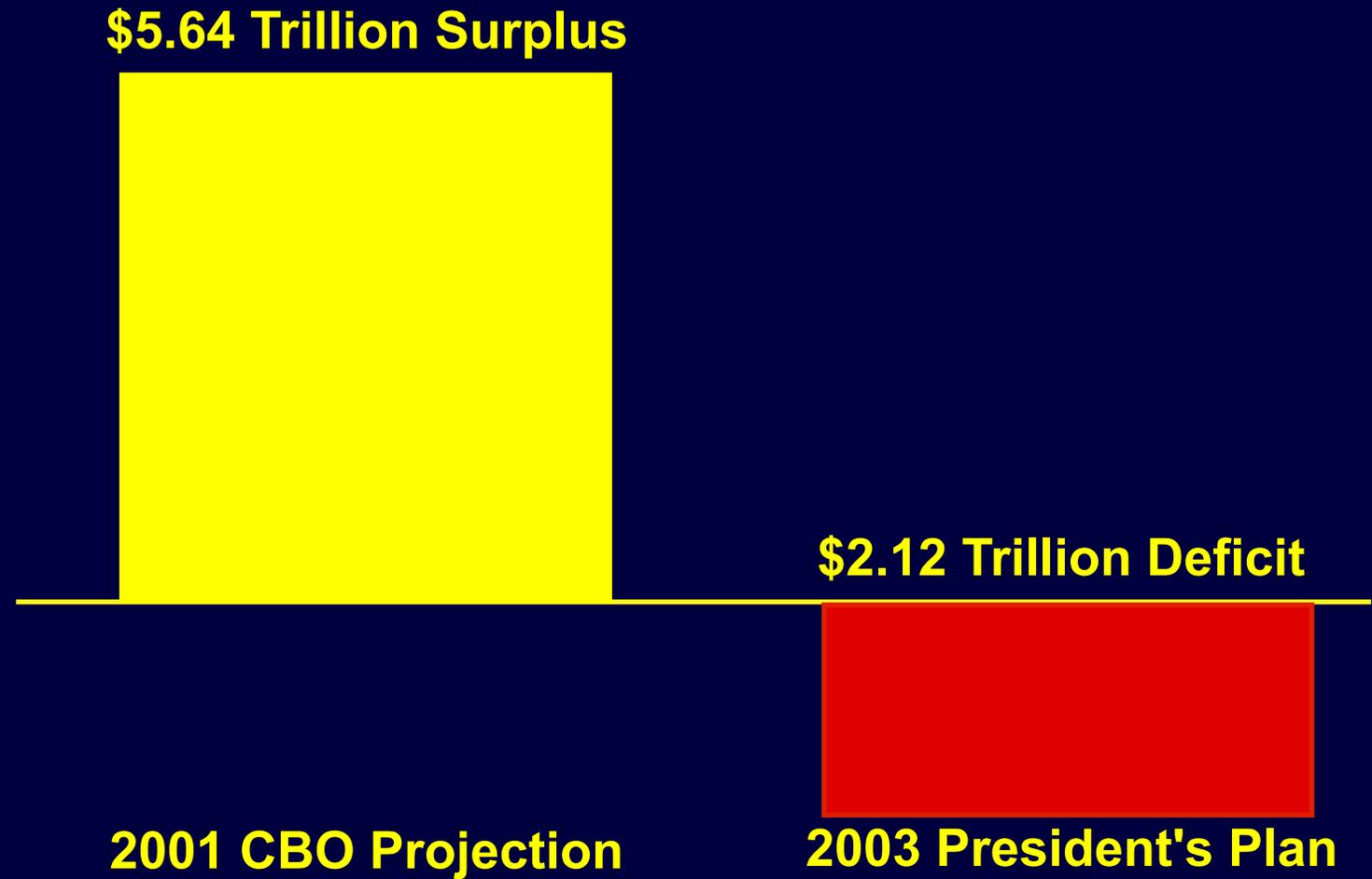


President's 2004 Budget Key Message Points

- Record Fiscal Reversal and Deficits
- Spends Entire \$2.2 Trillion Social
 Security Surplus
- Breaks Promise To Eliminate Debt;
 Debt Grows To Over \$5 Trillion
- Slashes Domestic Priorities While Proposing
 \$1.5 Trillion in New Tax Breaks

