



CONGRESSIONAL  
ASIAN  
PACIFIC  
AMERICAN  
CAUCUS

Rep. Judy Chu, Chair • 1520 Longworth HOB • Washington, D.C. 20515 • 202.225.5464 • <http://capac.chu.house.gov>

November 8, 2011

The Honorable Patty Murray  
Co-Chair  
Joint Select Committee on  
Deficit Reduction  
448 Russell Senate Office Bldg.  
Washington, D.C. 20510

The Honorable Jeb Hensarling  
Co-Chair  
Joint Select Committee on  
Deficit Reduction  
129 Cannon House Office Bldg.  
Washington, D.C. 20515

**Executive Board**

**Chair**  
Rep. Judy Chu

**Vice-Chair**  
Rep. Madeleine Z. Bordallo

**Whip**  
Rep. Colleen Hanabusa

**Chair Emeritus**  
Rep. Michael M. Honda

Sen. Daniel K. Akaka  
Sen. Daniel K. Inouye  
Rep. Xavier Becerra  
Rep. Hansen Clarke  
Rep. Eni Faleomavaega  
Rep. Al Green  
Rep. Mazie Hirono  
Rep. Barbara Lee  
Rep. Doris O. Matsui  
Rep. Gregorio Sablan  
Rep. Bobby Scott

**Associate Members**

Rep. Gerald Connolly  
Rep. John Conyers, Jr.  
Rep. Joseph Crowley  
Rep. Bob Filner  
Rep. Raul M. Grijalva  
Rep. Zoe Lofgren  
Rep. Betty McCollum  
Rep. Jerry McNerney  
Rep. Laura Richardson  
Rep. Lucille Roybal-Allard  
Rep. Loretta Sanchez  
Rep. Janice Schakowsky  
Rep. Jackie Speier  
Rep. Pete Stark  
Rep. Lynn Woolsey

Dear Members of the Joint Select Committee on Deficit Reduction:

On behalf of the Members of the Congressional Asian Pacific American Caucus (CAPAC) and the diverse constituencies that we represent, we ask that the Joint Select Committee considers the significant and disproportionate impact that certain budget cuts will have on the Asian American and Pacific Islander (AAPI) community as it reviews proposals to reduce the deficit by at least \$1.5 trillion over the next ten years.

The 2010 Census revealed that the AAPI community is the fastest growing minority group in the U.S. Despite the misconception that AAPIs are a “model minority,” AAPIs continues to face tremendous unmet needs that jeopardize both the well-being of our community and the prosperity of our country. In particular, the United States Pacific Islands territories of American Samoa, the Commonwealth of the Northern Mariana Islands, and Guam have been traditionally and substantially underserved by federal programs. Since 2005, AAPI families have experienced a 54 percent drop in median household wealth. American Samoans have an unemployment rate of 17 percent, nearly double the national average, and AAPIs as a whole remain unemployed for longer periods than any other racial group. In addition, AAPIs have suffered the largest percentage decline in homeownership of any racial group and have experienced a significant loss of equity nearly five times the national average. The AAPI community is feeling the effects of the economic downturn like many other Americans and, in some cases, even more so.

Your committee is tasked with making tough decisions in order to reduce our deficit and put our country back on track. However, we cannot afford to make these cuts at the expense of the most vulnerable in our society. Instead, smart and strategic investments in people, education, infrastructure, and innovation are needed to create jobs and provide Americans with the opportunity to earn and invest in their futures. For these reasons, CAPAC asks that you consider the following principles as you continue your important work to reduce the deficit.

