

TO: The Mayor

FROM:   
Tom Cochran  
Executive Director

DATE: February 7, 2006

SUBJECT: Staff Analysis of the President's Fiscal Year 2007 Budget Request

The following is the Conference of Mayors staff executive summary and a more detailed analysis of the President's budget request for Fiscal Year 2007, which was submitted to Congress on February 6. The analysis focuses on city priority programs and discusses the changes called for in FY 2007 compared to final funding in FY 2006. Staff contact information is provided under each programmatic area if you or your staff have any questions about any specific program.

**U.S. Conference of Mayors Staff  
Executive Summary of Key City Priorities  
In the  
President's FY 2007 Budget Proposal  
February 7, 2006**

**REDUCTIONS/ELIMINATIONS**

- **Community Development Block Grants (CDBG)**—grants to local communities to spur community and economic development would be significantly reduced from \$3,711 billion in FY 2006 to \$2,775 billion, a cut of almost \$1 billion (25 percent) in FY 2007.
- **Public Housing Capital Funds**—funds for public housing authorities to carry out capital activities would be cut by \$261 million, from \$2,439 billion to \$2,178 billion.
- **Homeland Security First Responder Programs**—funding in four first responder grants (state block grants, law enforcement terrorism prevention grants, high-threat urban area grants and fire assistance grants) would be cut by almost \$400 million, from \$2,760 billion in the current fiscal year to \$2,364 billion in FY 2007.
- **Justice Assistance Grants**—funds for the Edward Byrne Memorial Justice Assistance Grant program would be eliminated. The budget would also eliminate the State Criminal Alien Assistance Grant program which is funded at \$405 million and the Juvenile Accountability Block grant which is funded at \$50 million.
- **Social Service Block Grants and Community Service Block Grants**—which are funded at \$1,700 billion and \$636 million respectively in the current fiscal year would be eliminated.
- **Job Training Programs**—a total of \$600 million would be cut by eliminating a number of Workforce Investment Act (WIA) grants. The President's budget calls for a new consolidated state block grant that would be funded by combining funds from WIA with Employment Service, Work Opportunity Tax Credit Administration and Labor Market Information funds.
- **Clean Water State Revolving Loan Funds**—funds for this program, which are used to assist local governments in repairing and replacing their aging water infrastructure systems, have been declining since 2004 when the program was funded at \$1,350 billion. Currently it is funded at \$900 million and the President has proposed reducing it to \$688 million in FY 2007, a \$212 million cut.
- **Amtrak**—funds for Amtrak were cut by more than 25% to \$900 million. In addition, the budget calls for the phase out of overnight trains.
- **Airport Improvement Program**—which provides grants for airport safety, capacity, and noise mitigation programs, was cut by more than \$800 million to \$2,750 billion.

**INCREASES**

- **Homeless Assistance Grants**—funds would be increased from \$1,327 billion to \$1,536 billion, a total of \$209 million in FY 2007.
- **LIHEAP**—funds would be increased by \$621 million over the current fiscal year.
- **FEMA/Disaster Mitigation**—funds for the Federal Emergency Management Agency pre-disaster mitigation program would be increased by \$100 million over this year's funding level.
- **Secure Borders Initiative**—a total of \$459 million is requested to hire 1,500 new border patrol agents, and \$100 million is requested to enhance electronic surveillance and operational response capability. Another \$420 million is requested to facilitate the detention and removal of illegal aliens.

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

**Arts, Humanities, and Museums** – The National Endowments for the Arts and Humanities would retain approximately the same level of funding as in the current fiscal year. The National Endowment for the Arts would be funded at \$124 million and the National Endowment for the Humanities at \$141 million. Grants for museums at the Institute of Museum and Library Services would remain the same at the current level of \$36 million.

**Parks** – The Administration is proposing no funding for the state assistance program of the Land and Water Conservation Fund and the Urban Parks and Recreation Recovery Program. This continues the pattern from last year. Both programs currently receive little or no funding.

**Travel and Tourism** – The Administration is proposing no additional funding for the promotion of an international destination marketing campaign to attract foreign visitors to the United States. Congress appropriated \$5 million for such an effort in the current fiscal year budget.

