

Fax Message From
Congressman

2185 Rayburn House Office Building
Washington, D.C. 20515-4903
202-225-5506

Steve Gunderson

Third Congressional District, Wisconsin

TO: _____

Mike Cohen

FAX NUMBER: _____

401-0596

PHONE NUMBER _____

FROM: _____

STEVE GUNDERSON

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☒ TED REBARBER

SCOTT SMITH

SCOTT STAFFORD

DATE: _____

2/15/95

NUMBER OF PAGES _____

(excluding cover sheet)

COMMENTS: _____

Mike -

Here is a copy of what we
released this morning. In addition
to Goodling, Cunningham and McKeon
were present + offered support.
We will be working with the chmn.
on specifics. Feel free to call
w/questions.

Red

Congressman

Steve Gunderson

Third Congressional District, Wisconsin

2185 Rayburn House Office Building
Washington, D.C. 20515-4903FOR IMMEDIATE RELEASE
February 15, 1995Contact: Keven Kennedy
(202) 225-5506**GUNDERSON CALLS FOR MERGER OF DEPARTMENTS OF EDUCATION, LABOR AND EEOC**

Washington, D.C. -- Arguing that we can't adequately prepare our youth for the challenges of the 21st century until we make fundamental changes in federal policy on education and employment issues, Congressman Steve Gunderson (R/Osseo) today introduced a proposal to merge the U.S. Department of Education, the Department of Labor and the EEOC into a single Department of Education and Employment. This proposal is being co-sponsored by House Economic and Educational Opportunities Chairman Bill Goodling (R-PA).

"As America plans for the challenges of the global economy, and the information and technological revolution that goes along with it, the federal government clearly will play an important role in education and employment, but that role must be reinvented," Gunderson explained. "The fragmented and redundant delivery systems currently administered by the Education and Labor Departments must be streamlined and consolidated in order to respond to the needs of a future generation and I believe the creation of the Department of Education and Employment moves us in that direction."

Gunderson, who was joined by other Members of the House Economic and Educational Opportunities Committee during a morning news conference, says that not only will this new Department of Education and Employment provide a new focus and efficiency to federal workforce

policy, but it will bring necessary savings for taxpayers as well.

"By simply consolidating programs and eliminating duplication, we can stem the immense bureaucratic growth of these agencies and realize some real savings in the process," Gunderson said. "By merging these departments, we've been able to identify at least \$21 billion in cost saving reductions over five years."

"We also will continue to work closely with other members of the Opportunities Committee to identify other areas that may be consolidated and streamlined to yield further savings."

The proposal calls for the Department to be organized around three basic functions:

- **Workforce Preparation and Policy** -- This category incorporates most education and adult training programs.
- **Civil Rights** -- This category incorporates all aspects of enforcement of employment discrimination laws.
- **Workplace Policy** -- This category focuses on safety, employee benefits, and workplace modernization.

"As Congress and the Administration debate the value of specific programs, it is essential that we do so in the context of a basic structure that is relevant for the times," Gunderson concluded. "It is not the function of this proposal to debate the merits of each program. Rather, through broad consolidation and coordination of programs, we can make dramatic cost savings and achieve a better federal education and employment system at the same time."

**Embargoed until
10:00 a.m. February 15, 1995**

A Proposal for the Establishment of

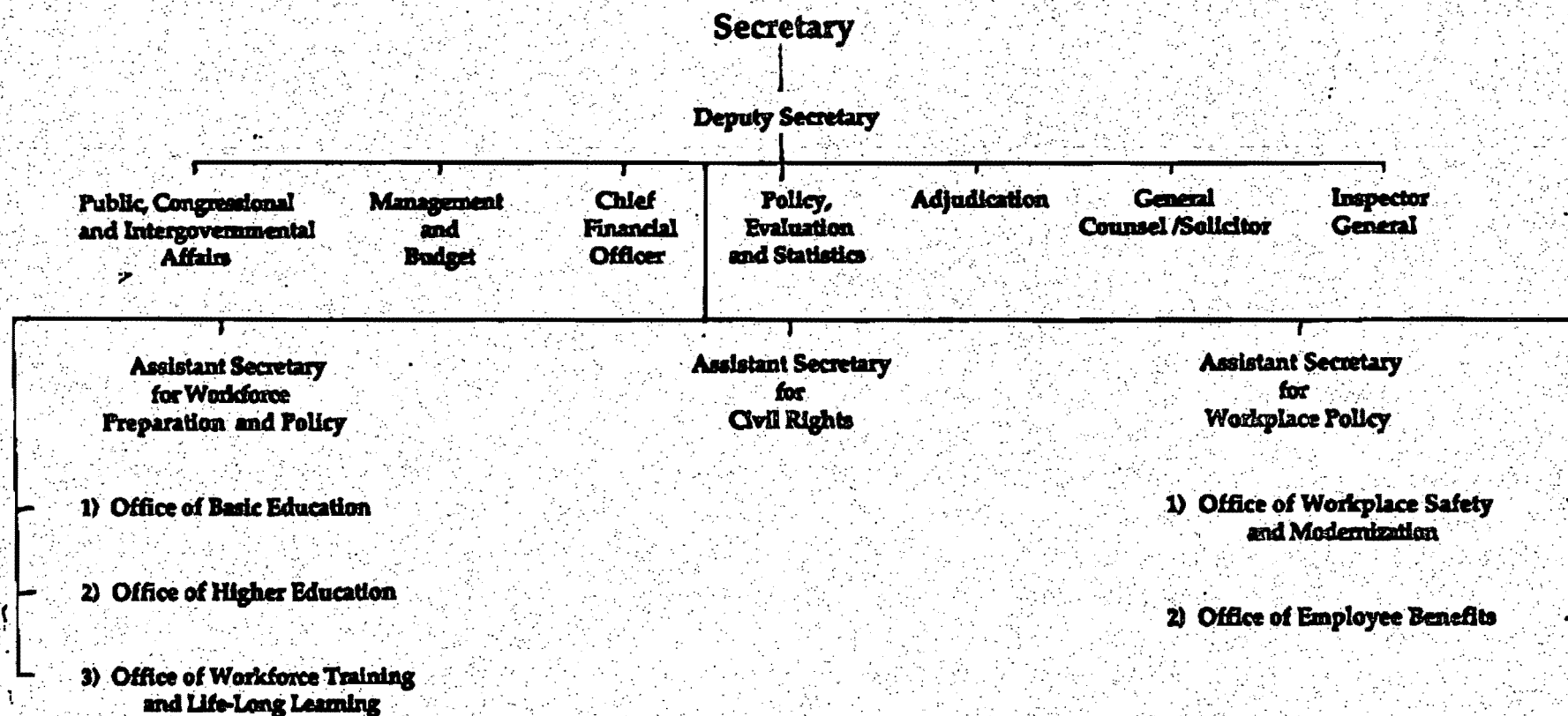
The Department of Education and Employment

