



## U.S. Senate Committee on Appropriations

*PRESS RELEASE*

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

*Subcommittee Mark*

**Washington, DC** - The fiscal year 2011 Senate Labor, Health and Human Services, Education and Related Agencies Appropriations bill provides \$169.6 billion in discretionary funding for a range of programs that will help create jobs and train American workers, target fraud and abuse, and incentivize States and local communities to reform their health, workforce and education systems.

Highlights include a new \$300 million Early Learning Challenge Fund that will provide competitive grants to states to raise the quality of early childhood programs; \$240 million for five new Workplace Innovation Funds that will improve the delivery of education and training to workers; and an increase of \$1 billion for childcare services that will help low-income workers hold down a job.

Increases in critical programs such as these are balanced by unprecedented efforts to eliminate government waste. The bill eliminates 23 programs totaling more than \$371 million. It also appropriates an increase of \$250 million to target fraud and abuse in Medicare and Medicaid, plus additional funds for program integrity efforts for Social Security and unemployment insurance.

*“This is a period of great economic uncertainty for our nation,” said Senator Tom Harkin (D-IA), Chairman of the Labor-HHS Appropriations Subcommittee. “Although the economy is expanding again, far too many Americans still can’t find a job, and the threat of a double-dip recession looms large. In the longer term, the national debt continues to rise to dangerous levels. As the largest non-defense Appropriations bill that Congress will consider this year, the Labor-HHS bill must respond to both of these challenges, addressing today’s hard economic realities while taking every possible opportunity to reduce waste, fraud, and abuse so as to reduce the deficit in the long run.*

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

Highlights of the bill are summarized below.

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

### **Aid to Workers**

With the nation's unemployment rate at 9.5 percent, programs that help Americans find jobs and upgrade their skills are essential. This bill continues and expands support for programs that provide important job training and education services to workers.

**Job Training**—The bill provides an increase of nearly \$163.6 million over the fiscal year 2010 level for state grants for job training and employment services, for a total of \$3.8 billion. These grants provide education and job training to workers who have lost their jobs as a result of plant closings or mass layoffs, low-income individuals, and disadvantaged youth, particularly high school dropouts. They also connect job seekers to employment opportunities and help employers hire a qualified and diverse workforce.

**Green Jobs**—The bill also provides a \$25 million increase for the Green Jobs Innovation Fund, for a total of \$65 million. This fund provides workers with job training in green and renewable energy industries as well as sustainable agriculture, transportation and green construction.

**State Paid Leave**—When jobs are hard to come by, many workers are unable or reluctant to take time off to care for loved ones who need their help. The bill takes an important step in addressing this problem by providing \$10 million to create a State Paid Leave initiative. This initiative will provide competitive grants to help States establish paid leave programs, which typically offer up to 6 weeks of benefits to workers who must take time off to care for a seriously ill child, spouse, or parent, or to bond with a newborn or recently adopted child.

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

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

The bill helps reverse this diminished capacity by including \$574.1 million, an increase of 2.8 percent over fiscal year 2010, for the Occupational Safety and Health Administration; \$377.3 million, an increase of 5.6 percent, for the Mine Safety and Health Administration; and \$244.2 million, an increase of 7.3 percent, for the Wage and Hour Division. In general, these investments will bring the staffing levels of these agencies back to levels last seen a decade ago.

**International Labor Rights**—The bill also preserves jobs here in the United States and supports the adherence to internationally recognized labor rights around the globe by making sure our international trading partners don't exploit workers, particularly children. The bill provides \$117 million for the Bureau of International Labor Affairs for its efforts in this area. This amount is an increase of \$24.3 million over the fiscal year 2010 level.

**Mine Safety**—The explosion at the Upper Big Branch mine in West Virginia earlier this year is a tragic reminder of the important role the Federal government must play in ensuring the safety of our nation’s mines. A key component of this bill is the timely adjudication of mine safety violations at the Federal Mine Safety and Health Review Commission. The number of contested mine safety violations has more than quadrupled since 2006, while staffing at the Commission has not kept pace to promptly review these cases. As a result, the number of cases awaiting review has increased fourfold and it now takes over 400 days to issue a final decision. These delays can undermine mine safety efforts and ultimately puts miners at risk. The bill addresses this issue by providing a total increase of \$23.4 million for the Department of Labor and the Commission to begin working down this backlog and reduce the time it takes to review contested mine safety and health violations.

