

Southern Tier business, education leaders share concerns about cutbacks

BINGHAMTON, N.Y. — **U.S. Representative Richard Hanna** today hosted a roundtable discussion for Southern Tier area business and education leaders to share their concerns about the looming, across-the-board sequestration cuts.

Joining Rep. Hanna were representatives from **Broome-Delaware-Tioga BOCES, Binghamton University**

,
Greater Binghamton Chamber of Commerce

and

Lockheed Martin

. Cuts are scheduled to take effect March 1 unless Congress takes action.

"I'm here today to listen to the concerns of leaders in the Southern Tier for whom sequestration cuts would result in some very real and very dire consequences," Rep. Hanna said

. **"I support smarter, targeted spending cuts to rein in our deficit without taking an across-the-board axe to our education and defense programs. The President and Congress need to act – and I look forward to being part of the solution."**

WHAT IS SEQUESTRATION?

- Sequestration is a result of the Budget Control Act of 2011.

- Because the "Super Committee" failed to produce a plan to reduce the national deficit, the Budget Control Act requires wide sweeping, across-the-board spending cuts: an 8 percent cut to the Department of Defense and a 5 percent cut to non-defense discretionary spending.

- Medicare benefits, Social Security and veterans' benefits are exempt.

WHY MUST SEQUESTRATION BE AVOIDED?

- If enacted in its current state, sequestration would make indiscriminate and disproportional cuts to several programs relied upon to ensure our national security and provide important domestic services
- Would lead to furloughs of federal civilian employees, halt production lines across a breadth of industries, force layoffs, and severely diminish our nation's global defenses and readiness
- Could lead to 42,000 jobs lost across New York according to National Association of Manufacturers (NAM) and push our economy into a new recession by lowering our nation's GDP by almost 1 percent.
- Would slash education programs such as Head Start and student aid programs like Federal Work Study. Estimates indicate that 6,500 college students in New York could lose work study assistance.
- Creates uncertainty and freezes capital investment in our private sector workforce

WHAT'S HAPPENING NOW?

- The White House wants to replace sequestration cuts with a mix of spending cuts and tax increases.
- The House wants to replace it with targeted spending cuts and reforms.

- Washington must act before March 1 when the cuts are scheduled to take effect.