## **COMMUNITY DEVELOPMENT AND HOUSING** (Staff Contact: Eugene Lowe)

**Community Development Block Grants (CDBG)** – Formula grants, funded at \$3,711 billion in FY 2006, would be cut to \$2,775 billion in FY 2007. (The Administration proposed \$2,975 billion for formula grants but will use \$200 million for competitive challenge grants to communities expanding homeownership). CDBG would be reformed through legislation that will authorize a new allocation formula and the bonus fund component. Several HUD programs would be consolidated into CDBG, including Brownfields Redevelopment grants, Rural Housing and Economic Development, and Section 108 Loan Guarantees. HUD will work closely with the Department of Commerce to implement the goals and measures of the Strengthening America's Communities Initiative (SACI) that will apply to all federal community and economic development programs.

**HOPE VI** – The Administration proposes the termination of this program, and rescinds the \$99 million appropriated to the program in FY 2006. The program provides assistance for the revitalization of severely distressed public housing.

**Public Housing Capital Funds** – Funds for public housing authorities to carry out capital activities are cut from \$2,439 billion in FY 2006 to \$2,178 billion in FY 2007. Public Housing Operating Funds are level funded at \$3,564 billion in FY 2007.

**The Housing Choice Voucher** – Funding is increased for tenant based section 8 from \$15,808 billion (last year's level) to \$15,920 billion in FY 2007. The Administration will continue to promote the State and Local Housing Flexibility Act of 2005 and expand the "dollar-based" approach to allow public housing authorities to have more flexibility to address local needs.

**Homeless Assistance Grants** – The Administration proposes to increase homeless assistance from last year's funding of \$1,327 billion to \$1,536 billion in FY 2007. The Administration will propose consolidation of the HUD homeless programs that will provide more flexibility to address local needs.

**The HOME Investment Partnerships Program** – This program would be increased from \$1,757 billion to \$1,917 billion. One hundred million dollars (a \$75 million increase) of the HOME funding is for the American Dream Downpayment Act program which provides assistance to first time homebuyers.

**The Section 202 Elderly Housing Program, and the Section 811 Disability Housing Program** – Both elderly and disability housing are cut in FY 2007. Elderly housing is reduced from \$735 million to \$545 million; disability housing, from \$237 million to \$119 million.

**HOPWA** – Funds for Housing Opportunities for Persons with AIDS (HOPWA) would be increased from \$286 million to \$300 million. The Administration also proposes to change the formula to distribute funds on a more equitable basis.

#### **HEALTH AND HUMAN SERVICES** (Staff Contact: Crystal Swann)

**HIV/AIDS Programs** – The budget requests \$1 billion for domestic HIV/AIDS programs, an increase of \$86 million, to develop, implement and evaluate effective prevention programs. Of this amount, \$740 million will be directed towards prevention initiatives. In addition, the Administration proposes \$188 million for a new domestic HIV/AIDS testing and outreach initiative. The initiative will target high risk populations for rapid HIV testing, counseling, and outreach efforts.

Additionally, the Administration proposes \$2,500 billion for FY 2007 for the Ryan White CARE Act, an increase of \$95 million over FY 2006 funding levels. Of the \$95 million, \$70 million will be directed to the state drug waiting lists and the remaining \$25 million will be used to “expand outreach efforts by providing new HIV community action grants to intermediaries including faith and community based organizations. Combined with \$93 million in new Centers for Disease Control and Prevention funding, brings the total to \$188 million for the new domestic HIV/AIDS testing and outreach initiative.

**Nutrition Programs** – The budget calls for a \$659 million cut over five years to the Food Stamp program. Additionally, the Administration is proposes the elimination of the Commodity Supplemental Food Program and Commodity and Nutrition Program.

**LIHEAP** – The Administration proposes \$2,700 billion for the LIHEAP program in FY 2007, a \$621 million increase over the FY 2006 funding level. In a separate agreement, the Northeast and Midwest Republicans are working on an agreement to add an additional \$1 to \$2 billion more in LIHEAP. The low-income heating and energy assistance program provides critical assistance to many low-income individuals.

**Chronic Disease Prevention and Health Promotion** – The budget proposes \$819 million, a decrease of \$20 million in FY 2007, for chronic disease prevention and health promotion activities.

**Bioterrorism** – Included in the Centers for Disease Control and Prevention budget is \$824 million for state and local preparedness efforts, which is level funding from FY 2006 levels.

Already appropriated through emergency funding is \$350 million for local and state preparedness efforts.

