

Table 4.2
PROPOSED FEDERAL BUDGET CUTS

	2005 Spending (\$ million)	Problem				Reform Solution		
		Wasteful	Special Interest Spending	Actively Damaging	State/Local Function	Private Function	Terminate	Devolve to States
Department of Agriculture								
Economic Research Service	\$73	X					X	
Agricultural Statistics Service	\$133					X	X	X
Agricultural Research Service	\$1,227		X			X	X	X
Coop. State Research and Ext. Service	\$1,090	X	X		X	X	X	X
Agricultural Marketing Service	\$1,246	X	X			X	X	
Risk Management Agency	\$3,366		X			X	X	X
Farm Service Agency	\$26,237	X	X	X			X	
Rural Development	\$1,047	X	X				X	
Rural Housing Service	\$1,255	X	X			X	X	
Rural Business Cooperative Service	\$134	X	X			X	X	
Rural Utilities Service	\$136	X	X			X	X	
Foreign Agricultural Service	\$1,529	X	X			X	X	
Forest Service: State and Private	\$482		X		X	X	X	X
Forest Service: Land Acquisition	\$153	X				X	X	
Total proposed cuts	<u>\$38,108</u>							
Total department outlays	\$94,912							
Department of Commerce								
Economic Development Administration	\$392	X	X				X	
International Trade Administration	\$370	X	X				X	
Minority Business Development	\$23	X	X				X	
Pacific salmon state grants	\$83				X		X	
Fisheries Loans and Marketing	\$21		X	X	X	X		

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Table 4.2
PROPOSED FEDERAL BUDGET CUTS (continued)

	2005 Spending (\$ million)	Problem				Reform Solution		
		Wasteful	Special Interest Spending	Actively Damaging	State/Local Function	Private Function	Terminate	Devolve to States
Department of Commerce (cont.)								
Technology Administration	\$6	X					X	
Advanced Technology Program	\$144		X			X	X	
Manufacturing Extension Partnership	\$117		X			X	X	X
Various NIST programs	<u>\$448</u>					X	X	X
Total proposed cuts	<u>\$1,604</u>							
Total department outlays	\$6,278							
Department of Defense								
Cut in half troop levels in Europe/Asia	\$20,000	X					X	
Cut low-priority weapon systems	\$10,000	X					X	
Close excess military bases	\$6,000	X					X	
Foreign Military Financing	\$4,899	X					X	
International Military Training	<u>\$95</u>	X					X	
Total proposed cuts	<u>\$40,994</u>							
Total department outlays	\$444,068							
Department of Education								
Elementary and Secondary Education	\$23,241	X		X			X	X
Innovation and Improvement	\$754			X			X	
Safe and Drug-Free Schools	\$484	X		X			X	
English Language Acquisition	\$840			X	X		X	
Special Education and Rehab.	\$13,747			X	X		X	
Vocational and Adult Education	\$2,030		X		X		X	X

Postsecondary Education	\$2,408		X		X	X	X	
Student Aid	\$26,212	X	X		X	X		X
Education Sciences	\$632	X			X	X	X	
Other	\$605	X			X	X		
Total proposed cuts	<u>\$70,953</u>							
Total department outlays	\$70,953							
Department of Energy								
General Science	\$3,558				X	X		
Energy Supply	\$820	X	X		X	X		
Fossil Energy Research and Clean Coal	\$615	X	X		X	X		
Energy Conservation	\$874	X	X		X	X		
Strategic Petroleum Reserve	\$169	X			X			X
Energy Information Administration	\$83	X			X	X		
Power Marketing Administrations	\$179	X		X	X			X
Total proposed cuts	<u>\$6,298</u>							
Total department outlays	\$22,178							
Department of Health and Human Services								
Medicare					Increase premiums and deductibles (see Table 4.3). Add savings accounts.			
Medicaid					Convert program to a block grant and cap spending growth (see Table 4.3).			
Nat. Institutes of Health: Applied R&D	\$12,679				X	X		
Substance Abuse and Mental Health	\$3,191				X	X		
Health Care Research and Quality	\$354				X	X		
Temp. Assistance for Needy Families	\$18,099				X		X	
State Payments for Family Support	\$4,142				X			X
Low-Income Home Energy Assistance	\$2,115		X		X	X		

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PROPOSED FEDERAL BUDGET CUTS (continued)

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		Wasteful	Special Interest Spending	Actively Damaging	State/Local Function	Private Function	Terminate	Devolve to States
Department of Health and Human Services (cont.)								
Promoting Safe and Stable Families	\$395					X	X	
Child Care Entitlement Grants	\$2,718				X			X
Child Care and Development Grants	\$2,099				X			X
Social Services Grants	\$1,764				X			X
Foster Care and Adoption Grants	\$6,474				X			X
Head Start	\$6,843	X			X			X
Community Services Grants	\$631	X			X		X	X
Health Professions Education	\$416	X	X			X	X	
Administration on Aging	\$1,367	X					X	
Total proposed cuts	<u>\$63,287</u>							
Total department outlays	\$585,772							
Department of Homeland Security								
State and Local Programs	\$2,796				X			X
Firefighter Assistance Grants	\$551				X			X
Transportation Security: Airports	\$2,700	X		X		X		
Coast Guard—Boat Safety Grants	<u>\$46</u>					X	X	
Total proposed cuts	<u>\$6,093</u>							
Total department outlays	\$33,259							
Department of Housing and Urban Development								
Low-Income Housing Assistance	\$22,874	X		X		X	X	
Public Housing subsidies	\$8,465	X		X		X	X	X

