Appropriations—Labor/HHS

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

May 11, 2000

The Honorable Ted Stevens
Chairman
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

The purpose of this letter is to provide the Administration's views on the Labor, Health and Human Services, and Related Agencies Appropriations Bill, FY 2001, as reported by the Senate Subcommittee. As the Full Committee develops its version of the bill, your consideration of the Administration's views would be appreciated. More detailed views will be provided after the bill and the report are made available.

The President's FY 2001 Budget is based on a balanced approach that maintains fiscal discipline, eliminates the national debt, extends the solvency of Social Security and Medicare, provides for an appropriately sized tax cut, establishes a new voluntary Medicare prescription drug benefit, in the context of broader reforms, expands health care coverage to more families, and funds critical investments for our future. An essential element of this approach is ensuring adequate funding for discretionary programs. To this end, the President has proposed new discretionary spending limits at levels that we believe are necessary to serve the American people.

Unfortunately, the FY 2001 congressional budget resolution provides inadequate resources for discretionary investments. We need realistic levels of funding for critical government functions that the American people expect their government to perform well, including education, national security, law enforcement, environmental protection, preservation of our global leadership, air safety, food safety, economic assistance for the less fortunate, research and technology and the administration of Social Security and Medicare. Based on the inadequate budget resolution, this bill fails to address critical needs of the American people. While the Senate bill contains higher funding levels for a number of important programs compared to the House bill, the Administration has very serious concerns, discussed below, with the Subcommittee bill. If the bill presented to the President does not address these issues, the President would veto the bill.

The Senate Subcommittee-reported bill fails to provide adequate support for several vital education initiatives. The Senate Subcommittee has provided needed funding for key education programs such as America Reads, Pell Grants and Federal Work Study. However, we are troubled that the bill fails to provide adequate support for several important education initiatives to turn around failing schools and strengthen accountability. The Senate bill does not address several other national education priorities. Unlike the President's Budget, the Senate bill would not help repair up to 5,000 crumbling schools. Unlike the President's budget, the Senate fails to establish guaranteed funds to continue the bipartisan commitment to lower class sizes in the early grades to a national average of 18, which we know helps students - particularly minority and low-income children - make more rapid educational progress. The Senate bill also appears to terminate funding for districts to implement comprehensive school-wide reforms, based on proven research and effective practices, to help enable their students to meet challenging academic standards. The Senate bill also appears to terminate funding for districts to implement comprehensive school-wide reforms, based on proven research and effective practices, to help enable their students to meet challenging academic standards.

The bill also fails to sufficiently fund initiatives to provide a safe learning environment for students before and after school, overcome the digital divide, offer early intervention services to low-income students through GEAR UP, and ensure that teachers receive quality professional development. The Administration believes that these initiatives are crucial to closing the opportunity gap faced by disadvantaged students, and strongly urges the full committee to fund these programs at the President's request.

Regarding Health and Human Services programs, we appreciate the Senate Subcommittee decision to fund the FY 2001 child care request at $2.0 billion. However, we are concerned about the Subcommittee's failure to follow the past practice of advance appropriating funds for the following year. We are also deeply concerned that the Subcommittee bill would cut the Social Services Block Grant (SSBG) by $1.1 billion, undermining critical social services at the State and local level and threatening the care and safety of foster children, child abuse victims, and the elderly and disabled. The State and local programs which serve these at-risk individuals and families have already sustained a more than $1.0 billion reduction in SSBG funding since FY 1995. We are also concerned about the funding shift in the State Children's Health Insurance Program that was enacted by the President and Congress on a bipartisan basis in 1997 to cover millions of uninsured children. Although details on this shift are not yet known, it has the potential to disrupt state funding and efforts to reach eligible, low-income uninsured children. Furthermore, we believe that initiatives to improve access to health care for the uninsured, provide support to individuals caring for elderly or disabled family members, strengthen health benefits administration, and ensure the quality of the Nation's nursing homes address vital needs and urge the Committee to provide full funding for these programs.

The Subcommittee bill also shortchanges critical health programs by cutting requested funding for HIV/AIDS prevention and treatment, mental health and substance abuse services, family planning, and training for health professionals in children's hospitals. The Administration is also concerned that the Subcommittee has departed from past practices to provide advance appropriations for the Low Income Home Energy Assistance Program, which commits the majority of funds early in the fiscal year to meet home heating needs.

The Senate Subcommittee provides inadequate funding for vital investments in Department of Labor proposals to ensure safe, healthy, and productive environments for our workers, help individuals with disabilities find jobs, combat youth violence, help young offenders reenter the workforce, and address international child labor issues. The Subcommittee has failed to provide the additional funding requested by the President for programs to help the unemployed and youth entering the job market train for and find jobs. Initiatives that increase assistance to dislocated workers, to build the education infrastructure abroad to help reduce child labor, to youth residing in high-poverty areas, and to low-income fathers and families to help them work, support their families, and stay off welfare, and to promote savings among low-income families are essential, and we urge the Committee to include funding for these initiatives, as proposed by the President.

Finally, at the Senate Subcommittee funding level, the Social Security Administration would not be able to hire thousands of direct service employees, resulting in longer waiting times for individuals filing retirement and disability claims, and diminished service for individuals who call the agency's 1-800 phone service.

The Senate Subcommittee bill has fewer problems than the House Subcommittee bill. Nonetheless, if the Senate Subcommittee bill were presented to the President in its current form, he would veto it. We look forward to working with the Senate, on a bipartisan basis, to fashion an acceptable bill that invests in critical education priorities while ensuring accountability; that finances important programs to help workers find jobs, improve their skills, and work in safe environments; and, that continues our commitment to essential health programs.

Sincerely,

Jacob J. Lew
Director

Identical Letter Sent to The Honorable Robert C. Byrd,
The Honorable Arlen Specter, and The Honorable Tom Harkin

Labor/HHS/Education House Committee, Senate-Passed Bill, and Nov. 12 Conference Agreement

(all Program Levels in millions)

	FY 1999 Enacted	FY 2000 Budget	House FY 2000 Mark	Senate FY 2000 Bill	Oct. 27 FY 2000 Conf. Bill	Nov. 12 Conference Agreement	Nov. 12 Conf. Agreement (+/-) Budget
Education							
Class Size	1,200	1,400	0	1,200	1,200	1,300	-100
Goals 2000	491	491	0	494	491	491	0
Eisenhower Professional Development	335	335	0	335	335	335	0
Teacher Empowerment Act*	0	0	1,800	0	0	0	0
Total (non add)	*2,026*	*2,226*	*1,800*	2,029	2,026	2,126	-100
School-to-Work	125	55	0	55	55	55	0
Education Technology	698	801	500	707	741	769	-32
After School (21st Century Learning Centers)	200	600	300	400	300	453	-147
Title I Grants to LEAs	7,732	7,996	7,732	8,052	7,807	7,941	-55
Safe and Drug Free Schools	566	591	566	636	605	606	15
Magnet Schools	104	114	104	112	110	110	-4
Charter Schools	100	130	130	150	145	145	15
America Reads	260	286	200	285	260	260	-26
Bilingual Education	224	259	224	234	229	248	-11
Adult Education (incl. ESL/Civics)	385	575	378	488	445	470	-105
Pell Grants (BA)	7,704	7,463	7,620	7,778	7,700	7,700	237
Pell Max Award (non add)	*$3,125*	*$3,250*	*$3,275*	*$3,325*	*$3,300*	*$3,300*	*$50*
Work Study	870	934	880	934	934	934	0
SEOG**	619	631	619	631	621	621	-10
Hispanic Serving Institutions	28	42	28	42	42	42	0
Teacher Quality	75	115	75	80	80	98	-17
GEAR UP	120	240	0	180	180	200	-40
Strengthening HBCUs	135	149	136	142	142	149	0
Preparing for College	0	15	0	0	0	0	-15
College Completion Challenge Grants	0	35	0	0	0	0	-35
Learning Anywhere Anytime Partnerships	10	20	0	10	18	24	4
TRIO	600	630	660	630	645	645	15
Special Ed. Part B Grants to States	4,311	4,314	4,811	4,990	4,990	4,990	676
Impact Aid	864	736	907	892	911	911	175
All Other Education Programs	5,765	5,755	5,651	5,839	6,049	6,203	449
Total Education[3]	33,520	34,712	33,321	35,295	35,034	35,701	989

*The House mark provides $1.8 billion for the Teacher Empowerment Act which would consiolidate class size, Goals 2000, and Eisenhower Professional Development.

**The conference level also includes an additional $10 million in emergency appropriations for hurricane relief in SEOG.

Labor/HHS/Education House Committee, Senate-Passed Bill, and Nov. 12 Conference Agreement

(all Program Levels in millions)

	FY 1999 Enacted	FY 2000 Budget	House FY 2000 Mark	Senate FY 2000 Bill	Oct. 27 FY 2000 Conf. Bill	Nov. 12 Conference Agreement	Nov. 12 Conf. Agreement (+/-) Budget
Labor							
Adult Job Training Formula Grants	955	955	860	950	950	950	-5
Dislocated Workers	1,406	1,596	1,260	1,596	1,596	1596	0
Youth Job Training Formula Grants	1,001	1,001	901	1,001	1,001	1001	0
Youth Opportunity Area Grants	250	250	0	250	250	250	0
Job Corps	1,309	1,347	1,359	1,347	1,359	1359	12
Right Track Partnership	0	75	0	0	0	0	-75
School-to-Work	125	55	0	55	55	55	0
Other JTPA Programs	238	196	192	274	255	255	59
Total JTPA	5,284	5,475	4,572	5,473	5,466	5466	-9
Employment Service Grants	822	848	822	869	829	829	-19
One-Stop Career Center Grants	147	199	100	174	140	140	-59
UI State Administration Grants	2,295	2,460	2,220	2,316	2,285	2285	-175
Labor Law Enforcement:							
Pension and Welfare Benefit Admin	91	102	90	100	96	99	-3
Employment Standards Admin	315	342 **	314	343	335	339	-3
Occupational Safety and Health Admin	354	388	337	388	370	382	-6
Mine Safety and Health Admin	216	228	211	231	228	228	0
Total Labor Law Enforcement							
Bureau of Labor Statistics	399	421	395	409	409	413	-8
Bureau of International Labor Affairs	40	76	40	76	50	70	-6
All other Labor	988	1,048	970	1,068	994	1005	-43
Total Labor	10,951	11,588	10,071	11,445	11,202	11,256	-332

* Shows program level in FY 2000; about 3/4 of the funds are newly advanced appropriated for FY 2001.

** For comparison purposes, excludes $34 million in transfers in programs from another agency denied by the subcommittee, but restored to the sending agency.

Labor/HHS/Education House Committee, Senate-Passed Bill, and Nov. 12 Conference Agreement

(all Program Levels in millions)

	FY 1999 Enacted	FY 2000 Budget	House FY 2000 Mark	Senate FY 2000 Bill	Oct. 27 FY 2000 Conf. Bill	Nov. 12 Conference Agreement	Nov. 12 Conf. Agreement (+/-) Budget
Health and Human Services							
Administration for Children and Families							
Head Start (program level) [2]	4,660	5,267	4,760	5,267	5,267	5267	0
Child Care & Development Block Grant [3]	1,000	1,183	1,183	1,183	1,183	1,183	0
LIHEAP	1,100	1,100	1,100	1,100	1,100	1100	0
LIHEAP Emergency Fund Available (non-add)	300	300	300	300	300	300	0
ACF Services	1,372	1,321	1,375	1,416	1,442	1467	146
IDAs (non-add)	10	20	10	10	10	10	-10
Violent Crime Reduction Programs	105	119	105	105	101	101	-18
Refugee and Entrant Assistance	435	443	436	443	439	439	-4
Social Services Block Grant (non-add) [4]	1,909	2,380	1,909	1,050	1,700	1775	-605
TANF [5]	N/A	N/A	-3,000	N/A	N/A	N/A	N/A
ACF Discretionary Total	8,672	9,432	8,958	9,513	9,531	9,556	124
Administration on Aging	882	1,048	882	942	930	934	-114
Family Caregiver (non-add)	0	125	0	0	0	0	-125
Home-Delivered Meals (non-add)	112	147	112	147	147	147	0

2 FY 2000 Conference agreement and House mark include advance appropriation of $1.4 billion, FY 2000 Senate Bill includes advance appropriation of $1.9 billion.

3 FY 2000 Senate mark includes an advance appropriation for 2001 of $2.0 billion, House mark does not include advance appropriation, and conference includes an advance appropriation of $1.183 million as requested in the President's Budget.

4 FY 2000 Senate bill includes an advance appropriation of $1.33 billion for FY 2001. Conference agreeement includes $425 million in delayed obligations.

5 The House Subcommittee rescinds the advance appropriation in unobligated prior year TANF funds and makes them available in FY 01. We understand this rescission has dropped out of the committee mark.

	FY 1999 Enacted	FY 2000 Budget	House FY 2000 Mark	Senate FY 2000 Bill	Oct. 27 FY 2000 Conf. Bill	Nov. 12 Conference Agreement	Nov. 12 Conf. Agreement (+/-) Budget
Health Programs							
HCFA Program Level Funding	2,086	2,211	1,812	2,131	2,116	2,134	-77
Medicare+Choice User Fees (non-add)	*[95]*	*[150]*	*[15]*	*[95]*	*[95]*	*[95]*	*[-55]*
HCFA Nursing Home Initiative	*[N/A]*	*[35]*	*[0]*	*[30.5]*	*{15.8]*	*[35]*	*[0]*
Medicare Integrity Program (Prog. Level)	560	630	560	630	630	630	0
Health Care Fraud & Abuse Control (PL)	100	120	100	120	120	120	0
Consolidated Health Centers	925	945	985	1,024	1,024	1,024	79
Children's Hosp. Graduate Medical Ed.	N/A	40	0	0	20	40	0
Family Planning	215	240	215	222	215	239	-1
Ryan White AIDS	1,411	1,511	1,519	1,611	1,550	1,595	85
Ricky Ray	0	0	20	50	50	75	75
Childhood Immunizations*	448	526	421	512	482	510	-16
CDC HIV/AIDS	657	702	657	662	662	730	29
CDC Infectious Diseases	137	182	146	166	146	167	-15

Labor/HHS/Education House Committee, Senate-Passed Bill, and Nov. 12 Conference Agreement

(all Program Levels in millions)

	FY 1999 Enacted	FY 2000 Budget	House FY 2000 Mark	Senate FY 2000 Bill	Oct. 27 FY 2000 Conf. Bill	Nov. 12 Conference Agreement	Nov. 12 Conf. Agreement (+/-) Budget
Nat'l Inst. for Occupational Safety & Health	200	212	200	215	215	216	4
CDC Race & Health Demonstration Grants	10	35	10	35	30	30	-5
National Institutes of Health	15,597	15,933	16,935	17,613	17,933	17,933	2,000
SAMHSA Mental Health Programs	512	589	520	631	577	634	45
SAMHSA Substance Abuse Programs	1,918	1,980	1,841	2,010	1,913	1,962	-18
Health Care Access for the Uninsured	N/A	25	0	0	0	25	0
Bioterrorism**	174	235	197	224	224	243	8
All Other Health Programs	2,856	2,364	2,631	2,476	2,468	2,913	550
Total Health Programs	27,805	28,478	28,788	30,283	30,372	31,220	2,742
Total HHS	37,359	38,958	38,630	40,738	40,833	41,710	2,752
* Includes funding for global polio & measles included in PHS	24,949						

** Best estimates based on materials available; numbers may change.

Social Security Administration	6,426	6,706	6,481	6,674	6,579	6,592	-114
National Labor Relations Board	184	210	175	210	200	207	-3
Corp. for National Service	277	300	275	293	296	296	-4
Unofficial Bill Total*	**88,970**	**91,619**	**89,790**	**94,039**	**94,541**	**95,992**	**4,373**

*BRD has not yet calculated a bill total for the Nov. 12 conf. agreement - current value represents best estimate.

