

INTERRELIGIOUS WORKING GROUP ON DOMESTIC HUMAN NEEDS

March 3, 2004

Dear Senator:

As representatives of communities of faith, we call on you to ensure that government not lose sight of its role and responsibility to care for those in need. As you begin deliberations on the FY 2005 budget, we urge you to make certain that the budget adequately addresses the needs of and services for people living in and near poverty.

The federal budget is a reflection of our values as a society, and we ask that it serve God's purposes by promoting the common good. A budget disproportionately emphasizing a reduction in domestic discretionary spending while calling to make the tax cuts permanent, as proposed by the Administration, does not reflect the values we seek as members of the faith community. At a time when more than 43 million Americans are uninsured, over 8 million are unemployed, and over 12 percent live in poverty, increased access to health care, job training and work supports, and a renewed commitment to anti-poverty programs should be budget priorities.

We have grave reservations about the ramifications of the Administration's proposal to make the 2001 and 2003 tax cuts permanent. Not only are the tax cuts inequitable – overwhelmingly benefiting the very wealthy - but they are offered at the same time as the budget reduces funding for programs on which working families depend.

Many economists and some members of Congress argue that further tax cuts do not make sense under the current circumstances. In recent years, huge tax cuts for the wealthy, combined with dramatically increased war-related spending and a sluggish economic recovery, have produced a burgeoning federal deficit – estimated to reach \$521 billion this year.

We have seen time and time again that when lawmakers propose budget cuts, programs that help hungry and poor people are among the most vulnerable. If tax cuts are going to put more pressure on the budget and require deep cuts in non-military federal spending, they should not be supported.

The FY 2005 proposed budget includes deep cuts in some vital domestic programs, essentially freezes domestic discretionary programs outside of homeland security, and leaves urgent national priorities significantly under funded. And the cuts grow progressively deeper after 2005. By 2009, funding for domestic discretionary programs would be \$50 billion below 2004 levels adjusted for inflation - an 11.5% drop. These cuts will disproportionately impact the neediest among us. The Center on Budget and Policy Priorities found that the low funding level proposed in 2005 for the housing voucher program, the nation's principal low-income housing assistance program, could cause the number of low-income families and elderly and disabled households receiving such assistance to be cut by 250,000, while proposed funding levels for child care programs would cause the number of children from low- and moderate-income working families who receive child care assistance to be reduced by approximately 365,000 by 2009.

The proposed budget process rules are also extremely important. If adopted, they could inhibit funding for human needs programs for decades, and result in huge tax cuts for the wealthiest in our nation. The proposed rules are not fair, as they treat tax cuts and expenditures under vastly different rules.

We urge you to oppose efforts to make the 2001 and 2003 tax cuts permanent, as they are far too inequitable and are fiscally irresponsible. We call on you to support policy that reflects the common good of all and ensures that the needs of the most vulnerable members of our society are met in FY 2005 and into the future. If you have questions or concerns, please contactCarolynn Race at the Presbyterian Church (U.S.A.) at (202) 543-1126.

Sincerely,

American Baptist Churches USA
American Friends Service Committee
Bread for the World
Brethren Witness/Washington Office
Call To Renewal
Central Conference of American Rabbis
Disciples Justice Action Network (Disciples of Christ)
Evangelical Lutheran Church in America
Fellowship of Reconciliation
Friends Committee on National Legislation
National Advocacy Center of the Sisters of the Good Shepherd
National Council of Churches of Christ in the USA
NETWORK: A National Catholic Social Justice Lobby
Presbyterian Church (U.S.A.) Washington Office
Union for Reform Judaism
Unitarian Universalist Association of Congregations
United Church of Christ, Justice & Witness Ministries
United Methodist Church – General Board of Church and Society