



## U.S. Senate Committee on Appropriations

*PRESS RELEASE*

### **Summary: FY 2011 Labor, Health and Human Services, Education and Related Agencies Appropriations**

*Consolidated Appropriations Bill*

**Washington, DC** - The fiscal year 2011 Labor, Health and Human Services, Education and Related Agencies Appropriations bill that the Senate will consider as part of the omnibus provides \$174.5 billion in discretionary funding for a range of programs that will help create jobs and train American workers, target fraud and abuse, and incentivize States and local communities to reform their health, workforce and education systems.

Highlights include a new \$300 million Early Learning Challenge Fund that will provide grants to States to raise the quality of early childhood programs; \$217 million for new Workplace Innovation Funds that will improve the delivery of education and training to workers; and an increase of \$681 million for childcare services that will help low-income workers hold down a job. The bill also provides sufficient funding to close the Pell Grant “shortfall” and prevent a cut to the \$5,550 maximum award, and additional funding to improve mine safety.

Increases in programs such as these are balanced by significant efforts to eliminate government waste. The bill eliminates 17 programs totaling nearly \$393 million. It also appropriates an increase of \$160 million to target fraud and abuse in Medicare and Medicaid, plus additional funds for program integrity efforts for Social Security and unemployment insurance.

*“This is a period of great economic uncertainty for our Nation,” said Senator Tom Harkin (D-IA), Chairman of the Labor-HHS Appropriations Subcommittee. “As the largest non-defense Appropriations bill, the Labor-HHS bill must address today’s hard economic realities while taking every possible opportunity to reduce waste, fraud, and abuse and improve the efficiency of federal programs so as to reduce the deficit in the long run.*

*“Three priorities permeate this bill,” Harkin continued. “First, it invests in critical programs that help the neediest Americans – programs that offer job training, protect workers from safety and health hazards, and provide a safety net for those struggling just to make ends meet. Second, this bill recognizes that every taxpayer dollar must be used wisely. And the third priority is reform. This bill includes several initiatives that will leverage systemic changes in the areas of education, health and labor.”*

Highlights of the bill are summarized below.

## **Helping the Neediest Americans and Supporting Economic Growth**

### **Aid to Workers**

With the Nation's unemployment rate at 9.8 percent, programs that help Americans find jobs and upgrade their skills are essential. This bill continues and expands support for programs that provide important job training and education services to workers.

**Job Training**—The bill provides an increase of \$141 million over the fiscal year 2010 level for state grants for job training and employment services, for a total of \$3.1 billion. These grants provide education and job training to workers who have lost their jobs as a result of plant closings or mass layoffs, to low-income individuals who need to improve their skills to find better paying or more permanent employment, and to disadvantaged youth, particularly high school dropouts. The grants also connect job seekers to employment opportunities.

**Green Jobs**—The bill also provides a \$15 million increase for the Green Jobs Innovation Fund, for a total of \$55 million. This fund provides workers with the skills necessary to succeed in high-growth industries such as energy efficiency, renewable energy, green construction, sustainable agriculture, biofuels and environmental protection.

### **Worker Rights, Safety and Health**

**Worker Protections**—Employers have an obligation to provide a safe and healthy workplace for their employees; pay them the wages and benefits they earn for their efforts; respect employee voices in the workplace; and prevent discrimination on the basis of race, disability or military service. Some workers' rights are more vulnerable today because of the downturn in the economy—during which employees are less likely to report abuses that may jeopardize their employment—and staffing cuts to the Department of Labor and related agencies during the previous administration that have limited their ability to carry out their missions.

The bill helps reverse this diminished capacity by including \$577.1 million, an increase of 3.3 percent over fiscal year 2010, for the Occupational Safety and Health Administration; \$373.1 million, an increase of 4.4 percent, for the Mine Safety and Health Administration; and \$242.6 million, an increase of 6.6 percent, for the Wage and Hour Division. In general, these investments will bring the staffing levels of these agencies back to levels last seen a decade ago.

**International Labor Rights**—The bill preserves jobs here in the United States and supports the adherence to labor rights around the globe by making sure our international trading partners don't exploit workers, particularly children. The bill provides \$116 million for the Bureau of International Labor Affairs for its efforts in this area. This amount is an increase of \$23.3 million over the fiscal year 2010 level.

**Mine Safety**—The explosion at the Upper Big Branch mine in West Virginia earlier this year is a tragic reminder of the important role the Federal government must play in ensuring the safety of our Nation’s mines. A key goal of this bill is a more timely adjudication of mine safety violations at the Federal Mine Safety and Health Review Commission. The number of contested mine safety violations has more than quadrupled since 2006, while staffing at the Commission has not kept pace to promptly review these cases. As a result, the number of cases awaiting review has increased fourfold and it now takes over 400 days to issue a final decision. These delays can undermine mine safety efforts and ultimately puts miners at risk. The bill builds on the supplemental appropriations bill passed earlier this year by targeting increases of \$12 million for the Department of Labor and \$4.3 million at the Commission.