**Pandemic Influenza** – In a one-time emergency funding bill, the Administration appropriated \$188 million to CDC to enhance pandemic preparedness efforts to include intensifying surveillance, containment, and outbreak response measures, establishing additional laboratory capacity, and increase of quarantine stations.

**Eliminated Programs** – The Administration proposes the elimination of the Community Services Block Grant (CSBG), the Preventative Health and Health Services Block Grant, the Commodity Supplemental Food Program, and the Commodity and Nutrition Program.

## **HOMELAND SECURITY AND PUBLIC SAFETY** (Staff Contact: Ed Somers)

### **Homeland Security**

**First Responder Programs** – Overall funding in the four big first responder grants programs (state block grants, law enforcement terrorism prevention grants, high-threat urban area grants, and fire assistance grants) would be cut by almost \$400 million, down from \$2,760 billion to \$2,364 billion (more than a 14 percent cut). Within this total, increases are provided for discretionary high-threat programs, but major cuts are made in block grants. And, fire assistance grants are more than cut in half. In addition, port security, rail/transit security and bus grants would be rolled-up into a new discretionary “Targeted Infrastructure Protection” program to be controlled by the Secretary.

If these numbers are adopted by Congress, key funding would be cut by 30 percent from just two years ago.

**FEMA/Disaster Mitigation** – The budget requests a \$100 million increase for the FEMA pre-disaster mitigation program that is designed to reduce the risk to populations, structures and critical infrastructure from natural disasters.

**Secure Border Initiative** – There are increases for border security under the recently announced Secure Border Initiative. Among many key federal programs, \$459 million is provided to hire, train and equip an additional 1,500 new Border Patrol Agents, and \$100 million to enhance electronic surveillance and operational response capability. There is also \$420 million for more than 6,000 new detention beds to hold illegal aliens, end the practice of “catch and release,” and facilitate the detention and removal of an additional 100,000 apprehended aliens annually.

### **Transportation Security** (Staff Contact: Ron Thaniel)

**Non-Aviation Transportation Modes** – Despite the increasing number of terror attacks on bus and rail systems worldwide, the FY 2007 budget provides the Transportation Security Administration (TSA) with only \$37 million for non-aviation security. Furthermore, the budget eliminates dedicated DHS funding in the FY 2006 appropriations law for non-aviation modes by lumping them into the Targeted Infrastructure Protection (TIP) grant program whereby bus and

rail will have to compete with ports and other critical infrastructure sectors for a total of \$600 million in funding for FY 2007.

**Aviation Security** – The budget is requesting \$4,700 billion for aviation security, including \$3,700 billion for aviation screening operations and \$690 million for the purchase, installation, and maintenance of baggage screening devices, including in-line systems. The budget also provides more than \$80 million for emerging technology at passenger checkpoints. The FY 2007 budget proposes to replace the two-tiered aviation passenger security fee schedule with a single flat security fee of \$5.00 for a one-way trip. This new fee is expected to increase collections by an additional \$1,300 billion, for a total of \$3,300 billion. The revenue generated by aviation security fees will cover about 70 percent of core aviation security costs.

**Coast Guard** – The budget includes \$8,420 billion for the Coast Guard.

### **Public Safety**

**COPS** -- The budget would continue the cutting of COPS funding, down from \$262 million to \$102 million. There is once again no funding for hiring programs, and gangs, technology, and interoperability grants would be eliminated within COPS.

**Justice Assistance Grant** – The budget would eliminate the Edward Byrne Memorial Justice Assistance Grant program – a cut of \$322 million for cities and states. The JAG program was created at the request of the Administration by combining the Local Law Enforcement Block Grant and the state-based Byrne Formula Grant program.

**Other Justice Programs** -- The budget would eliminate the State Criminal Alien Assistance Program (\$405 million) and the Juvenile Accountability Block grant (\$50 million). The Administration is seeking increases for DNA analysis and reducing or eliminating the backlog (\$175 million), and a major increase for gun-crime prosecutions (\$59 million). There is also \$15 million for a gang technical assistance program. Many of these programs are being coordinated under the Administration's Project Safe Neighborhoods program

**ENERGY** (Staff Contact: Debra DeHaney – Howard)

The President's FY 2007 budget calls for \$23,600 billion in spending for the Department of Energy (DOE). This is a \$500 million increase from the FY 2006 budget request.