Budget Appr[illegible]
Labor/HHS

STATEMENT BY THE PRESIDENT ON THE SENATE LABOR/HHS/EDUCATION APPROPRIATIONS BILL

Today the Senate Labor, Health and Human Services, and Education appropriations committee passed a spending bill that fails to invest in key initiatives to raise student achievement. While its funding levels are better than those of the House version, the Senate bill still falls short of what we need to strengthen America's schools. It does not guarantee a single dollar for our efforts to hire quality teachers and reduce class size in the early grades. It cuts funding for education technology, and underfunds such efforts as GEAR UP and after-school programs. And it does not provide funding to turn around failing schools.

To develop world-class schools, we need to invest more and demand more in return. We need accountability from our schools -- and from our Congress too.

In addition, the bill's cut to the Social Services Block Grant could severely undermine state and local efforts to provide child care, child welfare programs, and services for the disabled. By failing to fund the Family Caregiver initiative, the bill also withholds critical aid to families dealing with the elderly and ill. The legislation also shortchanges public health priorities in preventive and mental health, and underfunds programs that would give millions of Americans improved access to health care.

If this bill were to come to me in its current form I would have to veto it. I believe, however, that we can avoid this course. I sent the Congress a budget for the programs covered by this bill that provided for essential investments in America's needs, and that was fully paid for. I look forward to working with Congress on a bipartisan basis to ensure that this bill strengthens public education and other important national priorities.

DRAFT STATEMENT BY THE PRESIDENT ON THE SENATE LABOR/HHS/EDUCATION APPROPRIATIONS BILL

Today the Senate Labor, Health and Human Services, and Education appropriations committee passed a spending a bill that falls short of what we need to strengthen America's schools. While it is considerably less flawed than the House version, the Senate bill still fails to invest in key initiatives to raise student achievement. It does not guarantee a ~~single~~ dollar for our efforts to hire quality teachers and reduce class size in the early grades. It underfunds such efforts ~~as~~ GEAR UP and after-school programs. And it does not provide funding to turn around failing schools~~, and to hold states and districts accountable for results~~.

It cuts funds for all these, and

To develop world-class schools, we need to invest more and demand more in return. We need accountability from our schools -- and from our Congress.

¶ If this bill were to come to me in its current form I would have to veto it. I believe, however, that we can avoid this course. I sent the Congress a budget for the programs covered by this bill that provided for essential investments in America's needs, and that was fully paid for. I look forward to working with Congress in a bipartisan fashion; to ensure that this bill strengthens public education and other important national priorities.

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[illegible] education

DRAFT STATEMENT BY THE PRESIDENT
ON SENATE LABOR/HHS/EDUCATION APPROPRIATIONS BILL

falls short of what we need to strengthen America's schools.

Today the Senate Labor, Health and Human Services, and Education appropriations committee passed a spending bill that ~~I simply cannot sign.~~ While it is considerably less flawed than the House version ~~passed last week by the House~~, the Senate bill ~~rests on shaky budget assumptions and~~ still fails to invest in key initiatives to raise student achievement. ~~By undermining our effort to~~ It does not guarantee a single dollar for our efforts to hire quality teachers to reduce class size in the early grades. It cuts funding for educational technology, and underfunds such efforts as GEAR UP and after-school programs. ~~the Senate bill represents a step backward for public education. In this time of prosperity, we need to make smart investments to develop world-class schools, rather than walk away from proven reforms.~~ It also fails to provide funding to turn around failing schools and hold states and districts accountable for results. We need accountability from our schools -- and from our Congress. If we're going to develop world-class schools, we need to invest more and demand more in return.

If this bill were to come to me in its current form I would have to veto it. I believe, however, that we can avoid this course. I sent the Congress a budget for the programs covered by this bill that provided for essential investments in America's needs, and that was fully paid for. I look forward to working with ~~leaders in the Senate~~ Congress to ensure that this bill strengthens public education and other important national priorities.

Br —

Placeholder subj. to change, of course.

Thoughts?

BR

(My email is down right now)

DRAFT NOT FOR RELEASE

Appropriations Unrl H

September 29, 1999
(Senate Floor)

S. XXXX – DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES APPROPRIATIONS BILL, FY 2000

(Sponsors: Stevens (R), Alaska; Specter (R), Pennsylvania)

This Statement of Administration Policy provides the Administration's views on S. XXX, the Labor, Health and Human Services, Education, and Related Agencies Appropriations Bill, FY 2000, as reported by the Senate Appropriations Committee. Your consideration of the Administration's views would be appreciated.

As the President indicated in his statement yesterday, while the funding levels in the Senate Committee bill are better than those in the House bill, he would veto the bill in its current form for the reasons discussed below.

The President's FY 2000 Budget provides levels of discretionary spending for FY 2000 that conform to the Bipartisan Budget Agreement by making savings through user fees and certain mandatory programs to help finance this spending. The Administration wants to work with the Congress on mutually-agreeable mandatory and other offsets that could be used to increase funding for high-priority discretionary programs, including those funded by this bill.

Department of Education

The Administration strongly opposes the Senate Committee bill's undermining of our national commitment to improve our schools by not guaranteeing funds specifically for Class Size Reduction. The President's Budget includes the second installment of his goal to hire 100,000 new teachers in order to reduce class size in the early years. Unfortunately, the Senate bill reneges on the bipartisan commitment last year to reduce class sizes to an average of 18 in the primary grades by providing no funds specifically for Class Size Reduction. As a result, it does not guarantee funding for the 31,000 teachers hired last year or the additional 8,000 teachers that would be hired under the President's proposal. This program has been extremely popular -- every State applied for and received funding in FY 1999, and preliminary State reports show that 1.7 million children will benefit from last year's funds alone. We would support efforts to restore funding to this critical initiative as the bill moves through the legislative process.

The Senate Committee-reported bill also provides unacceptably low funding for the following education priorities:

- GEAR UP. The President's budget requests $240 million for GEAR UP, which helps students in high poverty areas stay in school, succeed in their classes, and prepare for college. The Committee bill provides only $180 million, denying college preparation services to more than 130,000 fewer low-income middle school students.

- After School. The President's budget request focuses on raising student achievement and improving accountability in our Nation's schools. A cornerstone of this effort is the President's $600 million request for After School programs, which would support State efforts to end social promotion by providing extra learning time for 1.8 million students to help them master academic material. The Senate bill provides only $400 million for After School, denying services to nearly 600,000 students. The Administration strongly opposes this drastic under-funding of a top Presidential priority.

- Hispanic Education Programs. The FY 2000 Budget requests over $400 million in increases to programs targeted toward improving the educational outcomes of Hispanic American students. The Administration strongly opposes the Committee bill's inadequate funding of this vital education initiative. In total, the Senate Committee bill cuts $236 million from the request, which would deny many of these valuable services to this underserved population and would seriously hamper the progress of Hispanic Americans in developing the capability of achieving high academic standards.

- Reading Excellence. The Committee bill denies the President's $286 million request for Reading Excellence to help over one million children learn to read by the end of the third grade. The bill provides only $260 million for this program, denying 100,000 students the help they need to read independently, the cornerstone for all learning.

- Education Technology. The Committee's $94 million reduction from the request would make it increasingly difficult for States to meet school children's education technology needs, especially in training teachers to integrate educational technology into their curriculum effectively. These technological investments are critical in order to prepare the next generation for the 21st Century.

- Charter Schools. The Committee bill cuts $30 million from the request, which would leave over 500 charter schools without funds to assist in the planning and development of innovative programs that enhance public school choice.

- Research. The Committee has cut by over $50 million the President's request for research and dissemination, eliminating funding for large-scale, joint research with the National Science Foundation and the National Institutes of Health on early learning in reading and mathematics, teacher preparation, and technology applications. These cuts would occur at a time when teachers and policy-makers are demanding reforms proven by sound research.

In addition to the funding issues identified above, the Administration strongly urges the Senate to include a key language provision that would support stronger accountability under the Title I program by requiring States to reserve 2.5 percent of their LEA Grant allocations to help turn around the lowest-performing schools.

Furthermore, the Administration objects to the language limitation that would bring a halt to the President's efforts to help States and parents raise academic standards through a voluntary national test. The Committee bill's language would prohibit the pilot testing, field testing, implementation, administration, and distribution of the tests unless explicitly authorized. The language prohibition should be deleted and the Administration's requested authorizing language restored.

Department of Health and Human Services

The Senate Committee bill underfunds public health priorities, including preventive health, mental health services, and health care access for the poor. The Administration is very concerned about the following cuts to key health programs:

- Social Services Block Grant (SSBG). The Administration is strongly opposed to the $1.3 billion reduction in the Social Services Block Grant. The Committee funding level is less than half the level requested and 45 percent below the FY1999 level. This cut would have a direct and severe impact on States, local governments and nonprofits that provide such critical programs as child care, child welfare, and services for individuals with disabilities.

- National Family Caregiver Support Program. The Administration urges the Senate to provide the $125 million requested to establish a new program to assist approximately 250,000 families caring for an older relative. The need for this program is indicated by the fact that there are seven million informal caregivers providing primary assistance to the 95 percent of older persons who need help with their daily activities.

- Head Start. The Administration commends the Committee for fully funding the President's request for Head Start. The $507 million increase above the House mark will enable this important program to deliver comprehensive education and developmental services to 44,000 additional low-income children. This increase also supports critical investments in quality improvement activities included in the President's budget and agreed upon in the bipartisan reauthorization of the Head Start Act last year. The Administration raises concern, however, over the possible impact of an advance appropriation at the level included in the Committee's mark.

- Mental Health Block Grant. The Administration objects to the $49 million reduction to the request for the Mental Health Block Grant. This funding is important for assisting States in supporting comprehensive community systems of care for adults with a serious mental illness and children with severe emotional disturbances, given that approximately 10.2 million people, or over five percent of the population, suffer from a serious mental illness over the course of any given year.

- Centers for Disease Control and Prevention (CDC). The Administration is concerned that the Senate bill would reduce requested funding for the Centers for Disease Control and Prevention by $53 million, impairing CDC's ability to carry out key public health activities such as childhood immunizations, chronic and environmental disease prevention, domestic HIV/AIDS prevention, and surveillance and investigations of outbreaks. Research done in CDC laboratories is used by community disease prevention programs around the country to address illnesses such as AIDS, cancer, diabetes, and influenza. The Administration urges the Senate to fund the requested increases for CDC, including funding for research, laboratory work, and technical assistance.

- Health Care Access. The Administration strongly opposes the Senate bill's failure to fund adequately programs that will improve health care access for many Americans, including a portion of the 43 million uninsured. No funding is provided for the Health Care Access for the Uninsured initiative, which would provide funds to enable the development of integrated systems of care and to address service gaps within these systems. In addition, the bill does not include the full $25 million increase requested for Family Planning services. The President's full request would provide family planning services to an additional 500,000 clients who are neither Medicaid eligible nor have insurance.

- Children's Hospitals Graduate Medical Education. The Administration is concerned about the Senate bill's lack of funding for Children's Hospitals Graduate Medical Education (GME). Teaching hospitals that do not treat many Medicare patients, such as the Nation's free-standing children's hospitals, receive a very small share of Medicare GME dollars. The Administration urges the Senate to fully fund this request.

- Bioterrorism. The Senate bill does not include in the Public Health and Social Services Emergency Fund the requested $13 million for critical FDA expedited regulatory review and approval of new vaccines and drugs to combat biological and chemical agents used for terrorist purposes.

- Minority AIDS Initiative. The Senate Committee reduces funding by $15 million (-30 percent) for minority AIDS prevention and treatment from the FY 1999 enacted and FY 2000 requested level. These important resources allow HHS to direct the necessary funds to the most critical areas of need to address this epidemic in minority communities and should be restored.

- HCFA Program Management. The Administration appreciates the Senate Committee's action to fund the request for HCFA Program Management. However, we encourage the Senate to enact the full amount of already-authorized Medicare+Choice user fees, as well as the President's requested increase in Medicare+Choice user fees. We also encourage the Senate to enact the President's proposed program management user fees totaling $194.5 million, which could free up resources under the discretionary caps for education and other priorities.

- Medicare+Choice Competitive Pricing Demonstrations. The Senate bill includes language that would prevent funds from being used to administer the Medicare+Choice Competitive Pricing Demonstration Project. These demonstrations were passed by the Congress as part of the Balanced Budget Act in order to provide valuable information regarding the use of competitive pricing methodologies in Medicare. The information that we could learn from these demonstrations is particularly relevant as we consider the important task of reforming Medicare. The Administration urges the Senate to remove this provision and to allow HCFA to implement the demonstrations.