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

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

**Child Care**—The American Recovery and Reinvestment Act included important investments in child care, allowing states to increase assistance for low-income families and support quality improvement activities. The bill maintains the funding level provided for in the Recovery Act by providing an increase of \$1 billion over the fiscal year 2010 level, for a total of \$3.1 billion.

**Head Start**—The bill provides \$8.2 billion for Head Start, an increase of \$990.3 million over the fiscal year 2010 appropriation. This amount will allow Head Start programs to provide comprehensive early childhood development services to 978,000 low-income children, and maintain increases in families served because of Recovery Act funding in fiscal years 2009 and 2010.

**Senior Nutrition Services**—The bill includes \$857.6 million, an increase of \$38.2 million, for local programs that provide congregate and home-delivered meals to seniors.

**Homeless Services**—The bill addresses the growing problem of homelessness in a number of ways. It increases funding for the education of homeless children and youth by \$10 million, for a total of \$75.4 million; includes \$159.4 million, an increase of \$17 million, for substance abuse and mental health services targeting the homeless; and provides \$123.7 million, an increase of \$8 million over fiscal year 2010, for runaway and homeless youth programs.

**Refugee Social Services**—Refugees are eligible for cash and medical assistance for their first eight months in the United States. However, the economic downturn has made an already challenging transition more difficult as newly arrived refugees struggle to find employment and ultimately become self-sufficient within that time period. Refugee Social Services supports a variety of employment and support services to address barriers to employment for newly arrived refugees. The bill provides an increase of \$33 million for this activity, for a total of \$187 million.

**Title I (Education for the Disadvantaged)**—The bill includes \$14.9 billion for title I grants to local education agencies for improving education for low-income students. This amount is \$450 million higher than the budget request and the fiscal year 2010 funding level. These funds provide support to more than 90 percent of the 15,000 school districts across the Nation—an important contribution given the reductions to education spending by State and local governments.

**Student Financial Aid**—The bill includes nearly \$19.5 billion for student financial assistance, maintaining the maximum discretionary Pell Grant Program award level at \$4,860. Combined with mandatory funding provided in the Health Care and Education Reconciliation Act of 2010, the maximum award is maintained at \$5,550 for the 2011-2012 school year.

### **Health Professions**

Health care workforce shortages are likely to increase as baby boomers age and access to health care expands. These shortages are particularly striking in a time of record unemployment and a shrinking middle class. The bill includes an additional \$170 million over the fiscal year 2010 level to expand health training programs. This funding will both improve patient access to necessary health services and open doors to those seeking jobs.

The bill includes \$90 million, an increase of \$51 million, for **primary care training** activities; nearly \$48 million, an increase of \$15.1 million, for **oral health care training**; and a total of \$57.9 million, an increase of \$20 million, for **public health workforce training**. Other highlights:

**Nurse Faculty Loan Forgiveness**—Over 50,000 students were turned away from nurse training programs last year, largely due to a lack of faculty. The bill more than doubles the resources available to provide loan forgiveness to nurses who agree to teach, from \$24.9 million in fiscal year 2010 to \$53.3 million in fiscal year 2011.

**Rural Physician Pipeline**—The bill includes \$5.1 million for a newly authorized program to create opportunities for primary care physicians to train in rural areas.

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

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

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

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

**Health Care Program Integrity**—Fraud committed against Federal health care programs puts Americans at increased risk and diverts critical resources from providing necessary health services to some of the Nation's most vulnerable populations. The bill includes \$561 million for Health Care Fraud and Abuse Control activities at the Center for Medicare and Medicaid Services. This amount is a \$250 million increase over the fiscal year 2010 level of \$311 million. The historical return on investment for the Medicare Integrity program has been about \$14 for every \$1 spent. For fraud and abuse activities throughout Medicare and Medicaid, the Federal Government saves or recovers \$6 for every \$1 spent.