President's Economic Plan Produces Historic \$7.8 Trillion Fiscal Reversal (2002-2011 Totals)



President's Economic Plan Empties Social Security Trust Fund

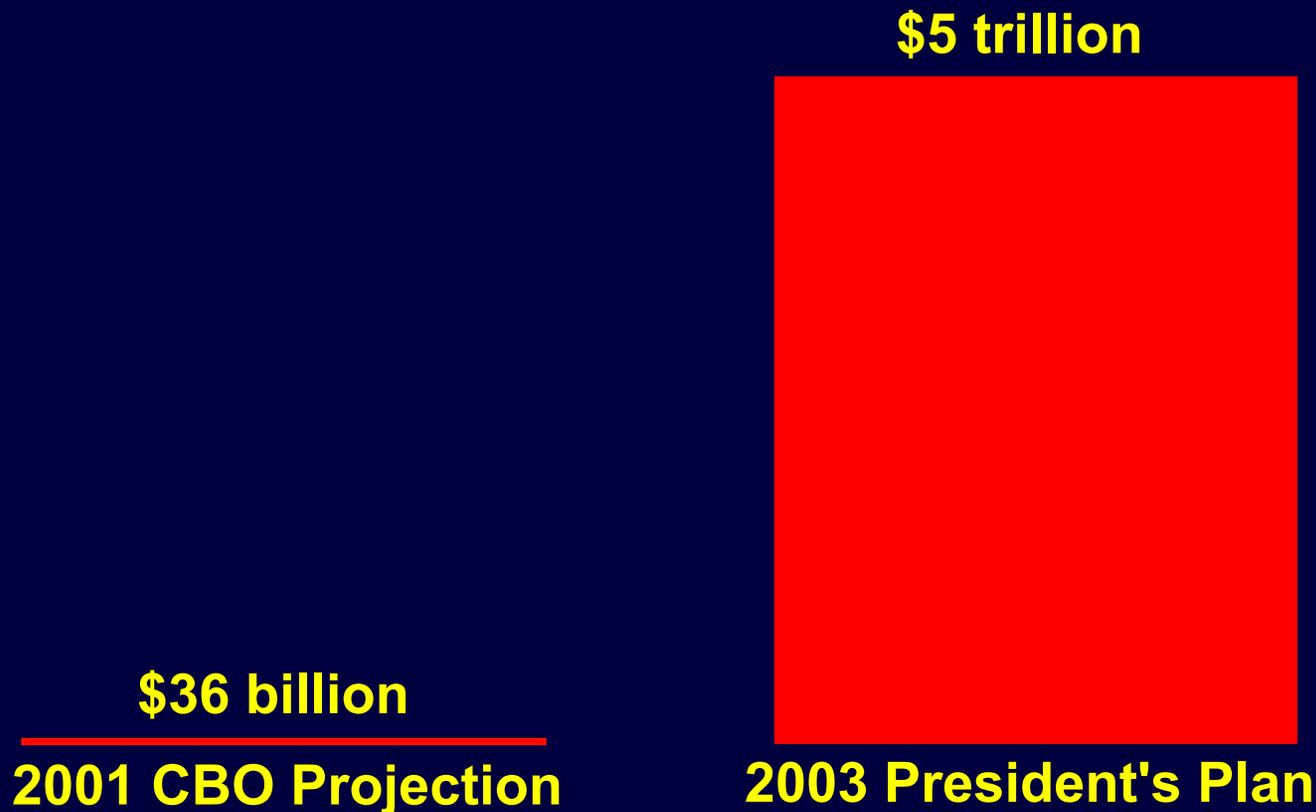
(2002-2011 Totals)