- Abortion. The Administration urges the Senate to strike sections 508 and 509 of the Committee bill, which would prohibit the use of funds for abortion. The President believes that abortion should be safe, legal, and rare. These provisions would continue to limit the range of conditions under which a woman's health would permit access to abortion services. Furthermore, section 509 requires a physician to make a legal determination that these conditions have been met. The Administration proposes to work with the Congress to address the issue of abortion funding. **[NOTE: The "Hyde" amendment in the Senate bill is the same as last year. This SAP language is also the same language we used last year].**

- Delayed Obligations for NIH. In providing the National Institutes of Health an increase of $2 billion, the Senate bill would delay the obligation of $3 billion to the end of the fiscal year. The Administration is concerned that the size of this restriction could hamper the efficient management of NIH's grant portfolio and potentially delay the funding of high-quality research on cancer, diabetes, Parkinson's, and other diseases.

Department of Labor

The Administration appreciates the Senate Committee's mark for the Department of Labor's employment and training programs and programs protecting working Americans at their jobs. This supports our initiatives to help dislocated workers, youth, and others in need of skills or skill upgrading to prepare for, find, and retain jobs in today's workplace. In addition, the Committee's mark will help ensure that worker safety and health and other rights are protected on the job at home as well as help developing economies establish core labor standards. However, the Administration urges the Senate to provide the full request for the Department to work with other agencies to address youth violence among out-of-school youth and the request for the Bureau of Labor Statistics to ensure that our statistical programs are maintained and improved.

National Labor Relations Board

The Administration appreciates the Senate Committee's full funding of the request for the National Labor Relations Board (NLRB). Among other things, this will enable the NLRB to work down its case backlog and improve its information technology so it can better serve labor and employers in resolving the charges brought before it for resolution.

LINDA RICCI
09/28/99 04:55:17 PM

Record Type: Record

To: Anna Richter/OPD/EOP@EOP

cc:

Subject: Draft Labor/HHS statement

---------------------- Forwarded by Linda Ricci/OMB/EOP on 09/28/99 04:55 PM ---------------------------

Barbara Chow
09/28/99 04:18:37 PM

Record Type: Record

To: Eric P. Liu/OPD/EOP@EOP, Andy Rotherham/OPD/EOP@EOP

cc: Linda Ricci/OMB/EOP@EOP, Wayne Upshaw/OMB/EOP@EOP, Daniel N. Mendelson/OMB/EOP@EOP

Subject: Draft Labor/HHS statement

Below is a paragraph delineating some additional concerns with the bill.

In addition, I would strike the "from our Congress" line, seems a bit too confrontational and add educational technology after GEAR UP. We have some specific impact information if you think this is useful. The cuts to afterschool affect 900,000 students, GEAR UP affects 130,000 students, etc.

Linda is going to give you a sentence expressing our concern about not using gimmicks.

The bill's cut to the Social Services Block Grant could severely undermine the efforts of states, local governments, and nonprofits to provide critical child care and, child welfare programs, and services for the disabled. Failing to fund my Family Caregiver initiative withholds critical aid to families dealing with the elderly and sick. Finally, the Senate bill also underfunds public health priorities in preventive health and mental health and fails to adequately fund programs that will improve health care access for millions of Americans.

LINDA RICCI
09/28/99 04:56:21 PM

Record Type: Record

To: Anna Richter/OPD/EOP@EOP

cc:
Subject: Suggested line, to reflect Joel Johnsons interst in hitting them on gimmicks generally

Ricci Comments
---------------------- Forwarded by Linda Ricci/OMB/EOP on 09/28/99 04:56 PM ---------------------------

LINDA RICCI
09/28/99 04:34:46 PM

Record Type: Record

To: Eric P. Liu/OPD/EOP@EOP

cc:
Subject: Suggested line, to reflect Joel Johnsons interst in hitting them on gimmicks generally

Eric ---- Joel Johnson wanted a line in this about gimmicks. I am NOT sure if this is right. (I"ve called Joel on it and left a message.) If this is what he wanted, then Sylvia and Jack would need to sign off too.) Let me know as you're moving this thru clearance so I can make sure they are OK with everything. thanks. -- LInda
---------------------- Forwarded by Linda Ricci/OMB/EOP on 09/28/99 04:33 PM ---------------------------

LINDA RICCI
09/28/99 04:30:55 PM

Record Type: Record

To: Barbara Chow/OMB/EOP@EOP

cc: Joel Johnson/WHO/EOP@EOP
Subject: Suggested line, to reflect Joel Johnsons interst in hitting them on gimmicks generally

This for possible addition to Labor - H statement, per Joel Johnson's direction from 8:30 Meeting

Final paragraph "I urge Congress to use their time to make real progress in completing action on the remaining funding bills, to refrain from reliance on gimmicks, and to produce a straightforward budget that provides the resources to meet the needs of the American people."

Joel -- is this what you had in mind when you asked for a "gimmicks" line that was not too specific???? -- Linda

FAX COVER SHEET

Executive Office of the President
Office of Management and Budget
Education, Income Maintenance and Labor Division
Room 260, Old Executive Office Building
Washington, DC 20503
(202)-395-4844

APPROPRIATIONS — LABOR/HHS

TO: Eric Liu

FROM: Barbara Chow, Associate Director
~~Jennifer McGee, Special Assistant~~
Sarah Zambon, Intern

DATE:

FAX#: X 62878

OF PAGES INCLUDING COVER SHEET:

NOTES:

FY 2000 Labor, HHS, Education Appropriations Bill
(Budget authority in billions of dollars)

	BA	% Change From FY 1999	% Change From FY 2000
FY 1999 Enacted	88.9	---	---
Likely House 302(b) Allocation	70.4	-21%	-30%
Likely Senate 302(b) Allocation	73.5	-17%	-25%
FY 2000 Budget	91.6	3%	---

House

Original Allocation	78.6
Reallocation to Energy/Water and Foreign Operations	-1.2
Reallocation to VA/HUD and Commerce/Justice/State	-4.0
Additional cut required to fund VA/HUD	-3.0
Likely Allocation	70.4

Senate

Original Allocation	80.8
Cut required to fund VA/HUD	-7.3
Likely Allocation	73.5

Assuming 302(b) allocation OLs are controlling, the BA reduction required, from FY 1999 and FY 2000 respectively would be 39% and 41% for the House and 38% and 40% for the Senate.

09/14/99
12:17 PM

Programmatic Impacts of Likely House and Senate 302(b) Allocations to the Labor, Health and Human Services, Education, and Related Agencies Appropriations Bill

<u>Department of Education</u>

- The FY 2000 request would increase the **Pell Grant** maximum award by $125, from the FY 1999 enacted level of $3125. The Senate allocation would reduce the maximum award by $225 and the House allocation would reduce the maximum award by $325, compared to the current level, denying low and middle income students financial aid to help make college more affordable.

- **Safe and Drug Free Schools and Communities** funding is increased by $25 million in the FY 2000 request. The Senate allocation would reduce current funding by nearly $98 million. The House allocation would reduce current funding by nearly $120 million. These cuts would reduce funds for drug and violence prevention programs that benefit children in 97 percent of the nation's schools. It could also eliminate funding for emergency resources and assistance, including crisis counseling and increased security, in schools experiencing violent events, such as the tragic shootings in Littleton, Colorado and Conyers, Georgia.

- The FY 2000 request would provide **Special Education** programs with an additional $116 million compared to FY 1999 to help special education children of all ages receive a free, appropriate public education and aspire to the same challenging academic standards as their nondisabled peers. The Senate allocation would reduce current funding for Special Education by $928 million. The House allocation would reduce funding by $1120 million, compared to FY 1999 enacted level.

- The FY 2000 request provides $240 million for **GEAR UP** which would promote partnerships between schools and institutions of higher education to provide approximately 572,000 (311,000 more than FY 1999) low-income middle and high school students with academic and support services to help them prepare for and enter college. The Senate allocation would reduce the current participation in the program by 46,000 students. The House allocation would require eliminating 54,000 students from this program.

- Compared to current funding levels, the FY 2000 request expands **TRIO** to provide outreach, counseling, and educational support to more than 5,000 additional (for a total of over 725,000) disadvantaged students to help them prepare for and complete college. The Senate allocation would reduce current participation by over 147,000. The House allocation would require eliminating over 175,000 students from the program.

- The FY 2000 request would fund **21st Century Community Learning Centers**, to provide after school and summer school programs in a safe and enriching academic environment to an additional 1.4 million students, compared to the FY 1999 enacted level. The Senate allocation would reduce current participation by almost 49,000 students. The House allocation would eliminate 60,000 students from this program.

- The FY 2000 request would increase **Title I, Education for the Disadvantaged (Grants to LEAs)** to serve almost 500,000 additional students. The Senate allocation would reduce the current participation level by about 2.1 million children. The House allocation would keep almost 2.5 million students in high poverty communities from receiving key educational services necessary to improve their future prospects.

- The FY 2000 request would expand the **Reading Excellence** program to help an additional 100,000 children (for a total of 1.1 million children) learn to read well and independently and by the 3rd grade under the FY 2000 request. The Senate allocation would reduce the current participation by 170,000 children. The House allocation would require eliminating 210,000 students from this program.

- The FY 2000 request funds almost 8,000 new, qualified teachers through the **Class Size Initiative** and continues the path toward the President's commitment to fund 100,000 new, qualified teachers within seven years. The Senate allocation would fund 5,246 fewer teachers than in FY 1999. The House allocation would eliminate funding for 6,480 teachers.

Department of Health and Human Services

- The FY 2000 request would provide **Head Start** services to an additional 42,000 children, compared to the FY 1999 enacted level. The Senate allocation would reduce the current participant program by 142,000. The House allocation would require eliminating 175,000 children and their families from this program.

- The FY 2000 request would provide an additional 27 million **home-delivered meals** to the elderly, compared to the FY 1999 enacted level. The Senate allocation would reduce the number of meals provided by 20 million. The House allocation would result in 25 million fewer meals delivered to home-bound seniors in FY 2000 than in FY 1999.

- The **Health Resources and Services Administration** provided health services to almost 30 million women and children, uninsured people, and people with AIDS at the FY 1999 level. The Senate allocation could prevent the delivery of health care services to roughly 5 million people. The House allocation would require withholding services from over 6.2 million people.

- The FY 2000 request would have provided the **Centers for Disease Control and**

Prevention with almost $250 million compared to FY 1999 to assist in providing childhood immunizations, preventing HIV infections and providing breast and cervical cancer screening. The Senate allocation would reduce current funding by $443 million. The House allocation would reduce funding by over $547 million, compared to the FY 1999 level.

- The FY 2000 request would support nearly 30,000 research grants at **National Institutes of Health.** The Senate allocation could reduce the number of grants funded by over 5,000 grants, potentially reducing by over half the new grants in FY 2000. The House allocation could require eliminating over 6,000 grants, which could lead to a two-thirds reduction in new grants funded.

Department of Labor

- The FY 2000 request would finance services to 169,000 additional **dislocated workers** compared to the FY 1999 enacted level. The Senate allocation would reduce participants by nearly 295,000 while the House allocation would eliminate services to over 324,000 dislocated workers.
- The FY 2000 request would finance 577,000 **training and summer job opportunities for low-income youth.** This level would be reduced by about 108,000 under the Senate allocation, and by 133,000 under the House allocation.
- The FY 2000 request would finance **training and related assistance** to nearly 60,000 additional adults compared to the FY 1999 enacted level. The Senate allocation would reduce services by about 125,000 participants, while the House allocation would eliminate services to over 140,000 adults.
- The FY 2000 request would finance an additional 650 training slots at **Job Corps** centers compared to the FY 1999 enacted level. Both the Senate and House allocations would terminate Jobs Corps' planned 4-center expansion. In addition, the Senate allocation could force Job Corps to close 10-11 other centers eliminating another 7,600 residential training slots for extremely disadvantaged youth in 2000. The House allocation could force Job Corps to close 18-19 other centers eliminating an additional 9,400 residential training slots for extremely disadvantaged youth in 2000.
- The FY 2000 request would finance training and related assistance for 61,500 low-income **older Americans**, the same level as enacted in FY 1999. The Senate allocation would eliminate services to about 10,500 participants, while the House allocation would eliminate services to over 12,900 low-income older Americans.

IMPACT OF HOUSE COMMITTEE ALLOCATIONS ON THE PRESIDENT'S FY2000 EDUCATION REQUEST

October 1, 1999

"Now, we're having a big argument in Washington on the budget today. We can have the kind of budget we need that will help you to do what you need to do without – and we can meet the budget targets without coming up short in education, whether it's for Head Start, or more teachers, or the initiative to help states build and modernize 6,000 new schools, or the America Reads program, or this Gear Up program. So I hope we can get that done." – President Clinton,

(IN THOUSANDS OF DOLLARS)

Selected Education Programs	Current Funding	President's FY2000 Request	FY2000 Committee Amount	Difference From Current Funding	Difference From President's Request	IMPACT
Head Start. The Head Start program provides low-income children a comprehensive approach to child development, stressing language and cognitive Development, health, nutrition, and social competency.	$4,660,000	$5,267,000	$4,760,000	+$100,000	(-$507,000)	Eliminates support for 42,000 additional children to receive Head Start Services.
Reducing Class Size. Second installment in reducing class sizes in grades 1-3 to a nationwide average of 18 to give children more personal attention and get them on the right track.	$1,200,000	$1,400,000	$0	(-$1,200,000)	(-$1,400,000)	Repeals last year's bipartisan agreement to hire 100,000 new teachers.
Goals 2000. Helps schools raise academic standards, improve teaching, expand the use of technology and increase parental involvement.	$491,000	$491,000	$0	(-$491,000)	(-$491,000)	Eliminates funds to allow States to continue supporting comprehensive local reform efforts.
Eisenhower Professional Development State Grants. Improves teachers' skills in core academic subjects.	$335,000	$335,000	$0	(-$335,000)	(-$335,000)	Eliminates funds to improve teacher quality.
21st Century Community Learning Centers. Funds school-community partnerships to keep schools open after regular hours as safe havens for enhanced learning.	$200,000	$600,000	$300,000	+$100,000	(-$300,000)	3,300 fewer centers would be funded and 850,000 fewer students would be served than requested under the President's program.
Reading Excellence Act. Helps children learn to read well and independently by the end of the third grade.	$260,000	$286,000	$200,000	(-$60,000)	(-$86,000)	Denies services to improve reading skills of an estimated 330,000 children.
Extra Help in the Basics (Title I LEA Grants). Helps disadvantaged students learn the basics.	$7,732,397	$7,996,020	$7,732,397	–	(-$263,623)	Denies funding reserved under the President's budget to help states and school districts turn around failing schools and denies funding for an additional 7,500 teachers to provide reading and math assistance to more than 400,000 disadvantaged children.
Safe and Drug-Free Schools. Helps schools become safe, drug-free learning environments.	$566,000	$591,000	$566,000	–	(-$25,000)	Denies funds for schools to hire an additional 400 school violence and drug prevention coordinators reaching an additional 2,000 middle schools serving 2 million children and denies schools affected by violence funds for emergency assistance.
Teacher Quality Enhancement (HEA Title II). Helps recruit and prepare excellent and diverse teachers for America's classrooms.	$75,000	$115,000	$75,000	–	(-$40,000)	35 States would be denied grants for strengthening teacher recruitment, preparation and support to meet the expected need of 2 million teachers in the next decade.
Teacher Training in Technology. Helps train new teachers to use technology in the classroom.	$75,000	$75,000	–	(-$75,000)	(-$75,000)	Ends technology training for new teachers.

