



# Poking Holes In Obama's Sequester Report

*Obama's State-By-State Breakdown Relies On Big Assumptions*

## OBAMA'S SEQUESTRATION REPORT ASSUMES THE WORST

**A Closer Look At Obama's State-By-State Sequester Report Reveals That "Some Of The Scariest Stuff Is Going To Happen In Slow Motion — If It Happens At All."** "Read President Barack Obama's state-by-state breakdown of the sequester and you get a dire message: The sky is going to fall on March 1. But a closer read of the detailed reports shows that some of the scariest stuff is going to happen in slow motion — if it happens at all." (David Nather, "Is Obama Telling The Truth About Sequestration?" [Politico](#), 2/25/13)

- **Obama's Report Described The "Worst-Case Scenario," But Even Skeptics Believe The Sequester Will "Soften Eventually."** "The state-by-state reports are full of scary numbers about funding cuts for schools, defense, public health, law enforcement and social services — any of which could be true if Congress and Obama fail to act this week, next month — or ever. So the scenarios described by Obama — 'thousands of teachers and educators will be laid off' or 'hundreds of thousands of Americans will lose access to primary care and preventive care like flu vaccinations and cancer screenings' — are the worst-case scenario. Even Washington skeptics expect the sequester to soften eventually, even if the cuts take effect." (David Nather, "Is Obama Telling The Truth About Sequestration?" [Politico](#), 2/25/13)

**Obama's Sequester Report Includes Warnings Of Cuts To Education Programs That Have Been Fully Funded In Advance For This School Year.** "Some of the most dire White House predictions are about education funding — like the deep cuts in aid for disadvantaged kids that could hurt 2,700 schools and 1.2 million students. And states could face the loss of federal special-education funding for 7,200 teachers and staff members who teach children with disabilities, according to the reports. There's just one thing the White House doesn't mention: Those cuts wouldn't actually kick in until the next school year. That's because those two programs — Title I aid to disadvantaged students and special-education aid under the Individuals with Disabilities Education Act — are funded in advance, so they're already covered for this school year." (David Nather, "Is Obama Telling The Truth About Sequestration?" [Politico](#), 2/25/13)

- **Education Secretary Arne Duncan Claimed That Teacher Layoffs Have Begun, But "School Administrators Say No Pink Slips Are Expected Before May, For The Next School Year."**

“Warnings of thousands of teacher layoffs, for example, are made with the presumption that local communities would not step in with their own dollars — perhaps from higher taxes — to keep teachers in the classrooms if federal money is not soon restored. Education Secretary Arne Duncan says teacher layoffs have already begun, but he has not backed up that claim and school administrators say no pink slips are expected before May, for the next school year.” (Calvin Woodward, “SPIN METER: In Budget Fight, Sky Is Falling Again,” [The Associated Press](#), 2/26/13)

**“There May Be No Way To Tell” If Sequestration Has An Impact On Airport Security Lines.** “The White House just says the TSA’s hiring freeze and furloughs would ‘substantially increase passenger wait times at airport security checkpoints.’ Compared with what? The short lines airport passengers face now? At least when Homeland Security Secretary Janet Napolitano repeated the warnings Monday about the customs agents, there’s a yardstick to judge whether the cuts will really have such a severe impact. With regular airport lines, there may be no way to tell.” (David Nather, “Is Obama Telling The Truth About Sequestration?” [Politico](#), 2/25/13)

**Obama’s Report Warns Of Delays At The Food And Drug Administration, But Drugmakers Have Been Complaining For Years About The Slow Drug Approval Process.** “That’s also going to be a problem with the Food and Drug Administration — the White House warns that the agency’s Center for Drug Evaluation and Research would face ‘delays in new drug approvals.’ The catch is the agency isn’t actually known for speed now — drugmakers have been complaining about slow approval times for years. If the delays get slightly worse, the industry won’t even have to make big changes to their talking points.” (David Nather, “Is Obama Telling The Truth About Sequestration?” [Politico](#), 2/25/13)

## OBAMA’S PRECISE CUTS ARE ACTUALLY BASED ON ESTIMATES

**“There Is A Lot Of Improbable Precision In Administration Statements About What Could Happen.”** “And there is a lot of improbable precision in administration statements about what could happen: more than 373,000 seriously ill people losing mental health services, 600,000 low-income pregnant women and new mothers losing food aid and nutrition education, 1,200 fewer inspections of dangerous work sites, 125,000 poor households going without vouchers, and much more.” (Calvin Woodward, “SPIN METER: In Budget Fight, Sky Is Falling Again,” [The Associated Press](#), 2/26/13)

