.5 million and the AMBER alert program received \$5 million, respectively.

State and Local Law Enforcement Assistance: The FY2008 budget would include \$550 million for two initiatives: the Violent Crime Reduction Partnership Initiative and the Edward Byrne Public Safety and Protection Program. Included in that amount is \$350 million for the Edward Byrne Public Safety and Protection Program in FY2008.

According to budget documents, the Byrne program will consolidate assistance programs into a "single, flexible grant" that will help states and localities address: violent crime at the local levels through the Project Safe Neighborhoods initiative; criminal justice issues surrounding substance abuse through drug courts, residential treatment for prison inmates, prescription drug monitoring programs, methamphetamine lab cleanup, and cannabis eradication efforts; law enforcement information sharing efforts; the capacity of state and local law enforcement and justice system personnel to make use of forensic evidence and reducing DNA evidence

analysis backlogs; domestic trafficking in persons; prisoner reentry initiatives; and services to victims of crime to facilitate their participation in the legal process.

DNA Initiative: Under the administration's budget, this initiative would be included in state and local law enforcement assistance (see above). The initiative was funded at \$108.5 million in FY2006.

Prison Rape: The FY2008 budget would include this program in state and local law enforcement assistance funding (see above). In 2006, it received \$47 million.

Trafficking: The FY2008 budget would include this program in state and local law enforcement assistance funding (see above). In 2006, it received \$17 million.

Office on Violence Against Women: The administration's budget would provide \$370.005 million for the office in FY2008, \$11.561 million below FY2006.

Violence Against Women Act (VAWA) Prevention and Prosecution Programs: According to budget documents, "funding will support the Prevention and Prosecution of Violence Against Women and Related Victim Services Program." The program would be a "new consolidated, competitive grant program...to support state, local, tribal and community efforts to develop and implement effective, coordinated prevention and prosecution of domestic violence, dating violence, sexual assault and stalking, and support related victims services. Such [grant] awards are designed to forge state, local and tribal partnerships among police, prosecutors, the judiciary, victim advocates, health care providers, faith leaders, and others, in order to help provide victims with the protection and services they need to pursue safe and healthy lives, while simultaneously enabling communities to hold offenders accountable."

Department of Labor

Career Advancement Accounts: President Bush proposes \$3.413 billion in FY2008 for new Career Advancement Accounts. Budget documents note that "legislation will be proposed in 2007 to reform the Workforce Investment Act (WIA). The legislation would increase state flexibility to administer the programs, require that a greater percentage of resources be directed to training services for workers instead of administrative overhead, increase individual choice by offering 'Career Advancement Accounts,' and streamline the performance accountability system. The proposal would consolidate the Adult, Dislocated Worker, Youth Activities, Work Opportunity Tax Credit, labor market information, and Employment Service state grants into a single state grant to facilitate coordination and eliminate duplication in the provision of services."

Civil Rights Enforcement: The Office of Civil Rights would receive \$7 million in FY2008, \$1 million above FY2006.

Community College Initiative: The FY2008 budget would provide \$150 million for the Community College Initiative, \$26 million more than FY2006.

Dislocated Workers Assistance: Dislocated workers assistance would receive \$1.115 billion in FY2008, \$295 million below FY2006.

International Labor Affairs: The Bureau of International Labor Affairs would receive a \$58 million decrease from FY2006 for a total of \$14 million in FY2008.

Job Corps: Under the budget, \$1.518 billion would be provided for Job Corps in FY2008, \$81 million less than FY2006.

Occupational Health and Safety Administration (OSHA): The budget would provide a \$23 million increase to \$490.277 million for OSHA in FY2008, \$18.277 million more than FY2006.

Prisoner Reentry Initiative: The FY2008 budget proposes merging the Prisoner Reentry and Responsible Reintegration of Youthful Offenders programs into "a single program that would provide mentoring and job training to promote the successful return of adult and juvenile ex-offenders into mainstream society" as part of the Career Advancement Accounts (see above).

Women's Bureau: The Department of Labor's Women's Bureau would receive level funding of \$10 million in FY2008. The Women's Bureau "promotes the interests of wage earning women, and seeks to improve their working conditions and advance their opportunities for profitable employment."

Youthbuild: Under the administration's budget, Youthbuild would receive level funding of \$50 million in FY2008. The program targets high school dropouts ages 16 to 24 and provides them with education and employment skills through the construction and rehabilitation of housing for low-income and homeless people.

Department of State

Child Survival and Health Programs Fund: Under the budget, \$1.564 billion would be provided for the Child Survival and Health Programs Fund in FY2008, \$27 million less than FY2006.

United Nations Population Fund (UNFPA): Up to \$25 million of the funds available under the Child Survival and Health Programs Fund may be provided to UNFPA, provided that none of the funds may be appropriated to “any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization.” The administration blocked the release of all UNFPA funds in fiscal years 2002 through 2006.

HIV/AIDS: According to budget summaries, \$5.4 billion would be provided for the President’s Emergency Plan for AIDS Relief (PEPFAR) in FY2008. Of that amount, \$4.15 billion would be provided for the Global HIV/AIDS Initiative (GHAI) account for the “prevention, treatment, and control of, and research on, HIV/AIDS.” In FY2006, \$1.975 billion was provided for the GHAI. The request says, “With FY 2008 being the last year of the initial phase of the Emergency Plan, the significant increase is required for the final push to meet the treatment and prevention goals in the focus countries. The increase will capitalize on the programmatic successes of prevention, care, and treatment activities in the 15 focus countries.”

