



Minnesota's 4th District E-Report!

Congresswoman Betty McCollum

"Serving Minnesota's Families"



FEBRUAR 6, 2004

Hot News!

Deficit Grows Under President's \$2.4 Trillion Budget

The President's \$2.4 trillion budget for fiscal year 2005 will leave the federal government \$521 billion in the red. It increases defense spending, but cuts funding for veterans benefit, environmental protection and education.

"President Bush's budget burdens every adult and child in Minnesota with \$1800 in deficit spending, while lavishing tax cuts and favors on special interests. This burden prevents investments in job training, education for our children, quality health care and protecting environment," said Rep. Betty McCollum.

The White House expects to cut the deficit to \$237 billion by 2009. Below are important reasons why the President's budget will not work:

- **Largest Deficits in History** - The \$5.6 trillion ten-year surplus projected when the President took office has been replaced by a ten-year deficit of at least \$4 trillion.
- **More Oversized Tax Cuts** - In the face of such enormous deficits, the Administration centers its budget on another set of tax cuts, reducing revenues by more than \$1 trillion and driving the budget deeper into the red.
- **Squeezing Domestic Priorities** - Non-homeland security domestic appropriations are actually cut below the 2004 level. This cut puts a harmful dent in environmental protection, transportation, and other priorities.
- **Past Tax Cuts Have Not Stopped Record Job Losses** - The President justifies his deficit-financed tax cuts on the grounds that they will create jobs. But the economy has lost 2.9 million private-sector jobs over the last three years under these policies.
- **Omitted Costs Make True Deficit Picture Even Worse** - This budget omits funding for our deployments in Iraq and Afghanistan, a long-term fix for the Alternative Minimum Tax, the revenue effects of Social Security privatization, and long-term costs of human space travel to Mars. Once items like these are added to the budget, deficits do not decrease by half over five years like the Administration has claimed.



Rep. Betty McCollum recently met with the Minnesota School Boards Association to discuss the challenges they are facing because of the No Child Left Behind Act .

McCollum Votes to Extend Unemployment Benefits to Thousands of Minnesota Workers

This week, Rep. Betty McCollum voted for a measure to extend federal unemployment benefits to millions of workers across the country, bringing much needed relief to more than 33,000 workers in Minnesota who will not otherwise receive additional aid. Despite strong Republican opposition, the amendment passed in the House, by a vote of 227-179.

"This extension in benefits is critical for more than 33,000 workers in Minnesota alone, who are suffering under the misguided economic policies of this Administration," said McCollum. "Not only is extending unemployment benefits good for those unemployed, it will also promote economic growth by pumping \$1.73 into the economy for every \$1 spent on benefits. An extension is critical given that 8.4 million Americans are now unemployed--nearly 140,000 in Minnesota alone--and it is taking longer and longer for them to find work."

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