- **2001 CBO Projection:**
 - Every penny of trust fund saved**

- **2003 President's Plan:**
 - All \$2.2 trillion of trust fund spent***

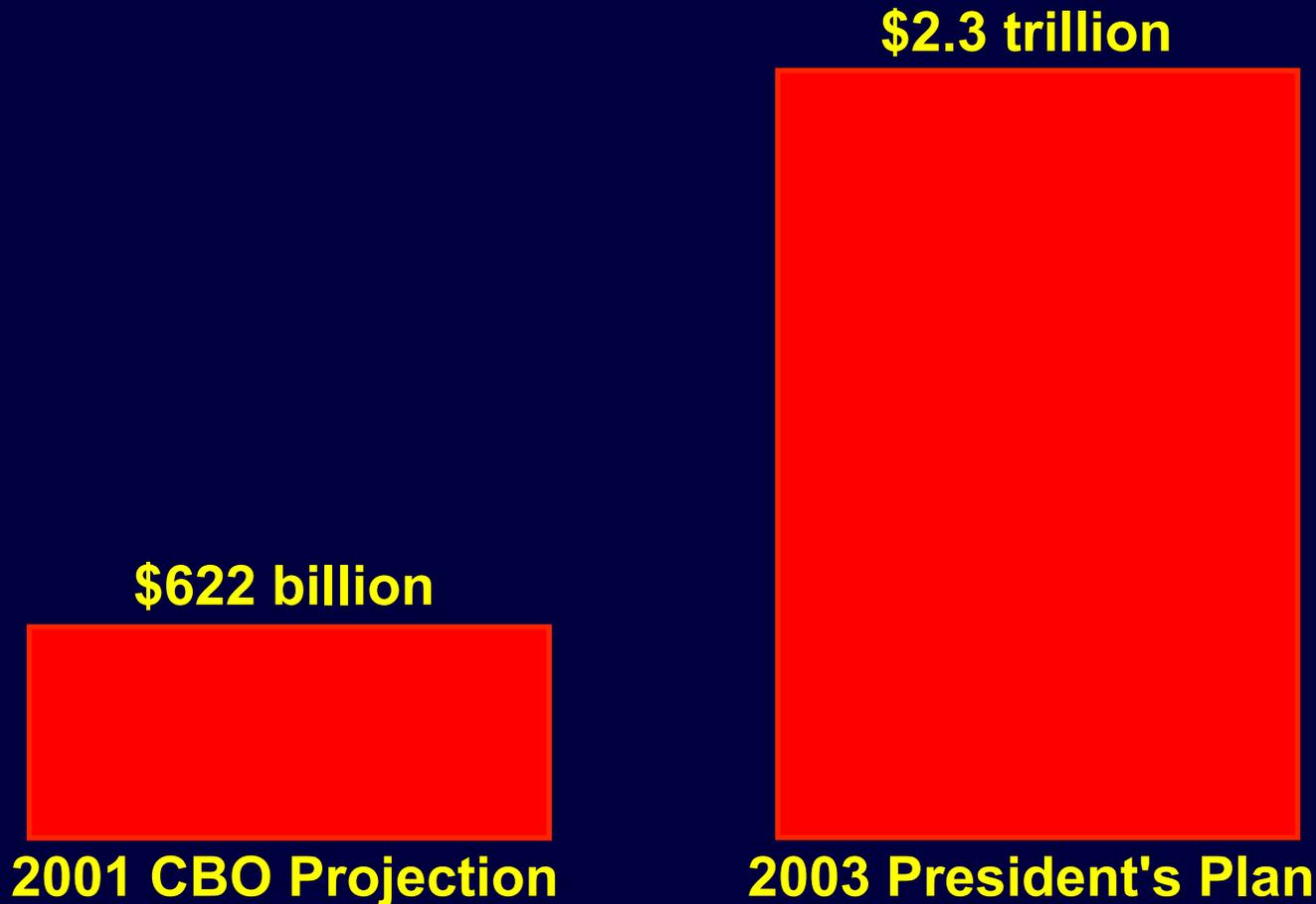
* President's plan would also require borrowing an additional \$2.1 trillion.