Selected Education Programs	Current Funding	President's FY2000 Request	FY2000 Committee Amount	Difference From Current Funding	Difference From President's Request	IMPACT
Technology Literacy Challenge Fund. Helps provide students and teachers with computers, educational software, telecommunications, and technology training.	$425,000	$450,000	$375,000	(-$50,000)	(-$75,000)	Denies additional funding for approximately 625 school districts to purchase hardware and software.
Community-based Technology Centers. Funds technology learning centers in low-income communities.	$10,000	$65,000	$10,000	–	(-$55,000)	Cuts new funds to set up computer learning centers in 260 low-income communities.
Special Education State Grants. Helps schools & States provide special education and early intervention services.	$5,054,685	$5,106,435	$5,554,685	+$500,000	+$448,250	Increases the Federal share per child from $701 to $768 for the 6.3 million children with disabilities served under this program who are entitled to receive special education and related services.
Bilingual Education. Helps school districts operate high-quality instructional programs to help children learn English.	$224,000	$259,000	$224,000	–	(-$35,000)	Denies funds to approximately 70 school districts that face growing enrollments of LEP students as well as denying funds for training opportunities for an additional 2,000 teachers.
Adult Education and Literacy. Provides adults and family literacy, English as a second language, and other educational programs.	$385,000	$575,000	$378,000	(-$7,000)	(-$197,000)	Cuts requested funding increase to provide services to approximately 700,000 adult learners at a time when 1/3rd of recent immigrants do not have a high school diploma or its equivalent.
Pell Grants. Provides grant assistance to low-income undergraduate students.	$3,125 max. grant	$3,250 max. grant	$3,275 max. grant	+$150	+$25	An increase in the maximum award to $3,275 requires $7.625 billion in new budget authority to fund awards for 3.886 million recipients or 10,000 more than the President's Request.
Supplemental Educational Opportunity Grants (SEOGs). Provides grant assistance to low-income undergraduate students.	$619,000	$631,000	$629,000	+$10,000	(-$2,000)	3,000 fewer students will receive awards than under the President's request.
Work-Study. Helps undergraduate and graduate students pay for college through part-time work assistance.	$870,000	$934,000	$880,000	+$10,000	(-$54,000)	The number of students to receive awards would decrease by 59,000 from the 1 million recipients supported in the President's request.
Leveraging Educational Assistance Partnership (LEAP). Provides Federal matching funds for States to support need-based postsecondary student grant assistance.	$25,000	$25,000	$0	(-$25,000)	(-$25,000)	Eliminates funding for 83,000 students.
GEAR UP. Gives disadvantaged students and their families pathways to college by partnering middle and high schools with colleges and universities or through state-administered programs.	$120,000	$240,000	$0	(-$120,00)	(-$240,000)	An estimated 572,000 low-income middle and high school student would be denied mentoring, counseling, tutoring, and other support they need to raise their expectations and successfully pursue college.
TRIO Programs. Provides education outreach and student support services designed to encourage disadvantaged individuals to enter and complete college.	$600,000	$630,000	$660,000	+$60,000	+$30,000	Would help an estimated 759,000 disadvantaged students prepare for and persist in postsecondary education, 34,000 more than the President's request.

Selected Education Programs	Current Funding	President's FY2000 Request	FY2000 Committee Amount	Difference From Current Funding	Difference From President's Request	IMPACT
Strengthening HBCUs. Helps provide equal opportunity and strong academic programs.	$136,000	$148,750	$136,000	–	(-$12,750)	Would not support the Administration's strong commitment to ensuring access to high quality postsecondary education for African American students. The President's proposal would increase funds to strengthen HBCUs and HBGIs through academic program development and improved administrative management.
Developing Hispanic-Serving Institutions. Helps strengthen colleges with large Latino populations.	$28,000	$42,250	$28,000	–	(-$14,250)	Would fail to support the Administration's strong commitment to improving postsecondary opportunities for Hispanic students. The President's proposal would help expand and enhance the academic offerings, program quality, and institutional stability of the schools that award at least 25 percent of undergraduate degrees to Hispanics.
Strengthening Tribally-Controlled Institutions (HEA Title III). Supports institutions that serve Native Americans.	$3,000	$6,000	$3,000	–	(-$3,000)	Would not support the Administration's strong commitment to ensuring access to high quality postsecondary education for Native American students. The President's proposal would double funds to strengthen TCCUs through the academic program development and improved administrative management.
Graduate Assistance in Areas of National Need.	$31,000	$41,000	$31,000	–	(-$10,000)	Denies additional fellowships to graduate students in areas of national need and doctoral students in the arts, humanities, and social sciences.
Learning Anytime Anywhere Partnerships. Supports access to quality postsecondary education for underserved populations through the use of technology.	$10,000	$20,000	–	(-$10,000)	(-$20,000)	Eliminates funding for 56 partnership awards for projects to improve technology-based learning opportunities for individuals, such as the disabled, dislocated workers, those making the transition from welfare to work, and others who do not have easy access to traditional campus-based postsecondary education.
Cost of Student Borrowing for College Loans. Reduced origination fees paid by students for college programs.	Fee: 3% Of Loan Principal	Fee: 3% Of Loan Principal[1]	Fee: 4% Of Loan Principal	Fee: +1% Of Fee Principal	Fee: +1% Of Fee Principal	Increases fees for 1.8 million Direct Loan borrowers by $107 million, and makes it more difficult to reduce these fees in subsequent years.

[1] Reflects Current Administration Policy

Selected Education Programs	Current Funding	President's FY2000 Request	FY2000 Committee Amount	Difference From Current Funding	Difference From President's Request	IMPACT
Student Loan Administrative Funding. Supports systems that award over $50 million in student loans to over 8 million students.	$617,000	$735,000	$617,000	–	(-$118,000)	Undermines loan delivery and collection in the face of anticipated 47 percent growth in the Direct Loan portfolio over FY 1999-2000. Hamstrings the new performance-based Office of Student Financial Assistance by eliminating funding for urgently needed, congressionally mandated system and customer service redesign efforts.
ADDITIONAL BENEFITS FOR SCHOOLS THAT WILL NOT BE FUNDED						
School Modernization Bonds and Qualified Zone. Provides new bonds with interest paid by Federal tax credits to help local communities go much further in renovating and building needed schools	–	$3.7 billion to help pay interest on $25 billion of new bonds.	—	–	The House has not provided any funds towards the President's proposal.	Congress has yet to authorize or pay for interest on state and local bonds to help communities build or renovate 6,000 public schools. These would be used to address record enrollments and overcrowding to repair crumbling school facilities and to accommodate smaller classes.

PRESIDENT CLINTON CALLS ON CONGRESSIONAL REPUBLICANS TO GET SERIOUS IMPROVING OUR NATIONS SCHOOLS AND INVESTING IN OUR NATION'S CHILDREN

September 24, 1999

On the same day that President Clinton vetoed the Congressional Republicans' risky tax and budget plan because it would have led to drastic cuts in key investments in our children's education, the House Labor, Health and Human Services and Education appropriations subcommittee passed a partisan bill that undermines key educational investments and efforts to improve our schools. The President has called for investments to reduce class size, improve teacher quality, expand after-school programs, modernize schools, and turn around failing schools in order to increase accountability, raise standards, end social promotion, and ensure that all students receive a world class education. The Republican appropriations bill, however, undermines all of these goals. President Clinton called the bill "unacceptable" and demanded that Congressional Republicans match their rhetoric about education with action.

THE REPUBLICAN APPROPRIATIONS BILL REPRESENTS A STEP BACKWARDS IN OUR EFFORTS TO STRENGTHEN PUBLIC SCHOOLS. Across the country, states and districts are demonstrating that high standards, accountability for results, and strategic investments are needed to raise student and school performance. But Congressional Republicans are turning back the clock. The irresponsible Republican bill:

- Provides no funding for class size reduction and no guarantee that 30,000 teachers hired last year can continue teaching in smaller classes throughout the country. It also provides no funding for the additional 8,000 teachers the President's plan would support this year. Research shows that smaller classes improve student achievement.

- Undermines after-school and summer school programs, resulting in nearly 1 million fewer students served than in the President's plan. After-school programs are a key component of efforts to help students reach high standards.

- Cuts investment in the America Reads program, resulting in 330,000 fewer students getting support to read independently by the end of the third grade. Early reading proficiency is a key indicator of academic success.

- Fails to address teacher quality. The bill abandons the President's standards-based approach and collapses teacher professional development funding into an unfocused block grant. Just as students must be held to high standards, teachers too need training and support based on those standards.

REPUBLICAN BILL GUTS THE ADMINISTRATION'S EFFORTS TO TURN AROUND FAILING SCHOOLS. Holding school accountable also means making a commitment to turn failing schools around. That is why the President's plan calls for investments to fix schools that are identified as failing, and in reconstituting chronically underperforming schools or closing them to ensure high quality public options for all students. But the Republican plan cuts funds dedicated for these purposes. The bill provides none of the funding requested by the President for the explicit purpose of turning around failing schools.

EFFORTS TO PREPARE CHILDREN FOR SCHOOL AND FOR COLLEGE SUFFER AS WELL. The Republican bill undercuts early childhood education programs and efforts to prepare students for higher education. The bill provides $500 million less for Head Start than the President's plan and terminates funding for the GEAR UP program, which prepares young people early for entering and succeeding in college.

PRESIDENT CALLS ON REPUBLICANS TO GET SERIOUS ABOUT IMPROVING THE NATION'S SCHOOLS. The President has proposed five key accountability measures -- turning around failing schools, improving teacher quality, ending social promotion, instituting discipline policies, and issuing school report cards -- and has sent Congress a balanced budget that invests in these measures. The President called on Republicans to put aside partisan politics and work with him to improve our public schools and give our students the skills to succeed.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

September 30, 1999

The Honorable C.W. Bill Young
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

The purpose of this letter is to provide the Administration's views on the Labor, Health and Human Services, Education, and Related Agencies Appropriations Bill, FY 2000, as approved by the House Subcommittee. As the Committee develops its version of the bill, your consideration of the Administration's views would be appreciated.

The Administration appreciates the Subcommittee's efforts to accommodate certain of the Administration's priorities within its 302(b) allocation. However, the inadequacy of the 302(b) allocation has forced the Committee to make choices that are simply unacceptable.

The allocation of discretionary resources available to the House and the Senate under the Congressional Budget Resolution is simply inadequate to make the necessary investments that our citizens need and expect. The President's FY 2000 Budget proposes levels of discretionary spending that meet important national needs while conforming to the Bipartisan Budget Agreement by making savings proposals in mandatory and other programs available to help finance vital spending needs. Congress has approved and the President has signed into law nearly $29 billion of such offsets in appropriations legislation since 1995. The Administration urges the Congress to consider additional such proposals as the FY 2000 appropriations process moves forward.

The Administration's proposed increase in the tobacco tax is both strong fiscal and health policy. Increasing the price of cigarettes will reduce youth smoking and save lives. In addition, this policy would raise revenue, which could be used to strengthen health care and other important priorities.

There are reports that the House Appropriations Committee we will consider an amendment to pay Earned Income Tax Credit (EITC) refunds on a monthly basis rather than as a lump sum. The Administration strongly opposes any proposal to delay EITC refunds. Delaying these refunds amounts to a tax increase on those least able to afford it -- working families who rely on EITC payments to meet basic expenses. EITC refunds belong to taxpayers, not the government, and should be paid promptly to up to 20 million working families who are entitled to them.

For the reasons discussed below, if the bill were presented to the President in its current form, the President would veto the bill.

Department of Education

The House Subcommittee bill undermines our national commitment to improve our schools by cutting $1.4 billion from the President's overall request for education program funding. As a result, it does not adequately support the Nation's efforts to reduce class sizes, enhance teacher quality, raise student achievement, improve accountability, make schools safe, and help all students prepare for and pay for college. It also underfunds programs that increase educational opportunities for Hispanic Americans and other underserved populations. The most significant problems with the bill include the following:

- Provides no funds for Class Size Reduction. The President's budget includes the second installment of his goal to hire 100,000 new teachers in order to reduce class size in the early years. Unfortunately, the House bill reneges on the bipartisan commitment last year to reduce class sizes to an average of 18 in the primary grades by providing no funds specifically for Class Size Reduction. As a result, it does not guarantee funding for the 29,000 teachers hired last year and the additional 8,000 teachers that would be hired under the President's proposal. This program has been extremely popular -- every State applied for and received funding in FY 1999, and preliminary State reports show that 1.7 million children will benefit from last year's funds alone.

- Makes deep cuts in literacy programs. The President's budget requests $286 million for Reading Excellence to help over one million children learn to read by the end of the third grade. The House bill cuts the request by $86 million, $60 million below the FY 1999 level, providing 330,000 fewer students the help they need to read independently, the cornerstone for all learning.

- Does not Support the Administration's Livable Communities Initiative. The House subcommittee bill provides none of the $10 million requested for Schools as Centers of Community, a component of the President's Livable Communities Initiative. This program, to be funded under the Fund for the Improvement of Education, would support grants to LEAs to assist them in the design and construction of new school buildings that -- through partnerships with the parents, teachers, students, and others -- will facilitate learning and have a profound impact on the community.

- Fails to Support Community Based Technology Centers. The House subcommittee bill does not provide the $55 million increase requested for Community Based Technology Centers to establish model community technology centers in low-income urban and rural communities. The $10 million provided in the House bill would not allow this program to expand to 300 additional low income communities, as the Budget request would do, and allow residents in these communities to have access to information technology that will prepare them for the 21st Century.

