



National Taxpayers Union Foundation's Cost Analysis of the President's 2011 State of the Union Address

Item	Issue (quoted from text)	Annual Net Spending Increase/Decrease (in billions)	Source/Note
	Total:	\$21.349	
1	“Two years ago, I said that we needed to reach a level of research and development we haven't seen since the height of the Space Race. In a few weeks, I will be sending a budget to Congress that helps us meet that goal. We'll invest in biomedical research, information technology, and especially clean energy technology We're telling America's scientists and engineers that if they assemble teams of the best minds in their fields, and focus on the hardest problems in clean energy, we'll fund the Apollo Projects of our time.”	\$0.60	<i>Partial estimate.</i> Biomedical research: In January, the National Institutes of Health proposed to create a new drug-development agency, the National Center for Advancing Translational Sciences. From <i>the New York Times</i> : “Under the plan, more than \$700 million in research projects underway at various institutes and centers would be brought together at the new center. Officials hope the prospect of finding new drugs will lure Congress into increasing the center's financing well beyond \$1 billion.” NTUF assumes the funding would reach \$1 billion over five years. http://www.denverpost.com/nationworld/ci_17171570#ixzz1C8y4cFPY
2	“And Race to the Top should be the approach we follow this year as we replace No Child Left Behind with a law that is more flexible and focused on what's best for our kids.”	\$1.35	Related legislation (111th Congress): H.R. 6244/S. 3885, the Race to the Top Act of 2010. This bill would “provide incentives for States and local educational agencies to implement comprehensive reforms and innovative strategies that are designed to lead to significant improvement in outcomes for all students and significant reductions in achievement gaps among subgroups of students, and for other purposes.” The text authorizes \$1.35 billion in FY 2011 and such sums as necessary in succeeding years.
3	“And over the next ten years, with so many Baby Boomers retiring from our classrooms, we want to prepare 100,000 new teachers in the fields of science, technology, engineering, and math.”	\$2	Related legislation (111th Congress): H.R. 3010. This bill would provide grants to “to assist States and local educational agencies in recruiting, hiring, and training 100,000 teachers in order to reduce class sizes nationally, in grades 1 through 3, to an average of 18 students per regular classroom” The text of the legislation authorizes \$2 billion in the first year, and such sums as necessary in succeeding years.
4	“Today, there are hundreds of thousands of students excelling in our schools who are not American citizens. . . . And let's stop expelling talented, responsible young people who can staff our research labs, start new businesses, and further enrich this nation.”	\$0.059	Congressional Budget Office (CBO) cost estimate for S. 3992, the “Development, Relief, and Education for Alien Minors Act of 2010.” \$236 million from FY 2012-2015. http://www.cbo.gov/doc.cfm?index=12012&zzz=41449
5	“Over the last two years, we have begun rebuilding for the 21st century, a project that has meant thousands of good jobs for the hard-hit construction industry. Tonight, I'm proposing that we redouble these efforts. We will put more Americans to work repairing crumbling roads and bridges. We will make sure this is fully paid for, attract private investment, and pick projects based on what's best for the economy, not politicians.”	\$50	Last September, the President called for a \$50 billion “quick infusion” of infrastructure funding on top of the reauthorization of the transportation bill. http://www.nytimes.com/2010/09/07/us/politics/07obama.html

6	“Within the next five years, we will make it possible for business to deploy the next generation of high-speed wireless coverage to 98% of all Americans.”	Unknown.	According to news reports, the White House is planning on making new spectrum available. The receipts generated from spectrum auctions are scored as negative outlays. However, it is unknown if this initiative will require additional incentives for deployment of broadband and wireless technology. http://www.reuters.com/article/idUSTRE70P11020110126
7	“Before I took office, I made it clear that we would enforce our trade agreements, and that I would only sign deals that keep faith with American workers, and promote American jobs. That’s what we did with Korea, and that’s what I intend to do as we pursue agreements with Panama and Colombia, and continue our Asia Pacific and global trade talks.”	Unknown.	The primary impact of free trade bills is generally on federal revenues. Depending on the terms of the agreement, there may be some outlays as well. For example, the CBO projects that H.R. 3688, the United States-Peru Trade Promotion Agreement Implementation Act (110th Congress), “would reduce revenues by \$20 million in 2008, increase revenues by \$292 million over the 2008-2012 period, and reduce revenues by \$423 million over the 2008-2017 period. CBO estimates that enacting H.R. 3688 also would increase direct spending by \$4 million in 2008 and by \$27 million over the 2008-2012 period, and reduce direct spending by \$443 million over the 2008-2017 period. Further, CBO estimates that implementing the legislation would result in new discretionary spending of less than \$500,000 per year, assuming the availability of appropriated funds.” http://www.cbo.gov/ftpdoc.cfm?index=8790&type=1
8	“We can start right now by correcting a flaw in the legislation that has placed an unnecessary bookkeeping burden on small businesses.”	Unknown.	It is unknown whether or not this would generate any administrative cost savings at the Internal Revenue Service.
9	“So tonight, I am proposing that starting this year, we freeze annual domestic spending for the next five years.”	(\$15)	Last year, the President proposed a partial discretionary spending freeze over three years for a savings of \$250 billion over ten years. This year, he would extend that freeze an additional two years for a net additional savings of \$150 billion over ten years. http://www.nytimes.com/2010/01/26/us/politics/26budget.html (2010 figure: \$250 billion/10 years) http://www.bloomberg.com/news/2011-01-26/obama-seeks-400-billion-savings-in-spending-freeze.html (2011 figure: \$400 billion/10 years)
10	“I’ve proposed cuts to things I care deeply about, like community action programs.”	Unknown.	It is unclear to which of the spending-reduction proposals in his FY 2011 budget the President is referring; there are several items in the “Terminations, Reductions, and Savings” section that could fit this description. http://www.whitehouse.gov/sites/default/files/omb/budget/fy2011/assets/trs.pdf
11	“The Secretary of Defense has also agreed to cut tens of billions of dollars in spending that he and his generals believe our military can do without.”	(\$15.6)	The Secretary of Defense’s proposal is expected to save \$78 billion over five years. http://www.nytimes.com/2011/01/26/us/politics/26speech.html
12	“[Tackling our deficits] means further reducing health care costs, including programs like Medicare and Medicaid, which are the single biggest contributor to our long-term deficit. Still, I’m willing to look at other ideas to bring down costs, including one that Republicans suggested last year: medical malpractice reform to rein in frivolous lawsuits.”	(\$2.06)	CBO Letter to Senator Orrin Hatch (R-UT). http://www.cbo.gov/ftpdocs/106xx/doc10641/10-09-Tort_Reform.pdf
13	“In the coming months, my administration will develop a proposal to merge, consolidate,	Unknown.	At least one of the goals of the Department of Homeland Security (DHS) was to consolidate and make more

