


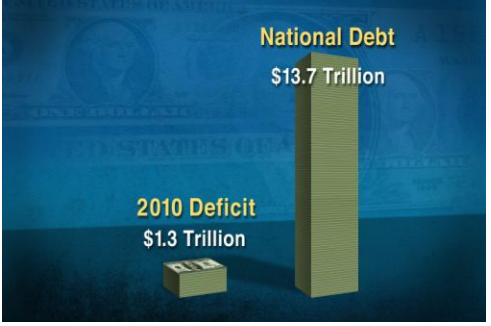



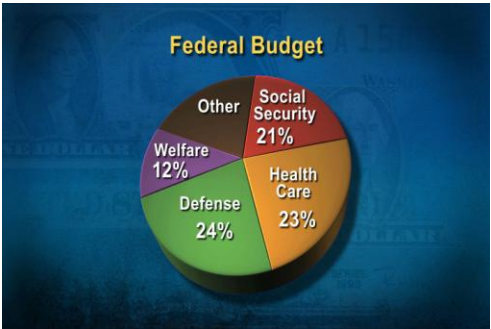



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1.		Animated Open	
2.		SOT: Montage of Sound on the Deficit	00:00:05
3.		Narration: The mid-term elections, and the seating of a new Congress, has pushed the debate over federal spending front and center.	00:00:23
4.	 Antonio Neves	On Camera: <i>Hi. I'm Antonio Neves for the Dot News. The problem is that the Federal Government is spending more money than it is taking in. It has to borrow money to make up the difference. The amount that the government borrows is called the deficit.</i>	00:00:31
5.		Narration: The Federal Government has been incurring a deficit for more than a decade. One of the reasons was the increased cost of the wars overseas in Iraq and Afghanistan combined with tax cuts. Then in 2008 the economy slumped across the country....and the government took on more spending and borrowing which caused the deficit to soar.	00:00:45

6.	 <p>President Barack Obama</p>	<p>Obama SOT: <i>If we are concerned about debt and deficits than we're going to have to take actions that are difficult and we're going to have to tell the truth to the American people.</i></p>	00:01:09
7.		<p>Narration: <i>For 2010 the deficit is about one – point three trillion dollars. The national debt – the total amount the government owes – is thirteen-point- seven trillion dollars. That's money that taxpayers will have to pay back – to the tune of 44-thousand dollars for every U.S. citizen.</i></p>	00:01:24
8.		<p><i>Natural Sound of Students:</i></p>	00:01:45
9.		<p>Narration: <i>The Young Playwrights Theater is an after school program in Washington D.C. Like many arts programs, it depends on money from the Federal Government through the National Endowment for the Arts.</i></p>	00:01:51
10.	 <p>David Snider YPT</p>	<p>SOT: David Snider <i>Government support is critical to our success because getting that major sort of cornerstone support from government agencies allows us to leverage their support for even greater support from individuals, foundations, earned income</i></p>	00:02:03

11.		<p>Narration: David Snider is Chief Executive officer of the Young Playwrights' Theater. It's one of thousands of organizations that could be affected by the debate going in Washington over the federal budget.</p>	00:02:15
12.	 <p>Maya MacGuineas New America Foundation</p>	<p>SOT: Maya MacGuines <i>The bottom line is that the budget imbalances that we're now facing in this country have grown so large that we're basically gonna have to do every single thing possible policy wise to get the budget back on a sustainable path.</i></p>	00:02:28
13.		<p>Narration: Maya MacGuines of the New America Foundation is an advocate of cutting spending across the board.</p>	00:02:41
14.		<p>SOT: MacGuines: <i>You can't fix this problem without touching Social Security, Medicare, other parts of the budget, even the most popular programs. You can't touch it either without touching revenues. Taxes are going to have to change and they are going to have to come up.</i></p>	00:02:48
15.		<p>Narration: Social security – the retirement program – and Medicare – the health care program for the elderly and Medicaid are called Entitlement Programs. The costs are fixed by statute. The other part of the budget is called Discretionary because Congress decides each year how much to spend.</p>	00:03:01

16.	 <p>Chris Edwards The Cato Institute</p>	<p>SOT: Chris Edwards <i>The baby boomers are retiring which is pushing up the tops of Social Security and Medicare.//The cost of these programs is rising enormously and that's what has changed from prior years.</i></p>	00:03:20
17.		<p>Narration: Chris Edwards is with the CATO institute a Washington think tank that supports smaller government.</p>	00:03:32
18.		<p>SOT: Chris Edwards: <i>I don't think raising taxes is a good idea. I think once the economy recovers federal tax revenues will rise about to their historic norm of about a fifth of the economy.</i></p>	00:03:39
19.		<p>Narration: Right now social security takes up about 21 percent of the federal budget. Health care takes up 23 percent and defense 24 percent. 12 percent goes to social welfare programs like food stamps. That means that everything else the government helps pay for comes out of the remaining 20 percent – things such as education, highway construction, research, and the arts.</p>	

20.	 <p data-bbox="469 522 647 590">John Maggs Politico.com</p>	<p data-bbox="826 195 1021 226">John Maggs</p> <p data-bbox="826 228 1305 443"><i>There seems to be no willingness to tackle entitlements at the moment. So they're arguing over that smaller proportion, the discretionary spending.</i></p>	00:04:18
21.		<p data-bbox="826 590 997 621">Narration:</p> <p data-bbox="826 623 1305 806">John Maggs reports on the budget process for the publication Politico. He says an across the board spending cut is unlikely.</p>	00:04:26
22.		<p data-bbox="826 806 1021 837">John Maggs</p> <p data-bbox="826 840 1313 1268"><i>What you're more likely to see frankly is a lot of government programs being cut and people taking credit for cutting those programs while at the same time counterbalancing that. Other programs will be increased and the real question is how much of that will be Republican priorities and how much of it will be the President's priorities.</i></p>	00:04:34
23.		<p data-bbox="826 1268 997 1299">Narration:</p> <p data-bbox="826 1302 1305 1514">Part of setting those priorities will be deciding how much money goes to state and local governments. That's part of the discretionary portion of the budget.</p>	00:04:55

24.		<p>Edwards <i>A lot of what the federal government spends on these days is programs which were traditionally funded only at the state and local level like K-12 education and you know urban transit and city bus services, that sort of thing. I think we need to look at all this federal aid to the states and consider cutting it back.</i></p>	00:05:04
25.		<p>MacGuines <i>That would be the worst thing that we could do right now because the states and local governments are in very vulnerable positions themselves because of this downturn we just went through. In fact many of them are limited in how much they can borrow.</i></p>	00:05:24
26.		<p>Narration: While the debate over the budget takes place on Capitol Hill, a few blocks away at the Young Playwrights' Theater instructors and students are left to wonder about the future.</p>	00:05:35
27.	 <p>Samantha Brew YPT Alumni</p>	<p>SOT: Samantha Brew <i>If it wasn't here? I probably wouldn't be as brave as I am now today talking in front of people. I probably wouldn't have been able to be a good writer and I probably wouldn't have been able to express anything I wanted to on paper the way I can now.</i></p>	00:05:45
28.		<p>Narration: I'm Antonio Neves for the Dot news</p>	00:06:02