- Blocks the path to college for disadvantaged students. The House Subcommittee bill terminates the GEAR UP program, which helps students in high poverty areas stay in school, succeed in their classes, and prepare for college. Over 260,000 low-income middle school students who received services in FY 1999 would no longer get the help they need to graduate from high school and attend college. The President's budget requests $240 million to extend GEAR UP services to over 570,000 students in FY 2000. The House Subcommittee bill also cuts Work Study by $54 million below the President's request, thus serving about 60,000 fewer students and not attaining the President's goal of giving one million students the opportunity to work their way through college by the year 2000. The House Subcommittee bill also provides no funding for the Administration's initiative to support the training and recruitment of 1000 new teachers for Native American students. Only 2/3 of Native American students successfully complete high school -- far fewer than other groups of students -- and this initiative seeks to help these students to not only graduate high school, but to make a college degree a reality.

- Undermines accountability. The House Subcommittee bill provides $264 million less than the President's request for Title I Education for the Disadvantaged. As a result, 400,000 fewer children in low-income communities would receive additional educational services. The bill also fails to provide for the President's request to continue development of voluntary national tests and to establish a 2.5 percent set-aside in Title I to help States turn around failing schools. In addition, the bill provides $300 million of the President's $600 million request for After School programs, serving nearly 900,000 fewer students than the 1.8 million served in the President's budget, and thereby limiting State efforts to end social promotion by providing extra learning time for students to master academic material.

- Internet Access in Schools and Libraries. The House Subcommittee bill contains objectionable language that would deny Federal funds to schools and libraries that have not installed software on their computers to block Internet access to indecent materials to minors. While the Administration strongly supports efforts to ensure that schools and libraries protect minors from indecent materials, we object to such overly prescriptive language. Most local educational agencies already have developed their own acceptable-use policies, many of which are not based on software. Instead, the Administration favors less burdensome and restrictive language that would require that schools and libraries develop their own acceptable-use plans at the local level, and certify their implementation.

Department of Labor and Related Agencies

The House Subcommittee bill cuts the Labor Department by $1.5 billion (14 percent) below the request and $725 million below the FY 1999 level. The bill would eliminate critical programs that help at-risk youth achieve economic self-sufficiency. It would make deep cuts in programs that ensure safe workplaces, enforce domestic child labor laws, and promote equal pay. Further concerns with the provisions in the bill relating to the Labor Department include:

- Dislocated Worker Assistance. The House Subcommittee has cut the Administration's request for Dislocated Worker assistance by over $335 million (21 percent), denying training, job search, and re-employment services to over 176,000 dislocated workers. House Subcommittee action would eliminate funding for the President's Universal Re-employment Initiative, which includes a five-year commitment to ensuring that all dislocated workers can get the re-employment services they want and need.

- Youth Opportunity Grants. The House Subcommittee eliminates funding for the Youth Opportunity Grants program, denying education, training, and support services to about 58,000 disadvantaged youth in Empowerment Zones, Enterprise Communities, and similar high poverty areas. The President's budget includes $250 million to provide second-year funding for five-year, competitive grants to 25 to 30 communities.

- Adult Training Grants. The Subcommittee cuts the $955 million request for Adult training by over $95 million (10 percent) below the request. As a result, 38,000 individuals would be denied training, employment and support services through the reformed job training system authorized by the bipartisan Workforce Investment Act.

- Youth Grants. The Subcommittee's 10-percent reduction below the President's request and FY 1999 level of $1 billion for youth formula grants would eliminate education, training, and summer job opportunities for some 60,000 disadvantaged youth.

- Right Track Partnerships. The Subcommittee has failed to provide any funding for this $75 million competitive grant program, which would complement the Safe Schools/Healthy Students program. The House would deny 75,000 economically disadvantaged youth an opportunity to participate in this innovative partnership of business, education, and community-based organizations.

- Unemployment Insurance. The Subcommittee's $121 million cut below the President's request, and $87 million cut below the FY 1999, level would provide insufficient funding to administer the Unemployment Insurance program, even under continuing favorable economic conditions.

- Labor Law Enforcement. The Subcommittee reduces the President's request for critical programs that protect workers' safety, pensions, and wages by $112 million, which is below the FY 1999 level. Most programs are frozen, but the request for the Occupational Safety and Health Administration is cut by $51 million, returning OSHA to its FY 1998 level. The Administration urges the House to restore the request for programs that encourage equal pay, enforce domestic child labor laws, and promote family leave.

- Bureau of Labor Statistics. The House Subcommittee cuts the request by $26 million (6 percent), and continues the FY 1999 level after adjusting for planned reductions. The House mark would eliminate increased funding for improvements in key national economic indicators, including the Consumer Price Index, Producer Price Index, and the Employment Cost Index.

- National Labor Relations Board (NLRB). The Subcommittee bill cuts the NLRB by $35 million (17 percent) below the President's request. As a result, the NLRB's case backlog would grow by nearly 300 percent, and the entire agency would be furloughed for several weeks.

- NLRB Jurisdictional Thresholds. Title VIII of the House subcommittee bill would increase the NLRB's jurisdictional thresholds by inflation. This provision would decrease protection for small business, subject employers to investigation of confidential business records to determine coverage, and divert scarce NLRB resources from investigating labor law violations to investigating jurisdictional issues.

- Davis-Bacon Helpers. Section 103 of the Title I General Provisions would prohibit the Labor Department from using funds to implement, administer, or enforce the proposed regulation on helpers. This provision would stall a 20-year effort in the construction industry to recognize a prevailing practice and to reduce confusion surrounding the definition of a helper.

- Patients' Bill of Rights. Section 104 of the Title I General Provisions would prohibit the Labor Department from using any funds to implement a regulation that would require employer-sponsored health and pension plans to provide workers adequate notice and an opportunity for a full and fair review when benefits are denied. By prohibiting the Department of Labor from issuing regulations that would assure a timely internal appeals process for all employer based health plans, this bill would block the extension of important and long overdue patient protections to millions of Americans.

- International Labor Standards. The Subcommittee mark cuts all funding ($35 million) for the President's initiative to raise core labor standards globally, thereby leveling the playing field for American workers. This action takes a step backwards from the unanimous vote by the International Labor Organization this summer on its child labor convention, raising the dialogue internationally on core labor standards.

Department of Health and Human Services/ Social Security Administration

In total, the House Subcommittee bill does not include the resources necessary to support high priority programs at an acceptable level. The bill would jeopardize critical health and social service priorities, including:

- Head Start. The Administration strongly opposes the $506 million cut from the President's request of $5.3 billion. Under the Subcommittee's mark, 44,000 children included in the President budget would be denied comprehensive education and developmental services as Head Start participation would be frozen for the first time in over a decade (1987).

- Temporary Assistance for Needy Families (TANF). The Administration strongly opposes the $3 billion rescission of unobligated funds from the TANF program. By cutting billions from the program, this action would undermine America's efforts to move people from welfare to work and renege on our bipartisan commitment to states on welfare reform. The House bill abandons our commitment to provide a fixed level of funding to States who live up to their commitment to invest their own dollars in assistance to needy families.

- National Family Caregiver Support Program. The Administration urges the Committee to provide the $125 million requested to establish a new program to assist approximately 250,000 families caring for an older relative. The House Committee on Education and the Workforce recently reported out the Older Americans Act and included an authorization for this new program at the $125 million request level.

- Social Services Block Grant (SSBG). The Administration is strongly opposed to the $471 million reduction in the Social Services Block Grant, which funds critical programs including child care, child welfare services, and special services for individuals with disabilities.

- Preventive Health. The House Subcommittee failed to fund adequately preventive health activities that help improve the health and safety of children and adults, including immunizing children, reducing racial health disparities, addressing the spread of HIV/AIDS globally, improving food safety, and preventing tobacco use.

- Health Care Access. The Subcommittee has failed to fund adequately programs that will improve health care access for millions of Americans, including a new initiative on Health Care Access for the Uninsured and an increase for Family Planning services.

- Mental Health and Substance Abuse. The $69 million reduction for Mental Health services would diminish States' capacity to serve the mentally ill, and threaten to undermine an unprecedented collaborative effort between Health and Human Services, the Department of Justice, and the Department of Education to address recent outbreaks of violence in America's schools. The $139 million cut below the request for substance abuse prevention and treatment would deprive an additional 31,000 individuals from receiving substance abuse treatment.

- Health Care Financing Administration (HCFA). The Subcommittee's $399 million program level cut and $70 million cut in the Medicare Integrity Program would severely impede the management and oversight of the Medicaid and Medicare programs, threatening the priority activities including the Balanced Budget Act and Health Insurance Portability and Accountability Act, and important new initiatives, including the Nursing Home Initiative. We urge the House provide HCFA with its full budget authority request and enact the President's $244 million in requested user fees and the full amount of already-authorized Medicare+Choice user fees.

- Bioterrorism and other Disaster Response. The House Subcommittee has provided only $17 million of the requested $52 million for the national pharmaceutical stockpile. This 67-percent reduction (which is also a 69-percent reduction from the FY 1999 enacted level) would limit the amount of vaccines, antibiotics, and other medical supplies that can be stockpiled to deploy in the event of a chemical or biological attack. Additionally, the bioterrorism funding provided by the House Subcommittee does not include the requested $13 million for critical FDA expedited regulatory review and approval of new vaccines and drugs to combat biological and chemical agents used for terrorist purposes. Finally, the Subcommittee has eliminated all $9.7 million in funding for HHS' non-bioterrorist medical and public health disaster activities, which were most recently used to respond to Hurricane Floyd.

- Minority AIDS Initiative. The House Subcommittee eliminates all $50 million in funding for minority AIDS prevention and treatment, which was initially funded in the FY 1999 Omnibus Appropriations Act. These important resources allow HHS to direct the necessary funds to the most critical areas of need to address this epidemic in minority communities, and they should be restored.

- Organ Transplants. The Administration strongly objects to the legislative rider that delays implementation of HHS' final Organ Procurement and Transplantation Network rule for another year. This rule, validated by an Institute of Medicine report, provides a more equitable system treatment for over 63,000 Americans waiting for an organ transplant, and must be allowed to be implemented without further delay.

- Needle Exchange. The Administration objects to the Committee's including a total ban on the use of funds appropriated in this Act for needle exchange programs rather than making the use of funds for such programs conditional upon the certification of the Secretary of Health and Human Services.

- Abortion. The Administration urges the House to strike sections 508 and 509 of the Committee bill, which would prohibit the use of funds for abortion. The President believes that abortion should be safe, legal, and rare. These provisions would continue to limit the range of conditions under which a woman's health would permit access to abortion services. Furthermore, section 509 requires a physician to make a legal determination that these conditions have been met. The Administration proposes to work with the Congress to address the issue of abortion funding.

- Social Security Administration (SSA). The Administration urges the Committee to restore the $235 million cut to the SSA request. Funding SSA at the Subcommittee level would result in a deterioration in public service. SSA would be forced to impose an immediate and complete hiring freeze, leaving 3000 positions vacant by the end of the year. This would result in disability applicants waiting twice as long for a decision on their initial claims and longer waiting times for the millions of individuals who visit SSA district offices.

We look forward to working with the Committee to address our mutual concerns.

Sincerely,

Jacob J. Lew
Director

Identical Letter Sent to The Honorable C. W. Bill Young,
The Honorable David R. Obey, and The Honorable John E. Porter

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

September 29, 1999
(Senate Floor)

STATEMENT OF ADMINISTRATION POLICY

(THIS STATEMENT HAS BEEN COORDINATED BY OMB WITH THE CONCERNED AGENCIES.)

S. 1650 – DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES APPROPRIATIONS BILL, FY 2000

(Sponsors: Stevens (R), Alaska; Specter (R), Pennsylvania)

This Statement of Administration Policy provides the Administration's views on S. 1650, the Labor, Health and Human Services, Education, and Related Agencies Appropriations Bill, FY 2000, as reported by the Senate Appropriations Committee. Your consideration of the Administration's views would be appreciated.

As the President indicated in his statement yesterday, while the funding levels in the Senate Committee bill are better than those in the House bill, he would veto the bill in its current form for the reasons discussed below.

The President's FY 2000 Budget provides levels of discretionary spending for FY 2000 that conform to the Bipartisan Budget Agreement by making savings through user fees and certain mandatory programs to help finance this spending. The Administration wants to work with the Congress on mutually-agreeable mandatory and other offsets that could be used to increase funding for high-priority discretionary programs, including those funded by this bill.

Department of Education

The Administration strongly opposes the Senate Committee bill's undermining of our national commitment to improve our schools by not guaranteeing funds specifically for Class Size Reduction. The President's Budget includes the second installment of his goal to hire 100,000 new teachers in order to reduce class size in the early years. Unfortunately, the Senate bill reneges on the bipartisan commitment last year to reduce class sizes to an average of 18 in the primary grades by providing no funds specifically for Class Size Reduction. As a result, it does not guarantee funding for the 29,000 teachers hired last year or the additional 8,000 teachers that would be hired under the President's proposal. This program has been extremely popular -- every State applied for and received funding in FY 1999, and preliminary State reports show that 1.7 million children will benefit from last year's funds alone. We would support efforts to restore funding to this critical initiative as the bill moves through the legislative process.

The Senate Committee-reported bill also provides unacceptably low funding for the following education priorities:

- GEAR UP. The President's budget requests $240 million for GEAR UP, which helps students in high poverty areas stay in school, succeed in their classes, and prepare for college. The Committee bill provides $180 million, denying college preparation services to more than 130,000 fewer low-income middle school students.

- After School. The President's budget request focuses on raising student achievement and improving accountability in our Nation's schools. A cornerstone of this effort is the President's $600 million request for After School programs, which would support State efforts to end social promotion by providing extra learning time for 1.8 million students to help them master academic material. The Senate bill provides only $400 million for After School, denying services to nearly 600,000 students. The Administration strongly opposes the reduction in a top Presidential priority.

- Hispanic Education Agenda. The President's budget requested over a $400 million increase to support programs targeted to improve the educational outcomes of Hispanic Americans. Unfortunately, the Senate bill cuts $236 million from the request which will deny many of these indispensable services to this underserved population, seriously hampering the progress of Hispanic Americans in reaching the high academic standards expected of all students.

- Adult Education ESL/Civics Initiative. The Senate bill provides no funding for the President's Adult Education ESL/Civics Initiative (part of the Hispanic Education Agenda), which would provide $70 million to help adult English language learners acquire the skills necessary to become successful participants in American society.