From Debt-Free to Deep in the Red: Projected Debt Five Years From Now



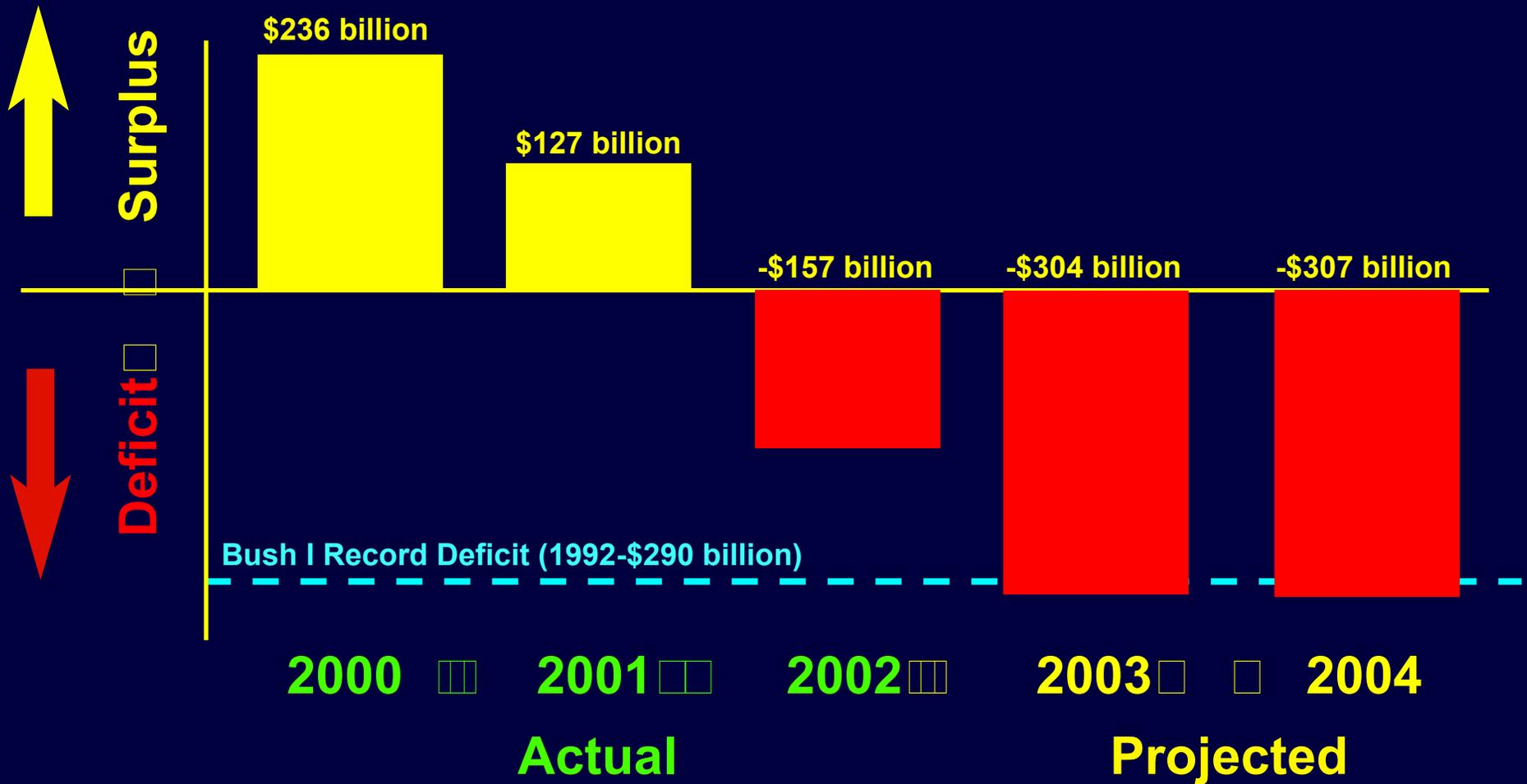
Debt held by the public, projections for 2008.

President's Economic Plan: \$1.7 Trillion Increase in 10-year Interest Costs* (2002-2011 total net interest)



* Includes anticipated earnings on uncommitted funds.