**Renewable Energy** – The budget calls for \$1,200 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. The FY 2007 budget request for solar energy is \$148.4 million, a \$65.3 million increase from FY 2006. It also proposes \$43.8 million for wind energy, a \$5 million increase over the FY 2006 appropriation. Further, it calls for \$149.7 million for the Biomass program, an increase of \$59 million. The budget also requests \$195.8 million for Hydrogen Technology, a \$40 million increase over the current fiscal year.

**Weatherization Assistance Grants** – The budget request calls for \$164 million in spending for weatherization assistance grants, which represents a decrease of \$78 million from the \$242.6 million available in FY 2006.

**Vehicles Technologies** – A total of \$166 million is included in the President’s budget for the Vehicles Technologies Program (FreedomCar, Hybrid Technology, Plug-in Hybrids). This amount is \$16.1 million less than the FY 2006 appropriation.

**Nuclear Waste Repository (Yucca Mountain)** – Funds for the Nuclear Waste Repository, Yucca Mountain, would be funded at \$544 million, a \$49.5 million increase from the FY 2006 appropriation.

#### **EDUCATION** (Staff Contact: Josie Hathway)

For FY 2007, President Bush is requesting \$54,400 billion in discretionary appropriations for the Department of Education, a decrease of \$3,100 billion, or 5.5 percent, from the FY 2006 level. Despite the proposed decrease, discretionary appropriations for the Department will have grown by almost \$12,200 billion, or 29 percent, since FY 2001. One of the major priorities of this proposed budget is the agency’s part of the President’s *American Competitiveness Initiative* to strengthen math and science instruction in K-12 schools. Also, there is a revised *High School Reform Initiative*. Funding for the new initiatives comes from the proposed elimination of 42 programs including Vocational Education State Grants and National Programs, Tech- Prep, GEAR UP, Upward Bound, Talent Search, Education Technology grants, Arts in Education and Safe and Drug-Free Schools and Communities State Grants.

**Elementary and Secondary Education Act, Title I** – The President proposes to level fund Title I at \$12,700 billion to meet the rigorous accountability and teacher quality requirements of the No Child Left Behind Act (NCLB). The Administration is also requesting for the first time \$200 million for **Title I School Improvement Grants** to support state leadership in helping turn around low-performing schools and school districts and provide flexibility to use formula grants to establish or expand comprehensive, statewide systems of support to school districts to meet NCLB proficiency goals.

**American Competitiveness Initiative** to strengthen math and science instruction includes:

- **Math Now for Elementary School Students** – Modeled after the Reading First program, the President proposes \$125 million to institute proven practices in math instruction for students in grades K-7 and enables the students to take more rigorous math courses in middle and high school.
- **Math Now for Middle School Students** – This program has a funding request for \$125 million and is also based on the Reading First concept. It will work with middle school students.

**Advanced Placement Program** – The President proposes to increase funding to \$122 million to train teachers and expand opportunities for students in high-poverty schools to take advantage of

Advance Placement and International Baccalaureate courses in math, science and critical foreign languages.

**Teacher Incentive Fund** – This program was first funded in 2006 to provide competitive grants for states and school districts to develop and implement performance-based compensation systems for teachers and principals in high-need areas. The President is asking for \$99 million.

**Individuals with Disabilities Education Act (IDEA)** – The President’s budget proposal for IDEA supports his *New Freedom Initiative* to help people with disabilities lead independent lives. The request is for \$11,700 billion which is a \$100 million dollar increase. This is funding for the formula grants to states which is then sent to local education agencies.

**21<sup>st</sup> Century Community Learning Centers** – For the third year in a row, this program is level funded at \$981 million for state administered competitive grants to establish or expand after school centers that provide extended learning in high-poverty schools.

**Reading First and Early Reading First** – The President is requesting level funding of \$1,029 billion for Reading First State Grants to enable all children to be reading at grade level by third grade and \$103 million for Early Reading First to support existing pre-school programs that enable children to get an early start on learning to read prior to entering kindergarten or first grade.

**Striving Readers** – The President proposes a \$70 million increase to fund the program at \$100 million. It focuses on improving the skills of teenage students who are reading below grade level.

**Vocational Education (State Grants and National Programs)** – The Administration proposes to eliminate Vocational Education programs in order to help fund the *High School Reform Initiative* at the proposed level of \$1,476 billion. The Initiative will be located in the Office of Elementary and Secondary Education to expand the application of No Child Left Behind to the high-school grades. This includes zeroing out the Tech Prep program.