- Reading Excellence. The Committee bill reduces the President's $286 million request for Reading Excellence to help over one million children learn to read by the end of the third grade. The bill provides $260 million for this program, denying 100,000 students the help they need to read independently, the cornerstone for all learning.

- Education Technology. The Committee's $94 million reduction from the request would make it increasingly difficult for States to meet school children's education technology needs, especially in training teachers to integrate educational technology into their curriculum effectively. These technological investments are critical in order to prepare the next generation for the 21st Century.

- Community Based Technology Centers. The Committee's $55 million reduction from the Budget would prevent low-income communities from gaining access to the technology that they need to prepare for the 21st Century. Recent studies have shown that not only do children and adults in low-income communities have much less access to computers than in high-income communities, this "digital divide" is also growing. The President's request would have helped to shrink this gap by funding nearly 300 additional community-based technology centers.

- Charter Schools. The Committee bill cuts $30 million from the request, which would leave over 500 charter schools without funds to assist in the planning and development of innovative programs that enhance public school choice.

- Research. The Committee has cut by over $50 million the President's request for research and dissemination, eliminating funding for large-scale, joint research with the National Science Foundation and the National Institutes of Health on early learning in reading and mathematics, teacher preparation, and technology applications. These cuts would occur at a time when teachers and policy-makers are demanding reforms proven by sound research.

In addition to the funding issues identified above, the Administration strongly urges the Senate to include a key language provision that would support stronger accountability under the Title I program by requiring States to reserve 2.5 percent of their LEA Grant allocations to help turn around the lowest-performing schools.

Furthermore, the Administration objects to the language limitation that would bring a halt to the President's efforts to help States and parents raise academic standards through a voluntary national test. The Committee bill's language would prohibit the pilot testing, field testing, implementation, administration, and distribution of the tests unless explicitly authorized. The language prohibition should be deleted. Congress should be promoting high standards for all students, not undermining them.

Department of Health and Human Services

The Senate Committee bill underfunds public health priorities, including preventive health, mental health services, and health care access for the poor. The Administration is very concerned about the following cuts to key health and social service programs:

- Social Services Block Grant (SSBG). The Administration is strongly opposed to the $1.3 billion reduction in the Social Services Block Grant. The Committee funding level is less than half the level requested and 45 percent below the FY1999 level. This cut would have a direct and severe impact on States, local governments and nonprofits that provide such critical programs as child care, child welfare, and services for individuals with disabilities.

- National Family Caregiver Support Program. The Administration urges the Senate to provide the $125 million requested to establish a new program to assist approximately 250,000 families caring for an older relative. The need for this program is indicated by the fact that there are seven million informal caregivers providing primary assistance to the 95 percent of older persons who need help with their daily activities.

- Head Start. The Administration commends the Committee for fully funding the President's request for Head Start. The $507 million increase above the House mark will enable this important program to deliver comprehensive education and developmental services to 44,000 additional low-income children. This increase also supports critical investments in quality improvement activities included in the President's budget and agreed upon in the bipartisan reauthorization of the Head Start Act last year. The Administration raises concern, however, over the possible impact of an advance appropriation at the level included in the Committee's mark.

- Mental Health Block Grant. The Administration objects to the $49 million reduction to the request for the Mental Health Block Grant. This funding is important for assisting States in supporting comprehensive community systems of care for adults with a serious mental illness and children with severe emotional disturbances, given that approximately 10.2 million people, or over five percent of the population, suffer from a serious mental illness over the course of any given year.

- Centers for Disease Control and Prevention (CDC). The Administration is concerned that the Senate bill would reduce requested funding for the Centers for Disease Control and Prevention by $53 million, impairing CDC's ability to carry out key public health activities such as childhood immunizations, chronic and environmental disease prevention, domestic HIV/AIDS prevention, and surveillance and investigations of outbreaks. Research done in CDC laboratories is used by community disease prevention programs around the country to address illnesses such as AIDS, cancer, diabetes, and influenza. The Administration urges the Senate to fund the requested increases for CDC, including funding for research, laboratory work, and technical assistance.

- Health Care Access. The Administration strongly opposes the Senate bill's failure to fund adequately programs that will improve health care access for many Americans, including a portion of the 43 million uninsured. No funding is provided for the Health Care Access for the Uninsured initiative, which would provide funds to enable the development of integrated systems of care and to address service gaps within these systems. In addition, the bill does not include the full $25 million increase requested for Family Planning services. The President's full request would provide family planning services to an additional 500,000 clients who are neither Medicaid eligible nor have insurance.

- Children's Hospitals Graduate Medical Education. The Administration is concerned about the Senate bill's lack of funding for Children's Hospitals Graduate Medical Education (GME). Teaching hospitals that do not treat many Medicare patients, such as the Nation's free-standing children's hospitals, receive a very small share of Medicare GME dollars. The Administration urges the Senate to fully fund this request.

- Bioterrorism. The Senate bill does not include in the Public Health and Social Services Emergency Fund the requested $13 million for critical FDA expedited regulatory review and approval of new vaccines and drugs to combat biological and chemical agents used for terrorist purposes.

- Minority AIDS Initiative. The Senate Committee reduces funding by $15 million (-30 percent) for minority AIDS prevention and treatment from the FY 1999 enacted and FY 2000 requested level. These important resources allow HHS to direct the necessary funds to the most critical areas of need to address this epidemic in minority communities and should be restored.

- HCFA Program Management. The Administration appreciates the Senate Committee's action to fund the request for HCFA Program Management. However, we encourage the Senate to enact the full amount of already-authorized Medicare+Choice user fees, as well as the President's requested increase in Medicare+Choice user fees. We also encourage the Senate to enact the President's proposed program management user fees totaling $194.5 million, which could free up resources under the discretionary caps for education and other priorities.

- Medicare+Choice Competitive Pricing Demonstrations. The Senate bill includes language that would prevent funds from being used to administer the Medicare+Choice Competitive Pricing Demonstration Project. These demonstrations were passed by the Congress as part of the Balanced Budget Act in order to provide valuable information regarding the use of competitive pricing methodologies in Medicare. The information that we could learn from these demonstrations is particularly relevant as we consider the important task of reforming Medicare. The Administration urges the Senate to remove this provision and to allow HCFA to implement the demonstrations.

- Abortion. The Administration urges the Senate to strike sections 508 and 509 of the Committee bill, which would prohibit the use of funds for abortion. The President believes that abortion should be safe, legal, and rare. These provisions would continue to limit the range of conditions under which a woman's health would permit access to abortion services. Furthermore, section 509 requires a physician to make a legal determination that these conditions have been met. The Administration proposes to work with the Congress to address the issue of abortion funding.

- Delayed Obligations for NIH. In providing the National Institutes of Health an increase of $2 billion, the Senate bill would delay the obligation of $3 billion to the end of the fiscal year. The Administration is concerned that the size of this restriction could hamper the efficient management of NIH's grant portfolio and potentially delay the funding of high-quality research on cancer, diabetes, Parkinson's, and other diseases.

Department of Labor

The Administration appreciates the Senate Committee's mark for the Department of Labor's employment and training programs and programs protecting working Americans at their jobs. This supports our initiatives to help dislocated workers, youth, and others in need of skills or skill upgrading to prepare for, find, and retain jobs in today's workplace. In addition, the Committee's mark will help ensure that worker safety and health and other rights are protected on the job at home as well as help developing economies establish core labor standards. However, the Administration urges the Senate to provide the full request for the Department to work with other agencies to address youth violence among out-of-school youth and the request for the Bureau of Labor Statistics to ensure that our statistical programs are maintained and improved.

National Labor Relations Board

The Administration appreciates the Senate Committee's full funding of the request for the National Labor Relations Board (NLRB). Among other things, this will enable the NLRB to work down its case backlog and improve its information technology so it can better serve labor and employers in resolving the charges brought before it for resolution.

Major Programs Impacted by House and Senate Subcommittee Marks in Labor/HHS/Education Bill

(All Program Levels in Millions)

			House Subcommittee Mark			Senate Subcommittee			
	FY 1999 Enacted	FY 2000 Budget	FY 2000 Mark	Mark +/- FY 1999	Mark +/- Budget	FY 2000 Mark	Mark +/- FY 1999	Mark +/- Budget	Senate +/- House
Education									
Class Size*	1,200.000	1,400.000	0.000	-1,200.000	-1400.000	1,200.000	0.000	-200.000	1,200.000
Education Technology	698.100	801.000	550.000	-148.100	-251.000	706.600	8.500	-94.400	156.600
After School (21st Century Learning Centers)	200.000	600.000	300.000	100.000	-300.000	400.000	200.000	-200.000	100.000
Pell (BA)	7,704.000	7,463.000	7,620.000	-84.000	157.000	7,778.000	74.000	315.000	158.000
GEAR UP	120.000	240.000	0.000	-120.000	-240.000	180.000	60.000	-60.000	180.000
Special Ed. Part B Grants to States	4,310.700	4,314.000	4,810.700	500.000	496.700	4,989.685	678.985	675.685	178.985
Impact Aid	864.000	736.000	907.000	43.000	171.000	892.000	28.000	156.000	-15.000
Total Education	33,520.404	34,711.893	33,310.697	-209.707	-1,401.196	35,249.532	1,729.128	537.639	1,938.835
Labor									
Right Track Partnership	0.000	75.000	0.000	0.000	-75.000	0.000	0.000	-75.000	0.000
Other JTPA Programs	238.000	196.000	192.000	-46.000	-4.000	274.000	36.000	78.000	82.000
One-Stop Career Center Grants	146.500	199.000	100.000	-46.500	-99.000	146.500	0.000	-52.500	46.500
UI State Administration Grants	2,295.000	2,460.000	2,220.000	-75.000	-240.000	2,316.000	21.000	-144.000	96.000
Total Labor	10,951.000	11,588.000	10,071.000	-880.000	-1,517.000	11,387.500	436.500	-200.500	1,316.500
Health and Human Services									
ACF Services	1372.087	1320.953	1375.216	3.129	54.263	1415.635	43.548	94.682	40.419
Social Services Block Grant	1909.000	2380.000	1909.000	-	-471.000	1050.000	-859.000	-1330.000	-859.000
Family Caregiver (non-add)	0.000	125.000	0.000	-	-125.000	0.000	0.000	-125.000	0.000
HCFA Program Level Funding	2,085.932	2,211.152	1,812.050	-273.882	-399.102	1,993.347	-92.585	-217.805	181.297
Ryan White AIDS	1,410.851	1,510.500	1,519.000	108.149	8.500	1,610.500	199.649	100.000	91.500
Ricky Ray	N/A	0.000	20.000	N/A	20.000	50.000	N/A	50.000	30.000
National Institutes of Health	15,597.189	15,932.786	16,935.314	1,338.125	1,002.53	17,613.470	2,016.281	1,680.684	678.156
Total HHS	37,359.054	38,958.012	38,629.848	1,270.794	-328.164	40644.496	3285.442	1686.484	2014.648
Total of Labor, HHS, and Education	81830.458	85257.905	82011.545	181.087	-3246.36	87281.528	5451.07	2023.623	5269.983

*Subject to authorization

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Labor/HHS/Education House and Senate Subcommittee Marks

(all Program Levels in millions)

			House Subcommittee Mark			Senate Subcommittee Mark			
	FY 1999 Enacted	FY 2000 Budget	FY 2000 Mark	Mark +/- FY 1999	Mark +/- Budget	FY 2000 Mark	Mark +/- FY 1999	Mark +/- Budget	Senate +/- House
Education									
Class Size**	1,200	1,400	0	-1,200	-1,400	1,200	0	-200	1,200
Goals 2000	491	491	0	-491	-491	494	3	3	494
Eisenhower Professional Development	335	335	0	-335	-335	335	0	0	335
Teacher Empowerment Act*[1]	0	0	1,800	0	0	0	0	0	0
Total (non add)	*2,026*	*2,226*	*1,800*	*-226*	*-426*	2,029	3	-197	229
School-to-Work	125	55	0	-125	-55	55	-70	0	55
Education Technology	698	801	550	-148	-251	707	9	-94	157
After School (21st Century Learning Centers)	200	600	300	100	-300	400	200	-200	100
Title I Grants to LEAs	7,732	7,996	7,732	0	-264	8,052	320	56	320
Safe and Drug Free Schools	566	591	566	0	-25	611	45	20	45
Magnet Schools	104	114	104	0	-10	112	8	-2	8
Charter Schools	100	130	130	30	0	100	0	-30	-30
America Reads	260	286	200	-60	-86	260	0	-26	60
Bilingual Education	224	259	224	0	-35	234	10	-25	10
Adult Education[1]	385	575	378	-7	-197	488	103	-87	110
Pell (BA)	7,704	7,463	7,620	-84	157	7,778	74	315	158
Pell Max Award (non add) [1]	*3,125*	*3,250*	*3,275*	*150*	*25*	*3,325*	*200*	*75*	*50*
Work Study	870	934	880	10	-54	934	64	0	54
SEOG	619	631	619	0	-12	631	12	0	12
Hispanic Serving Institutions	28	42	28	0	-14	42	14	0	14
Teacher Quality	75	115	75	0	-40	80	5	-35	5
GEAR UP	120	240	0	-120	-240	180	60	-60	180
HBCU	135	149	136	2	-13	142	7	-7	6
Preparing for College	0	15	0	0	-15	0	0	-15	0
College Completion Challenge Grants	0	35	0	0	-35	0	0	-35	0
Learning Anywhere Anytime Partnerships	10	20	0	-10	-20	10	0	-10	10
TRIO	600	630	660	60	30	630	30	0	-30
Special Ed. Part B Grants to States[1]	4,311	4,314	4,811	500	497	4,990	679	676	179
Impact Aid	864	736	907	43	171	892	28	156	-15
All Other Education Programs	5,765	5,755	5,591	-174	-164	5,064	-701	-691	-527
Total Education	33,520	34,712	33,311	-210	-1,401	35,250	1,729	538	1,939

*The House mark provides $1.8 billion for the Teacher Empowerment Act which would consiolidate class size, Goals 2000, and Eisenhower Professional Development.