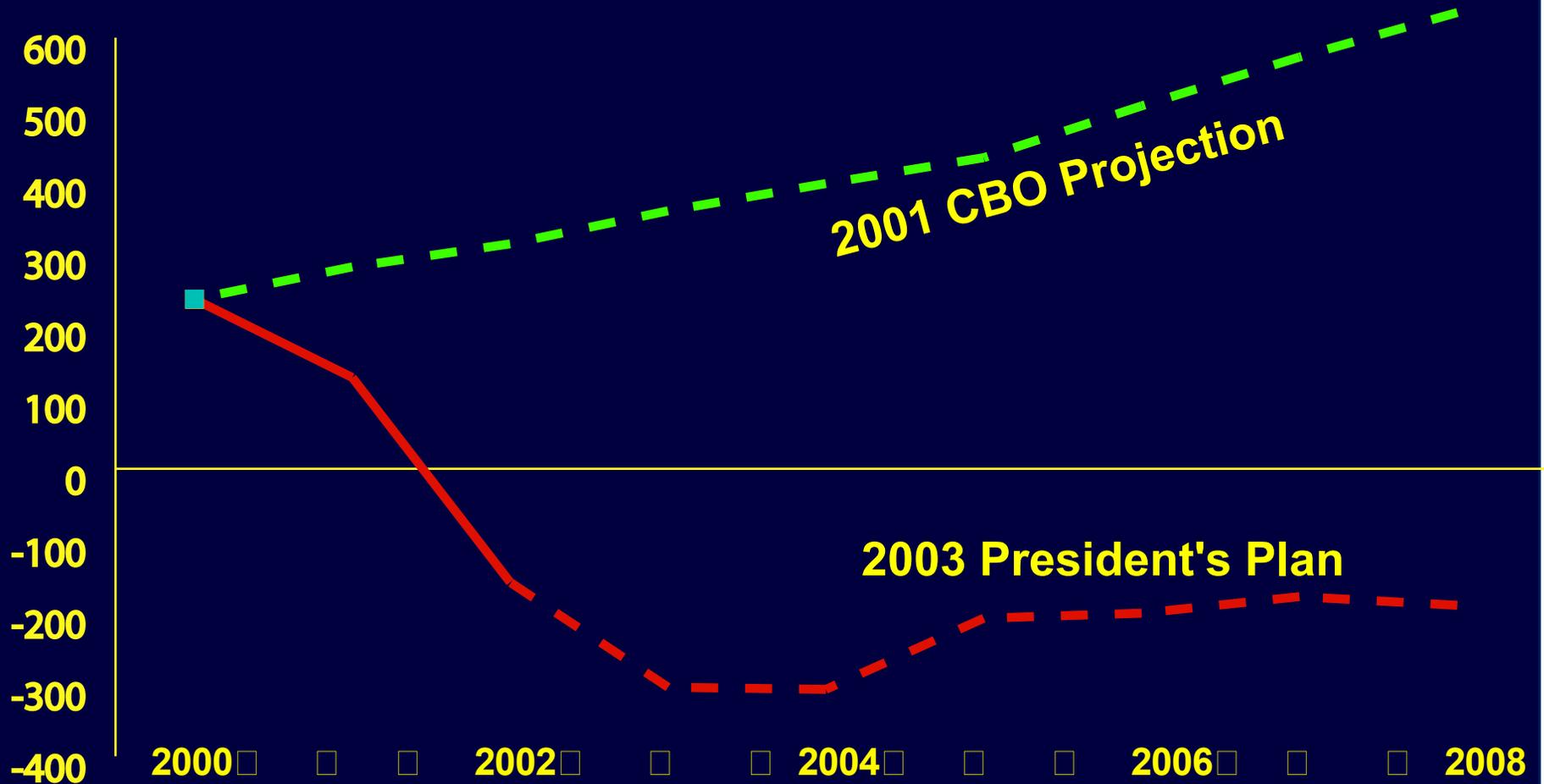
President's Economic Plan Calls For Record Deficits



2001-2002 are actual surpluses/deficits. 2003 & 2004 are the President's estimates.

President's Economic Plan

Squanders Historic Surpluses, Produces Endless Deficits



Note: solid red line indicates actual budget results.

Budget Realities Contradict State of the Union Rhetoric

**"This country has many challenges.
We will not deny, we will not ignore,
we will not pass along our problems to
other Congresses, to other presidents,
and other generations."**

☐- President Bush, January 28, 2003 State of the Union Address

What a Difference a Year Makes

**"Our budget will run a deficit
that will be small and short term."**

☐- President Bush, January 29, 2002 State of the Union Address

President's 2004 Budget Slashes Domestic Priorities

- Eliminates After School Programs for
 563,000 Children
- Deep Cuts for State and Local Law
 Enforcement
- Freezes Homeland Security
- Cuts Transportation Security Administration
- Underfunds "*Leave No Child Behind Act*"
- Cuts Environmental Protection