

May 22, 1995

C. Duckay

ORDERED: That the City Mgr be hereby is requested to review the following Budget Alternatives as attached and report back on the implications of each on every citizen of Cambridge, and report back

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BUDGET ALTERNATIVES AT-A-GLANCE

What they mean to the Nation's Cities

Issues	House Budget Committee	Senate Budget Committee	President's Budget
Housing and Community Development	would cut CDBG by 20% annually for 7 years, eliminate EDA, make more than \$400 million in cuts in rural water and wastewater assistance, cut HOME funding by \$1.8 billion, and make deep cuts in public and assisted housing.	would cut the Community Development Block Grant (CDBG) program 50%, cut rural development; eliminate EDA; cut low income housing assistance to communities \$5.7 billion and consolidate HOME, public housing, and other assisted housing programs.	would make steady, but modest cuts in CDBG, \$51 billion in cuts and changes in assisted housing, converting most public housing programs into vouchers.
Transportation & Infrastructure	would make modest cuts overall, but would phase out transit operating assistance and new starts, increase local transit capital match from 20 to 50%, phase out AMTRAK, eliminate essential air service and interstate transfer grants.	would cut federal transportation assistance by over \$51 billion, eliminating transit operating assistance, essential air service, AMTRAK operating assistance, and make consolidations and cuts in highway, capital, and airport programs funded out of the federal highway and airport trust funds.	would consolidate transit, highway, and airport assistance into a unified block grant, cut infrastructure investment over \$2 billion, cut transit operating assistance by 30%, and eliminate essential air service.
Environment	would eliminate the urban parks program and make more than \$1.8 billion in cuts in the Superfund program.	would cut natural resource and environment programs by 16%, eliminating all SRF funding to comply with federal Clean Water mandates and the urban park and recreation fund.	would modestly cut Clean Water and Drinking Water assistance to comply with federal mandates.
Education, Jobs & Training	would cut \$24 billion more than Senate plan, consolidating and making major cuts in job training programs.	would cut by \$67 billion or 14.6%, keeping current funding levels for Head Start, Chapter I, and the Community Services Block Grant; would consolidate job training programs and cut them by 25%.	would freeze federal assistance and consolidate 70 job training programs into 4.
Children, Youth, & Families	would cut Head Start funding by \$1.4 billion, cut funds for foster care, food stamps, and child nutrition.	would cut welfare assistance by \$80 billion and devolve responsibility to states through block grants that would be guaranteed for only five years. The proposal assumes no cuts in school lunch programs, but cuts food stamps and would limit inflation increases for the earned income tax credit (EITC).	would increase funding for Head Start, child care, child immunizations, and AIDS.
Crime & Public Safety	would cut block grant funding to local governments by over 16%, and would cut the Violent Crime Trust Fund by 50%.	would increase public safety funding by about 14%, fully funding law enforcement programs under the Violent Crime Reduction Trust Fund and increasing funding for the FBI, DEA, and Immigration and Naturalization Service.	would increase public safety assistance by about 25% over the next five years, or \$24 billion, increasing funding for implementation of last year's new anti-crime law.
Entitlements	would de-entitle Medicaid, cut it by \$198 billion, and convert the health care program for elderly poor into a state block grant; would cut Medicare spending by \$282 billion; would reduce rate of growth of federal pension and agriculture entitlement programs; and would cut cost-of-living adjustments for Social Security and all other entitlement and indexed tax or revenue programs beginning in 1999 by .6%.	major cuts in rate of spending growth in Medicaid, Medicare, federal pension, and agriculture entitlement programs. Would convert Medicaid from an entitlement into a state block grant program, cutting the federal share in half.	would make no substantive changes in federal entitlement spending.
Tax Expenditures	would increase federal by \$630 billion by increasing tax expenditures, or reducing federal revenues by \$630 billion over next 10 years.	no tax cuts.	would increase the federal deficit by \$63 billion over the next five years, increasing substantially thereafter, through creation of new federal tax expenditure programs.
Bottom Line	would achieve a balanced federal budget by the year 2002.	would eliminate the federal deficit in 2002; national debt would increase from \$3.8 to \$4.4 trillion.	would leave a federal deficit of \$230 billion in 2002, increasing the national debt from \$3.8 trillion to \$5.4 trillion.



City of Cambridge

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IN CITY COUNCIL

May 22, 1995

COUNCILLOR DUEHAY

ORDERED: That the City Manager be and hereby is requested to review the following Budget Alternatives as attached and report back on the implications of each on every citizen of Cambridge and report back.

In City Council May 22, 1995

Adopted by the affirmative vote of nine members.

Attest:- D. Margaret Drury, City Clerk.

A true copy;

ATTEST:-

A handwritten signature in cursive script that reads "D. Margaret Drury".

D. Margaret Drury
City Clerk

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Consent Order #48

Councillor Duehay re: City Manager to
review Budget Alternatives.

report received 6/26/95-
See Agenda # 18 of 6/20/95

In City Council May 22, 1995

Order adopted