**Congressman Steve Gunderson
Congressman Bill Goodling**

The Establishment of the Department of Education and Employment

- ✓ **Consolidates existing Department of Education, Department of Labor, and EEOC;**
- ✓ **Provides focus for the establishment of a national strategy for the development of our Nation's future and current workforce and workplaces;**
- ✓ **Saves over \$21 billion over five years through administrative and program reductions made possible through consolidation;**
- ✓ **Maintains commitment to meet the needs of individuals benefitting from the activities of existing departments; and**
- ✓ **Establishes one comprehensive office to promote workforce and workplace civil rights. This office will enhance protection against discrimination through increased efficiency, new dispute resolution mechanisms and other reforms.**

The Department of Education and Employment



Total 5 yr. Program Savings: At Least \$21 billion

*Mike C.
for Mon. mtg
w/ Mike Smith*

February 13, 1995

A Proposal for the Establishment of

The Department of Education and Employment

Congressman Steve Gunderson

The Establishment of the Department of Education and Employment

- √ Consolidates existing Department of Education, Department of Labor, and EEOC;
- √ Provides focus for the establishment of a national strategy for the development of our Nation's future and current workforce and workplaces;
- √ Saves over \$4 billion annually through administrative and program reductions made possible through consolidation;
- √ Maintains commitment to meet the needs of individuals benefitting from the activities of existing departments; and
- √ Establishes one comprehensive office to promote workforce and workplace civil rights. This office will enhance protection against discrimination through increased efficiency, new dispute resolution mechanisms and other reforms.

A PROPOSAL TO ESTABLISH
THE DEPARTMENT OF EDUCATION AND EMPLOYMENT

As America prepares for the challenges of a competitive global economy in the 21st century, fundamental restructuring of federal workforce and workplace policies is essential. As modern technology and the information revolution sweep through the economies of our industrial competitors, ensuring a highly skilled workforce and a modern workplace becomes increasingly critical. In the context of deficit reduction and pressures for fiscal discipline, new, more relevant and efficient delivery systems must be developed.

The federal government has a limited, but important leadership role to play in education and employment. With respect to basic education, federal support needs to be accompanied by less federal regulation but a greater focus on enabling states to prepare students with the advanced knowledge and skills necessary for the workplace of the 21st century. Federal employment policies and practices must be re-oriented toward fostering a modern, efficient workplace that can thrive in the current competitive environment. Federal support for life-long learning and retraining of adult workers needs to be restructured into a more coherent framework that is less bureaucratic and fragmented.

This proposal seeks to respond to those needs by redefining fundamental goals, agencies, and programs. It does so, in a way that not only better serves the federal role, but that also ends the duplication and bureaucratic growth that has accumulated. The Department of Education and the Department of Labor are merged into the Department of Education and Employment in order to provide greater focus and efficiency. We also merge the Equal Employment Opportunities Commission into this Department, combining it with current divisions in the two Departments that protect civil rights, in order to administer the protection of America's citizens from discrimination in a more efficient, effective and timely manner.

This Department is organized around three functions:

(1) Workforce Preparation and Policy; (2) Civil Rights; and (2) Workplace Policy. This first category incorporates most education and adult training programs, while the second focuses on safety, employee benefits, and workplace modernization.

As the following organizational chart shows, the Assistant Secretary for Workforce Preparation and Policy would lead three offices:

1. Office of Basic Education
2. Office of Higher Education
3. Office of Workforce Preparation and Life-long Learning

The Assistant Secretary of Civil Rights leads a combined office that includes the former Equal Employment Opportunities Commission, and the Education Department's Office of Civil Rights, the Labor Department's Office of Federal Contract Compliance Programs, and other relevant programs.

