

Domestic Policy Council - Anna Richter

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WAPA #19992

Welfare/Working Families Authorizing Language/Non-Budget Priorities As of 10/5/00

Child Support/Responsible Fatherhood: On September 7, 2000, the House passed the Child Support Distribution Act of 2000 with overwhelming bipartisan support (405-18). Similar to the Administration's budget proposals, this legislation would provide more child support directly to families leaving welfare, simplify and improve child support collection by the states, and promote responsible parenting and increase the financial support parents can provide their children through a fatherhood grant program. The President has highlighted the importance of these child support and responsible fatherhood initiatives on a number of occasions, including in his Fathers Day radio address and in a statement on passage of the House bill in which he urged the Senate to take up this bill. There are also bipartisan bills in the Senate addressing child support (Kohl/Snowe - S. 1036) and fatherhood (Bayh/Domenici - S. 1364). When asked, Administration staff has assured Hill staff that we see action on some form of this child support/fatherhood legislation as a priority to be accomplished this year, within a balanced fiscal framework. Enactment of HR 4678 or its Senate equivalent would be an important capstone for this Administration's commitment to and accomplishments in the areas of both child support and responsible fatherhood. At the same time, we should continue to make Fathers Work grants a priority in the Labor/HHS appropriations in case this broader legislation stalls.

On September 27, Senators Kohl, Snowe, Bayh and Domenici – with an impressive bipartisan group of 18 others - wrote to Lott and Daschle urging that the Senate pass or improve HR 4678 this year. Senators Bayh and Domenici have urged Senator Roth to move child support/responsible fatherhood legislation out of the Finance Committee, and although he did not reject the idea, he has not made any commitments. Secretary Shalala has also raised this with Senators Moynihan and Roth. A number of efforts continue to urge key Senators to move legislation in a bipartisan fashion. This is a very high priority for Reps. Nancy Johnson and Ben Cardin, as well as for Senator Bayh. Senator Daschle is also very interested. Both the child support and fatherhood provisions are similar to proposals supported by the Vice President. There is strong support among low-income advocates, especially for the child support provisions which they see as one of the most significant things that could happen this year to help low-income families. The fatherhood provisions in the House bill have broad-based support from the fatherhood groups, as well as from key low-income advocates (CBPP, CLASP, CDF) and the National Women's Law Center. Senator Bayh, working with Senate Republicans, may insist on adding two components of their bill to the House bill: broader purpose fatherhood grants to states (though they may settle for authorizing language) and funding for state media campaigns.

Costs: CBO scores HR 4678 at \$1.33 billion over 5 years. In comparison, OMB scored the Administration's child support proposals as saving \$142 million over 5, although CBO scored them at a cost of \$273 million over 5. In addition, we proposed \$255 million for the first year of a new Fathers Work/Families Win grant program in Department of Labor. The Ways and Means Committee covered the costs of HR 4678 with money that had been allocated for EITC outlays related to the vetoed marriage penalty legislation and it is our understanding that the Senate could use a similar approach.

Food Stamps/Hunger Relief:

The President's FY 2001 budget proposed to restore food stamp eligibility to legal immigrants in the United States before August 22, 1996 who either subsequently reach age 65 or who live in a household with Food Stamp eligible children. This proposal will restore benefits to about 165,000 legal immigrants by 2005 at a cost of \$565 million. The President's budget also proposed to make it easier for working families to own a reliable vehicle and receive food stamps by allowing states to conform their food stamp vehicle policy with a more generous TANF vehicle policy. The Administration's vehicle proposal will help 245,000 families at a cost of \$661 million over five years. The bipartisan Hunger Relief Act (S.1805/H.R. 3192) also includes the vehicle change and a broader version of immigrant benefit restoration, along with removing the cap on shelter deductions and increasing the authorized level for the Temporary Emergency Food Assistance Program (TEFAP).

Getting some or all of the Hunger Relief provisions done this year is a very high priority for a broad range of low-income and anti-hunger groups, as well as for Secretary Glickman. The Vice President's office has also expressed significant interest. While there is broad-based support for the entire Hunger Relief Act (which now has 32 Senate co-sponsors and 184 House co-sponsors), there is stronger support for some provisions than others if these provisions are tacked onto another bill. The vehicle provision enjoys the greatest support -- key Republicans are not likely to support the immigrant restoration. There is still a reasonable chance Rep. Walsh or Senator Harkin will raise this in the Ag appropriations conference on October 5th. If that doesn't work, we should explore other options.

Individual Development Accounts: The Administration proposed a package of no-cost amendments to the Assets for Independence Act to allow low-income workers to save for a car through an IDA and to make other technical program changes.

Senator Gregg has indicated a willingness to propose the technical program changes, but not the President's proposal to add cars to the list of permissible uses of IDA savings. After the President recently reiterated his support for allowing low-income families to save for a car, we began to pursue a strategy of amending the TANF IDA provision. Some states can, and do, already use TANF for IDA programs where cars are an allowable use. However, since cars are not specifically listed in the TANF statute, savers risk losing other federal benefits if the IDA and other assets exceed the asset limit for a federal benefit (such as food stamps). Making this change in TANF would send an important signal to states about their option to use IDAs for cars, simplify eligibility determination for state, and ensure that families don't risk eligibility for other important benefits. We remain hopeful that Senator Gregg will offer the technical changes, but have not yet gotten assurance that he won't reject these changes if the Administration or others pursue the TANF change. The Administration does face an impending choice about whether to continue to pursue the car issue as the President has requested while possibly putting at risk our prospects for enacting the other technical, but important, amendments.

Health Care for Children and Pregnant Women: The President's FY 2001 budget gives states the option to extend Medicaid or State Children's Health Insurance Program (SCHIP) coverage

to low-income legal immigrant children and Medicaid to pregnant women regardless of their date of entry, including those who entered after August 22, 1996. The proposal would cost \$695 million and provide critical health insurance to approximately 144,000 children and 33,000 women by FY 2005.

Language on Medicaid/SCHIP restorations for benefits has been included in H.R. 5291, which contains those provisions that the House Commerce Committee seeks to include in the final BBA givebacks list. Unfortunately, the H.R. 5291 provision also imposes a two-year bar which the Administration cannot accept. The BBA givebacks are a must-pass vehicle, but a fight remains to ensure that the two-year bar is removed and the immigrant provisions remain in the final list as worked out between the House Commerce, Ways and Means, and Senate Finance Committees.

Appropriations Bills Status

as of 09/26/00

Bill	Status in House	Status in Senate	Status in Conference	Signing Status	Details/Administration Views
Agriculture	Passed Full Committee on May 10th . Passed bill by 339-82 on July 11th .	Passed Full Committee on May 9th . Passed bill 79-13 on July 20th .	None		House SAP sent on May25th with senior advisors veto recommendation. House(floor) SAP sent June 29th with senior advisors veto recommendation. Senate(floor) SAP sent July 18th with senior advisors veto recommendation. House(Comm.) letter sent September 11th with senior advisors veto recommendation.

Commerce/Justice/ State	Passed full committee on June 19th. Passed bill 214-195 on June 26th.	Passed full committee on July 18 th .	None		House Committee letter sent June 12th with senior advisers recommending a veto threat. House(Rules) SAP sent June 20th with Senior Adviser's Veto recommendation. House(Floor) SAP sent June 22nd with senior advisers recommending a veto. Senate(Comm.) letter sent July 17th with senior advisers recommending a veto.
Defense	Passed full committee on May 20th. Passed House (367 to 58) on June 7th.	Passed full committee on May 18th. Passed 95-3 on June 13th.	Reported out of conference on July 17 th .		House SAP sent June 6th. Senate Floor SAP sent June 8th. Conference letter sent July 13th. POTUS signed into law on August 9th.

District of Columbia	Passed full committee on July 20th. Passed House(217-207) on September 14th.	Passed full committee on September 13 th .	None		House(subcomm.) letter sent July 19th. House (Rules) SAP sent July 25th. House(Floor) SAP sent July 26th citing strong concerns. Senate(Floor) SAP sent September 19th citing strong concerns.
Energy & Water	Rules Committee approved a rule on June 26th. House passed HR 4733 (409-19) on June 28th.	Passed full committee on August 30th. Passed Senate (93-1) on September 7th.	None		House (Comm.) letter sent June 20th. House(Rules) SAP sent June 26th citing concerns. Senate(Comm.) letter sent July 12th. Senate(Floor) SAP sent July 21st with senior advisers veto recommendation. Senior Advisers single-line veto recommendation on Missouri River.

