

\$3T Bush budget to trim domestic programs

Monday plan to kick off major debate with Democratic-controlled Congress

AP Associated Press

Updated: 6:13 p.m. CT Feb 2, 2007

MSNBC Political Calendar

WASHINGTON - Keeping troops in Iraq for another year and a half will cost nearly a quarter-trillion dollars - about \$800 for every man, woman and child in the U.S. - under the budget President Bush will submit to Congress Monday.

Bush will ask for \$100 billion more for military and diplomatic operations in Iraq and Afghanistan this year and seek \$145 billion for 2008, a senior Pentagon

care program for the poor and disabled.

Bush's plan assumes Congress extends the two rounds of tax cuts that were passed in 2001 and 2003.

Health care

Portman said Bush's budget submission contains about a 1 percentage point cut in the rapid growth in Medicare - which averages almost 8 percent a year without changes - to squeeze about \$66 billion in savings over five years from the federal health care program for the elderly.

Bush would curb payments to health care providers such as hospitals, and would require more of the higher-income recipients to pay greater premiums.

"We need to get these unsustainable growth rates under control," Portman said, noting that Congress passed more ambitious cuts in 1997, when President Clinton and a GOP-controlled Congress enacted more than \$160 billion in Medicare savings. "This is a good

middle class taxpayers. The Congressional Budget Office estimates updating the AMT for inflation would cost \$93 billion in 2012 alone.

The increase in war spending - up from \$120 billion approved by Congress for 2006 - have been prompted by large costs to replace equipment destroyed in combat or worn out in harsh conditions in Iraq and Afghanistan.

The Iraq requests are certain to face scrutiny by the Democrats, who already are debating whether to try to block Bush's request to increase troop levels in Baghdad.

Critics say the Pentagon is also using war-money requests to modernize the armed services with weaponry - such as the next-generation Joint Strike Fighters or the controversial V-22 tilt-rotor aircraft - unlikely to see action in Iraq or Afghanistan. The Pentagon counters that the planes are replacing aircraft

