



National Taxpayers Union Foundation’s Cost Analysis of the President’s 2012 State of the Union Address

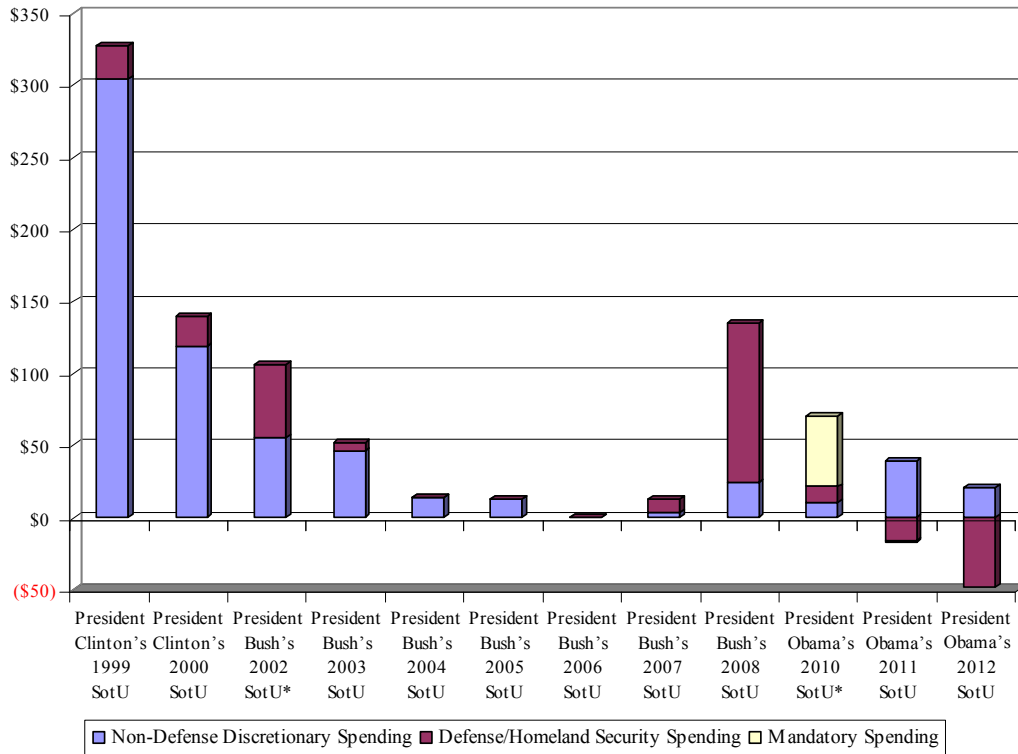
Item	Issue (quoted from text)	Annual Net Spending Increase/Decrease (in billions)	Source/Note
	Total:	\$-27.991	
	Total Excluding Defense Cuts:	\$20.709	
1	“Tonight, I’m announcing the creation of a Trade Enforcement Unit that will be charged with investigating unfair trade practices in countries like China. There will be more inspections to prevent counterfeit or unsafe goods from crossing our borders.”	\$0.001	Related legislation (106th Congress): Congressional Budget Office (CBO) cost estimate for S. 1254, the Steel Trade Enforcement Act of 1999. S. 1254 required that the United States Trade Representative initiate an investigation of the anticompetitive practices of foreign governments in the steel market. http://www.cbo.gov/ftpdocs/15xx/doc1520/s1254.pdf
2	“Join me in a national commitment to train two million Americans with skills that will lead directly to a job. My Administration has already lined up more companies that want to help. Model partnerships between businesses like Siemens and community colleges in places like Charlotte, Orlando, and Louisville are up and running. Now you need to give more community colleges the resources they need to become community career centers – places that teach people skills that local businesses are looking for right now, from data management to high-tech manufacturing.”	\$1	Related legislation (112th Congress): Part II (Community College Modernization) of S. 1549, the American Jobs Act of 2011, as introduced by request of President Obama in 2011.
3	“And I want to cut through the maze of confusing training programs, so that from now on, people ... have one program, one website, and one place to go for all the information and help they need.”	(\$0.3)	http://articles.boston.com/2012-01-14/news/30628148_1_big-government-smaller-government-president-barack-obama/2
4	“... [L]et’s offer schools a deal. Give them the resources to keep good teachers on the job, and reward the best ones. In return, grant schools flexibility: To teach with creativity and passion; to stop teaching to the test; and to replace teachers who just aren’t helping kids learn.”	\$6	Related legislation (112th Congress): Subtitle B (Teacher Stabilization) of S. 1549, the American Jobs Act of 2011.
5	“... [T]his Congress needs to ... give more young people the chance to earn their way through college by doubling the number of work-study jobs in the next five years.”	\$0.706	In FY 2011, the Federal Work-Study program was budgeted at \$979 million and issued 711,588 awards. http://www2.ed.gov/programs/fws/funding.html Section 106 (Student Jobs Corps) of H.R. 3638, the Act for the 99% (112th Congress), would increase spending by \$425 million for two years to provide an additional 250,000 federal Work-Study jobs. NTUF estimates that a total of approximately \$3.6 billion would have to be spent to double the number of federal Work-Study jobs in five years.