**Pell Grants** – The Administration is requesting \$12,700 billion and assumes that the \$273 million left over from paying off the shortfall will be available to support the 2007 program costs. Individual Pell Grants will remain at \$4,050 per year.

**Academic Competitiveness Grants and National SMART Grants** – Created by end-of-the-year legislation, this new need-based mandatory program awards annual grants of up to \$750 to first-year Pell recipients \$1,000 for second-year Pell recipients and \$4,000 for third and fourth-year Pell recipients to high achieving students who are majoring in the sciences, mathematics, technology, engineering or critical foreign languages. These annual grants would be over and above an individual’s Pell Grant. First and second-year students must have completed a “rigorous” high school curriculum as defined by the state and local education agencies, and third and fourth-year students must maintain a 3.0 grade point average. In FY 2007, the program will provide \$850 million in grants to approximately 600,000 low-income postsecondary education students.

**TRIO Programs** – The proposal significantly cuts these college preparation and support programs for high school and college students to \$380 million in FY 2007 from \$828 million in FY 2006. The proposal eliminates Upward Bound and Talent Search.

**ENVIRONMENT** (Staff Contact: Judy Sheahan)

The Environmental Protection Agency's (EPA) proposed budget for FY 2007 is \$7,300 billion, a 4% decrease (\$300 million) from the FY 2006 budget of \$7,600 billion.

**Clean Water Infrastructure** – The budget request for Clean Water State Revolving Loan Funds is \$688 million, a decrease of \$219 million from the FY 2006 enacted appropriations of \$877 million. This is even more of a significant decrease when compared to FY 2004's actual allocation of \$1,350 billion which included Congressional earmarks. This would be nearly a 50 percent decrease if the President's budget is enacted.

**Drinking Water State Revolving Loan Fund** – remains more level at \$842 million, which is up from the \$837 million that was enacted for the current year but down from the \$850 million that was proposed during previous years.

**Brownfields** – The President's budget calls for \$163 million for the brownfields program, a \$47 million decrease from previous requests, but more in line with past Congressional appropriations (\$162 million). Of this total, \$89.1 million is allocated for brownfields assessment and cleanup funding, \$50 million for state programs, and the remaining money allocated for personnel and program costs (\$25 million).

**Superfund** – The President has proposed \$1,259 billion for Superfund cleanup which is an increase of \$28 million from enacted FY 2006 actual levels but lower than other previous proposed levels of \$1,300 billion.

**Army Corps of Engineers** – The proposed budget for FY 2007 calls for discretionary budget authority of \$5,879 billion, an increase of 23% from actual FY 2005 money spent (\$4,700 billion) but a decrease of 20% from actual 2006 expenditures (\$7,400 billion). This amount was a direct result of emergency expenditures associated to the relief efforts of the Army Corps of Engineers and Hurricane Katrina.

**JOB TRAINING PROGRAMS** (Staff Contact: Josie Hathway)

The President's Budget for the Department of Labor (DOL) calls for a new \$3,400 billion consolidated state block grant to deliver Career Advancement Accounts (CAA) by combining and cutting over \$600 million from the Workforce Investment Act (WIA) Adult, Dislocated Worker and Youth formula grant programs with the Employment Service into a consolidated state block grant which provides greater flexibility for governors to redesign or eliminate the local workforce system and determine how funds are spent. Services to in-school youth are also eliminated, meaning no summer jobs or internships, no drop-out prevention services and no post-secondary and career opportunity initiatives for high school students under WIA.

**Consolidated State Block Grant** – This block grant would consolidate funds from the WIA Adult, Dislocated Worker and Youth formula grant programs with the Employment Service, Work Opportunity Tax Credit Administration and Labor Market Information funds into a single state block grant. States would be required to use a minimum of 75 percent of the funds for Career Advancement Accounts (CAA) which the President proposed as part of the *American Competitiveness Initiative* announced during the State of the Union. States would use the remaining funds to provide basic employment services through existing One-Stop career centers, or through partnerships with the private sector. This proposal does not define a role for the local workforce system but rather leaves it up to the states to negotiate with local areas on their role.