### **Safety Net for Neediest Americans**

For many Americans, especially in a struggling economy, programs funded in this bill make the difference between going hungry or having a meal, attending college or ending their education after high school, and having a warm place to stay or sleeping on the street.

**Child Care**—The bill provides \$2.8 billion for the Child Care and Development Block Grant (CCDBG), an increase of \$681 million over last year. The CCDBG supports child care subsidies to low-income working families, as well as quality improvement activities in child care programs across the country. This increase will provide subsidies for 100,000 low-income children and their working families.

**Head Start**—The bill provides \$8.1 billion for Head Start, an increase of \$840 million over last year. This will allow Head Start programs to provide comprehensive early childhood development services to 978,000 low-income children, and maintain increases in families served because of Recovery Act funding in fiscal years 2009 and 2010.

**Senior Nutrition Services**—The bill includes \$852.4 million, an increase of \$33 million, for local programs that provide congregate and home-delivered meals to seniors. The increase is sufficient to provide an additional 4.5 million meals.

**Homeless Services**—The bill addresses the growing problem of homelessness in a number of ways. It increases funding for the education of homeless children and youth by \$4.6 million, for a total of \$70 million; includes \$159.4 million, an increase of \$17 million, for substance abuse and mental health services targeting the homeless; and provides \$125.7 million, an increase of \$10 million, for runaway and homeless youth programs.

**Refugee Social Services**—Refugee Social Services supports a variety of employment and support services to address barriers to employment for newly arrived refugees. The bill provides an increase of \$15 million for this activity, for a total of \$169 million.

**Title I (Education for the Disadvantaged)**—The bill includes \$14.8 billion for title I grants to local education agencies—a \$290 million increase—for improving education for low-income students. These funds provide support to more than 90 percent of the Nation’s 15,000 school districts—an important contribution given the reductions to education spending by State and local governments.

**Student Financial Aid**—The bill includes nearly \$25 billion for student financial assistance, maintaining the maximum discretionary Pell Grant Program award level at \$4,860. Combined with mandatory funding provided in the Health Care and Education Reconciliation Act of 2010, the maximum award is maintained at \$5,550 for the 2011-2012 school year.

### **Health Professions**

Health care workforce shortages are likely to increase as baby boomers age and access to health care expands. These shortages are particularly striking in a time of record unemployment and a shrinking middle class. The bill includes an additional \$224 million over the fiscal year 2010 level to expand health training programs. This funding will both improve patient access to necessary health services and open doors to those seeking jobs.

The bill includes \$82.5 million, an increase of \$44 million, for **primary care training** activities; \$292 million, an increase of \$48 million, for **nurse training and retention**; \$53 million, an increase of \$20.6 million, for **oral health care training**; and \$43.6 million, an increase of \$18.7 million, for **nurse faculty loan forgiveness**.

### **Improving Fiscal Accountability and Reducing Waste, Fraud and Abuse**

For fiscal year 2011, the bill increases funding for a variety of activities aimed at reducing fraud, waste, and abuse of taxpayer dollars. These program integrity initiatives have proven to be a wise Federal investment, resulting in billions of dollars of savings from Federal entitlement programs—unemployment insurance, Medicare and Medicaid, and Social Security.

**Unemployment Insurance Program Integrity**—The bill includes \$65 million, an increase of \$5 million, to conduct eligibility reviews of claimants of unemployment insurance [UI]. This increase will save State UI Trust fund accounts an estimated \$210 million – representing a return on investment of more than \$3 for every \$1 spent.

**Social Security Program Integrity**—The bill provides \$796 million for Social Security Administration program integrity activities, a \$38 million increase over fiscal year 2010. These activities have a return on investment of \$9 for every \$1 spent and are expected to save over \$7 billion for the Social Security, Medicare, and Medicaid programs over 10 years.

**Health Care Program Integrity**—Fraud committed against Federal health care programs puts Americans at increased risk and diverts critical resources from providing necessary health services to some of the Nation's most vulnerable populations. The bill includes \$471 million for Health Care Fraud and Abuse Control activities at the Center for Medicare and Medicaid Services. This amount is a \$160 million increase over the fiscal year 2010 level of \$311 million. The historical return on investment for the Medicare Integrity program has been about \$14 for every \$1 spent. For fraud and abuse activities throughout Medicare and Medicaid, the Federal Government saves or recovers \$6 for every \$1 spent.

