

Central New York Citizens in Action

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Sequester Hurts Utica/Central New York Families: Local Agencies/Community Groups Detail Impact of Sequester

Advocates Call For Repeal of Sequestration and Canceling the Cuts

Utica, NY - Community organizations and agencies at a news conference today called on elected officials to repeal sequestration and support measures such as closing tax loopholes that will help close the federal deficit without hurting the poor, disabled, aged, children, and other vulnerable groups. The organizations discussed the impact of across-the-board cuts to education, public safety, health screenings, and many other essential programs that took effect March 1st. Speakers emphasized the urgent need for Congress to overcome political gridlock and find a way to replace the \$85 billion in destructive cuts in 2013 to services that seniors, children and families with alternative plans that create new revenue and support economic growth.

Ron Deutsch, Executive Director of New Yorkers for Fiscal Fairness, highlighted the significant cuts to programs and services that will occur as a result of sequestration. A report detailing the devastating impact of sequestration on Central New York and how these cuts along with state budget funding reductions will put in jeopardy vital services to local citizens was presented.

John Furman, President of the Central New York Citizens in Action, stated: “The poor and vulnerable will be hurt the most by these mandatory automatic spending cuts. These cuts will have a devastating impact on cities like Utica that rely upon federal housing, feeding, health, law enforcement, and education assistance to meet the needs of persons in need. Utica, which has a poverty rate twice the national average, will lose millions of dollars of assistance. The City of Utica School District is expected to suffer a loss of \$574,734 in federal education assistance for disabled and disadvantaged students. The cuts, combined with reductions in state aid, will have a devastating impact and make it difficult for our area’s communities to promote economic growth and pull out of the recession.”

Mr. Furman continued: “Austerity is not the answer to solving our local, state, and federal fiscal issues. Cuts in investment in public services, jobs, Medicare, and Social Security will create unemployment and hardship. Austerity will produce a spiral of economic decline as

cuts produce high levels of unemployment which in turn reduces tax income and prompts another round of cuts and job losses. We need to create new revenues to address deficit concerns while preserving enough flexibility to make investments in America's top priority—new jobs. Sequestration is the first step in opening the door to painful austerity measures that will create great economic hardship and pain.”

On March 1st, a series of arbitrary, across the board cuts—called a sequester—that will cost 750,000 jobs, according to the non-partisan Congressional Budget Office, and the economic security of working families took effect. The full impact will not be felt until later in the spring when federal agencies begin to implement the cuts. These cuts will cause suffering for middle-class families, seniors, children and people with disabilities. In NYS, local families are bracing for reductions in services and benefits, including:

- A \$79,054,672 reduction in funding to education and programs for children with disabilities; that means 70,000 fewer children will receive education services and 1,030 teachers could lose their jobs.
- A \$3,068,683 reduction in funding for nutrition programs for impoverished and homebound seniors.
- A \$2,907,647 in funding for public health services such as HIV screenings resulting in 68,200 HIV testing, prevention and treatment.
- A \$490,000 loss in funding for children's vaccinations that will result in 7,170 fewer children getting protection from mumps, measles, whooping cough and other contagious illnesses.

“Either Congress can keep protecting big tax loopholes for millionaires and multinational corporations, or protect NYS seniors, kids and working families from these cuts. It's just common sense: if we can't afford teachers, vaccinations for kids and Meals on Wheels, then we can't afford to keep giving breaks to the richest Americans and corporations,” said Mary Clark of Citizen Action of New York. “Instead of cuts, Congress should, consider revenue raising alternatives such as closing loopholes that allow corporations to ship profits and our jobs overseas. We lose \$100 billion a year from this loophole. Two-thirds (\$54 billion) of the \$85 billion in cuts would be eliminated by requiring millionaires to pay at least a 30% income tax rate (the so-called “Buffett Rule”), just slightly above the 28% marginal tax bracket of millions of middle-class Americans. We call on our Federal Representative to find similar balanced solutions to avert these cuts.”

A recent [national survey by Hart Research](#) shows 66% of voters nationwide say that the richest 2% should pay more in taxes and 64% of voters believe large corporations should pay more in taxes. Congress has already cut \$2.50 in spending for every \$1 it has raised in new revenues; they have already achieved \$2.4 trillion in deficit reduction since 2011, according to the [Center on Budget and Policy Priorities](#). Of that amount, about \$1.5 trillion has come from spending cuts and another \$600 billion from new revenues on the richest 1%, with the remainder coming from related interest savings on the debt.

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