- **The “Simple” Calculations Used By The Obama Administration Incorrectly Assume “A Direct And Measurable Correlation Between A Federal Dollar And Its Effect On The Ground.”** “The estimates in many cases come from a simple calculation: Divide the proscribed spending cut by a program’s per-person spending to see how many beneficiaries may lose services or benefits under the sequester. But in practice, through all the layers of bureaucracy and the everyday smoke and mirrors of the federal budget, there is rarely a direct and measurable correlation between a federal dollar and its effect on the ground. That has meant a lot of tenuous ‘could happen’ warnings by the administration, not so much ‘will happen’ evidence.” (Calvin Woodward, “SPIN METER: In Budget Fight, Sky Is Falling Again,” [The Associated Press](#), 2/26/13)

**NYU Professor Paul Light: “These Numbers Are Just Numbers Thrown Out Into The Thin Air With No Anchor, And I Think They Don’t Provoke The Outrage Or Concern That The Obama Administration Seeks.”** ““These numbers are just numbers thrown out into the thin air with no anchor, and I think they don’t provoke the outrage or concern that the Obama administration seeks,” said Paul Light, a New York University professor who specializes in the federal bureaucracy and budget. For all the dire warnings, he said, ‘It’s not clear who gets hurt by this.’” (Calvin Woodward, “SPIN METER: In Budget Fight, Sky Is Falling Again,” [The Associated Press](#), 2/26/13)

### ***“The Obama Administration Even Admits That The Numbers Are Just Estimates”***

**The Department Of Health And Human Services’ Spokesman Clarified That Obama’s Estimates “Should Not Be Taken Literally.”** “In some cases, the Obama administration even admits that the numbers are just estimates. For example, Kenneth Wolfe, a spokesman for the Department of Health and Human Services, said the administration’s estimate that 70,000 students would see their Head Start program shut down — which first appeared in a Feb. 1 letter to Congress from HHS Secretary Kathleen Sebelius — should not be taken literally and serves as an estimate based on ‘historic funding levels.’” (David Nather, “Is Obama Telling The Truth About Sequestration?” [Politico](#), 2/25/13)

**The Office Of Management And Budget Admitted That The Cabinet Agencies “Had Trouble Specifying” How They Arrived At The Specific Numbers Used In Obama’s Report.** “The state-by-state reports aren’t crystal clear on the methodology, making it difficult to know how much leeway was taken with the estimates. A White House spokeswoman referred questions about sequestration data to the Office of Management and Budget. OMB said its data came from each Cabinet agency, and those agencies had trouble specifying how they arrived at the specific numbers the White House presented.” (David Nather, “Is Obama Telling The Truth About Sequestration?” [Politico](#), 2/25/13)

**Congressional Appropriations Committee Aides Say That The Estimates Used In Obama’s Report Are “Too General” To Fact-Check.** “And don’t ask congressional appropriations committee aides to fact-check the estimates — they say the Obama administration’s estimates are so general that they don’t have enough to work with.” (David Nather, “Is Obama Telling The Truth About Sequestration?” [Politico](#), 2/25/13)

### **OBAMA’S SEQUESTRATION WARNINGS HAVE EVEN INCLUDED CUTS TO AN AGENCY THAT NO LONGER EXISTS**

**In A Report Submitted To Congress In September 2012, The Obama Administration Warned Of Sequestration Cuts To The National Drug Intelligence Center, Which Had Closed Its Doors In June 2012.** “In compliance with The Sequestration Transparency Act of 2012, the OMB sent a detailed report to Congress in September 2012. But there’s a small problem with the report: One of the cuts it warns against would affect an agency that no longer exists--and didn’t exist when the OMB sent its report to congress. The first line item on page 121 of the OMB’s September 2012 report says that under sequestration the National Drug Intelligence Center would lose \$2 million of its \$20 million budget. While that’s slightly more than 8.2 percent (rounding error or scare tactic?), the bigger problem is that the National Drug Intelligence Center shuttered its doors on June 15, 2012--three months before the OMB issued its report to Congress.” (Mike Riggs, “White House Report Claims Sequestration Will Affect Federal Department That No Longer Exists,” [Reason’s Hit And Run](#), 2/25/13)