### **Protect Business Development and Housing Programs**

First, we ask that you retain investments in critical federal economic development programs to accelerate our nation's economic recovery and strengthen the economic well-being of millions of American families living both on the continental United States and in the Pacific Island territories. Minority-owned firms provide millions of people with steady jobs, and Asian American owned businesses account for over 1.5 million of all minority firms. Supporting minority businesses is key to economic recovery and long-term growth. We need this spirit of entrepreneurship and self reliance now more than ever. If our economy is to grow again, we will need small businesses and their job creating power to operate at maximum capacity. Minority-owned startups can be particularly beneficial. These entrepreneurs often locate their operations in more economically distressed areas, where real estate is more affordable. Bringing new businesses – be they storefronts or small manufacturers – to traditionally disadvantaged neighborhoods, not only creates local jobs, but also generates additional commerce and economic activity. Therefore, we request you protect the following programs that will play a crucial role in reigniting the American economy: the Minority Business Development Agency (MBDA), Small Business Administration (SBA) Entrepreneurial Development Programs, SBA PRIME (Program for Investment in Microentrepreneurs Act), SBA 7 (a) Loan Programs and the Offices of Small and Disadvantaged Business Utilization.

In addition, we urge you to protect funding for housing counseling and foreclosure relief programs that keep AAPIs in their homes. The services provided through the Housing Counseling Assistance program, the HOME Investment Partnership Program, and the Native Hawaiian Block Grants help AAPI families overcome barriers to accessing critical foreclosure prevention and affordable housing information integral to bolstering our nation's economic recovery. In addition, these programs provide critical cultural and linguistic assistance that many other housing counseling and foreclosure programs lack and fill a crucial gap in meeting the needs of our community. Housing counseling received \$65 million dollars in FY 2009 funding and \$87.5 million in FY 2010. The Senate T-HUD bill requests \$60 million for the Housing Counseling Assistance Program in FY 2012, and we ask that you support and preserve this level of funding. Housing recovery is impossible without these resources that support both the AAPI community and all communities.

### **Protect Critical Education Programs**

Second, investments in education are critical for our community. Although Asian Americans are often universally portrayed as excelling in school, disaggregated data shows a significant portion of the community falls well below the national average in various categories. Nearly 40 percent of Cambodian, Hmong, and Laotian Americans do not have a high school diploma. AAPIs also have greater financial need than other racial groups when family contribution and total aid are taken into account. Students from American Samoa, the Commonwealth of the Northern Mariana Islands, and Guam seeking educational opportunities in the fifty states must travel long distances at great expense to obtain their postsecondary schooling. Additionally, the out-of-state tuition charged by state schools for these students often places even a public college education out of reach for many from the Pacific Islands.

In order to close the achievement gap and assist minority communities in attaining access to a quality education, we request you protect funding for the Asian American and Native American Pacific

Islander-Serving Institution (AANAPISI) program, which supports low-income AAPI students with a variety of targeted services that enables them to overcome barriers to higher education. Pell Grants, TRIO, and the Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP) are also essential to supporting low-income and first-generation college students. In addition, we ask that you preserve funding for low-income and English Language Learner (ELL) students, including through Title I and Title III of the Elementary and Secondary Education Act (ESEA).

Research has shown that investing in quality early learning can pay major dividends. We ask that you make strong investments in Head Start, Child Care and Development Block Grants, and the Early Learning Challenge.

### **Preserve Important Health Programs**

Third, we ask that you continue to fund critical safety-net programs and services that target health disparities in minority communities. Access to healthcare remains a key issue for many within the AAPI community and Medicaid provides a safety net for low-income children and pregnant women, aging parents and grandparents, and people with disabilities. More than 1 in 10 Asian Americans and 1 in 7 Native Hawaiians and Pacific Islanders are enrolled in Medicaid. In the U.S. territories, an even higher ratio of the population relies on Medicaid for health coverage than in the fifty states. Cuts to Medicaid would endanger the life and health of millions of Americans by cutting off their access to care while increasing long-term costs to our healthcare system.

Additionally, proposals to shift greater Medicare costs to beneficiaries or to reduce provider payments will leave lifesaving care and treatment out of reach for people with disabilities and seniors. Seniors currently pay three times the amount of out-of-pocket costs as the non-elderly, and within the Asian American community, approximately 34 percent of those over 65 rely on Medicare alone. Higher cost-sharing will push AAPI seniors to forego necessary care and will drive up costs to Medicaid and employers who provide retiree benefits. Therefore, we ask that you oppose these cost-sharing burdens for Medicare.