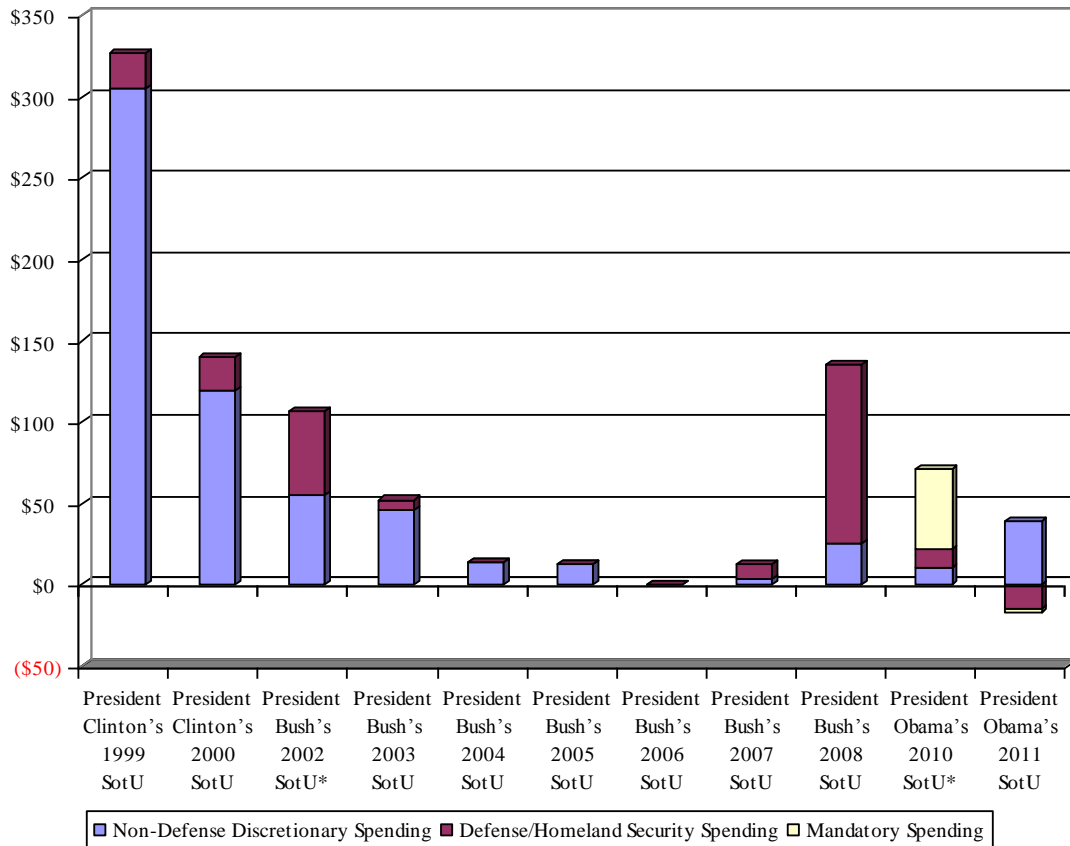


	and reorganize the federal government in a way that best serves the goal of a more competitive America.”		efficient the homeland security apparatus. GAO has designated DHS as a “high-risk” undertaking since 2003. http://www.gao.gov/products/GAO-10-911T
14	“Because you deserve to know exactly how and where your tax dollars are being spent, you will be able to go to a website and get that information for the very first time in history.”	Unknown.	It is unclear whether the President is proposing a new website or the spending database established in the Federal Funding Accountability and Transparency Act of 2006.
15	“Because you deserve to know when your elected officials are meeting with lobbyists, I ask Congress to do what the White House has already done: put that information online.”	Unknown.	

	Non-Defense Discretionary Spending (in billions)	Defense/Homeland Security Spending (in billions)
President Clinton’s 1999 SotU	\$305	\$22
President Clinton’s 2000 SotU	\$119	\$21
President Bush’s 2002 SotU*	\$55	\$51
President Bush’s 2003 SotU	\$46	\$6
President Bush’s 2004 SotU	\$13.6	N/A
President Bush’s 2005 SotU	\$12.8	N/A
President Bush’s 2006 SotU	\$.091	N/A
President Bush’s 2007 SotU	\$3.48	\$8.9
President Bush’s 2008 SotU	\$24.75	\$109.89
President Obama’s 2010 SotU*	\$10.2	\$11.3
President Obama’s 2011 SotU	\$39.01	(\$15.6)

*Historically Presidents do not give State of the Union addresses their first year in office (2001 for President Bush, 2009 for President Obama).

Comparing State of the Union (SotU) Speeches 1999-2011 (in billions)



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