**Subject to authorization

Labor/HHS/Education House and Senate Subcommittee Marks

(all Program Levels in millions)

	FY 1999 Enacted	FY 2000 Budget	House Subcommittee Mark: FY 2000 Mark	House Subcommittee Mark: Mark +/- FY 1999	House Subcommittee Mark: Mark +/- Budget	Senate Subcommittee Mark: FY 2000 Mark	Senate Subcommittee Mark: Mark +/- FY 1999	Senate Subcommittee Mark: Mark +/- Budget	Senate +/- House
Labor									
Adult Job Training Formula Grants[1]	955	955	860	-95	-95	950	-5	-5	90
Dislocated Workers[1]	1,406	1,596	1,260	-146	-336	1,596	190	0	336
Youth Job Training Formula Grants	1,001	1,001	901	-100	-100	1,001	0	0	100
Youth Opportunity Area Grants	250	250	0	-250	-250	250	0	0	250
Job Corps[1]	1,309	1,347	1,359	50	12	1,347	38	0	-12
Right Track Partnership	0	75	0	0	-75	0	0	-75	0
School-to-Work	125	55	0	-125	-55	55	-70	0	55
Other JTPA Programs	238	196	192	-46	-4	274	36	78	82
Total JTPA	5,284	5,475	4,572	-712	-903	5,473	188	-3	901
Employment Service Grants	822	848	822	0	-26	869	47	20	47
One-Stop Career Center Grants	147	199	100	-47	-99	147	0	-53	47
UI State Administration Grants	2,295	2,460	2,220	-75	-240	2,316	21	-144	96
Labor Law Enforcement:									
Pension and Welfare Benefit Admin	91	102	90	-1	-12	100	9	-2	10
Employment Standards Admin	315	342 **	314	-1	-28	343	28	1	29
Occupational Safety and Health Admin	354	388	337	-17	-51	388	34	0	51
Mine Safety and Health Admin	216	228	211	-5	-17	231	15	3	20
Total Labor Law Enforcement									
Bureau of Labor Statistics	399	421	395	-4	-26	409	11	-11	14
Bureau of International Labor Affairs	40	76	40	0	-36	76	36	0	36
All other Labor	988	1,048	970	-18	-78	1,037	48	-12	67
Total Labor	10,951	11,588	10,071	-880	-1,517	11,388	437	-201	1,317

* Shows program level in FY 2000; about 3/4 of the funds are newly advanced appropriated for FY 2001.

** For comparison purposes, excludes $34 million in transfers in programs from another agency denied by the subcommittee, but restored to the sending agency.

Labor/HHS/Education House and Senate Subcommittee Marks

(all Program Levels in millions)

			House Subcommittee Mark			Senate Subcommittee Mark			
	FY 1999 Enacted	FY 2000 Budget	FY 2000 Mark	Mark +/- FY 1999	Mark +/- Budget	FY 2000 Mark	Mark +/- FY 1999	Mark +/- Budget	Senate +/- House
Health and Human Services									
Administration for Children and Families									
Head Start (program level)[1,2]	4,660	5,267	4,760	100	-507	5,267	607	0	507
Child Care & Development Block Grant	1,000	1,183	1,183	183	0	1,183	183	0	0
LIHEAP	1,100	1,100	1,100	0	0	1,100	0	0	0
LIHEAP Emergency Fund Available (non-add	300	300	300	0	0	300	0	0	0
ACF Services	1,372	1,321	1,375	3	54	1,416	44	95	40
IDAs (non-add)	10	20	10	0	-10	10	0	-10	0
Violent Crime Reduction Programs	105	119	105	0	-14	105	0	-14	0
Refugee and Entrant Assistance	435	443	436	0	-7	443	7	0	7
Social Services Block Grant	1,909	2,380	1,909	0	-471	1,050	-859	-1,330	-859
TANF[3]	N/A	N/A	-3,000	N/A	N/A	N/A	N/A	N/A	N/A
ACF Discretionary Total	8,672	9,432	8,959	287	-473	9,513	841	81	554
Administration on Aging	882	1,048	882	0	-166	928	46	-120	46
Family Caregiver (non-add)	0	125	0	0	-125	0	0	-125	0
Home-Delivered Meals (non-add)	112	147	112	0	-35	147	35	0	35
Health Programs									
HCFA Program Level Funding	2,086	2,211	1,812	-274	-399	1,991	-95	-220	179
Medicare Integrity Program (Prog. Level)	560	630	560	0	-70	630	70	0	70
Health Care Fraud & Abuse Control (PL)	100	120	100	0	-20	120	20	0	20
Consolidated Health Centers	925	945	985	60	40	1,024	99	79	39
Children's Hosp. Graduate Medical Ed.	N/A	40	0	N/A	-40	0	N/A	-40	0
Family Planning	215	240	215	0	-25	222	8	-18	7
Ryan White AIDS	1,411	1,511	1,519	108	9	1,611	200	100	92
Childhood Immunizations*	448	526	421	-26	-105	512	64	-14	91
CDC HIV/AIDS	657	702	657	0	-44	662	6	-39	5
Nat'l Inst. for Occupational Safety & Health	200	212	200	0	-12	215	15	3	15
CDC Race & Health Demonstration Grants	10	35	10	0	-25	35	25	0	25
CDC Tobacco	74	101	Not available			Not available			Not available
CDC Food Safety	19	29	Not available			Not available			Not available

[2]FY 2000 House mark includes advance appropriation of $1.4 billion, FY 2000 Senate Subcommittee Mark includes advance appropriation of $1.9 billion.

[3]Rescinds advance appropriation in unobligated prior year TANF funds and makes them available in FY 01.

Labor/HHS/Education House and Senate Subcommittee Marks

(all Program Levels in millions)

			House Subcommittee Mark			Senate Subcommittee Mark			
	FY 1999 Enacted	FY 2000 Budget	FY 2000 Mark	Mark +/- FY 1999	Mark +/- Budget	FY 2000 Mark	Mark +/- FY 1999	Mark +/- Budget	Senate +/- House
National Institutes of Health	15,597	15,933	16,935	1,338	1,003	17,613	2,016	1,681	678
SAMHSA Mental Health Programs	512	589	520	8	-69	582	70	-7	62
SAMHSA Substance Abuse Programs	1,918	1,980	1,841	-78	-139	2,010	92	30	169
Health Care Access for the Uninsured	N/A	25	0	N/A	-25	0	N/A	-25	0
Bioterrorism**	159	230	202	42	-29	Not available	Not available	Not available	Not available
All Other Health Programs	2,914	2,420	2,812	-102	392	2,975	61	556	164
Total Health Programs	27,805	28,478	28,789	984	311	30,203	2,398	1,725	1,415
Total HHS	37,359	38,958	38,630	1,271	-328	40,644	3,285	1,686	2,015

* Includes funding for global polio & measles included in PHSSEF.

** Best estimates based on materials available; numbers will change.

	FY 1999 Enacted	FY 2000 Budget	House FY 2000 Mark	House Mark +/- FY 1999	House Mark +/- Budget	Senate FY 2000 Mark	Senate Mark +/- FY 1999	Senate Mark +/- Budget	Senate +/- House
Total of Labor, HHS, and Ed.	81,830	85,258	82,012	181	-3,246	87,282	5,451	2,024	5,270
Social Security Administration	6,426	6,706	6,481	55	-225	6,674	248	-32	193
National Labor Relations Board	184	210	175	-9	-35	210	26	0	35
Corp. for National Service	277	300	275	-2	-25	293	16	-6	18

[1]Programs are newly advance appropriated in the House mark. Total new advance appropriations are $12.6 billion

Education, Labor, Labor/HHS/Education House Subcommittee Mark

(all Program Levels in millions)

	FY 1999 Enacted	FY 2000 Budget	FY 2000 Mark	Mark +/- FY 1999 BA	Mark +/- FY 1999 Percent	Mark +/- FY 2000 BA	Mark +/- FY 2000 Percent
Education							
Class Size	1,200.000	1,400.000	0.000	-1,200.000	-100.00%	-1400.000	-100.00%
Goals 2000	491.000	491.000	0.000	-491.000	-100.00%	-491.000	-100.00%
Eisenhower Professional Development	335.000	335.000	0.000	-335.000	-100.00%	-335.000	-100.00%
Teacher Empowerment Act*			1,800.000				
Total (non add)	*2,026.000*	*2,226.000*	*1,800.000*	*-226.000*	*-11.15%*	*-426.000*	*-19.14%*
School-to-Work	125.000	55.000	0.000	-125.000	-100.00%	-55.000	-100.00%
Education Technology	698.000	801.000	550.000	-148.000	-21.20%	-251.000	-31.34%
After School (21st Century Learning Centers)	200.000	600.000	300.000	+100.000	50.00%	-300.000	-50.00%
Title I Grants to LEAs	7,732.000	7,996.000	7,732.000	0.000	0.00%	-264.000	-3.30%
Safe and Drug Free Schools	566.000	591.000	566.000	0.000	0.00%	-25.000	-4.23%
Magnet Schools	104.000	114.000	104.000	0.000	0.00%	-10.000	-8.77%
Charter Schools	100.000	130.000	130.000	+30.000	30.00%	0.000	0.00%
America Reads	260.000	286.000	200.000	-60.000	-23.08%	-86.000	-30.07%
Bilingual Education	224.000	259.000	224.000	0.000	0.00%	-35.000	-13.51%
Adult Education	385.000	575.000	378.000	-7.000	-1.82%	-197.000	-34.26%
Pell Max Award (non add)	*$ 3,125*	*$ 3,250*	*$ 3,275*	*$ 150*	*4.80%*	*$ 25.000*	*0.77%*
SEOG	619.000	631.000	619.000	0.000	0.00%	-12.000	-1.90%
Hispanic Serving Institutions	28.000	42.000	28.000	0.000	0.00%	-14.000	-33.33%
Teacher Quality	77.000	115.000	75.000	-2.000	-2.60%	-40.000	-34.78%
GEAR UP	120.000	240.000	0.000	-120.000	-100.00%	-240.000	-100.00%
Preparing for College	0.000	15.000	0.000	0.000	N/A	-15.000	-100.00%
College Completion Challenge Grants	0.000	35.000	0.000	0.000	N/A	-35.000	-100.00%
Learning Anywhere Anytime Partnerships	10.000	20.000	0.000	-10.000	-100.00%	-20.000	-100.00%
TRIO	600.000	630.000	660.000	+60.000	10.00%	+30.000	4.76%
Special Education Part B Grants to States	4,310.700	4,314.000	4,810.700	+500.000	11.60%	+496.700	11.51%
Impact Aid	864.000	736.000	907.000	+43.000	4.98%	+171.000	23.23%

*The House mark provides $1.8 billion for the Teacher Empowerment Act which would consiolidate class size, Goals 2000, and Eisenhower Professional Development.

9/24/199911:46 AM

Education, Labor, Labor/HHS/Education House Subcommittee Mark

(all Program Levels in millions)

	FY 1999 Enacted	FY 2000 Budget	FY 2000 Mark	Mark +/- FY 1999 BA	Mark +/- FY 1999 Percent	Mark +/- FY 2000 BA	Mark +/- FY 2000 Percent
Labor							
Adult Job Training Formula Grants*	955.000	955.000	860.000	-95.000	-9.95%	-95.000	-9.95%
Dislocated Workers*	1,406.000	1,596.000	1,260.000	-146.000	-10.38%	-336.000	-21.05%
Youth Job Training Formula Grants	1,001.000	1,001.000	901.000	-100.000	-9.99%	-100.000	-9.99%
Youth Opportunity Area Grants	250.000	250.000	0.000	-250.000	-100.00%	-250.000	-100.00%
Job Corps*	1,309.000	1,347.000	1,359.000	50.000	3.82%	12.000	0.89%
Right Track Partnership	0.000	75.000	0.000	0.000	N/A	-75.000	-100.00%
School-to-Work	125.000	55.000	0.000	-125.000	-100.00%	-55.000	-100.00%
Other JTPA Programs	238.000	196.000	192.000	-46.000	-19.33%	-4.000	-2.04%
Total JTPA	5,284.000	5,475.000	4,572.000	-712.000	-13.47%	-903.000	-16.49%
Employment Service Grants	822.000	848.000	822.000	0.000	0.00%	-26.000	-3.07%
One-Stop Career Center Grants	147.000	149.000	100.000	-47.000	-31.97%	-49.000	-32.89%
UI State Administration Grants	2,295.000	2,460.000	2,220.000	-75.000	-3.27%	-240.000	-9.76%
Labor Law Enforcement:							
Pension and Welfare Benefit Admin	91.000	102.000	90.000	-1.000	-1.10%	-12.000	-11.76%
Employment Standards Admin	315.000	342.000 **	314.000	-1.000	-0.32%	-28.000	-8.19%
Occupational Safety and Health Admin	354.000	388.000	337.000	-17.000	-4.80%	-51.000	-13.14%
Mine Safety and Health Admin	216.000	228.000	211.000	-5.000	-2.31%	-17.000	-7.46%
Total Labor Law Enforcement							
Bureau of Labor Statistics	399.000	421.000	395.000	-4.000	-1.00%	-26.000	-6.18%
Bureau of International Labor Affairs	40.000	76.000	40.000	0.000	0.00%	-36.000	-47.37%

* Shows program level in FY 2000; about 3/4 of the funds are newly advanced appropriated for FY 2001.

** For comparison purposes, excludes $34 million in transfers in programs from another agency denied by the subcommittee, but restored to the sending agency.