**Career Advancement Accounts** – The CAA program is very similar to Personal Re-employment Accounts (PRAs) that the Administration has proposed the last three years but has yet to be enacted by Congress. CAAs will be self-managed accounts of up to \$3,000 that workers and people looking for work, both adults and out-of-school youth, can use to obtain training and other employment services. The accounts must be used to pay for expenses directly related to education and training, not supportive services.

**Adult Training Grants** – DOL proposes to eliminate the WIA adult training formula grant program by combining and cutting it by \$145 million from FY 2006 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 \$348 million from FY 2006 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 \$100 million from FY 2006 levels WIA 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. It would fund competitive grants to community colleges that partner with employers to train workers with skills needed in growth sectors of the economy.

**Prisoner Re-entry Program** – The budget includes a total of \$60 million for the third year of funding of this four-year Prisoner Re-entry Initiative to help individuals exiting prison make a successful transition to community life and long-term employment. DOL would provide level funding of \$20 million for this initiative, HUD would provide \$25 million, and the Department of Justice would provide \$15 million. These agencies will work together with faith-based and community organizations to fund competitive grants which include job training, transitional housing assistance and mentoring.

## **TRANSPORTATION** (Staff Contact: Ron Thaniel)

The President's budget is seeking \$65,600 billion to fund the nation's transportation system, up from \$65,500 billion for FY 2006. The budget funds the nation's surface transportation law, Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) at nearly \$50 billion for transit, highways and safety programs, a \$3,300 billion

increase over 2006. Funding for Amtrak is cut to \$900 million from \$1,310 billion that Congress appropriated for FY 2006.

**Amtrak** – The 2007 budget provides \$900 million for Amtrak. This is a cut of over \$300 million from FY 2006. In addition to the lower funding level, the budget includes authorization language calling for:

- The phase out of overnight trains and restructure train schedules to emphasize regular short trips;
- Consider opportunities for competition, such as contracting with non-Amtrak operators;
- Overhaul money-losing food and dining services; and
- Address the balance of Amtrak’s labor costs exceeding ticket revenues.

The budget includes \$500 million for capital costs and for operating costs, the Administration proposes that the U.S. Department of Transportation be given authority to issue \$400 million in discretionary grants to Amtrak.

**Federal Highway Administration** – The FY 2007 budget funds Federal-aid Highway Programs at \$39,800 billion. Key programs are funded at the following levels:

- National Highway System (NHS) - \$7,800 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) - \$7,500 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) - \$5,100 billion for the IM program which is designed to rehabilitate, restore, resurface and reconstruct the interstate system.
- Bridge Replacement and Rehabilitation - \$4,200 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) - \$2 billion for the CMAQ program which supports transportation projects that assist in meeting and maintaining national ambient air quality standards.
- TIFIA Program - The Transportation Infrastructure and Innovation Act (TIFIA) loan program leverages limited Federal resources and stimulates private investment by providing credit assistance for major transportation projects. For FY 2007, \$131 million is estimated to be obligated for TIFIA projects.

**Federal Transit Program** – The budget request \$8.9 billion for Federal transit programs. Key transit programs are funded at the following levels:

- Urbanized Area Program - \$5,400 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 - \$1,500 billion is proposed in FY 2007 for the construction of new fixed guideway and non-fixed guideway corridor systems, and extension to existing systems.
- Bus and Bus Facilities - \$847 million is requested to make funding available to finance bus and bus-related capital projects, including ferryboat projects.
- Job Access and Reverse Commute - \$144 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 Aviation Program** – The budget request \$13,700 billion for the FAA. Key programs are funded at the following levels:

- Operations - \$8,400 billion is proposed for FAA operations.
- Facilities and Equipment - \$2,500 billion is proposed for facilities and equipment.
- Grants-Aid for Airports (Airport Improvements Program [AIP]) - The budget includes \$2,750 billion for planning and development of the nation’s airports, including grants for security, safety, capacity, and noise-reduction project. The \$2,750 billion is an \$800 million cut from the FY 2006 level of \$3,500 billion.

**Maritime Administration Program (MARAD)** – The FY 2007 budget request \$299 million for maritime management and security programs.