The Assistant Secretary for Workplace Policy would lead two offices:

1. Office of Workplace Safety and Modernization
2. Office of Employee Benefits

As Congress and the Administration debate the value of specific programs, it is essential that we do so in the context of a basic structure that is relevant for the times. It is not the function of this proposal to debate the merits of each program. Rather, through consolidation and coordination, we make dramatic cost savings and delivery improvements. And in so doing, we propose eliminating some programs that may be duplicative or that may have outlived their usefulness. Other programs should be considered on their individual merits.

The Department of Education and Employment

Secretary Program Administration

FY 95	Proj	Savings
555.8m	416.9m	138.9m

Deputy Secretary *

Public, Congressional
and Intergovernmental
Affairs *

Management
and
Budget *

Policy
and
Evaluation

FY 95 Proj Savings
485.6m 441.9m 43.7m

Adjudication *

General
Counsel /Solicitor *

Inspector
General *

Assistant Secretary
for Workforce
Preparation and Policy

1) Office of Basic Education
FY 95 Proj Savings
16.6b 15.6b 1.03m

2) Office of Higher Education
FY 95 Proj Savings
10.1b 10.4b +279.6m

3) Office of Workforce Preparation
and Life-Long Learning
FY 95 Proj Savings
12.0b 9.8b 2.2b

Assistant Secretary
for
Civil Rights

FY 95	Proj	Savings
359.7m	329.1m	30.6m

Assistant Secretary
for
Workplace Policy

1) Office of Workplace Safety
and Modernization
FY 95 Proj Savings
594.3m 464m 130.3m

2) Office of Employee Benefits
FY 95 Proj Savings
166.6m 132.8m 33.8m

Total FY 95: 40.9 b Total Projected: 37.6 b Program Savings: 4.0 b **

* Contained in Program Administration budget for the Office of the Secretary

** Contains savings from program eliminations not calculated in Total FY95 or Projected budgets

Program and Administrative Management

<u>FY</u> <u>95</u>	<u>Proposed</u> <u>Budget</u>	<u>Net</u> <u>Savings</u>
555.8	416.9	138.9

This account includes budgets for the Office of the Secretary, Deputy Secretary, Public, Congressional and Intergovernmental Affairs, Management and Budget, General Counsel and Solicitor, Adjudication, and the Office of Inspector General.

Office of Secretary

Expected Savings: 50%

The offices of the Secretaries of Labor and Education are merged into one Office of the Secretary of Education and Employment. The Secretary provides leadership and direction for the Department as a whole.

Office of Deputy Secretary

Expected Savings: 50%

The offices of the Deputy Secretary of Labor and Education are merged into one Deputy Secretary of Education and Employment. The Deputy Secretary assists the Secretary with management and other responsibilities assigned by the Secretary. Funds for the Secretary and Deputy Secretary are maintained from only one Department, with the rest saved.

Public, Congressional, and Intergovernmental Affairs

Expected Savings: 40%

From Labor:

- Congressional Affairs
- Public Affairs
- Small Business and Minority Affairs

From Education:

- Legislation and Congressional Affairs
- Intergovernmental and Interagency Affairs
- Public Affairs

The divisions serving these functions in the Education and Labor Departments are merged into one office serving the new Department with substantial savings realized as a result. The final budget is larger than the previous individual budgets of these divisions in the Labor or Education Departments, reflecting the increased responsibilities as well as the importance of public engagement on these issues.

Management and Budget

Expected Savings from Retained Functions: 20%

From Labor:

Management & Budget Administration
Chief Financial Officer

From Education:

Under Secretary
Human Resources and Administration

Personnel and divisions performing these functions previously are merged into one office. This results in significant savings, partly from reductions in duplication and partly due to the smaller overall task of managing fewer programs that have been consolidated into block grants.

General Counsel and Solicitor

Expected Savings from Retained Functions: 20%

Legal Services (Solicitor's Office)

The new office of General Counsel and Solicitor would serve as a legal advisor to the secretary and both assistant secretaries. The office would retain the traditional solicitor's responsibility for enforcement of our nation's labor laws.

	<u>FY</u> <u>95</u>	<u>Proposed</u> <u>Budget</u>	<u>Net</u> <u>Savings</u>
<u>Adjudication</u>			
	20.0	16.0	4.0
Office of ALJs	11.6	9.3	2.3
Wage & Benefit Appeals Board	6.2	4.9	1.3
Office of Administrative Appeals	.9	.8	.1
Employees Compensation and review Bd	1.3	1.0	.3

The Office of Adjudication remains the same, except that the Benefits Review Board is merged with the Wage Appeals Board (to account for reduced caseloads and realize efficiencies from a consolidated board). The Office of ALJs and the Employees Compensation and Review Board are unchanged.

Office of Inspector General

Office of Audit	23.8	13.8	10
Office of Investigations	9.0	4.5	4.5
Office of Labor racketeering	11.9	5.5	6.4
Resource Management and Legislative Assessment	7.4	3.5	3.9
IG (DOEd)	30.4	30.4	0

The office of inspector general combines the auditing and investigation divisions of both the DOL and the DOE with the Office of Labor Racketeering from DOL OIG. Substantial savings are expected once these offices are successfully integrated. Projected savings from the merger are at least \$24.8 m.