Middle East Partnership Initiative (MEPI): The budget would provide \$75 million in FY2008 “to sustain the momentum for democratic reform in the Middle East by encouraging political, economic and educational change and the empowerment of women.

International Family Planning: The FY2008 budget would include \$324.8 million for international family planning, \$110.8 million less than FY2006.

Millennium Challenge Corporation: Under the administration’s budget, the Millennium Challenge Corporation would receive \$3 billion in FY2008, \$1.248 billion over FY2006.

Peace Corps: The budget would provide \$333.5 million for the Peace Corps in FY2008, \$14.72 million over FY2006.

Trafficking in Persons: The budget request would provide \$6.7 million to “promote the rule of law, in particular to help draft legislation, train law enforcement, and encourage governments to develop or expand comprehensive assistance to victims. FY2008 funds will support anti-trafficking efforts in new Tier 3 and Tier 2 countries identified in the 2007 and 2008 Trafficking in Persons Reports.” The budget also would include \$4.95 million under International Narcotics Control and Law Enforcement, equal to FY2006.

United Nations Children’s Fund (UNICEF): Under the administration’s budget, the United States contribution to UNICEF would be \$123 million in FY2008.

United Nations Development Fund for Women (UNIFEM): In FY2008, the United States would contribute \$950,000 to UNIFEM, \$2.268 million less than FY2006.

United States Agency for International Development (USAID): Under the administration’s budget, \$1.041 billion would be provided for development assistance for USAID, \$468 million less than FY2006.

Department of Transportation

Minority Business Resource Center: The FY2008 budget would provide \$2.97 million for outreach activities at the Minority Business Resource Center and the Bonding Assistance Program, \$2.03 million less than FY2006. The center assists “small, women-owned, Native American, and other disadvantaged business firms in securing contracts and subcontracts resulting from transportation-related federal support.”

Occupant Protection Incentive Grants: Occupant protection incentive grants would receive \$25 million in FY2008, \$2 million more than FY2006. In addition, the budget would provide \$6 million for child safety and booster seat grants in FY2008, \$3 million above FY2006.

Independent Agencies

Commission on Civil Rights: The administration’s budget would allocate level funding of \$8.8 million to the commission in FY2008.

Equal Employment Opportunity Commission (EEOC): The FY2008 budget would provide \$327.748 million to the EEOC, \$1 million above FY2006.

Legal Services Corporation (LSC): The administration’s budget would provide \$311 million for the LSC in

FY2008, \$16 million below FY2006.

National Science Foundation (NSF): Under the budget, \$5.132 billion would be provided for the NSF in FY2008, \$792 million above FY2006.

Small Business Administration (SBA): The administration's budget would provide \$310 million for the SBA in FY2008, \$86 million less than FY2006.

General Government

The budget proposal would renew legislative language requiring health plans participating in the Federal Employees Health Benefits Program (FEHBP) to cover prescription contraceptives if they cover other prescription drugs.

The administration's budget also would renew language permitting a woman to breastfeed her child in a federal building or on federal property if she and her child are authorized to be present at the location.

Tax Relief

The budget proposes to make permanent the tax provisions included in the 2001 (P.L. 107-116) and 2003 tax laws (P.L. 108-27). These include: increasing the child tax credit, expanding the 10 percent income tax bracket, and expanding the standard deduction and 15 percent income tax bracket for married taxpayers filing jointly.

Health Care

President Bush proposes several new programs to address the problems of rising health care costs and the uninsured. The administration's budget proposes a \$7,500 tax deduction for individuals and a \$15,000 tax deduction for families who purchase health care coverage. Health benefit packages worth more than the deduction would be subject to federal taxation. According to budget documents, this will "make health insurance more affordable for millions of American families and reduce the number of the uninsured. This policy will also eliminate the tax bias toward high-cost insurance, making health care purchasers more price conscious and thereby marshalling market forces more effectively to restrain health care inflation."

The budget proposes to slow the "unsustainable growth in the Medicare program" by permanently adjusting provider payments, taking advantage of advances in health information technology, and instituting pay-for-performance measures. The budget also proposes to establish competitive bidding for clinical laboratory services.

In addition, the proposal aims to strengthen the Medicare Prescription Drug, Improvement, and Modernization Act (MMA) of 2003 (P.L. 108-173) by automatically slowing the rate of Medicare growth if general revenues account for 45 percent of its payments. Under the plan, there would be four-tenths of a percent reduction for all provider payments the year the MMA threshold is exceeded. The reduction would grow by the same amount every year until the shortfall has been eliminated. These and other management changes are projected to provide cost savings of \$66 billion over five years.

Reforms also would be made to Medicaid under the FY2008 budget proposal. The changes would: require states to implement performance measures, limit reimbursement for prescription drugs, increase income eligibility verification for recipients, and cap payments to government service providers. These changes are projected to save approximately \$6.8 billion over the next five years

Personal Savings

President Bush again proposes Social Security reform. Under the proposal, the fiscal solvency of the program would be sustained by "indexing future benefits of the highest-wage workers to inflation while continuing to index the wages of lower-wage workers to wage growth." The president also renews his call for personal retirement accounts to "permit Americans to have greater control over their retirement planning, giving them an opportunity to obtain a higher return on their payroll taxes than is possible in the current Social Security system." Under the administration's proposal, workers in 2012 will be allowed to use up to four percent of their Social Security taxable earnings, up to a \$1,300 annual limit, to fund their personal retirement accounts; by 2017 the cap will have increased to \$1,500. The proposal also advocates for greater use of health information technology to "enhance the health care delivery system, including the availability of price and quality information to individuals."