# Comparison of Funding Levels for Key Municipal Programs in Enacted FY 2006 Budget and Proposed FY 2007 Budget

Prepared by  
**The United States Conference of Mayors**  
February 7, 2006

(Dollars in Millions)

	FY 2005 Enacted	FY 2006 Enacted	FY 2007 Proposed
<b>ARTS, HUMANITIES, MUSEUMS AND PARKS</b>			
National Endowment for the Arts	121	125	124
National Endowment for the Humanities	138	142	141
Museum Grants	34	32	36
Urban Parks	0	0	0
Land and Water Conservation Fund	90	0	0
Historic Preservation	40	42	41
Travel and Tourism Promotion	10	5	5
<b>EDUCATION</b>			
21st Century Community Learning Centers	991	981	981
Title I Education for the Disadvantaged	12,740	12,713	12,713
Title I School Improvement Grants	0	0	200
Math Now for elementary school students	0	0	125
Math Now for middle school students	0	0	125
Advanced Placement	30	32	122
High School Reform (Elementary and Secondary Ed.)	0	0	1,475
Vocational Education State and National Program Grants	1,300	1,296	0
Charter Schools	217	215	215
Reading First	1,042	1,029	1,029
Early Reading First	104	103	103
Striving Readers	25	30	100
Safe and Drug Free Schools and Communities National Programs	235	222	216
Safe and Drug Free Schools and Communities State Grants	437	347	0
Special Education State Grants	10,589	10,583	10,683
Impact Aid	1,243	1,228	1,228
Language Acquisition State Grants	675	669	669
Pell Grants	12,594	12,746	12,986
Education for Homeless Children and Youth	62	62	62
Early Childhood Educator Professional Development	14	15	15
TRIO Programs	837	828	380
GEAR UP	307	303	0
<b>ENERGY</b>			
Nuclear Waste Repository (Yucca Mountain)	413	450	544
Vehicle Technologies (FreedomCar/Plug-in Hybrids)	161	182	166
Hydrogen Technology (Hydrogen Fuel Cells)	166	157	196
Renewable Energy			
Biomass/Biorefinery Systems	87	91	150

	FY 2005 Enacted	FY 2006 Enacted	FY 2007 Proposed
Solar Energy	84	83	148
Wind Energy	41	39	44
Geothermal Technology	25	23	0
Weatherization Grants for Low Income Families	228	243	164
State Energy Program Grants	44	36	49
<b>ENVIRONMENT</b>			
Clean Water State Revolving Loan Funds	1,090	900	688
Drinking Water State Revolving Loan Funds	843	850	842
Superfund	1,246	1,260	1,259
Brownfields Assistance	170	165	163
<b>FOOD AND NUTRITION ASSISTANCE</b>			
Food Stamps	34,032	34,811	34,795
Child Nutrition Programs	12,367	13,206	13,902
WIC	5,241	5,399	5,361
Commodity Assistance Program (TEFAP)	107	150	190
<b>HEALTH</b>			
Medicare	294,333	337,922	387,049
Medicaid (outlays)	182	192,334	199,287
Ryan White CARE Act	2,073	2,083	2,158
CDC AIDS, STD, TB	960	947	1,033
Health Centers	1,734	1,800	1,963
Family Planning	286	286	283
Healthy Start	102	102	102
Maternal and Child Health Block Grant	724	700	693
Preventive Health Block Grant	118	100	0
Immunizations	479	530	507
Mental Health Partnership	433	432	428
Health Promotion	1,021	971	819
<b>HOMELAND SECURITY</b>			
State First Responder Formula Grant Program	1,100	550	633
Homeland Security Law Enforcement	400	400	0
High-Threat Urban Areas Program	860	740	838
Targeted Infrastructure Protection (TIP) - Ports, Transit, Other... (New)	0	0	600
Port Security Grants	150	175	0
Rail/Transit Security Grants	150	150	0
Intercity Bus Security Grants	10	10	0
Trucking Industry Grants	5	5	0
High-Risk-Non-Profit Organization Grants	25	25	0
Buffer Zone Protection	0	50	0
Firefighter Grants	650	545	293
Fire Department Staffing Assistance Grants	65	110	0
Metropolitan Medical Response System	30	30	0
Urban Search and Rescue	30	20	0
Citizen Corps	15	20	35
Emergency Management Performance Grants	180	185	170
Technology Transfer Program	50	50	0
REAL ID Implementation Grants	0	40	0
Bio-Terrorism (HHS State & Local Capacity)	927	824	824