Foreign Ops	Passed full committee on June 27th . House passed bill (239-185) on July 13th.	Passed full committee on May 9th Passed bill on July 18th .	None		Senate (Floor) SAP sent June 20th with Senior Adviser Veto recommendation. House(Comm.) letter sent June 27th with senior advisers recommending a veto threat. House(Rules) SAP sent July 11th with senior advisers recommending a veto. House(Floor) SAP sent with senior advisers recommending a veto on July 12th. Conference letter sent July 21st with senior advisers recommending a veto.
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Interior	Passed full committee on May 25th. Passed House(204-172) on June 16th.	Passed full committee on June 22nd. Passed 97-2 on July 18th.	None	House Rules SAP sent June 9th with Senior Adviser veto recommendation. House floor SAP sent June 14th with Senior Adviser veto recommendation. Senate (Comm.) letter sent June 20th with Senior Adviser Veto recommendation. Senate(sub. comm.) Letter sent June 22nd. Senate(Floor) SAP sent July 10th with senior advisers veto recommendation. House(Comm.) letter sent July 28th with senior adviser veto recommendation.
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Labor/HHS/Education	Passed full committee on May 24th. Passed House(217-214) on June 14th.	Passed full committee on May 11th. Passed Senate(52-43) on June 30th.	None		POTUS Veto Statement on May 11 (House and Senate) Senate (Committee) Letter sent citing concerns on May 11th. House Rules SAP sent on June 6th with POTUS Veto Statement. House Floor SAP sent on June 7th with POTUS Veto Statement. Senate(Floor) SAP sent June 22nd with POTUS Veto Statement. House(Conf.) letter sent July 17th with POTUS Veto Statement.
Legislative Branch	Passed full committee on May 9th. Passed 373-50 on June 22nd.	Passed full committee on May 18th. Senate approved the bill by voice on July 17th.	Reported out of conference on July 27 th .		

Military Construction	Passed full committee on May 9th. Passed House(386-22)(Tuesday, May 16th)	Passed full committee approved on May 9th. Passed 96-4 on May 18th.	Conference report passed both House and Senate.	House (Committee) letter sent (May 8). House Rules SAP sent May 15. House Floor SAP sent May 16. Senate SAP sent on May 16th. House (Comm.) letter sent June 20th. POTUS signed H.R. 4425 into law on July 13th.
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Transportation	Passed Full Committee on May 16th. Passed H.R. 4475 395-13 on May 19th.	Passed full committee on June 13th. Passed Senate (99-0) on June 15th.	None		House (Committee) letter sent citing concerns (May 16). House SAP sent May 19th. House letter sent citing concerns June 12th. Senate(Floor) SAP sent June 14th. Senate(Comm.) letter sent Sept 11th.
Treasury/Postal	Passed full comm. on July 18th. Passed House 216-202 on July 20th.		House agreed to conference report on September 14 th .		House(Comm.)letter sent July 18th with senior advisers veto recommendation. House(Floor) SAP sent July 20th with senior advisers recommending a veto. Senate(Floor) SAO sent July 24th with senior advisers veto recommendation.

VA/HUD	Passed full comm. on June 7th. House approved bill (256-169) on June 21st.	Passed full committee on September 13 th .			House(Comm.) letter sent June 6th with Sr. Advisor Veto recommendation. House Rules(Comm.) SAP sent June 13th with Senior Adviser Veto recommendation. House (Floor) SAP sent June 19th with Senior Adviser Veto recommendation. Senate(Floor) SAP sent September 25th citing serious concerns; Senate/ House.
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MEMORANDUM TO BRUCE REED

CC: Barbara Chow

From: Kendra Brooks
JB Buxton
Bethany Little

Re: **Education Appropriations Priorities**

As requested, this memorandum lays out the DPC-Education team's recommendations for our priorities for FY2001 budget initiative in the appropriations negotiating process. Initiatives are categorized into top priorities and other high priorities. We have also included initiatives we believe could be used as bargaining chips or "strategic caves" in the negotiation process.

FY2001 BUDGET TOP PRIORITIES¹

Title I Accountability Grants

FY 2000 Appropriations:	\$134 million
FY 2001 Admin. Request:	\$250 million
Senate Appropriation:	\$0
House Appropriation:	\$0

Funding Goal: \$250 million

Funding Floor: \$200 million

Negotiating/Language Issues. Last year's agreement did not include the set-aside for states that we were seeking in this program. Instead, all the funding is being sent directly to districts. Also, since Goodling is unhappy with our interpretation of last year's agreement that applies the school choice provisions only to districts receiving Accountability money, he may push to broaden this provision to apply to all failing schools. Unless there is concern about this being an unfunded mandate, we could probably live with it. We recommend the following positions on the set-aside language:

Negotiating Stance:	30% of funds to states
Fall Back:	20% of funds to states
Final Fall Back:	All funds directly to districts

21st Century Community Learning Centers (After-School)

FY2000 Appropriation:	\$453 million
FY2001 Admin. Request:	\$1 billion
Senate Appropriation:	\$600 million

¹ School Construction and Head Start are also top priorities, however we assume they are being covered by NEC and the First Lady's office.

House Appropriation: \$600 million

Funding Goal: \$1 billion

Funding Floor: \$800 million

Negotiating/Language Issues. There is one major language issue with After-School: the participation of community-based organizations (CBOs) in the program. The Senate passed an amendment that would allow CBOs to compete on equal terms with schools in the grants process. Our FY2001 budget proposal called for up to 10% of the grants to be given to CBOs that worked in partnership with schools. We recommend the following positions on the CBO language:

Negotiating Stance: CBOs eligible for 10% of grants; must be in partnership with school.

Fall-back: CBOs eligible for 25% of grants, *programs must be operated at schools or at CBOs which can demonstrate greater capacity than local schools.*

Final Fall-back: CBOs eligible for 25% of grants; *must be in partnership with schools.*

- **Class Size Reduction**

FY 2000 Appropriations: \$1.3 billion

FY 2001 Admin. Request: \$1.75 billion

Senate Appropriation: \$0

House Appropriation: \$0

Funding Goal: \$1.75 billion

Funding Floor: \$1.5 billion

- **Teacher Quality Package**

FY2000 Appropriation: N/A (no program)

FY2001 Admin. Request: \$1 billion

Senate Appropriation: \$0*

* Senate has appropriated \$435 million for Eisenhower and \$3.1 billion for an Innovative Strategies Block Grant, which theoretically could be used for teacher quality—states can use up to \$2.7 billion for class size reduction and school construction.

House Appropriation: \$0**

** House has appropriated \$1.75 billion for their Teacher Empowerment Act (TEA), which is a teacher quality block grant. This is intended to cover both our class size and teacher quality requests, but at \$1 billion below what we requested.

Funding Goal: \$1 billion

Funding Floor: \$1 billion

Negotiating/Language Issues. Congress is most likely going to push hard to have their TEA enacted. As we discussed in the strategy session last week, to get dedicated class size reduction money, we are probably going to have to be prepared to deal on a TEA-like Teacher Quality block grant. While we ought to push for class size and our TQ package, that is an unlikely win. Thus, we recommend being prepared to give them a TEA-like block grant in exchange for funding for some of our national activities and—as you suggested—re-name the package something like the Goodling-Clay Teacher Quality Initiative.

Negotiating Stance: \$1 billion TQ Package as is.

First Fall-Back: \$335 million for Eisenhower Professional Development Formula Grants
\$310 million for our proposed national activities
\$355 million for TEA-style block grant

Second Fall-Back \$335 million for Eisenhower
\$220 million for national activities (Transition to Teaching, Higher Standards, Higher Pay; School Leadership, Early Childhood)
\$445 million for TEA-style block grant

Final Fall-Back: \$300 million for our national activities
\$700 million for TEA-style block grant

Priorities for National Activities. We should definitely protect 1) School Leadership, 2) Early Childhood Educator professional development, and 3) Transition to Teaching. We should also try to get Hometown Teachers and Higher Standards, Higher Pay, but be ready to use them “strategic caves.” Lastly, the Teacher Quality rewards should also be used as a bargaining chip—it will be difficult to implement and if we take TEA provisions, then we will already have mandates for certified and in-field teachers and we won’t need an incentive program.