	<u>FY</u> <u>95</u>	<u>Proposed</u> <u>Budget</u>	<u>Net</u> <u>Savings</u>
<u>Policy and Evaluation (Total)</u>	485.6	441.9	43.7
Deputy Asst. Secretary -- Policy & Evaluation			
Chief Economist	3.0	2.4	.6
Fund for the Improvement of Workforce Preparation	36.8	15.0	21.8
Assessment (OERI)	32.8	32.8	0
Planning and Evaluation Services (PES)			
(PES calculated in Program and Admin. Management)			
Bureau of Education and Labor Statistics (BELS)			
(Total)	409.0	388.5	20.5
Statistics (OERI)	48.1		
Bureau of Labor Statistics			
Women's Bureau (Statistics)	1.0		
America's Job Bank	2.0		
Labor Force Statistics	155.2		
Prices and Cost of Living	93.2		
Compensation and Working Conditions	61.3		
Productivity and Technology	6.9		
Employment Projections	4.1		
Executive Director	26.7		
NOICC/SOICC	5.4		
Revision of CPI	5.1		

The new Office of Policy & Evaluation merges many of the functions that were previously handled in the policy and research divisions in the Department of Labor and the Education Department. The discretionary Fund for Improvement in Education (FIE), traditionally housed in this Office, would be transformed into the Fund for Improvement in Workforce Preparation (FIWP). The Bureau of Labor Statistics (BLS) is merged with the National Center for Education Statistics (NCES) into a Bureau of Education and Labor Statistics (BELS). Assessment, under its independent governing board, is separated from the Statistics bureau. Funds supporting basic research, including the research institutes, are transferred in full to the National Science Foundation. Research funds supporting the educational laboratories are transferred to the school improvement (formerly Chapter 2) block grant, with the purchase of educational laboratory services authorized as a possible use of all school improvement block grant funds. Some efficiencies are achieved in year one as a result of administrative consolidation. Similar savings are achieved over the second through fifth years as a result of data consolidation and other efficiencies.

Assistant Secretary for Workforce Policy and Preparation

	<u>FY</u> <u>95</u>	<u>Proposed</u> <u>Budget</u>	<u>Net</u> <u>Savings</u>
<u>Office of Basic Education (Total)</u>	16623.6	15597.4	1026.2
Goals 2000			
State Grants	371.9	371.9	0
Parents as Teachers and other Goals 2000 programs	31.5	31.5	0
Title I (Total)	6806.7	6806.7	0
Grants to LEAs	6698.4		
Neglected and Delinquent Children	39.3		
State Program Improvement Grants	27.6		
Private School Children Expenses	41.4		
Revised Innovative Education Program Strategies (formerly Chapter II) (Total)	1927.5	1045.8	881.7
Charter Schools	6.0		
Innovative Education Program Strategies (formerly Chap. II)	347.3		
Impact Aid	728.0		
Eisenhower Professional Develop.	320.2		
Research Labs	43.0		
Safe and Drug-Free Schools	482.0		
Inexpensive Book Distribution (RIF)	10.3	10.3	0
ESEA Technical Assistance Consolidation	44.5	20.0	24.5
Even Start	102.0	102.0	0

	<u>FY</u> <u>95</u>	<u>Proposed</u> <u>Budget</u>	<u>Net</u> <u>Savings</u>
Javits Gifted and Talented	9.5	10.0	+ .5
Indian Education (youth)	77.9	77.9	0
DOE Art in Educ. merge w/NEA Arts in Ed.	19.1	15.3	3.8
Education for Homeless Children and Youth	28.8	28.8	0
Bilingual Programs	245.2	150.0	95.2
Minority Teacher Recruit and Minority Sci.	8.3	8.3	0
Magnet Schools	111.5	111.5	0
Train. & Advisory Services for Civil Rights	21.4	21.4	0
Foreign Language Assistance	10.9	10.9	0
Special Education	3218.8	3218.8	0
Head Start	3534.7	3534.7	0
Library Support (Total)	43.1	21.6	21.5
Interlibrary Cooperative	23.7		
Library Literacy	8.0		
Library Education and Training	4.9		
Library Research and Demonstrations	6.5		

The office of Basic Education has jurisdiction over all those programs affecting Early Childhood, Elementary, and Secondary Education. Federal initiatives within this division of the Department of Education and Employment include Goals 2000, Title I, Chapter II and revised Chapter II block grants, Even Start, a merged NEA and DOEd arts program, Library Support block grant, and Head Start.

The structure of the office creates both budgetary and programmatic improvements. Through the elimination of unnecessary programs and Library Construction, and by consolidating statistical and evaluative operations, the merger saves approximately \$900 million. In addition, consolidation of programs into block grants, as with Chapter Two services, eliminates federal bureaucracies and provides greater control by state and local educational agencies. As the Congress reforms these education programs, further savings may be achieved through consolidation. Various proposals before the Congress would accomplish this.