**Inspectors General**—The bill provides \$326 million, an increase of \$21 million, for the inspectors general at the three Departments, the Corporation for National and Community Service, and the Social Security Administration to conduct additional audits and investigations of possible waste and fraud in government programs.

**Program Eliminations**—Lean economic times require tough choices and a critical look at all programs in the bill, even those that have been funded for decades. The bill eliminates 17 programs totaling \$392.8 million.

### **Leveraging Reform**

**Workforce Innovation Funds**—The bill includes a total of \$217 million for Workforce Innovation Funds that will reform the Nation's workforce investment system by improving the delivery of education and training programs to workers. These funds, to be administered jointly by the Departments of Labor and Education, will encourage States and local areas to develop workforce development strategies that assess the needs of employers and workers across broader, more cohesive economic regions and facilitate development of a workforce that reflects the specific set of skills needed in those communities.

**Early Learning Challenge Fund**—The bill includes \$300 million for a new Early Learning Challenge Fund that will provide competitive grants to States to raise the bar for early childhood programs. High-quality early learning programs help children develop the cognitive, social, and emotional skills needed to succeed in school and later in life. Yet quality varies greatly across settings, within States, and across the Nation. The new fund will encourage States to coordinate quality improvement activities across early learning settings, including child care, Head Start and pre-kindergarten programs; expand the number of low-income children in high-quality programs; and ensure that more children enter kindergarten ready to succeed.

**Chronic Disease Initiative**—Obesity is the predominant risk factor in three of the top five most prevalent chronic diseases in this country: diabetes, heart disease and arthritis. Yet the public health response to these diseases has historically been fragmented and the programs designed to address them have evolved into five discrete “silos” that compete for resources at both the Federal and State level. The bill consolidates several of the funding streams and requirements of these programs and adds additional resources to create a comprehensive \$564.8 million public health initiative to prevent and reduce obesity-related chronic disease. The initiative includes: \$209 million for community-based programs, \$250 million for State planning and policy change, \$49 million for national research and surveillance, and \$56.8 million for the CDC to develop new models, evaluate current activities and produce cutting edge-science.

**Extended Learning Time**—A growing body of evidence suggests that students benefit academically from a longer school day and a longer school year. The bill includes a change allowing local districts, if they choose, to use 21<sup>st</sup> Century Community Learning Centers grants to help establish or expand extended learning time activities, and to support a more systemic restructuring of the school year in cooperation with community partners. The bill includes an increase of \$135 million for the 21<sup>st</sup> Century program, for a total of \$1.3 billion.

**Race to the Top**—The bill includes \$550 million for the administration’s signature education reform program. Race to the Top was created in the American Recovery and Reinvestment Act but has not yet been funded in the Labor-HHS appropriations bill.

**Investing in Innovation**—The bill includes \$224 million to replicate programs that have high levels of effectiveness as established under rigorous research and to develop and test promising new ideas. Like Race to the Top, Investing in Innovation was created in the Recovery Act but has not yet been funded in the Labor-HHS appropriations bill.

**Cures Acceleration Network**—Too often, basic biomedical research will suggest a promising path for a cure or treatment, but funding falls short to pursue the idea to its fullest potential. The bill includes \$50 million to create a new Cures Acceleration Network within the National Institutes of Health that will help speed the translation and application of discoveries that have shown signs of success at the laboratory level but have not advanced far enough to attract significant investments from the private sector.

**Medical Home Demonstration**—The bill includes \$5 million for a new authorization that supports the creation of collaborative care networks. Research indicates that medical homes result in improved quality, reduced errors, fewer emergency visits, and fewer hospitalizations, which all result in savings to the health care system.

### **Other Highlights of the Bill**

**National Institutes of Health (NIH)**—The bill provides nearly \$31.8 billion, an increase of \$750 million, to fund biomedical research at the NIH.

**Special Education**—The bill provides \$11.8 billion under section 611 of IDEA Part B grants to States for educating students with disabilities. This amount is \$290 million more than the fiscal year 2010 level.

**Corporation for National and Community Service**—The bill recommends over \$1.3 billion for the Corporation for National and Community Service. This level is \$156.6 million above the fiscal year 2010 level. It supports grants for additional social innovation efforts and for new disaster response teams, and will increase the number of AmeriCorps members from 87,000 to over 94,000.

**Social Security Administration**—The bill includes \$12.3 billion for the administrative expenses of the Social Security Administration (SSA), an increase of \$882 million over last year. This will allow the SSA to continue to work towards eliminating the disability hearings backlog by the end of fiscal year 2013 while keeping up with an unprecedented level of disability and retirement claims. It also includes \$796 million, an increase of \$38 million, for program integrity funding.

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