	FY 2005 Enacted	FY 2006 Enacted	FY 2007 Proposed
TSA – Aviation Security	4,323	4,575	4,654
Passenger & Baggage Screening Operations	3,276	4,193	3,605
Procurement of Explosive Detection System (EDS)	180	175	175
Installation of EDS/Letter of Intent	295	268	45
Surface Transportation Security (TSA)	82	36	37
Transportation Security Support	711	505	527
Federal Air Marshal Service	670	679	699
Coast Guard	7,524	8,093	8,422

### **CRIME AND DRUG CONTROL**

COPS Funding	377	263	102
COPS Hiring (within COPS)	(9.8)	(0)	(0)
Gang Violence Grants (within COPS)	(0)	(40)	(0)
Justice Assistance Grant Program (Core Block Grant Funding)	537	322	0
Southwest Boarder Prosecutors	30	30	30
Juvenile Accountability Incentive Block Grant	54	50	0
Violence Against Women Act Grants	382	386	347
Safe and Drug Free Schools and Communities National Programs	235	222	216
Safe and Drug Free Schools and Communities State Grants	437	347	0
Drug Courts	40	10	69
State Criminal Aliens Assistance Program	301	405	0
Weed & Seed	61	50	49
Project ChildSafe (Gun Locks)	5	1	1
State and Local Gun Violence Assistance Program	0	15	58
Offender Reentry	10	5	15
Bullet Proof Vests	25	30	10
Gang Technical Assistance Program	0	0	15
Substance Abuse Partnership Block Grant	1,776	1,776	1,759
Substance Abuse Prevention	200	194	181
Substance Abuse Treatment	421	398	375

### **HOMELESS ASSISTANCE**

Homeless Programs	1,240	1,326	1,536
Emergency Food and Shelter (DHS)	153	151	151
Education for Homeless Children & Youth	62	62	62
PATH Formula Grants	55	54	54

### **HOUSING AND COMMUNITY DEVELOPMENT**

Community Development Block Grant (Formula)	4,110	3,711	2,775
HOME Investment Partnership	1,900	1,758	1,917
American Dream Down payment (within HOME)	50	25	100
Public Housing Operating Subsidies	2,438	3,564	3,564
Public Housing Capital Fund	2,579	2,439	2,178
HOPE VI	143	99	0
Housing Opportunities for People with AIDS	282	286	300
Section 202 Elderly/Section 811 Disabled	979	972	664
Section 108 Loan Guarantees	275	138	0
Section 8 Rental Assistance	14,766	15,808	15,920
Community Development Financial Institutions	55	54	8
Brownfields Assistance	24	10	0
Urban Empowerment Zones	10	0	0
Economic Development Administration	257	254	297

	FY 2005 Enacted	FY 2006 Enacted	FY 2007 Proposed
<b>HUMAN SERVICES</b>			
Temporary Assistance to Needy Families	17,044	17,406	17,471
Child Care & Development Block Grant	2,018	2,062	2,062
Head Start	6,843	6,786	6,786
Social Services Block Grant	1,700	2,224	1,400
Low-Income Home Energy Assistance	2,182	2,161	2,782
Community Services Block Grant	637	636	0
Administration on Aging Programs	1,393	1,376	1,335
State Children's Health Insurance Program	5,343	5,775	5,948
Refugee and Entrant Assistance	485	570	615
Faith-based and Community Initiatives	106	115	141
<b>JOB TRAINING PROGRAMS</b>			
Consolidated Block Grant/Career Advancement Accounts <sup>1</sup>	N/A	N/A	3,412
Adult Training	891	857	N/A
Dislocated Workers Assistance	1,344	1,461	N/A
Community Based Job Training Grants	248	124	150
Youth Training	986	941	N/A
Job Corps	1,546	1,557	1,501
Reintegration of Youth Offenders	50	49	0
Prisoner Reentry Program	20	19.6	19.6
Migrant and Seasonal Farm Workers	73	79	0
Employment Service (Wagner-Peyser)	780	716	N/A
YouthBuild	67	49.5	50
<b>TRANSPORTATION</b>			
Amtrak	1,207	1,294	900
Federal Aviation Administration	13,853	14,310	13,749
[Airport Improvement Program]	3,467	3,515	2,750
Federal Aid Highway Program	36,095	39,060	39,822
Federal Transit	8,604	8,504	8,875
Maritime Administration Budget	305	308	299

<sup>1</sup>The DOL budget proposes to create a new consolidated block grant program by combining the current adult, dislocated worker, and youth employment and training activities together with the Employment Service to provide governors more flexibility.