9/24/199911:46 AM

Education, Labor, Labor/HHS/Education House Subcommittee Mark

(all Program Levels in millions)

	FY 1999 Enacted	FY 2000 Budget	FY 2000 Mark	Mark +/- FY 1999 BA	Mark +/- FY 1999 Percent	Mark +/- FY 2000 BA	Mark +/- FY 2000 Percent
Health and Human Services							
Administration for Children and Families							
Head Start (program level)	4660.000	5267.000	4760.000	100.000	2.15%	-507.000	-9.63%
Head Start (appropriated level)	4660.000	5267.000	3360.000	-1,300.000	-27.90%	-1,907.000	-36.21%
Child Care & Development Block Grant	1000.000	1182.672	1182.672	182.672	18.27%	0.000	0.00%
LIHEAP	1100.000	1100.000	1100.000	-	0.00%	0.000	0.00%
LIHEAP Emergency Fund Available	300.000	300.000	300.000	-	0.00%	0.000	0.00%
ACF Services	1372.087	1320.953	1375.216	3.129	0.23%	54.263	4.11%
IDAs (non-add)	10.000	20.000	10.000	-	0.00%	-10.000	-50.00%
Violent Crime Reduction Programs	105.000	118.500	105.000	-	0.00%	-13.500	-11.39%
Refugee and Entrant Assistance	435.200	442.600	435.676	0.476	0.11%	-6.924	-1.56%
Social Services Block Grant	1909.000	2380.000	1909.000	-	0.00%	-471.000	N/A
Administration on Aging	882.020	1048.055	881.976	-0.044	0.00%	-166.079	-15.85%
Family Caregiver (non-add)	0.000	125.000	0.000	-	N/A	-125.000	-100.00%
Home-Delivered Meals (non-add)	112.000	147.000	112.000	-	0.00%	-35.000	-23.81%
Fraud/Abuse, LT care, Medicare checks							
x HCFA Program Level Funding	2,085.932	2,211.152	1,812.050	-273.882	-13.1%	-399.102	-18.0%
Medicare Integrity Program (Prog. Level)	560.000	630.000	560.000	0.000	0.0%	-70.000	-11.1%
Health Care Fraud & Abuse Control (PL)	99.761	120.000	100.000	0.239	0.2%	-20.000	-16.7%
Children's Hosp. Graduate Medical Ed.	N/A	40.000	0.000	N/A	N/A	-40.000	-100.0%
Family Planning	214.932	239.952	215.000	0.068	0.0%	-24.952	-10.4%
Ryan White AIDS	1,410.851	1,510.500	1,519.000	108.149	7.7%	8.500	0.6%
Childhood Immunizations*	447.948	526.167	421.477	-26.471	-5.9%	-104.690	-19.9%
CDC HIV/AIDS	656.590	701.500	657.036	0.446	0.1%	-44.464	-6.3%
Nat'l Inst. for Occupational Safety & Health	199.706	211.849	200.000	0.294	0.1%	-11.849	-5.6%
CDC Race & Health Demonstration Grants	9.997	35.000	10.000	0.003	0.0%	-25.000	-71.4%
CDC Tobacco	73.913	100.913	Not available				
CDC Food Safety	19.476	29.476	Not available				

Education, Labor, Labor/HHS/Education House Subcommittee Mark

(all Program Levels in millions)

	FY 1999 Enacted	FY 2000 Budget	FY 2000 Mark	Mark +/- FY 1999 BA	Mark +/- FY 1999 Percent	Mark +/- FY 2000 BA	Mark +/- FY 2000 Percent
National Institutes of Health	15,597.189	15,932.786	16,935.314	1,338.125	8.6%	1,002.53	6.3%
SAMHSA Mental Health Programs	512.129	588.737	519.808	7.679	1.5%	-68.93	-11.7%
SAMHSA Substance Abuse Programs	1,918.141	1,979.868	1,840.523	-77.618	-4.0%	-139.35	-7.0%
Health Care Access for the Uninsured	N/A	25.000	0.000	N/A	N/A	-25.00	-100.0%
Bioterrorism**	159.4	230.362	201.8	42.400	26.6%	-28.56	-12.4%

* Includes funding for global polio & measles included in PHSSEF.

** Best estimates based on materials available; numbers will change.

	FY 1999 Enacted	FY 2000 Budget	FY 2000 Mark	Mark +/- FY 1999 BA	Mark +/- FY 1999 Percent	Mark +/- FY 2000 BA	Mark +/- FY 2000 Percent
Social Security Administration	6,426.000	6,706.000	6,481.000	55.000	0.86%	-225.000	-3.36%
National Labor Relations Board	184.000	210.000	175.000	-9.000	-4.89%	-35.00	-16.67%

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release September 23, 1999

STATEMENT BY THE PRESIDENT

The House Labor, Health and Human Services, and Education appropriations subcommittee today passed a partisan bill that would seriously undermine our efforts to strengthen public education, protect workers, and move people from welfare to work.

This bill is proof that America's highest priority - improving our schools - remains the Republican Congress's lowest priority. The bill eliminates our effort to hire quality teachers to reduce class size in the early grades. It denies hundreds of thousands of young people access to after-school programs, fails to improve and expand Head Start, cuts the successful America Reads program, cuts educational technology, and eliminates the GEAR UP program, which helps young people prepare early for success in college. It fails to give public schools the resources to succeed, and does nothing to demand accountability for results

The bill also terminates the successful School-To-Work program and Youth Opportunity Grants, and makes deep cuts in programs that help dislocated workers, provide worker protections, and ensure worker safety. It undermines America's efforts to move people from welfare to work by reneging on our bipartisan commitment to the states on welfare reform. It contains a range of unacceptable provisions, which would prevent the government from effectively protecting the health and safety of the American people.

The subcommittee bill would also underfund public health priorities, including preventive health, mental health and substance abuse, health care access for the poor, and our efforts to reduce racial health disparities and the spread of AIDS worldwide. It would prevent us from continuing to provide important patient protections for American workers, and improving our nation's organ distribution system. It also would threaten our ability to manage key entitlement programs, such as Medicare and Medicaid.

I warned earlier today that the tax bill sent to me as part of the Republican budget plan would lead to major reductions in key national investments in education and other programs. The subcommittee's bill today is another step in the same misguided direction.

This bill is unacceptable. Our nation's children deserve much better. I sent the Congress a budget for the programs covered by this bill that provided for essential investments in America's needs, and was fully paid for. If this bill were to come to me in its current form, I would veto it. Instead, I urge the House not to pass the subcommittee's bill, and to work on a bipartisan basis with my Administration on acceptable legislation.

###

UNITED STATES DEPARTMENT OF EDUCATION NEWS

FOR IMMEDIATE RELEASE
September 23, 1999

Contact: David Frank (202) 401-3026

Statement by U.S. Secretary of Education Richard W. Riley
On the vote by the House Appropriations Subcommittee on Labor-HHS-Education

At a time when federal investment in education is the highest priority for the American public, the House Appropriations Subcommittee has taken the irresponsible action of cutting our nation's investment in education and slashing the very programs that Americans want. At a time when record numbers of students are enrolled in school, the Republicans have actually cut education funding.

Investment in initiatives to reduce class size and important programs like GEAR UP, which prepares disadvantaged children for college, all would vanish under this Republican budget. Their indiscriminate cuts run from the new basics to the old – cutting everything from education technology to the most basic of all, reading.

This bill also cuts in half the President's request for after-school programs, and it rejects the President's proposal to increase accountability as called for in his State of the Union Address.

On top of all this, the Republican majority has chosen – and let me say in no uncertain terms, it is a choice – they have chosen not to invest a dime to help local communities build and repair schools to replace our aging overcrowded school-buildings.

You'll hear a lot of talk from Republicans about the importance of education. But talk is cheap. When it comes to the end of the day – and that's where we are in terms of the national budget and our investment in education – actions are what matter. By their actions today, it is clear that the Republican majority has failed the American people.

The President today vetoed the tax bill sent to him by the Republicans because it was risky, irresponsible and would force cuts of as much as 50 percent in education funding over the next ten years. Today's budget action is just as irresponsible. I will urge the President to veto this bill.

###

STATEMENT BY SECRETARY OF LABOR ALEXIS M. HERMAN ON HOUSE LABOR/HHS/EDUCATION APPROPRIATIONS SUBCOMMITTEE ACTION

"This is a bad bill for American workers. America must close skills gaps and open doors of opportunity for a new economy and a new century. The Administration wants to help Americans to be wage earners for a lifetime: The House Subcommittee won't even give them severance pay. That is why I am alarmed with the bill reported out today. The House slams the door shut on meeting these challenges, and takes a mean-spirited approach - cutting efforts to help the neediest among us.

"At precisely the time when employers complain that they cannot find skilled workers and with pools of untapped potential workers, the House Subcommittee wants to devastate education and training programs both for young people struggling in poverty and for laid-off workers who don't have the skills to start over. At the same time this bill would drastically curtail our ability to improve the safety and health of American workers.

"The House Subcommittee bill would reverse progress on many fronts:

- It would devastate efforts to help workers who are laid off from their jobs through no fault of their own - and deny assistance to an estimated 176,000 workers;
- It would betray last year's bipartisan commitment to needy youth who are trying to land in rewarding careers, cutting training for almost 200,000 poor, at-risk youth, defunding the Youth Opportunity Movement and eliminating the School-to-Work initiative;
- It would severely damage the Department's ability to ensure that our workplaces are safe, that our workers are treated fairly by employers, and that the pensions of American families are safe and secure. Despite the fact that there are 6 million workers hurt on the job each year, this bill singles out OSHA for deep cuts, which would require drastic cuts in the number of inspections of serious workplace hazards.
- It zeroes out a promising initiative to help disabled Americans find and retain jobs.

And the Subcommittee has thrown roadblocks in the way of important new worker protection standards. The Subcommittee proposes to:

- keep workers in the dark about why they are not getting the health care benefits promised under their plans and how they can appeal and get a fair answer without delay; and

- stop the Department from proceeding with important regulations that would protect the wages of construction workers.

"The House action also cuts all funding for the important initiative proposed by the President to raise core labor standards globally, thereby leveling the playing field for American workers. Again, just as the President helped secure unanimous vote by the International Labor Organization this summer on its child labor convention, raising the dialogue internationally on core labor standards, the Subcommittee takes a step backwards. The House Subcommittee also cuts back funding for efforts to combat child labor, ensure equal pay and educate Americans about their pensions.

"Our economy is strong. Our commitment to the workers of today and tomorrow should be, too. America's working families deserve better."

###

Jason H. Schechter
09/28/99 06:56:46 PM

Record Type: Record

To: See the distribution list at the bottom of this message

cc:
Subject: Statement by the President: Senate Labor, Health and Human Services, and Education Appropriations Committee

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release September 28, 1999

STATEMENT BY THE PRESIDENT

Today the Senate Labor, Health and Human Services, and Education appropriations committee passed a spending bill that fails to invest in key initiatives to raise student achievement. While its funding levels are better than those of the House version, the Senate bill still falls short of what we need to strengthen America's schools. It does not guarantee a single dollar for our efforts to hire quality teachers and reduce class size in the early grades. It cuts funding for education technology, and underfunds such efforts as GEAR UP and after-school programs. And it does not provide funding to turn around failing schools.

To develop world-class schools, we need to invest more and demand more in return. We need accountability from our schools -- and from our Congress too.

In addition, the reduction in funding for the Social Services Block Grant could severely undermine state and local efforts to provide child care, child welfare programs, and services for the disabled. By failing to fund the Family Caregiver initiative, the bill also withholds critical aid to families caring for elderly or ill relatives. The legislation also shortchanges public health priorities in preventive and mental health, and underfunds programs that would give millions of Americans improved access to health care.

If this bill were to come to me in its current form I would have to veto it. I believe, however, that we can avoid this course. I sent the Congress a budget for the programs covered by this bill that provided for essential investments in America's needs, and that was fully paid for. I look forward to working with Congress on a bipartisan basis to ensure that this bill strengthens public education and other important national priorities.

Barry J. Toiv

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Subject: Dems Decry GOP Social Spending Cuts

Dems Decry GOP Social Spending Cuts

By ALAN FRAM Associated Press Writer

WASHINGTON (AP) -- Republicans pushed a $316 billion social spending bill through a House subcommittee Thursday that would cut many of the White House's education, health and labor priorities. President Clinton immediately promised to veto it.

Though the measure equals or exceeds Clinton's requests for educating handicapped students, treating AIDS patients and the Job Corps, Democrats denounced it for cuts it would extract elsewhere. These included the president's plans for hiring teachers, job training for teen-agers and Head Start.

``This bill is proof that America's highest priority -- improving our schools -- remains the Republican Congress' lowest priority,'' Clinton said in a written statement. He added, ``Our nation's children deserve much better.''

Republicans unveiled their bill the same day Clinton vetoed the GOP's 10-year, $792 billion tax cut. Just as he criticized the tax cut as a bloated misuse of budget surpluses, he called the labor-education measure ``another step in the same misguided direction.''

The bill's reductions raised questions about whether it would ever be approved by Congress, let alone reach his desk. The likeliest scenario was that it would join a parade of other spending bills that, with or without vetoes, would reach final form only in negotiations between lawmakers and White House officials.

Republicans defended the measure, saying they paid for it while honoring their pledge to not use Social Security surpluses in the coming fiscal year.

``We are committed, all of us, to stop bleeding Social Security reserves,'' said Rep. John Porter, R-Ill., chairman of the House

Appropriations Committee subcommittee that approved the bill. ``That takes some discipline.''

Porter did not mention the bookkeeping devices Republicans used to let them claim they would leave Social Security alone. This included delaying billions in spending until 2001, declaring $1.4 billion in a decades-old home-heating aid program for the poor to be an ``emergency,'' and reclaiming $3 billion in unspent welfare funds from the states -- a move that governors lambasted.

``This bill is a fantasy,'' said Rep. David Obey, D-Wis., top Democrat on the Appropriations Committee. ``If it were to be considered real, it would do real damage to the country's future,'' he said.

The measure -- the biggest of the 13 spending bills for the coming fiscal year that begins Oct. 1 -- was approved by Porter's subcommittee on a party-line 8-6 vote. The full committee will not consider it until at least next week.

Most of the measure covers automatically paid benefits such as Medicaid. Of the remainder -- money for every other federal education, health and labor program -- the GOP would provide $89.4 billion. That is $2.2 billion less than Clinton requested, and $300 million less than is being spent this year.

The bill would provide $17 billion for biomedical research at the National Institutes of Health, $1.1 billion more than Clinton requested. It also would outspend Clinton for community health centers, and maternal and child care grants to states.

But it would trim Clinton's requests for the Occupational Safety and Health Administration and literacy programs. And it would combine favorite Clinton programs for hiring new teachers, training teachers and improving local education standards into grants that states could use as they choose, but with $400 million less than the president requested for the three initiatives.

With just a week to go before fiscal 2000 begins, Congress has sent Clinton only four of the 13 annual spending bills that keep federal agencies functioning.

With veto threats facing seven of the bills and lawmakers moving slowly through internal disputes, leaders planned a stopgap measure that will keep government open for three additional weeks as problems are addressed.

Meanwhile:

--House-Senate bargainers edged toward a compromise that would keep production of the F-22 stealth fighter alive but might not let the Air Force purchase any next year.

--Negotiators from the two chambers remained at odds over foreign aid and agriculture spending bills.

--The Senate moved toward completion of a measure financing the Interior Department as oil-state senators seemed ready to win language blocking the Clinton administration from raising royalties that oil companies pay to drill on federal lands.

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