OTHER HIGH PRIORITY BUDGET INITIATIVES

- **Small, Safe, and Successful High Schools**

FY 2000 Appropriations: \$45 million
FY 2001 Admin. Request: \$120 million
Senate Appropriation: \$0
House Appropriation: \$45 million

Funding Goal: \$120 million
Funding Floor: \$90 million

- **Reading Excellence Act**

FY 2000 Appropriations: \$260 million

FY 2001 Admin. Request: \$286 million
Senate Appropriation: \$286 million
House Appropriation: \$260 million

Funding Goal: \$286 million
Funding Floor: \$286 million (current Senate number)

• **Bilingual Education**

FY 2000 Appropriations: \$248 million
FY 2001 Admin. Request: \$296 million
Senate Appropriation: \$279 million
House Appropriation: \$248 million

Funding Goal: \$296 million
Funding Floor: \$279 million (current Senate number)

• **Recognition and Reward (new program)**

FY2001 Admin. Request: \$50 million
Senate Appropriation: \$0
House Appropriation: \$0

Funding Goal: \$50 million
Funding Floor: \$25 million

Language Issues. We would need authorizing language for this. The key with this initiative is to 1) get enough money to give a reward that is big enough to be an incentive and 2) to make rewards contingent upon demonstrated increases in student achievement in core subjects and closing the achievement gap between high and low-performing students. We should not take a deal that doesn't include closing the gap as a condition. The implementation of this is very complex. It would require giving NAEP more often and would not kick in until 2002, so it may be something we can concede.

• **College Test Preparation for Low-Income Students (new program)**

FY2001 Admin. Request: \$10 million
Senate Appropriation: \$0
House Appropriation: \$0

Funding Goal: \$10 million
Funding Floor: \$10 million

Language Issues. We would need authorizing language for this. We want both for-profit and non-profit organizations to be eligible for the grants. This is in our Fund for the Improvement of Education (FIE) request.

• **Comprehensive School Reform Demonstration Program**

FY2000 Appropriation: \$220 million
FY2001 Admin. Request: \$240 million
Senate Appropriation: \$0
House Appropriation \$190 million

Funding Goal: \$240 million
Funding Floor: \$220 million (last year's appropriation)

Project SERV (new program)

FY 2000 Appropriations: \$0
FY 2001 Admin. Request: \$10 million
Senate Appropriation: \$0 million
House Appropriation: \$0 million

Funding Goal: \$10 million
Funding Floor: \$10 million

Language Issues. We do need authorizing language for this. Given current parental concerns about school safety this should not be that tough a sell theoretically, however we didn't get it last year. Nonetheless, the scrambling folks had to do to fill needs after Columbine makes this a pretty big priority.

• **America's Tests**

FY2001 Admin. Request: \$5 million
Senate Appropriation: \$0
House Appropriation \$0

Funding Goal: \$5 million
Funding Floor: \$5 million

Language Issue. Need to make sure House's language prohibiting development, pilot testing, field testing, implementation, administration and distribution is removed.

• **OPTIONS (new School Choice Initiative)**

FY2001 Admin. Request: \$20 million

Senate Appropriation: \$0
House Appropriation \$0

Funding Goal: \$20 million
Funding Floor: \$10 million

Language Issues. We need authorizing language for this.

BUDGET PRIORITIES TO USE AS BARGAINING CHIPS

The following are budget items that we should secure if possible, but that we should also be prepared to use as bargaining chips/strategic caves in order to land our bigger fish.

- OPTIONS (\$20 million)
- Recognition and Reward (\$50 million)
- Teacher Quality Rewards (\$50 million)
- Hometown Teachers (\$75 million)
- Higher Standards, Higher Pay (\$50 million)

DPC BUDGET PRIORITIES as of 7/21/00

PRIORITY 1 INITIATIVES

Initiative	Description	Proposed	Minimum Acceptable	House	Senate	Additional Information
<u>Child Support Pass-Through & Distribution</u>	The Administration's proposals will ensure that families can rely on child support as a stable source of income, and create a clearer connection between what a father pays and what his family gets, giving parents more reason to cooperate with the child support system.	Pass-Through: \$97 M/5 Distribution: \$396 M/5	(same)	No action	No action	- Proposal transmitted to Hill Spring '00; it has not be introduced to date. - Ways & Means recently marked up HR 4678, proposing similar but more expensive distribution changes; Cardin continues to push for pass-through, which may be added before bill goes to floor in September.
<u>Fathers Work/Families Win</u>	The Clinton-Gore Administration's budget proposes \$255 M for the first year of a new "Fathers Work/Families Win" initiative to promote responsible fatherhood and support working families, critical next steps in reforming welfare and reducing child poverty.	\$255 M	\$125 M (\$125 M for 'Fathers Work' initiative is highest priority)	\$0	\$0	- It looks like a bi-partisan proposal for similar \$140 M fatherhood program will pass the house as part of the child support legislation. Prospects in the Senate are not as good, despite a scheduled Fatherhood hearing on 7/25. - Mentioned in Fathers Day radio address and SOTU.
<u>Food Stamps/Transportation</u>	Vehicle Disregard to make it easier for working families to own a reliable vehicle and receive food stamps by allowing states to conform their food stamp vehicle policy with a more generous TANF vehicle policy.	\$665 M/ 5 yrs	(same)	HR 3192 Bill introduced	S1805 Bill introduced	Part of bi-partisan Hunger Relief Act.

(PRIORITY 1 CONTINUED)

Initiative	Description	Proposed	Minimum Acceptable	House	Senate	Additional Information
<u>Social Services Block Grant and Second Chance Homes</u>	Overall, the budget increases the Social Services Block Grant (SSBG) by \$75 M to \$1.775 B to support a wide range of programs, including child protection, child care, and services for the elderly and disabled. The President proposed \$25 M to support adult-supervised and supportive living arrangements, often called "second chance homes" (SCHs), for unmarried teen parents and their children who cannot live at home or other relatives.	\$1.775 B with \$25 M for SCHs [increase of \$75 M]	\$1.775 B with \$25 M for SCHs	\$1.7 B	\$600 M	- Secretary Shalala participated in an event on the Hill protesting Senate cuts in SSBG and supporting the administration proposal. - We are exploring alternatives for funding a modest SCH initiative <i>outside</i> of SSBG to avoid alienating SSBG supporters (Conrad interested).
<u>Extending Welfare-to-Work Grants</u>	To help more long-term welfare recipients and low-income fathers go to work and support their families, the Administration's budget will give state, local, tribal, and community- and faith-based grantees an additional two years to spend Welfare-to-Work funds, ensuring that roughly \$2 B in existing resources continues to help those most in need.	NO COST under OMB scoring	N/A	Did not include proposed extension	Included proposed extension	Essential to give grantees more time to implement amendments enacted in November 1999 and achieve the full potential of this program that the Administration fought for in 1997.
<u>Restoring Benefits to Legal Immigrants</u>	The FY 2001 budget builds on the Administration's progress of restoring key benefits to legal immigrants by providing \$2.5 B over five years to restore: Health Care - allow states to provide Medicaid or SCHIP to legal immigrant children and pregnant women regardless of their date of entry to the United States, and legal immigrant parents of children who are covered by Medicaid or SCHIP in the proposed FamilyCare program. Disability - SSI and Medicaid to legal immigrants who entered the United States after August 22, 1996, have been here for five years, and become disabled after entry. Food Stamps - food stamp eligibility to legal immigrants who were in the country before August 22, 1996 and either subsequently reach age 65 or have children who are eligible for Food Stamps.	\$2.5 B <i>Health:</i> Children: \$431M/5 Pregnant Women: \$265M/5 Medicaid for SSI: \$513M/5 <i>Disability:</i> \$ 707M/5 <i>FS:</i> \$135M/5	(can reduce total cost by doing selected pieces of the package – costs listed under Medicaid for SSI and disability both stem from restoring SSI)	HR 3192 Bill introduced for Food Stamp restoration	S1805 Bill introduced for Food Stamp restoration	- Food Stamp restoration is part of the bi-partisan Hunger Relief Act. - The restoration of Medicaid/SCHIP for immigrants was included in the Kennedy-Frist FamilyCare Amendment to the marriage penalty bill, but it was defeated. (R's in support were Chafee, Collins, Dewine, Jeffords, Snowe and Specter).

