



COALITION ON HUMAN NEEDS

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Rebuilding Opportunity for All Americans Requires a Significant Increase in FY 2010 Appropriations

The fiscal 2010 budget should achieve several key goals: It must create opportunity for all Americans, support the President's economic recovery programs, help American families survive the recession and meet some of the pent-up demand for human needs programs that has built up over the past decade. To do that, the budget must include a boost in domestic appropriations significantly above inflation in order to accommodate a substantial increase in discretionary spending for human services programs.

The need for more human services funding is significant and growing rapidly.

- **The number of people who need help from human needs programs funded through appropriations will rise dramatically over the next few years.** The Center on Budget and Policy Priorities estimates that if unemployment grows to 9 percent, the number of poor Americans will rise above its 2006 level by 7.5 to 10.3 million; the number of poor children will rise by 2.6 to 3.3 million; and the number of children in deep poverty will climb by 1.5 to 2 million.
- **We are already beginning to see the increased need for services in programs such as Food Stamps, where participation is not limited by annual funding decisions.** In September and November 2008 SNAP/Food Stamp participation set all-time records. The number of people receiving benefits was 1.5 million more than in November 2005, even though the caseload that month included several million victims of Hurricanes Katrina, Rita and Wilma. Rising food stamp participation is understood to be a timely indicator of increasing poverty.
- **The need for a broad range of human needs programs grows during recessions.** Worsening stress on families is likely to require more child welfare and family services. The nation's recovery from the recession will be much slower if families split apart under the stress. The need for substance abuse treatment, services for disconnected youth and help for ex-offenders will also rise. A greater supply of affordable housing is urgently needed, and the need will grow as more families, renters and homeowners alike, are evicted through foreclosure proceedings.
- **Programs have been under-funded for years.** Program funding levels were too low in 2005 and have fallen significantly since then. The reduction in funding for these programs is even more severe given that the U.S. population rose nearly 3 percent during that time. From FY 2005 through FY 2008, only 12 low-income programs tracked by the Coalition on Human Needs grew beyond inflation out of 104 for which three-year comparison was available; another 3 were flat. *All the rest were cut.* As the attached table shows, cuts commonly

exceeded 10 percent over the three years; in some cases they were far deeper. If these services receive no more than an inflation adjustment from FYs 2008-2010, they cannot make up the gap that opened up in the previous years.

- **Appropriations for domestic programs are not causing the federal deficit. Rather, domestic appropriations have not kept pace with the overall growth of the federal budget.** In 2001, domestic programs made up 18.4 percent of the federal budget. In 2008, they accounted for just 14.7 percent.
- **Appropriations for domestic programs have also shrunk as a share of GDP.** In 2001, domestic program funding represented 3.1 percent of GDP. By 2008 they represented only 2.8 percent.

The President's recommendations for overall appropriations, domestic appropriations, and the relevant function numbers must be high enough to meet these unmet and growing needs and support the economic recovery.

- **Appropriations must be high enough to include funding for additional efforts to advance economic recovery and meet the needs of families facing hard times.** In order for the economic recovery package to be effective, and to protect children and families, we need a comprehensive set of supports. If some effective human needs programs must be cut or held level in order to ensure adequate funding for others, the Administration's economic recovery efforts will be undermined.
- **The appropriations total must be high enough to include funding for those items not included in the economic recovery package with the understanding that those needs should be met through the appropriations process.** Some items were considered to be very important but either judged not to be temporary or not expected to create many jobs, and therefore deferred to appropriations. The appropriations must be large enough so these items can be included without cutting other important programs.
- **We must enable communities to better support low-income residents.** Struggling families will turn to their communities for help when they lose their jobs, face reduced work hours, or lose their homes. We need to bolster communities' ability to respond, by strengthening housing programs, the Social Services Block Grant and other programs that help communities support their low-income residents.