	<u>FY</u> <u>95</u>	<u>Proposed</u> <u>Budget</u>	<u>Net</u> <u>Savings</u>
<u>Office of Higher Education (Total)</u>	10134	10413.6	+ 279.6
Pell Grants	6243.7	6243.7	0
SEOG	583.4	583.4	0
Work Study	616.5	616.5	0
Perkins Loans	176.0	176.0	0
State Student Incentive Grants	63.4	63.4	0
State Post-Secondary Review Program	20.0	20.0	0
Federal Family Education Loan	62.2	62.2	0
International Education	59.1	59.1	0
Cooperative Education	6.9	6.9	0
Student Financial Database	.5	.5	0
Merge TRIO and Early Intervention	466.1	466.1	0
Fund for the Improvement of Post-Secondary Educ.	17.5	15.0	2.5
Strengthening Institutions	229.7	150.0	79.7
Howard University	206.5	206.5	0
HBCU	.3	.3	0
NTID	43.2	43.2	0
Gallaudet	80.0	80.0	0
Direct Student Loans	1138.2	1500.0	-361.8
Christa McAuliffe Fellowships	1.9	1.9	0

	<u>FY</u> <u>95</u>	<u>Proposed</u> <u>Budget</u>	<u>Net</u> <u>Savings</u>
Scholarship Block Grant (Total)	118.9	118.9	0
Byrd	29.1		
National Science Scholars	6.4		
Douglas Teachers	14.6		
Olympic Scholarships	1		
Teacher Corps	1.9		
Harris Graduate Program	20.2		
Javits Graduate Program	7.8		
Graduate Assistants	27.3		
Faculty Fellowship	3.7		
School, College, & UN Partnerships	3.9		
CLEO	3.0		

The Office of Higher Education has jurisdiction over all those programs affecting Higher Education. Federal initiatives within this division include Financial Aid, Gallaudet and Howard University funding, HBCU, NTID, and a scholarship block grant for higher education.

The structure of the office creates program improvements with some budgetary streamlining. By combining all higher education programs and financial aid data, the federal role in higher education is centralized and provides for greater coordination between services. Through elimination of programs and placing higher education scholarships in a block grant, there is a savings of approximately \$30 million, excluding administrative savings.

	<u>FY</u> <u>95</u>	<u>Proposed</u> <u>Budget</u>	<u>Net</u> <u>Savings</u>
<u>Office of Workforce Preparation and</u>			
<u>Life-Long Learning:</u>			
<i>series of 4 block grants (still under consideration)</i>			
(Total)	12040.5	9757.6	2282.9
(From the Department of Labor)			
Adult Training			
JTPA IIA Adult	1054.8		
JTPA III Dislocated Workers	1296.0		
Defense Conversion Adjustment	0		
Defense Diversification	0		
Clean Air Employment Transition	0		
Native American Training	64.1		
Migrants and Seasonal Farmworkers	85.7		
Job Corps	1099.5		
Veteran's Employment	8.9		
National Activities	78.5		
Job Training for the Homeless	5.0		
Trade Adjustment Assistance	231.0		
Employment Service	761.0		
Employment Service --			
Governor's Discretionary	84.0		
Disabled Vets' Employment	83.0		
Local Veterans' Employment	77.5		
Dislocated Workers	0		

	<u>FY</u> <u>95</u>	<u>Proposed</u> <u>Budget</u>	<u>Net</u> <u>Savings</u>
Education/Youth/School-to-Work			
JTPA IIC Youth	589.7		
JTPA IIB Summer Youth	1056.3		
Youth Fair Chance	24.8		
Skills Standards	6.0		
School-to-Work)			
(incl. Dept. of Ed. share	250.0		
Federal Corrections Institutions	0		
Voc. Ed. Basic State Grant	764.5		
Comprehensive Career Guidance	0		
Blue Ribbon Programs	0		
Regional Training -- Skilled Trades	0		
Business/Ed/Labor Partnerships	0		
State Programs and Activities	81.2		
Single Parents/Displ'd Homemakers	71.7		
Sex Equity	28.7		
Criminal Offenders	9.5		
Cooperative Demonstrations	10.7		
Community Based Organizations	9.5		
Bilingual Vocational Training	0		
Consumer and Homemaking Education	34.4		
TechPrep Education	108.0		
Student Literacy Corps	0		
21st Century Learning Centers	.8	10.0	+9.3

	<u>FY</u> <u>95</u>	<u>Proposed</u> <u>Budget</u>	<u>Net</u> <u>Savings</u>
Vocational Rehabilitation			
Basic State Grants	2054.1		
Support Employment	10.6		
Industry Programs	22.1		
Individuals with Severe Disabilities	36.5		
Basic State Grants	764.5		
 JOBS	 1300.0	 1300.0	 0
 Adult Education			
Demo projects for Voc/			
Academic Integration	10.0		
National Workplace Literacy	18.7		
Literacy for Incarcerated Adults	5.1		
State Literacy Resource Centers	7.8		
Basic Grant Program	252.3		
Homeless	9.5		
National Programs	8.8		
Library Service	8.0		
Indian Education (adults)	5.4		
 Migrant Education			
High School Equivalency Program	8.1		
Migrant State Agency	305.5		
College Assistance for Migrant Educ.	2.2		
 American Printing House for the Blind	 6.7	 6.7	 0

The Office of Workforce Preparation and Life-Long Learning, will consolidate the current administrative and policy functions of existing departments and divisions within both the Department of Labor and the Department of Education. This new office will oversee a consolidated system of federal job training programs which will ensure a coordinated federal strategy in developing the skills of all Americans. Specifically, these offices include (within the DOL) the Office of the Assistant Secretary for Employment and Training; Deputy Assistant Secretaries; Office of Job Training Programs; Office of Work-Based Learning; United States Employment Service; Unemployment Insurance Service; Office of Financial and Administrative Management; Office of Strategic Planning and Policy Development; and the Office of Regional Management. Offices within the Department of Education include: Rehabilitation Services Administration; Offices under the Assistant Secretary for Vocational and Adult Education, including, Policy Analysis Staff; Adult Education and Literacy Division; National Programs Division; and the Vocational-Technical Education Division.