Community Development Block Grants	\$5,373	X	X		X	X	X		
Home Investment Partnership Program	\$1,650	X	X			X	X		
Homeless Assistance Grants	\$1,300				X	X	X		
Other Community Planning programs	\$359	X			X	X	X		
Assisted Housing programs	\$601				X	X	X		
Administration	\$1,068	X					X		
Other	\$924				X	X	X		
Total proposed cuts	<u>\$42,614</u>								
Total department outlays	\$42,614								
Department of the Interior									
Bureau of Reclamation	\$1,221	X	X	X	X	X		X	X
State and Tribal Wildlife Grants	\$61				X		X		
Land Acquisition Programs	\$45	X					X		
Sport Fish Restoration Fund	\$342		X				X		
Bureau of Indian Affairs	\$2,404	X			X		X		
Total proposed cuts	<u>\$4,073</u>								
Total department outlays	\$9,433								
Department of Justice									
Antitrust Division	\$114			X			X		
State and Local Assistance	\$1,094				X			X	
Weed and Seed Program	\$37	X		X			X		
Community Oriented Policing Services	\$575				X			X	
Juvenile Justice Programs	\$244				X			X	
Total proposed cuts	<u>\$2,064</u>								
Total department outlays	\$21,171								

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	2005 Spending (\$ million)	Problem				Reform Solution		
		Wasteful	Special Interest Spending	Actively Damaging	State/Local Function	Private Function	Terminate	Devolve to States
Department of Labor								
Employment and Training Admin.	\$5,237	X	X			X	X	
Welfare to Work	\$6				X	X	X	
Community Service for Seniors	\$436	X				X	X	
Trade Adjustment Assistance	\$1,097	X	X				X	
International Labor Affairs	\$93	X					X	
Total proposed cuts	\$6,869							
Total department outlays	\$50,034							
Social Security								
		Cut growth in future benefits (see Table 4.3). Add savings accounts.						
Department of State								
Education and Cultural Exchanges	\$351	X	X			X	X	
United Nations	\$362	X					X	
Inter-American Organizations	\$130	X					X	
OECD	\$67	X					X	
International Narcotics Control	\$520	X					X	
Andean Counterdrug Initiative	\$722	X		X			X	
Total proposed cuts	\$2,152							
Total department outlays	\$11,934							
Department of Transportation								
Essential Air Service	\$74	X	X			X	X	
FAA-Air Traffic Control	\$2,814	X		X		X		X

FAA-Grants to Airports	\$3,041					X	X		X
FAA-Facilities and Equipment	\$2,867					X	X		X
Federal Highway Administration	\$32,950	X				X		X	X
Federal Transit Administration	\$8,420	X				X		X	
Maritime Administration	\$411	X	X			X	X		
Amtrak	\$1,259	X				X			X
Total proposed cuts	<u>\$51,836</u>								
Total department outlays	\$58,215								
Other Agencies and Activities									
Agency for International Development	\$3,688	X				X	X		
Appalachian, Delta, Denali Comm.	\$94	X	X				X		
Army Corps of Engineers	\$4,891	X	X	X		X			X
Cargo Preference	\$563	X	X				X		
Corporation for Nat. and Comm. Service	\$923	X				X	X		
Corporation for Public Broadcasting	\$466		X			X		X	
Davis-Bacon Act	\$1,000		X	X			X		
EPA: State Grants	\$3,592					X		X	
EEOC	\$327	X					X		
Export-Import Bank	\$0	X	X	X		X			X
Federal Trade Commission: Antitrust	\$89			X			X		
International Assistance: Economic	\$3,523	X				X	X		
International Assistance: Multilateral	\$1,913	X				X	X		
International Trade Commission	\$60			X			X		
Legal Services Corporation	\$331	X				X	X		
Millennium Challenge Corporation	\$450	X				X	X		
NASA	\$15,719	X	X			X	X		X

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Other Agencies and Activities (cont.)								
National Endowment for the Arts	\$121		X			X	X	
National Endowment for the Humanities	\$133		X			X	X	
National Labor Relations Board	\$250					X	X	
National Mediation Board	\$12					X	X	
Neighborhood Reinvestment Corp.	\$114	X			X	X	X	
OPIC	\$0	X	X	X		X	X	X
Peace Corps	\$326	X				X	X	
Presidio Trust	\$46				X			X
Public Accounting Oversight Board	\$130					X	X	
Service Contract Act	\$1,000		X	X			X	
Small Business Administration	\$3,036	X	X			X	X	
Tennessee Valley Authority	\$0	X		X		X		X
Trade and Development Agency	\$57	X					X	
U.S. Postal Service subsidies	\$568	X				X	X	X
Total proposed cuts	\$43,422							
Grand total spending cuts	\$380,367							

SOURCE: Author's analysis. Spending figures are outlays for fiscal year 2005 from the *Budget of the United States Government: Fiscal Year 2006*.

Note: "Wasteful" programs are those that are duplicative, obsolete, mismanaged, ineffective, or have high levels of fraud and abuse.