(PRIORITY 1 CONTINUED)

Initiative	Description	Proposed	Minimum Acceptable	House	Senate	Additional Information
<u>Housing vouchers</u>	\$690 M for 120,000 new housing vouchers to help America's hard-pressed working families, in the following order of priority: • 32,000 vouchers targeted to families moving from welfare to work • 10,000 vouchers to low-income families moving to new housing constructed through the Low Income Housing Tax Credit (LIHTC). • 18,000 vouchers targeted to the homeless • 60,000 vouchers allocated to local areas to help address the large unmet need for affordable housing	\$690 M	100,000 vouchers with 30,000 for welfare to work and 10,000 for LIHTC housing.	\$0	No action	
	Voucher Success Fund (\$50 M) to provide assistance to families using vouchers to promote access to job, mobility, housing choice and deconcentration of poverty.	\$50 M	\$50 M	\$0	\$0	• The House VA/HUD appropriations bill has alternative language to allow Public Housing Authorities to use up to 6 months of housing assistance per family (about \$500 per month, totaling \$3000 which is the average cost of such assistance in pilot programs). This is a viable alternative if there is no new money.

(PRIORITY 1 CONTINUED)

Initiative	Description	Proposed	Minimum Acceptable	House	Senate	Additional Information
<u>IDAs/Transportation</u>	Allow working families to use Individual Development Accounts to save for a car that will allow them to get or keep a job.	NO COST under OMB scoring	N/A	No action	No action	• Presidential event in 2/00 highlighted transportation proposals with a focus on cars. • Language transmitted 6/00 as part of IDA amendments.
<u>IDAs/Assets for Independence Act funding</u>	The President's budget provides an additional \$15 M for a total of \$25 M for IDAs in FY 2001 to create over 20,000 new accounts.	\$25 M [increase of \$15 M]	\$20 M	\$10 M	\$10 M	• If no additional money, we must get the amendments regarding cars, etc. • President highlighted during 2/23 transportation event.

PRIORITY 2 INITIATIVES

Initiative	Description	Proposed	Minimum Acceptable	House	Senate	Additional Information
<u>Nutrition (WIC)</u>	The budget proposes to support the Women, Infants, and Children (WIC) Program with \$4.1 B to serve 7.5 M people in 2001.	\$4.1 B	\$4.1 B	No action	No action	Fulfills the President's goal of full participation, making sure that all who are eligible may take part in WIC.
<u>English Literacy/Civics Initiative</u>	The Clinton-Gore budget requests \$75 M for the English Language/Civics Initiative -- a nearly \$50 M increase to help an additional estimated 250,000 LEP individuals. This program helps states and communities provide limited English proficient individuals with expanded access to quality English-language instruction linked to civics and life skills instruction, including understanding the U.S. government system, the public education system, the workplace, and other key institutions of American life.	\$75 M [increase of nearly \$50 M]	\$50 M	\$25 M	\$0	- House report language refers to conference language from last year's report. 1) Funding this year should fall under Leadership Activities within the appropriation for Adult Ed. and Family Literacy in WIA. 2) Last year's language prescribes a funding formula to states; if we get more than \$25.5 M, we prefer most or all of the increase to be for competitive grants to community-based groups. - Mentioned in the June Hispanic Education Conference. - FY00 grants were announced for Independence Day 2000. - A broad coalition of immigration, literacy, and education groups is pushing this on the Hill.

(PRIORITY 2 CONTINUED)

Initiative	Description	Proposed	Minimum Acceptable	House	Senate	Additional Information
<u>Responsible Reintegration for Young Offenders</u>	President's budget requested \$75 M in the Department of Labor to help young offenders (under age 35) successfully reintegrate into the mainstream economy through competitive grants to partnerships between the criminal justice system and local workforce investment systems.	\$75 M	\$30 M	\$14 M	\$30 M	This effort will be operated in conjunction with related \$60 M proposal in DOJ that focuses on community safety and the supervision of ex-offenders, and will be supported by \$10 M in SAMHSA targeted capacity expansion grants.
<u>Substance Abuse Prevention & Treatment</u>	President's budget requested \$248 M for Targeted Capacity Expansion (TCE) Grants to support substance abuse prevention (\$163M) and treatment (\$85M).	\$248 M	\$230 M?	\$219 M (est.)	\$204 M	Note: House combines TCE grants with Knowledge, Development and Application grants so House figures are estimates.
<u>Tax Proposals to Encourage Philanthropy</u>	Making it Easier for Foundations to Give In Times of Need. The President's budget will allow more funds to reach those in need by simplifying and reducing the excise tax on foundations. The President's proposal will eliminate the current two-tier system and set the excise tax rate at 1.25 percent. This simplification will remove a disincentive to foundation giving and make available more gifts to community organizations in times of need.	\$338 M/ 5 years (\$758 M/ 10 years)	(same)	No action	No action	- Foundations currently face a two-tier excise tax: first, a 1 percent tax on investment income; second, an additional 1 percent tax for foundations that do not maintain their rate of giving over a five-year average. - The current mechanism is complicated and reduces giving in certain cases, since boosting gifts in times of need exposes foundations to higher taxes if, after the need has passed, their rate of giving drops to lower levels.
	Enabling Nonitemizers to Take a Tax Deduction for Charitable Contributions. President's budget will allow nonitemizer taxpayers to claim a 50 percent deduction for charitable contributions above \$500 a year when fully phased in. This proposal will boost contributions to charitable organizations and improve tax fairness by giving nonitemizers the same opportunity to deduct contributions as itemizers.	\$4 B/ 5 years (\$14 B/ 10 years)	(same)	No action	No action	

(PRIORITY 2 CONTINUED)

Initiative	Description	Proposed	Minimum Acceptable	House	Senate	Additional Information
<u>(Tax Proposals to Encourage Philanthropy continued)</u>	Allow Greater Contributions of Appreciated Property to Charities. The President's budget will also make it easier for individuals to donate appreciated assets like stocks, art and real estate. The President's budget simplifies and eases current limitations by increasing the AGI limit on appreciated property from 30 to 50 percent, and the limit for donations of appreciated property to private foundations from 20 to 30 percent.	\$115 M/ 5 years (\$159 M/ 10 years)	(same)	No action	No action	• Under existing law, individuals donating appreciated assets can take a tax deduction that is limited to 30 percent of adjusted gross income (AGI); for gifts made to private foundations, the deduction is capped at an even more stringent 20 percent AGI. These multiple limitations are complex and can place burdens on individuals who choose to give substantial portions of their incomes to charity.
<u>Tobacco</u>	Youth Assessment. The Administration's budget will cut youth smoking in half by charging the tobacco industry a \$3,000 assessment for every smoker under age 18 starting in 2004 only if youth smoking has not been cut in half and would remain in effect until the youth smoking reduction goal has been met. 25 cent per pack cigarette tax. The Administration's budget includes a 25 cents per pack excise beginning in FY 2001, to raise further the price of tobacco products from the 45 cent increase agreed to by the states and the industry in 1998. In addition to raising the price of cigarettes by 25 cents a pack, the Administration's budget will include comparable increases in the price of other tobacco products such as smokeless tobacco and cigars, and will move an already legislated 5 cents per pack cigarette increase from January 1, 2002 to October 1, 2000.	+\$31.6 B (FY04 – FY08) net revenue effect of combined excise tax and assessment	(same)	No action	No action	• These youth smoking assessments will provide a strong incentive for tobacco companies to reduce sales to minors and eliminate advertising encouraging children to smoke. • This tax increase will help reduce youth smoking and help achieve the Administration's goal of cutting youth smoking in half.