In addition, AAPIs are disproportionately affected by viral Hepatitis and account for over half of all the people in this country who suffer from chronic Hepatitis B, the leading cause of liver cancer and liver failure worldwide. By increasing awareness, testing, and vaccination for Hepatitis B, we can prevent the need for expensive treatment procedures and unnecessary deaths. Therefore, we ask that you continue to fully fund the Division of Viral Hepatitis at the Centers for Disease Control and Prevention, the Minority AIDS Initiative, and the National Strategic Plan to Eliminate Viral Hepatitis in the United States.

We also ask the committee to protect discretionary health programs which fund critical components of minority health, public health and prevention. Funding for the work of the Centers for Disease Control and Prevention, the Office of Minority Health and other important agencies should not be decreased especially in this time. These programs ensure accurate data collection for the AAPI community and other minority communities. Furthermore, the resources provided to community health centers and to programs ensuring culturally and linguistically appropriate care should not be cut as they are critical to providing accessible healthcare for AAPIs.

**Protect Civil Rights Enforcement**

Fourth, because the AAPI community continues to face a myriad of problems in regard to civil rights enforcement, we ask that you protect funding for the Civil Rights and the Community Relations Service divisions of the U.S. Department of Justice to adequately address the rise of racially-motivated hate crimes, voting rights attacks, and employment discrimination affecting minority communities. A record number of Muslim American, Sikh American, and South Asian American workers in the United States have experienced increased racial profiling and alleged employment discrimination, and although Muslims make up less than 2 percent of the United States population, they made up about one-fourth of the 3,386 religious discrimination claims filed with the Equal Employment Opportunity Commission in 2009.

**Preserve Critical Funding for U.S. Territories**

Finally, we ask that you preserve funding for the Office of Insular Affairs (OIA), the primary federal agency tasked with combating economic and fiscal problems in the insular areas. Restoring OIA funding to at least FY 2010 levels is crucial to preserving vital projects in the U.S. territories that foster development of the insular areas and providing necessary economic development, training, and education programs that will create jobs and assist with our nation's economic recovery.

CAPAC's top priorities for the 112<sup>th</sup> Congress promote the success of all communities. We focus on job creation, educational opportunities, access to affordable health care, and targeted investments necessary to promote economic recovery and to get our nation back on track. The funding we have asked you to support will fuel economic growth by investing in our students and workforce, providing essential services for those with the greatest needs, and ensuring that our nation is acting in the best interest of all Americans.

These programs are vital to our communities and to our national interest, and we ask that the committee preserve these programs as a way to stabilize our economy, reduce the deficit, and protect our nation's most vulnerable populations. Thank you for your time and consideration.

Sincerely,



JUDY CHU  
CAPAC Chair



MADELEINE BORDALLO  
CAPAC Vice Chair



MIKE HONDA  
CAPAC Immigration  
Taskforce Chair

*Mazie K. Hirono Barbara Lee*

MAZIE HIRONO  
CAPAC Education  
Taskforce Chair

BARBARA LEE  
CAPAC Healthcare  
Taskforce Chair

*Al Green*

AL GREEN  
CAPAC Housing  
Taskforce Chair

*Bobby Scott*

BOBBY SCOTT  
CAPAC Civil Rights  
Taskforce Chair

*Gregorio Kilili Camacho Sablan*

GREGORIO KILILI  
CAMACHO SABLAN

*Eni Faleomavaega*

ENI FALEOMAVAEGA

*Hansen Clarke Loretta Sanchez*

HANSEN CLARKE

LORETTA SANCHEZ

cc: Sen. Max Baucus  
Rep. Xavier Becerra  
Rep. Dave Camp  
Rep. James Clyburn  
Sen. John Kerry  
Sen. Jon Kyl  
Sen. Rob Portman  
Sen. Pat Toomey  
Rep. Fred Upton  
Rep. Chris Van Hollen