



Leadership Council of Aging Organizations

Barbara B. Kennelly, Chair

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NEWS RELEASE

American Seniors, Poor and Disabled Will Pay the Price of Misplaced Budget Priorities

LCAO forwards letter to Congress and White House protesting 2007 Budget Priorities

“Once again, the President has proposed a budget which ignores the basic truth of our current fiscal situation. We are not in the midst of an ‘entitlement crises’. We face a budget crises in which the American people are repeatedly being told they must foot the bill for tax breaks they don’t receive and deficits they didn’t create.”

...Barbara B. Kennelly, LCAO Chair.

The Leadership Council of Aging Organizations, representing 53 national organizations committed to the well-being of America’s seniors, urge the President and Congress to tell all of the facts about our fiscal situation. Such as:

- Federal **Revenue** is down, again. OMB projects federal revenue as a share of GDP at just 17.5 percent, continuing a 4 year reduced revenue trend that we haven’t seen since 1959.
- Hit the **Debt** ceiling, again. CBO estimates we’ll hit the debt ceiling of \$8.184 trillion this month. The limit will have to be increased for the 4th time in 5 years.
- Record **Deficits**, again. FY 2006 deficit will reach a record \$423 billion, the largest deficit in dollar terms in our country’s history. The 2007 deficit will also remain near record levels.
- More **Tax Cuts**, again. The president wants \$280 billion in tax cuts over the next five years and \$1.67 trillion over the next decade.

Who will pay for this budget? The President proposes \$65 billion in program cuts that affect millions of seniors, the poor and working Americans. This budget, once again, includes the privatization of Social Security.

- The FY2007 budget projects nearly a trillion dollars will be spent over the first decade, to create Social Security **Private Accounts** beginning in the year 2010.
- Cut **Healthcare** programs. At a time when healthcare has become a critical issue for so many Americans, Medicare faces the budget’s largest cuts of \$36 billion over five years. Medicaid is targeted to lose \$12.2 billion.
- Cut **Senior** programs. Older Americans Act programs face \$72 million in cuts. The Community Services Block Grants program faces complete elimination and Social Services Block Grants are slated for a \$500 million cut. Now more than ever, America needs to plan for an aging nation. Instead, vital programs that serve seniors in their communities, from home care services to transportation programs, are being targeted for deep budget cuts.

“The LCAO and its member organizations support deficit reduction. However, America’s most vulnerable cannot continue to be expected to bear the burden of tax cuts that largely benefit the wealthy and the runaway deficits they cause”...Barbara B. Kennelly, LCAO Chair

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