(PRIORITY 2 CONTINUED)

Initiative	Description	Proposed	Minimum Acceptable	House	Senate	Additional Information
(Tobacco continued)	Increases for tobacco-related health, prevention and enforcement. The FY01 Budget includes a \$16 M increase in funding for tobacco-related health activities (not including the Medicaid cessation proposal). Increases include: ▪ +\$5 M for FDA for a total of \$39 M: In light of the Supreme Court's conclusion that the Food and Drug Administration (FDA) does not have the authority under current law to continue its efforts to reduce underage use of tobacco products, the President has called on the Congress to enact legislation to provide FDA with the authority to protect our nation's children. ▪ +\$5 M for CDC for a total of \$103 M: CDC will strengthen its tobacco control efforts promoting state and community based tobacco prevention and education programs and related research. ▪ +\$6 M for ATF for a total of \$14 M: ATF will increase its current tobacco compliance efforts by 70 percent, including expanded efforts to deter illegal trafficking and cross border smuggling of gray market cigarettes.	\$39 M [increase of \$5 M] \$103 M [increase of \$5 M] \$14 M [increase of \$6 M]	? ? ?	\$0 (\$103 M) No increase	\$0 (\$103 M) No increase	• The Administration strongly encourages Congress to include the \$39 M in the President's request and support FDA authority, making it clear to the American people that Congress plans to protect our nation's children. • Both House and Senate have fully funded the Chronic Disease line item under which this initiative falls. Full funding of the tobacco efforts in particular, however, is not guaranteed.

(PRIORITY 2 CONTINUED)

Initiative	Description	Proposed	Minimum Acceptable	House	Senate	Additional Information
<u>(Tobacco continued)</u>	Medicaid cessation benefit. The Administration's budget will ensure every state Medicaid program covers both prescription and non-prescription smoking cessation drugs, removing a special exclusion now in law and requiring states to cover these drugs as they cover all other FDA-approved drugs.	\$66 M/ 5 years	?	No action	No action	• Through this proposal, the Administration will ensure Ms of low-income Americans have access to medical treatments that will help them break their addiction to tobacco.
	Recover tobacco-related health care costs. The Administration firmly supports the Department of Justice's litigation to recover federal tobacco-related health costs, and his budget contains funds to pay the necessary legal costs. In addition to any remedies imposed by the court to advance public health, recoveries from the litigation will be used to assist tobacco farmers and their communities, to pay federal tobacco related health costs, and to enhance the security of Medicare and Social Security for future generations.	\$22 M	?	No action	No action	• \$10 M for DOJ and \$12 M for other agencies (HHS, VA and DoD will reimburse DOJ \$4 M each). • Reprogramming requirements that exist in appropriations bills restrict our ability to fund this initiative.

PRIORITY 3 INITIATIVES

Initiative	Description	Proposed	Minimum Acceptable	House	Senate	Additional Information
<u>Transportation</u>	Double Access to Jobs transportation funding to \$150 M to expand grants to communities to develop innovative public transportation solutions that help more low-income workers and welfare recipients get to work.	\$150 M [increase of \$75 M over prior level; increase of \$50 M over guaranteed level]	\$100 M	\$100 M	\$100 M	• Guaranteed at \$100 M. • We strongly protest the fact that over 50% of funds have already been earmarked.
<u>Food Stamps</u>	Food Stamp Outreach/Education. The budget includes \$10 M for USDA to enhance nutrition security for low-income Americans through a multi-faceted education and outreach campaign.	\$10 M	\$10 M	\$10 M	\$10 M	• This funding is included in mandatory food stamp money. No restriction currently exists to engage in these activities, so we are keeping a low profile on this one. • Unlikely Congress will go along with the Administration's proposal for funding an additional \$50 M.

July 21, 2000

MEMORANDUM FOR BRUCE REED AND BARBARA CHOW

**FROM: ANN O'LEARY
HEATHER HOWARD
ERIC MORSE**

**CC: KARIN KULLMAN
ANNA RICHTER**

SUBJECT: LEGISLATIVE PRIORITIES – CHILDREN & FAMILIES TEAM

Below please find a summary of authorizing and appropriations priorities for issues covered by the Children and Families team.

AUTHORIZATION PRIORITIES

Reauthorization of the Corporation for National Service: The CNS reauthorization bill, S. 2794, was marked-up and passed out of the Senate HELP Committee on Friday, July 21, 2000. Senators Jeffords and Kennedy have made an agreement with Daschle and Lott to try to get it passed on the Senate Floor next week under UC. The House, however, has no plans to take up this bill. Chairman Goodling has been clear that he does not support this reauthorization and does not plan to schedule a mark-up. The House Leadership, led by Army and Delay, has also continually expressed their distaste for this bill. The Administration needs to formulate a House strategy to pass the reauthorization without going through committee.

Reauthorization of the Violence Against Women Act: VAWA II has passed out of the Judiciary Committees in both the House and Senate, but has not yet been scheduled for floor action. Currently, there are no clear vehicles in the Senate. There have been some rumors of adding VAWA reauthorization to the Trafficking bill, but the Administration is concerned about holding up Trafficking due to VAWA. The House was prepared to move VAWA under suspension this past week, but the bills became bogged down in both the Commerce and Education and Workforce Committees, which have jurisdiction over the HHS programs. The Administration needs to work to get the committees to either waive jurisdiction or quickly move VAWA.

Breast and Cervical Cancer Treatment Act: This bill provides a new Medicaid treatment option for low-income women diagnosed with breast or cervical cancer through the Federal screening program. The proposal was included in the President's budget. The authorization bill passed the House in May and was approved by the Senate Finance Committee in June, but there is no clear vehicle for floor consideration, and no indication from the leadership of when it will move.

Hate Crimes: The Hate Crimes bill passed the Senate in June as an amendment to the Defense Authorization bill. Pre-Senate version is pending in the House. Our strategy has been to try to push Hastert into bringing the bill to the Floor, and then work to adopt the Senate version in conference (Mary Smith is handling this issue, but keeping us informed).

BUDGET PRIORITIES: LABOR-HHS-ED

HHS

Child Care Development Block Grant

President's Request: \$2 billion
House: \$1.583 billion (\$417 million below request)
(Includes \$50 million for infant and toddler set aside, does not include the requested \$10 million research and evaluation set aside)
Senate: \$2 billion
(Includes \$100 million for infant and toddler set aside, but takes the additional \$50 million out of the quality set-aside and does not include the \$10 million research and evaluation set aside)
Bottom Line: The \$817 million increase is the most important child care priority for the child care advocates. It demonstrates a continued commitment to cover more eligible children and shows that we are serious about the Federal investment in child care. As you know, Senator Specter committed to providing the additional \$817 million to the FY00 negotiations. Beyond the \$817, it is important to get both the infant/toddler set aside and the research/evaluation set aside. The \$100 million in the Senate is preferable if the additional \$50 million came out of the larger pot (the \$817) rather than the quality set aside.

Head Start

President's Request: \$6.3 billion
House: \$600 million less than President's request
Senate: \$6.3 billion
Bottom Line: \$6.3 billion – In order to reach 950,000 and continue to move toward the President's goal of serving 1 million children, we need to fight for the \$1 billion increase.

Child Welfare Monitoring

President's Request: \$164.4 million
House: \$147.9 million (FY00 level)
Senate: \$157.1 million (funding for current services, but not for monitoring)
Bottom line: \$164.4 million – In January 2000, the Administration for Children and Families issued final regulations to improve monitoring for child welfare

services. This new system increases accountability by focusing on outcomes for children and families. The first 17 states to be reviewed were just notified and ACF is beginning preparations. Without the additional funding requested by the President, however, ACF will not be able to implement the full-scale monitoring process. This new monitoring could revolutionize the accountability system in child welfare and we need to fight for this full investment.

Title X Family Planning

Request: \$274 million (\$35 million increase)
House: \$239 (level funding)
Senate: \$254 million
Bottom line: At a minimum, the Senate level of \$254 million, but push for the Administration's full \$35 million increase. The full increase would provide family planning services to an additional 500,000 clients who are neither Medicaid eligible or have private health insurance.

VAWA

Battered Women's Shelters
Request: \$116.9 million
House: \$101.1 million
Senate: \$116.9 (Administration's request)

Adoption Bonus Awards

President's Request: \$41.7 million
House: \$43 million
Senate: \$41.79 million
Bottom Line: Due to a legislative fix, \$22.5 million of FY00 funds were used to pay for 1999 bonus awards due to a shortfall. As a result, this year the Department is short \$36 million for bonus awards and expects to be short \$14 million for next year. In order to get back on track, we would need to add an additional \$50.6 million to the \$41 million Presidential request for a total of \$92.3 million.