The consolidation of these programs along with the drastic changes in how such programs are administered at the federal level will provide for significant savings while maintaining current service levels through a much more efficient and effective system.

	<u>FY</u> <u>95</u>	<u>Proposed</u> <u>Budget</u>	<u>Net</u> <u>Savings</u>
<u>Asst. Secretary For Civil Rights</u>	359.7	329.1	30.6
Pres's Committee on Employment of People w/disabilities (merge w/ allowable funds)	4.4	4.4	0
Civil Rights Compliance	355.3	324.7	30.6
OFCCP	59.1		
Civil Rights Compliance	4.9		
Office of Civil Rights (from DOE)	58.3		
EEOC	233.0	233.0	0

The Office of Civil Rights has jurisdiction over former DOEd and DOL programs effecting the civil rights of minority populations, disabled individuals and other populations requiring special considerations.

By combining civil rights enforcement offices from both departments, the proposal will create enforcement efficiencies, designed to improve workforce and workplace civil rights protections. The current 100,000 case backlog at the EEOC will be reduced by implementing alternative dispute resolution methods. This system will result in quicker resolution of disputes and reduced litigation costs for all parties.

The combination of these programs, coupled with eliminations, provides for the streamlining of administrative services and budget. By centralizing services for those with special needs, the office offers a direct avenue to services. In addition, changes create savings of approximately \$133 million, excluding administrative savings.

ASSISTANT SECRETARY FOR WORKPLACE POLICY

	<u>FY</u> <u>95</u>	<u>Proposed</u> <u>Budget</u>	<u>Net</u> <u>Savings</u>
<u>Office of Workplace Safety and Modernization</u> (Total)	594.3	444.8	125.8
OSHA (Total)	213.4	169.9	43.9
Safety & Health Standards	9.0	9.0	0
Enforcement	145.8	114.7	31.4
Compliance Assistance (including 50% NIOSH Training Category)	51.3	42.7	8.7
Executive Direction & Administration	7.3	3.5	3.8
MSHA (Total)	184.7	150.5	34.2
Enforcement			
Coal	107.1	88.0	19.1
Metal/Nonmetal	42.4	37.0	5.4
Standards Development	1.3	1.3	0
Assessments	3.8	3.2	.6
Compliance Assistance	21.6	15.1	6.5
Program Administration	8.5	5.9	2.6
NIOSH (Total)	172.1	124.4	47.7
Safety and Health Statistics	15.9	13.0	2.9
Research & Technical Assistance	115.4	78.4	37
Technical Support	40.8	33.0	7.8

	<u>FY</u> <u>95</u>	<u>Proposed</u> <u>Budget</u>	<u>Net</u> <u>Savings</u>
Office of Labor-management Standards	24.1	19.2	4.9

The Office of Workplace Safety and Modernization encompasses the Occupational Safety and Health Administration, the Mine Safety and Health Administration, the National Institute for Occupational Safety and Health from the Department of HHS and the office of Labor-Management Standards from the Office of the American Workplace, which would be terminated. The office is designed in part on the idea that any governmental department overseeing health and safety matters should focus primarily on improving safety, not on bureaucratic procedures. One of the most effective methods for improving safety is to encourage modernization of workplace safety devices and initiatives.

The Occupational Safety and Health Administration and the Mine Safety Health Administration will remain largely unchanged, with three exceptions. Both OSHA and MSHA Technical Support Offices will be transferred to NIOSH Research and Support, the office responsible for collection of safety and illnesses and research on chemicals and explosives. In addition, NIOSH training will be merged with the OSHA office of Compliance assistance and MSHA office of Education (formerly educational policy and development). That office will be scaled back to focus on effective education and training. Projected savings from consolidation is 130.3 million.

Both OSHA and MSHA will realize substantial savings in enforcement by shifting from a heavy-handed, penalty-based system to an incentive-based safety promotion system.

	<u>FY95</u>	<u>Proposed Budget</u>	<u>Net Savings</u>
<u>Office of Employee Benefits (Total)</u>	441.6	410.2	31.4
Compliance (Formerly ESA)			
Wage and Hour Division	101.4	75.0	26.4
Program Direction and Support	11.5	9.2	2.3
Pension, Welfare and Benefits Admin.	53.7	51.0	2.7
Federal Employess Compensation Act	71.9	71.9	0
Special Benefits -- FECA	275	275	0

The new office of Employee Benefits includes the Wage and Hour Compliance division, the same as under Employment Standards Administration in addition to the Pension, Welfare and Benefits Administration and the Pension Benefits Guaranty Corporation. The Office of Federal Contract Compliance programs would transferred be to the Office of Civil Rights under Workforce Policy, since the office is primarily responsible for enforcement of civil rights laws. The Longshore and Harbor Workers special benefits and the Black Lung trust Fund will be transferred to HHS, because these offices focus on disabled workers' benefits and rehabilitation.

