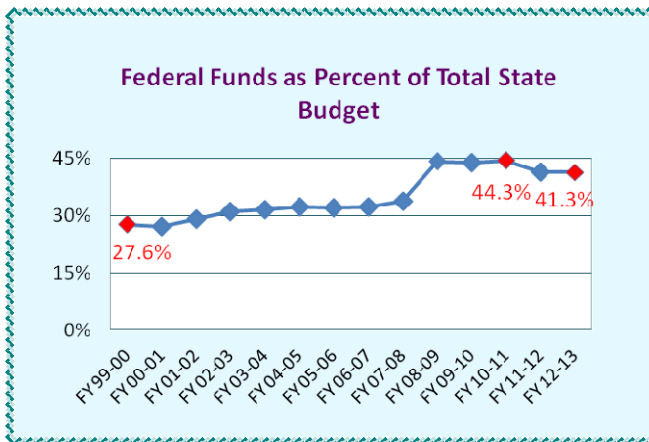





How Sequestration Will Impact Michigan

Deep cuts to programs that help many Michigani-ans gain economic security will take effect next year if Congress does not agree on an alternative to sequestration—automatic across-the-board cuts for the next decade. Under the Budget Control Act, the sequestration of federal funds scheduled to begin in January 2013 will severely cut federal investments in education, health, employment, and other programs that lift up low-income families and grow the middle class.

Over the past decade, Michigan’s reliance on federal funds has steadily grown, from 27.6% of the state’s total budget in 2000, to 41.3% today. As noted in the chart, that percentage was 44.3% in 2010-2011 due to temporary stimulus funds. If sequestration takes effect as planned, Michigan’s economic recovery will be compromised, and its most vulnerable residents will feel the brunt of the budget cuts.



Source: [Michigan Senate Fiscal Agency](#)

Programs Affected	Sequestration Cuts (FY 2013)	Affected
Head Start 	\$22.6 million	3,000 children 940 lost jobs
Title I	\$45.5 million	51,600 students 510 lost jobs
Special Education grants to states	\$34 million	16,600 students 380 lost jobs
Career and Technical Education	\$3.2 million	22,700 students
Work Study	\$2.6 million	23,300 students
Need-Based College Grants	\$2.2 million 	53,400 undergrads 

Source: [National Education Association](#)



EDUCATION

Sequestration cuts to education programs will cost the state millions of dollars in lost funds, affect thousands of children, and cause the loss of thousands of jobs. Programs that would be subjected to deep cuts are those that help low-income children succeed academically, strengthen our public school system, promote social mobility by facilitating access to higher education, and create a workforce capable of competing in an increasingly demanding global economy. Above is a sample of affected programs.



HEALTH

The health of thousands of Michigianians will be affected by sequestration cuts. Particularly vulnerable are low-income children and their families. Below is a sample of affected programs.


Programs Affected	Sequestration Cuts (FY 2013)	Affected
Maternal and Child Health	\$1.4 million	463,000 children and families
HIV Prevention	\$491,000	12,300 people
Breast & Cervical Cancer Screening	\$678,000	2,700 women
Child Immunization	\$469,000	6,900 children

Source: [Senator Tom Harkin](#)



COMMUNITY & FAMILY WELL-BEING

Community resources and the well-being of families affect the opportunities available to children as they grow into adults. Sequestration would cut funding for programs that keep many families out of poverty, and keep them healthy and safe. Below is a sample of affected programs.

Programs Affected	Sequestration Cuts (FY 2013)	Affected
Community Services	\$1.9 million	40,700 low-income people
Family Violence Prevention	\$210,000	3,200 domestic abuse victims 7,000 crisis calls unanswered
WIC*	\$19.4 million	21,200 women and children
Senior Nutrition	\$2.2 million	Many low-income seniors
Child Care and Development	\$5.5 million	2,500 children
LIHEAP 	\$14.7 million	Many low-income households

* Estimates for lost funds by the Coalition on Human Needs & the Michigan League for Public Policy: [Helping the People of Michigan During Tight Budget Times](#). Estimates on caseload by the National WIC Association: [Impact of Sequestration on WIC](#). Source: [Senator Tom Harkin](#)



JOBS

As the economy continues to recover, investment in jobs remains an important strategy for strengthening the private sector, reducing unemployment and growing the middle class. Programs that target unemployment would be subjected to sequestration cuts. Below is a sample of affected programs.

Programs Affected	Sequestration Cuts (FY 2013)	Affected
WIA Adult	\$6 million	34,000 adults
WIA Dislocated Worker	\$2.9 million	1,700 laid-off workers
WIA Youth	\$6.4 million	1,800 at-risk youth
Employment Service	\$1.9 million	41,900 job seekers
Veterans Employment and Training	\$447,000	1,300 veterans

Source: [Senator Tom Harkin](#)

“It defies not only reason, but also fairness and equality, to suggest that we can erase our national debt by slashing critical priorities like education and medical research...”

Sen. Tom Harkin, D-Iowa