Family Planning Rider

Strike the Helms amendment in the Senate Labor-H bill. It prohibits the distribution of emergency contraceptives at health clinics in primary and secondary schools. Decisions about what services to provide at school clinics are currently made at the local level. The Helms amendment interferes with local control.

ED

After School

President's Request: \$1 billion
House: \$600 million
Senate: \$600 million
Bottom Line: \$1 billion – Without the \$1 billion investment, we will not be able to live up to the President's commitment to provide every child in a failing school the opportunity to participate in an enriching afterschool program through the 21st Century Community Learning Centers.

Early Childhood Professional Development

President's Request: \$30 million
House: zero
Senate: zero
Bottom Line: \$30 million – This initiative is the only early childhood funding focused on quality. Without the Early Learning Fund, we need to push for quality through alternative avenues. This grant would provide critical funding for the professional development of child care professionals and early childhood educators.

Labor

Paid Leave Planning Grants to States

President's Request: \$20 million in DOL Departmental Management Account
House: zero
Senate: zero
Bottom Line: If the Administration could get \$10 million for these planning grants, it would provide some seed money for States and regions to continue exploring this important next step in proving family leave – paid leave for those who cannot afford to take unpaid leave. Unfortunately, we inadvertently left it out of the Labor-H SAP, but it remains on OMB's list of priorities.

NOTE: As you know, a Maloney (D-NY) amendment to authorize funds for a study exploring means by which Federal employees can be provided at least 6 weeks paid parental leave upon birth or adoption of a child passed on the House Treasury-Postal Appropriations bill yesterday.

Commerce-Justice-State

Violence Against Women

Request: \$296 million
House: \$284 million

Senate: \$285 million

Bottom Line: \$296 million – This includes funding for STOP grants to law enforcement partnerships, as well as legal assistance grants.

Jacki Sylvia

Even with the shortfalls in our health priorities, the Republicans have dedicated over \$1 billion more than our priorities -- ~~not~~ including their \$1.7 billion plus up in NIH funding.
in health spending **HEALTH LABOR-HHS ISSUES: 7/24** (Tee's chart / my edits)

et

Tipper
prevention
proposal

ISSUES	SAP 7/17	Podesta Letter	Status	Comments
Funding				
SCHIP Funding Shift	✓		OK	
Tobacco Litigation	✓		Not in (\$4 m)	High priority
Family Caregivers very popular	✓	✓	Not in (\$125 m)	High priority; part of LTC initiative; Gore proposal
Ryan White / HIV AIDS, Global	✓	✓	At request	Rs added \$8 to request
Health Care Access (safety net) very popular	✓	✓	Not in (\$125 m)	CHC opposition is problem; getting letter Monday; could accept \$50-75
Mental Health Services	✓		Short \$20 m	High priority; Gore proposal
Substance Abuse	✓		OK	Rs added \$4 m to request
Family Planning	✓		Short \$35 m	High priority
Children's Hospitals	✓		OK	Rs added \$45 to request
Ricky Ray	✓		OK	Rs added \$5 to request
CDC	✓		OK	Well above request (Check on \$5 m for NCHS)
Bioterrorism	✓		OK	
AHRQ	✓		OK	Rs added \$20 m to request
HCFA program management	✓		Short \$20 BA \$139 user fees	\$14 is for NH survey & cert HHS is working on getting user fees / figuring out alt.
Rural health outreach	✓		OK	Rs above request
CBC AIDS			\$15 of \$30 shortfall in MH is CBC	H Dems want +\$90
Office of Civil Rights			Short \$3	Important to privacy reg
Language				
PBOR	✓	✓		High priority
Medicare Lockbox	✓			High priority
Genetic Discrimination	✓			Medium priority
Needle Exchange	✓			High priority
Abortion	✓			Medium priority
Emergency Contraception	✓			Medium priority
NH Restraints / Seclusions	✓			Medium to low priority
HHS 1% Transfer	✓			Medium priority
Unique Health Identifiers	✓			Medium priority
Medicare Competitive Pricing Demo	✓			Medium to low priority

FY 01 APPROPRIATIONS PRIORITIES - CRIME TEAM

	Budget Request	Lowest Acceptable Level
National Gun Enforcement Initiative	\$280 million	\$270 million
Treasury	\$94 million	\$94 million
Justice	\$186 million	\$176 million
COPS (21st Century Policing Initiative)	\$1.325 billion	\$1.21 billion
Hiring	\$650 million	\$650 million
State and Local Prosecutors	\$200 million	\$170 million
Law Enforcement Technology	\$350 million	\$350 million
Community Crime Prevention	\$125 million	\$40 million
Drug Testing/Treatment for Offenders	\$215 million	\$165 million
State Drug Testing and Treatment	\$100 million	\$50 million
Drug Courts	\$50 million	\$50 million
Substance Abuse Treatment	\$65 million	\$65 million
Project Reentry	\$60 million	\$20 million
Strengthening NICS and Brady Checks	\$75 million	\$55 million
NCHIP	\$70 million	\$50 million
NIN	\$5 million	\$5 million
OTHER ITEMS:		
COPS reauthorization		
.08 BAC drunk driving provision		

FY 01 Appropriations Memo
Crime Team
7-21-00

Highest Priority Budget Items

(1) National Gun Enforcement Initiative -- \$280 million total proposed

- Treasury Department: \$94 million proposed for 500 ATF agents and inspectors, ballistics testing (NIBIN), and tracing-related initiatives. We received full funding in House bill and were underfunded by about \$20 million in Senate mark. Senate appropriators are generally supportive of this request, so we should insist on the House-passed level. We should try to get all funding as direct appropriations into the base and no funding out of asset forfeiture funds. **Lowest acceptable level for Treasury portion is \$94 million proposed.**
- Justice Department: \$186 million proposed for: (1) 1,000 state and local gun prosecutors; (2) nearly 100 federal gun prosecutors; (3) smart gun research; (4) local anti-gun violence media campaigns; and (5) ballistics testing (FBI). The House bill only provides funding for federal gun prosecutors (\$15 million). The Senate mark only funds our ballistics increase (\$1.3 million). We should insist on full funding for federal gun prosecutors and ballistics. We should try to get full funding for smart gun research (\$10 million) and insist on full funding for our state and local gun prosecutors (\$150 million) to fund 1,000 state and local gun prosecutors. Fighting for gun prosecutors may be our leading debate point during negotiations on the CJS bill. We also need to be sure that the gun prosecutors (federal and local) are not restricted to prosecuting only a handful of specific gun offenses. **Lowest acceptable level for Justice portion of initiative is \$176 million.**

Lowest acceptable level for entire initiative is \$270 million. At this level, we will fund the largest increase in ATF's history, with 500 ATF agents and inspectors, fund 1,000 more federal, state and local gun prosecutors, and dramatically expand law enforcement's ability to track gun criminals with crime gun tracing and ballistics testing.

(2) COPS (21st Century Policing Initiative) – \$1.325 billion proposed

The COPS initiative as proposed is: (1) \$650 million for hiring and hiring-related expenses; (2) \$200 million for state and local gun and community prosecutors; (3) \$350 million for law enforcement technology; and (4) \$125 million for community crime prevention.

