



Center for Public Policy Priorities  
Twenty Years: 1985 to 2005

## Federal Budget Update

Just before and after the New Year, we called upon you to make your voices heard in opposition to federal budget reconciliation, a process that cut the federal budget, particularly programs for low-income children and families. Despite your spirited efforts, budget reconciliation passed on a very close vote.

Shortly after that, the Administration released its proposed budget for FY 2007, suggesting further cuts. These cuts would particularly hurt Texas because our state government is so dependent upon federal funds. CPPP is going to pay increased attention to federal budget issues and let you know about significant research and developments. Every day something new happens in D.C. and something new is written about it. We will be selective in what we send you, trying to alert you to key research and critical calls to action. We will focus on both taxes and budget because the budget cuts are largely to pay for tax cuts, primarily for upper-income Americans. The budget cuts have next to nothing to do with controlling our growing federal deficit.

Our colleagues at the Center on Budget and Policy Priorities in Washington, D.C. have just released a new study, Program Cuts in the President's Budget: Cuts Grow Deeper Over Time and Will Hit States Hard, which you can find at <http://www.cbpp.org/2-23-06bud.htm>. This analysis shows how proposed cuts in selected programs would affect individual states. We hope you find it useful in understanding ongoing developments.

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