6	<p>“We should be working on comprehensive immigration reform right now. But if election-year politics keeps Congress from acting on a comprehensive plan, let’s at least agree to stop expelling responsible young people who want to staff our labs, start new businesses, and defend this country. Send me a law that gives them the chance to earn their citizenship. I will sign it right away.”</p>	\$0.059	<p>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</p> <p>Additional possible cost: S. 2611 (109th Congress), the Comprehensive Immigration Reform Act of 2006, would have created a process for long-time illegal aliens to gain citizenship, and it would have created a temporary worker program. CBO estimated that the bill would have increased mandatory spending for federal benefit programs such as Medicaid, Social Security, Medicare, and Food Stamps by \$12.9 billion over five years. In addition, enforcement and border security provisions would have cost \$25.2 billion over five years. Then-Senator Barack Obama voted for passage. http://www.cbo.gov/doc.cfm?index=7501&zzz=34050</p>
7	<p>“... I’m directing my Administration to open more than 75 percent of our potential offshore oil and gas resources.”</p>	Unknown.	<p>Could increase offsetting receipts (which CBO counts as negative outlays) if permits are issued.</p>
8	<p>“I’m directing my Administration to allow the development of clean energy on enough public land to power three million homes.”</p>	Unknown.	<p>Insufficient detail to determine whether this proposal involves loans, subsidies, or some other kind of federal involvement affecting outlays.</p>
9	<p>“Of course, the easiest way to save money is to waste less energy. So here’s another proposal: Help manufacturers eliminate energy waste in their factories and give businesses incentives to upgrade their buildings.”</p>	\$0.249	<p>CBO cost estimate for S. 1000, the Energy Savings and Industrial Competitiveness Act of 2011. http://www.cbo.gov/ftpdocs/124xx/doc12402/s1000mc.pdf</p>
10	<p>“Building this new energy future should be just one part of a broader agenda to repair America’s infrastructure. ... Take the money we’re no longer spending at war, use half of it to pay down our debt, and use the rest to do some nation-building right here at home.”</p>	\$11.074	<p>CBO cost estimate for infrastructure spending in S. 1549, the American Jobs Act (112th Congress). Sections used include Subtitle E (Immediate Transportation), Subtitle F (Infrastructure: Long-Term), and Subtitle G (Project Rebuild). http://www.cbo.gov/ftpdocs/124xx/doc12462/s1549ReidLtr.pdf</p> <p>Note: The reduction in war spending is not included as a savings since it is the result of previous policies and does not represent a new proposal.</p>
11	<p>“I’m sending this Congress a plan that gives every responsible homeowner the chance to save about \$3,000 a year on their mortgage, by refinancing at historically low interest rates. No more red tape. No more runaround from the banks. A small fee on the largest financial institutions will ensure that it won’t add to the deficit, and will give banks that were rescued by taxpayers a chance to repay a deficit of trust.”</p>	\$2	<p><i>New York Times</i>: “The [Administration] official estimated that the program could benefit two million to three million homeowners who have loans that are not guaranteed by the government, and that the program’s cost would not exceed \$10 billion.” http://www.nytimes.com/2012/01/25/us/politics/obama-mortgage-plan-would-broaden-government-backed-loans.html</p> <p>This estimate assumes a 5-year program, and that the “fee” would be scored in the budget as tax revenues, not as offsetting receipts.</p>
12	<p>“We will also establish a Financial Crimes Unit of highly trained investigators to crack down on large-scale fraud and protect people’s investments.”</p>	Unknown.	<p>Insufficient detail to determine whether this proposal involves new hiring and investigative resources, or whether it would be funded from existing agency budgets.</p>
13	<p>“... I am asking my Attorney General to create a special unit of federal prosecutors and leading state attorneys general to expand our investigations into the abusive lending and packaging of risky mortgages that led to the</p>	Unknown.	<p>Insufficient detail to determine whether this proposal involves new hiring and investigative resources, or whether it would be funded from existing agency budgets.</p>

	housing crisis. This new unit will hold accountable those who broke the law, speed assistance to homeowners, and help turn the page on an era of recklessness that hurt so many Americans.”		
14	“... I’m prepared to make more reforms that rein in the long term costs of Medicare and Medicaid, and strengthen Social Security, so long as those programs remain a guarantee of security for seniors.”	Unknown.	
15	“And my Republican friend Tom Coburn is right: Washington should stop subsidizing millionaires. In fact, if you’re earning a million dollars a year, you shouldn’t get special tax subsidies”	(\$0.08)	CBO cost estimate for the direct spending changes in S. 1931 (112th Congress) that would end unemployment and supplemental nutrition assistance program benefits for millionaires, and increase in the Medicare part B and D premiums for higher-income Medicare beneficiaries. http://www.cbo.gov/ftpdocs/125xx/doc12578/s1931.pdf
16	“... I’ve asked this Congress to grant me the authority to consolidate the federal bureaucracy so that our Government is leaner, quicker, and more responsive to the needs of the American people.”	Unknown.	Insufficient detail to determine what savings would be made.
17	“... I have proposed a new defense strategy that ensures we maintain the finest military in the world, while saving nearly half a trillion dollars in our budget.”	(\$48.7)	Assumed to be a savings over 10 years. http://content.usatoday.com/communities/theoval/post/2012/01/obama-defense-cuts/1
18	“I’m proposing a Veterans Job Corps that will help our communities hire veterans as cops and firefighters, so that America is as strong as those who defend her.”	Unknown.	An existing Department of Labor veterans employment and training program was funded at \$210 million in FY 2011. http://www.whitehouse.gov/sites/default/files/omb/budget/fy2012/assets/lab.pdf

	Non-Defense Discretionary Spending (in billions)	Defense/Homeland Security Spending (in billions)	Mandatory 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	\$49.0
President Obama’s 2011 SotU	\$39.01	(\$15.6)	(\$2.1)
President Obama’s 2012 SotU	\$20.789	(\$48.7)	(\$0.08)
*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 1999-2012 (in billions)



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