	FY <u>95</u>	Proposed <u>Budget</u>	Net <u>Savings</u>
<u>Eliminated</u>	<u>614.0</u>	<u>0</u>	<u>614.0</u>
(From the Department of Education)			
Law Related Education	5.9	0	5.9
Close-Up	4.2	0	4.2
Education for Native Hawaiians	12.0	0	12.0
Training in Early Childhood Education and Violence Training	13.9	0	13.9
Alaska Native Culture and Arts Development	1.0	0	1.0
Eisenhower Leadership Program	4.0	0	4.0
Law School Clinical Experience	14.9	0	14.9
Interest Subsidy Grants	17.5	0	17.5
Mary McLeod Bethune Memorial	4.0	0	4.0
College Housing and Academic Facilities Loan	10.0	0	10.0
International Educational Exchange	3.0	0	3.0
Nation Board Professional Teaching Standards	?	?	?
Civic Education	4.5	0	4.5
Star Schools	30.0	0	30.0
National Writing Project	3.2	0	3.2
National Diffusion Network	14.5	0	14.5
Ready to Learn TV	7.0	0	7.0
Educational Technology	40.0	0	40.0
Women's Education Equity	4.0	0	4.0
Library Construction	17.8	0	17.8

	<u>FY</u> <u>95</u>	<u>Proposed</u> <u>Budget</u>	<u>Net</u> <u>Savings</u>
(From the Department of Labor)			
Bureau of Int'l Labor Affairs	12.3	0	12.3
Office of Workplace Programs	7.4	0	7.4
Women's Bureau	8.6	0	8.6
Youth Fair Chance	24.8	0	24.8
Targeted Jobs Tax Credit	10.3	0	10.3
Job Corps "Freeze and Fix" Plan	59.0	0	59.0
Working Capital Fund	107.0	0	107.0
(From the Dept of Agriculture)			
Food Stamp Employment and Training	162.0	0	162.0
(From the Appalachian Regional Commission)			
Appalachian Vocational and Other Education Facilities and Operations	11.0	0	11.0

	<u>FY</u> <u>95</u>	<u>Proposed</u> <u>Budget</u>	<u>Net</u> <u>Savings</u>
<u>Transferred</u>	1129.9	0	0
OUT:			
(From the Department of Education)			
Innovative Community Service Projects			
-- To National Service Corporation	1.4	0	0
Urban Community Service --			
To National Service Corporation	13.0	0	0
Research Institutes Funds -- To NSF	43.0	0	0
(From the Department of Labor)			
Special Benefits (Longshore			
Harbor Workers) -- To HHS	4.0	0	0
Black Lung Trust Fund -- To HHS	995.6	0	0
IN:			
Head Start -- From HHS			
NIOSH -- From HHS			
Job Opportunity and Basic Skills			
Act (JOBS) -- From HHS*			

(*Pending final resolution of provisions in the Individual Responsibility Act)

A PROPOSAL TO ESTABLISH THE DEPARTMENT OF EDUCATION AND EMPLOYMENT

As America prepares for the challenges of a competitive global economy in the 21st century, fundamental restructuring of federal workforce and workplace policies is essential. As modern technology and the information revolution sweep through the economies of our industrial competitors, ensuring a highly skilled workforce and a modern workplace becomes increasingly critical. In the context of deficit reduction and pressures for fiscal discipline, new, more relevant and efficient delivery systems must be developed.

A NEW PROPOSAL FOR THE 21ST CENTURY

The federal government has a limited, but important leadership role to play in education and employment. With respect to basic education, federal support needs to be accompanied by less federal regulation but a greater focus on enabling states to prepare students with the advanced knowledge and skills necessary for the workplace of the 21st century. Federal employment policies and practices must be re-oriented toward fostering a modern, efficient workplace that can thrive in the current competitive environment. Federal support for life-long learning and retraining of adult workers needs to be restructured into a more coherent framework that is less bureaucratic and fragmented.

This proposal seeks to respond to those needs by redefining fundamental goals, agencies, and programs. It does so, in a way that not only better serves the federal role, but that also ends the duplication and bureaucratic growth that has accumulated. The Department of Education and the Department of Labor are merged into the Department of Education and Employment in order to provide greater focus and efficiency.

This proposal would also merge together three departmental civil rights offices with the EEOC under an Assistant Secretary for Civil Rights. We also merge the Equal Employment Opportunities Commission into this Department, combining it with current divisions in the two Departments that protect civil rights, in order to administer the protection of America's citizens from discrimination in a more efficient, effective and timely manner. Keeping in mind that justice delayed is justice denied, it is time that we take reasonable steps to ensure that we can enforce our employment discrimination laws in a timely and just manner. For that reason, we must consolidate our civil rights enforcement agencies and make full use of alternative dispute resolution techniques which are available to us.

STRUCTURE OF THE DEPARTMENT OF EDUCATION AND EMPLOYMENT

The proposed Department is organized around three functions: (1) Workforce Preparation and Life-long Learning; (2) Civil Rights; and (3) Workplace Policy. This first category incorporates most education and adult training programs, the second focuses on enforcement of our employment discrimination laws, while the third encompasses safety, employee benefits, and workplace modernization.