- Hiring. This is the highest priority within the entire initiative as it will fund the hiring of our next installment of officers toward the 50,000 officers goal. The House-passed level of \$435 million would fund 1,000-2,000 fewer officers in FY 2001 than our proposal. The Senate level provides close to the Administration's request, but contains language on school resource officers and COPS MORE that could decrease the number of officers we could fund with the money. We should insist on our \$650 million proposed level to reach our full hiring goal and remove restrictive language on hiring. Within the total for "hiring-related funds", we should push for funding the \$20 million we did not receive last

year for a new police officer scholarship program -- the proposal is strongly supported by both police union and management groups. **Lowest acceptable level is the proposed level of \$650 million.**

- **State and local prosecutors.** Historically, this has been one of the hardest parts of the initiative to fund. Last year, we received \$10 million of our \$200 million community prosecutors request. Neither the House nor Senate bill provide any funding for this proposal. Since community prosecutors (\$50 million) and gun prosecutors (\$150 million) are now combined, we should insist on a higher level for this portion of the initiative. **Lowest acceptable level is \$170 million** -- \$150 million for gun prosecutors (see above) and \$20 million for community prosecutors (doubles current program).
- **Law enforcement technology.** The House provides \$130 million and the Senate provides \$230 million for this proposal. The Senate has provided earmarks much of what would be otherwise be discretionary grants for DOJ. This is critical funding for law enforcement and we should try to get the entire amount. We also should try to ensure that some of the final technology funding is discretionary for DOJ. **Lowest acceptable level is \$350 million proposed.**
- **Community crime prevention.** We did not receive any of this funding in FY 00. Within the \$125 million we proposed are some smaller initiatives to strengthen police and community relations, an important issue for this Administration. This year, we should try to get \$5 million for a police recruitment initiative, \$20 million for a police integrity training initiative, and \$5 million for citizen problem-solving academies. We should also push for \$10 million to help end the resale of used police weapons. **Lowest acceptable level is \$40 million.**

The House and Senate bills contain between \$140 million and \$20 million, respectively of "unobligated" FY 00 balances from hiring to fund FY 01 COPS programs. COPS estimates that there will be no unobligated balances since demand for hiring is high, so final funding amount should all be new appropriated funds. **Lowest acceptable level for entire initiative is \$1.21 billion.**

COPS Reauthorization: Senator Biden may offer his amendment to reauthorize COPS program for another five years onto CJS. If he is successful in passing the amendment, retaining the authorizing language should be a top priority in negotiations.

(3) Drug Testing and Treatment for Offenders ("Stop Drugs Stop Crime") -- \$215 million proposed. This is a three-part initiative: (1) \$100 million for States to drug test and provide treatment to offenders under criminal justice supervision; (2) \$50 million for drug courts; and (3) \$65 million for residential substance abuse treatment (RSAT) funding for state inmates with hardcore drug problems. A total of \$112 million of the proposal is new funding. **Lowest acceptable level is a total of \$165 million:** (1) \$50 million for State drug testing and treatment; (2) \$50 million for drug courts; and (3) \$65 million for RSAT. This level will provide the first funding for a new State drug testing and treatment program -- something the Administration has been pushing for years, a 25 percent increase for the successful drug court

program and a small increase for RSAT. We should push hard for the \$50 million for State drug testing and treatment even if appropriators allow States to use a percentage of their prison construction funding for the same purpose.

(4) Project Reentry -- \$60 million proposed. This is a new proposal to provide greater community supervision to the millions of offenders who will be released from incarceration in the coming years. There is a complementary funding piece of this proposal in the Labor Department budget which has a lowest acceptable level of \$30 million. The House did not fund this initiative. The Senate CJS bill provides \$7 million for the reentry proposal. **Lowest acceptable level of funding is \$20 million.**

(5) Strengthening NICS and Brady Checks -- \$75 million. Our budget proposes to double the current funding from \$35 million to \$70 million for state criminal history records improvement through a Justice Department program called NCHIP. The budget also provides \$5 million in new funds for a National Instant Notification System (NIN) for the FBI to contact state and local law enforcement for gun sales denied by the NICS to felons and other prohibited purchasers. **Lowest acceptable level of funding is \$55 million,** \$50 million for NCHIP and \$5 million for NIN.

Non- Funding Budget Bill Item:

Drunk Driving -- .08 BAC (no funding required)

The Senate-passed FY 01 Transportation Appropriations bill contains a Lautenberg/Shelby amendment to help set a national impaired driving standard at .08 blood alcohol content (BAC). The House-passed bill does not contain a similar provision, although House Appropriations Subcommittee Chairman Wolfe (who is also the Chairman of the conference) is a strong supporter of the measure. The House Republican leadership will try to strip this provision in conference. Retaining this provision in the final bill should be a top Administration priority.

AUTHORIZING LEGISLATION PRIORITIES
CRIME TEAM
7-31-00

(1) Gun Safety Legislation

SUMMARY: The key provisions of this legislation would require background checks at gun shows; mandate child safety locks with every handgun sold; ban the importation of high capacity ammunition clips; and bar the most violent juvenile offenders from possessing guns as adults.

STATUS: These measures were all included as part of the Administration's omnibus gun bill, the Youth Crime Gun Enforcement Act, that was introduced last spring by Rep. Conyers and by Senator Schumer. The proposals were passed as part of the Senate Juvenile Justice bill last spring with a tie-breaking vote by Vice President Al Gore, but failed to pass in the House. The Juvenile Justice legislation is now in conference, but the conferees have only held one meeting largely because of the contentious nature of the gun issues, particularly the gun show provisions. Rep. Conyers and Chairman Hyde have been attempting to work out a compromise on the gun provisions with the Administration's assistance, but none has been reached yet. The Administration has talked with Rep. Conyers' staff about the possibility of convening a meeting at the White House with Chairman Hyde after the August recess to work out our differences, but nothing has been scheduled.

(2) COPS Reauthorization

SUMMARY: The Administration's COPS Reauthorization bill would extend the COPS program created in the 1994 Crime Act through FY 2005. The legislation would fund the hiring of up to 50,000 more officers on the street; provide law enforcement with the latest crime-fighting technologies; provide \$200 million to hire new community prosecutors; and authorize new community crime prevention funding.

STATUS: Senator Biden and Rep. Weiner have introduced the Administration's COPS bill in Congress with some minor differences. For example, the Biden/Weiner legislation does not include community crime prevention funding and allows up to 50% -- instead of 5% proposed by the Administration-- of the hiring grants to be used for grants to retain officers already hired. The President formally endorsed the Biden/Weiner bill last fall. Attempts failed in both the House and the Senate to attach COPS Reauthorization to the Juvenile Justice bill last year. Senator Biden plans to offer his bill as an amendment to the Senate Commerce, Justice, State bill in September.

(3) Violent Crime Reduction Trust Fund (VCRTF) Reauthorization

SUMMARY: This legislation would extend the Violent Crime Reduction Trust Fund (VCRTF) first authorized in the 1994 Crime Act through FY 2005. The VCRTF creates a "lock box" to protect over \$6 billion each year through FY 2005 for law enforcement programs and to secure

federal law enforcement funding so that local communities can better plan their budgets through 2005. This legislation is a high priority for national law enforcement organizations.

STATUS: Senator Biden introduced this legislation this year, and he included the language in the Violence Against Women Act (VAWA) bill that passed the Senate Judiciary Committee last month. However, the VAWA legislation passed in the House Judiciary Committee this year without the VCRTF language. Senator Biden also plans to introduce his VCRTF proposal as an amendment to the Senate Commerce, Justice, State appropriations bill in September.

(4) Drunk Driving .08 BAC

SUMMARY: This legislation proposed by Senator Lautenberg and Rep. Lowey would help to set a national impaired driving standard at .08 blood alcohol content (BAC). Currently, 18 States have adopted .08 BAC as the impaired driving standard. The bill language under consideration would give states three years to adopt .08 BAC as the impaired driving standard or risk losing a portion of their highway construction funds. President Clinton announced his support for the legislation in March 1999.

STATUS: On June 28, 2000 the Senate passed the FY 2001 Transportation Appropriations bill, which included language by Senators Lautenberg and Shelby that would set a national drunk driving standard at .08 BAC. The House-passed bill does not contain a .08 provision. Congressman Wolf supports the measure and will chair the transportation appropriations conference, which will likely take place in early September. Strong opposition is expected from the alcohol lobby, who managed to defeat the measure in House-Senate conference in 1998.

(5) Death Penalty -- DNA Testing/Competent Counsel

SUMMARY: Senator Leahy introduced the "Innocence Protection Act" earlier this year to provide post-conviction DNA testing for inmates and competent counsel for capital case defendants. The "Innocence Protection Act" contains a number of other provisions relating to the death penalty such as a prohibition on the Attorney General from seeking the death penalty in States that do not have this penalty under State law. While the Administration has not endorsed the "Innocence Protection Act", the Administration has been working with Leahy staff to develop a slimmed down version of the legislation that could get bipartisan support and the support of Senator Feinstein. The revised bill would focus solely on DNA testing and competent counsel, and would remove the original bill's grant conditions and replace them with funding incentives for States to implement the provisions.