As the following organizational chart shows, the Assistant Secretary for Workforce Preparation and Policy would lead three offices:

1. Office of Basic Education
2. Office of Higher Education
3. Office of Workforce Preparation and Life-long Learning

The Assistant Secretary of Civil Rights leads a combined office that coordinates the activities previously handled by the Equal Employment Opportunities Commission, and the Education Department's Office of Civil Rights, the Labor Department's Office of Federal Contract Compliance Programs, and other relevant programs.

The Assistant Secretary for Workplace Policy would lead two offices:

1. Office of Workplace Safety and Modernization
2. Office of Employee Benefits

As Congress and the Administration debate the value of specific programs, it is essential that we do so in the context of a basic structure that is relevant for the times. It is not the function of this proposal to debate the merits of each program. Rather, through consolidation and coordination, we make dramatic cost savings and delivery improvements. And in so doing, we propose eliminating some programs that may be duplicative or that may have outlived their usefulness. Other programs should be considered on their individual merits.

ORIGIN AND STATUS OF THE DEPARTMENTS OF EDUCATION, LABOR AND THE EQUAL EMPLOYMENT OPPORTUNITIES COMMISSION

DEPARTMENT OF EDUCATION First established in 1867, the non-Cabinet level "Department" of Education was charged with gathering and disseminating information on the state of education. A year later, the Department was changed to an "Office of Education" and housed within the Department of the Interior. Over the next century, the education office was variously located in the Federal Security Agency, the Department of Health, Education and Welfare, and more recently, since 1979, a separate Cabinet-level Department.

Just as the administrative structure has been revisited periodically, so too the purpose and scope of federal education programs have evolved in order to better serve the changing needs of our country. In 1890 the Office of Education began administering federal grants to states for the support of land grant colleges. During the Depression years of the 1930s, the office directed work-relief programs in conjunction with the National Youth Administration and the Civilian Conservation Corps., including providing vocational training to unemployed youth. Since the late 1970s, the Department of Education has funded elementary and secondary education, higher education, vocational education, education for the handicapped, desegregation of schools, student financial aid and numerous other programs.

While the number of functions has expanded in recent decades, so too has the bureaucracy, a result of numerous individual programs. At the same time, as the world economy has changed, the lines have blurred between formal education prior to entering the workforce and life-long learning and re-training. Improving the coordination between federally supported initiatives for youth and adults has become a widely-recognized imperative.

DEPARTMENT OF LABOR Created in 1884 as a Bureau within the Interior Department, the Department of Labor was first established as an independent "Department" (non-Cabinet level) in 1888. The Cabinet-level Department of Labor was established by Congress in 1913, replacing the Department of Commerce and Labor created by President Theodore Roosevelt in 1903. Labor leaders, particularly American Federation of Labor chief Samuel Gompers, insisted that Labor must have its own Cabinet-level department to ensure that the needs of "wage workers" were sufficiently promoted. At that time, the Department of labor was a small, relatively weak agency. It grew exponentially in mission and organization as a result of the administrative demands of World War I.

Today, the Department is charged with administering laws to ensure a safe and healthful work environment, minimum wage laws, inclusive hiring practices, unemployment insurance and workmen's compensation. In addition, the Department is charged with protecting workers' pension rights, administering job training programs, overseeing collective bargaining procedures and protecting the needs of the disabled in work environments. The Bureau of Labor Statistics, Housed in the Department, is the principal data gathering agency in the Federal Government in the broad field of labor economics.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION The Equal Employment Opportunity Commission was created under Title VII of the Civil Rights Act of 1964. It is charged with enforcing the protections against discrimination based upon race, color, religion, sex or national origin. The Commission also enforces the Age Discrimination in Employment Act which protects employees 40 years of age or older; the Equal Pay Act of 1963, which protects men and women who perform substantially equal work in the same establishment from sex-based wage discrimination; and Section 501 of the Rehabilitation Act of 1973, which prohibits federal sector discrimination against people with disabilities. In 1992, the Commission began enforcing the Americans with Disabilities Act, which prohibits discrimination against individuals on the basis of disability.

The Commission is composed of five Commissioners and a General Counsel appointed by the President and confirmed by the Senate. Since 1979, the Commission has taken on the duties of the Equal Employment Coordinating Council of formulating a coherent national equal employment opportunity strategy, in addition to its already existing role of approving all employment discrimination litigation.

In recent years, the additional responsibilities placed on the Commission has resulted in a long backlog of employment discrimination charges. In Fiscal Year 1993, the last year for which statistics are available, the Commission received 87,942 charges of discrimination. That is well over a 2000% increase over the 1970 rate and a 24% increase over Fiscal Year 1992. As of October 1994, the Commission had a projected backlog of nearly 100,000 discrimination charges. If the EEOC stopped accepting charges, it would take over a year and a half to resolve all outstanding charges. In Fiscal Year 1993, it took the Commission an average of 310 days to resolve a charge of discrimination. With the recent addition of the Americans with Disabilities Act, that number has risen steadily. Because of the huge backlog, improving discrimination charge processing must become a priority if our employment discrimination laws are to have a meaningful effect.