STATUS: The House and Senate have not held hearings on the Innocence Protection Act, but there is some Judiciary Committee movement on DNA legislation. Senator Leahy's staff believes there is a chance that Hatch could try to move his post-conviction DNA testing bill, and that it is critical to tie competent counsel provisions to the DNA legislative vehicle. Senator Feinstein has presented Senator Hatch with a competent counsel grant program developed by the Justice Department and generally approved by Leahy staff to see if Hatch is willing to accept it as part of his DNA bill. At last check, Hatch had not given Feinstein any response to the proposal.

Current Status of FY2001 Appropriations Bills

Last update: 07/20/00 13:12:22

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Bill No.	Subcommittee Approval		Committee Approval		House Passage	Senate Passage	Conf. Report	Conf. Report Approval		Public Law
	House	Senate	House	Senate				House	Senate	
Agriculture H.R. 4461 S. 2536	5/4/00 (vv)	5/4/00 (vv)	5/10/00 (vv) H.Rept. 106-619	5/9/00 (vv) S.Rept. 106-288	7/11/00 (339-82)					
Commerce, Justice, State H.R. 4690	6/6/00 (vv)		6/19/00 H.Rept. 106-680	7/18/00 (28-0) ¹¹	6/7/00 (214-195)					
Defense H.R. 4576 S. 2593	5/11/00 (vv)	5/17/00 (vv)	5/25/00 (vv) H.Rept. 106-644	5/18/00 (28-0) S.Rept. 106-298	6/7/00 (367-58)	6/13/00 (95-3) ³	7/17/00 H.Rept. 106-754	7/19/00 (367-58)		
District	7/13/00 10									
Energy and Water H.R. 4733	6/12/00 (vv)	7/13/00 (vv) ⁹	6/20/00 H.Rept. 106-693	7/18/00 (28-0) ¹²	6/28/00 (407-19)					
Foreign Ops H.R. 4811 S. 2522	6/20/00	5/8/00	6/27/00 (vv) H.Rept. 106-720	5/9/00 (vv) S.Rept. 106-291	7/13/00 (239-185)	7/18/00 (uc) ⁶	3			
Interior H.R. 4578	5/17/00 (vv)	6/20/00 5	5/25/00 (31-22) H.Rept. 106-646	6/22/00 (28-0) S.Rept. 106-312	6/16/00 (204-172)	7/18/00 (97-2) 13				
Labor, HHS, Ed H.R. 4577 S. 2553	5/10/00 (8-6)	5/10/00 (vv)	5/24/00 (29-22) H.Rept. 106-645	5/11/00 (28-0) S.Rept. 106-293	6/14/00 (217-214)	6/30/00 (52-43) 8				
Legis Branch H.R. 4516 S. 2603	5/3/00 (6-3)		5/9/00 (31-23) H.Rept. 106-633	5/18/00 (28-0) S.Rept. 106-304	6/22/00 (373-50)	7/17/00 (uc) ²				
Military Const. H.R. 4425 S. 2521	5/2/00 (uc)	5/8/00	5/9/00 (vv) H.Rept. 106-614	5/9/00 (vv) S.Rept. 106-290	5/16/00 (386-22)	5/18/00 (96-4) ¹	H.Rept. 106-710 7	6/29/00 (306-110)	6/30/00 (uc)	7/13/00 P.L. 106-246
Transportation H.R. 4475 S. 2720	5/8/00 (vv)	6/13/00	5/16/00 (vv) H.Rept. 106-622	6/13/00 S.Rept. 106-309	5/19/00 (395-13)	6/15/00 (99-0) ⁴				
Treasury	7/11/00 (vv)	7/19/00 (vv)	7/18/00 (vv) H.Rept. 106-756							
VA/HUD H.R. 4635	5/23/00 (vv)		6/7/00 (vv) H.Rept. 106-674		6/21/00 (256-169)					

Roll call votes are given within parentheses; vv = voice vote; uc = unanimous consent.

FOOTNOTES

¹ Senate passed H.R. 4425, after striking all after the enacting clause and inserting in lieu thereof the text of S. 2521, as amended. See the Congressional Record, 5/18/00, pages S4122 - S4170.

² On July 17, 2000, the Senate passed H.R. 4516 by unanimous consent, after incorporating the text of S. 2603, as amended. See the Congressional Record, 7/17/00, p. D756. Earlier, on May 25, 2000, by a vote of (98-2) (vote #114), the Senate agreed to the motion to advance S. 2603 to the third reading, and subsequently the bill was engrossed and returned to the Senate calendar.

³ The Senate passed H.R. 4576, after striking all after the enacting clause and substituted the language of S. 2593.

⁴ The Senate passed H.R. 4475 as amended.

⁵ Senate subcommittee on Appropriations approved H.R. 4578, as amended.

⁶ The Senate passed H.R. 4811, after striking all after the enacting clause and inserting the text of S. 2522, as amended. See Congressional Record, 7/18/00, pages S7121 - S7142. Earlier, on 6/22/00, by a vote of (95-4), the Senate amended and advanced S. 2522 to the third reading, and returned it to the Senate calendar.

⁷ Supplemental spending was also included in the Military Construction conference report for Plan Colombia, Kosovo, defense needs, military health programs, home energy assistance, and disaster relief.

⁸ On 6/30/00, the Senate passed H.R. 4577, as amended.

⁹ On 7/13/00, the Senate Appropriations subcommittee on Energy and Water Development approved H.R. 4733, with an amendment in the nature of a substitute, by voice vote.

¹⁰ House Appropriations subcommittee on District of Columbia approved a draft bill.

¹¹ Senate Appropriations Committee ordered H.R. 4690 to be reported favorably, with amendments.

¹² The Senate Appropriations Committee reported H.R. 4733, with an amendment in the nature of a substitute, without written report.

¹³ The Senate passed H.R. 4578, after agreeing to a committee amendment in the nature of a substitute, adding additional amendments. See Congressional Record, 7/18/00, pages S7085 - S7103.

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STATUS OF CONGRESSIONAL TAX BILLS

July 19, 2000

	HOUSE	SENATE	
Marriage Penalty	\$183 billion, passed.	\$248 billion, passed. Adds to House bill in (1) also doubles the width of the 31 percent bracket; (2) AMT relief; and (3) more generous EITC marriage penalty.	Has gone to Conference. They plan to pass a final bill and send it to the President this week. In a statement the President said he would veto.
Estate Tax	\$104 billion repeal, passed.	Identical \$104 billion repeal passed.	They plan to send the bill to the President in September. In a statement the President said he would veto.
Minimum Wage / "Small Business"	\$122 billion passed. Mostly estate tax, Portman-Cardin pensions, and so-called "small business" provisions.	\$103 billion passed. Mostly "small business," long-term care and health insurance deduction, and Portman-Cardin.	They have not gone to conference because the Senate bill is attached to bankruptcy. We have veto threats on both.
Patients Bill of Rights	\$49 billion passed. Includes MSAs, long-term care deduction.	\$30 billion passed. Includes MSAs, long-term care deduction.	Part of PBOR process.
Affordable Education		\$22 billion. Education savings account.	Veto threat.
Communications Excise Tax	\$51 billion, passed.	\$51 billion, passed as an amendment to the estate tax and then stripped off.	We have said this is good policy but should only be done as part of a fiscally disciplined framework.
Pensions	\$54 billion, passed.	(Passed a \$19 billion component as part of minimum wage.)	Strongly opposed. Senate action is uncertain, but more likely after the 401-25 vote in the House.

Social Security benefit taxation	\$109 billion, likely pass Ways and Means today.	\$109 billion, passed as an amendment to the estate tax and then stripped off.	We are opposed, but have not put anything in writing.
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TOTAL COST OF TAX CUTS

The total cost of tax cuts passed by the House and the Senate could be \$700 billion. With interest they could be \$850 billion:

Marriage penalty:	\$248 (Senate, House was \$183)
Estate:	\$104 (both)
Affordable education	\$21 (Senate)
Communications	\$51 (House)
Portman-Cardin/IRAs	\$54 (House)
Social Security benefits	\$109 (House)
Misc*:	\$108 (House and Senate)
Total:	\$695 billion (or about \$850 with interest)

*Includes small business, health insurance and long-term care deduction, MSAs that were in PBOR and minimum wage legislation in House and Senate; eliminates duplicate provisions.