**Inspectors General**—The bill provides \$214 million, an increase of \$12 million, for the inspectors general at the three Departments and the Corporation for National and Community Service to conduct additional audits and investigations of possible waste and fraud in government programs.

**Program Eliminations**—Lean economic times require tough choices and a critical look at all programs in the bill, even those that have been funded for decades. The bill eliminates 23 programs totaling nearly \$371.5 million.

### **Leveraging Reform**

**Workforce Innovation Funds**—The bill includes a total of \$242 million for five new Workforce Innovation Funds that are intended to reform the Nation’s workforce investment system by improving the delivery of education and training programs to workers. These funds, which will be administered jointly by the Secretaries of Labor and Education, consist of \$55 million for dislocated workers, \$35 million for adult job training, \$95 million for youth, \$27 million for disabled individuals and \$30 million for adult education programs.

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

**Prevention Fund**—The Patient Protection and Affordable Care Act included \$750 million in mandatory spending for the Prevention and Public Health Fund, but the Appropriations Committee is responsible for allocating the resources. The Committee has focused on community-based programs that make healthy options more available and make preventive services more accessible.

**Chronic Disease Block Grant**—Obesity is the predominant risk factor in three of the top five most prevalent chronic diseases in this country: diabetes, heart disease and arthritis. Yet the public health response to these diseases has historically been fragmented and the programs designed to address them have evolved into five discrete “silos” that compete for resources at both the federal and State level. The bill consolidates the funding streams and requirements of these programs and adds additional resources to create a comprehensive \$687.1 million public health initiative to prevent and reduce obesity-related chronic disease. The initiative includes: \$309 million for community-based programs, \$251 million for State planning and policy change, \$75.7 million for national research and surveillance, and \$51.4 million for the CDC to develop new models, evaluate current activities and produce cutting edge-science.

**Race to the Top**—The bill includes \$675 million for the administration’s signature education reform program. Race to the Top was created in the American Recovery and Reinvestment Act but has not yet been funded in the Labor, Health and Human Services, and Education appropriations bill.

**Investing in Innovation**—The bill includes \$250 million to replicate programs that have high levels of effectiveness as established under rigorous research and to develop and test promising new ideas. Like Race to the Top, Investing in Innovation was created in the Recovery Act but has not yet been funded in the Labor, Health and Human Services, and Education appropriations bill.

**Extended Learning Time**—A growing body of evidence suggests that students benefit academically from a longer school day and a longer school year. The bill includes a change allowing grants for 21<sup>st</sup> century community learning centers program to be used to help communities establish or expand extended learning time that includes both academic instruction and enrichment opportunities, and to support a more systemic restructuring of the school year. The bill includes an increase of \$100 million for the 21<sup>st</sup> century community learning centers program, for a total of \$1.266 billion.

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

**Medical Home Demonstration**—The bill includes \$40 million for two new authorizations that support the creation of patient-centered medical homes. Research indicates that medical homes result in improved quality, reduced errors, fewer emergency visits, and fewer hospitalizations, which all result in savings to the health care system.

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

**National Institutes of Health [NIH]**—The bill provides \$32 billion, an increase of \$1 billion, to fund biomedical research at the NIH. The 3.5 percent increase is equal to the rate of biomedical inflation.

**Special Education**—The bill provides \$11.9 billion under section 611 of IDEA Part B grants to States for educating students with disabilities. This amount is \$420 million more than the fiscal year 2010 level and \$170 million more than the administration's budget request.

**Corporation for National and Community Service**—The bill recommends nearly \$1.4 billion for the Corporation for National and Community Service. This level is \$215.9 million above the fiscal year 2010 level and is sufficient to increase the number of AmeriCorps members from 87,000 to over 97,000.

**Social Security Administration**—The bill includes almost \$12.4 billion for the administrative expenses of the Social Security Administration (SSA). This amount is an increase of \$932.4 million over the fiscal year 2010 level and will allow the SSA to continue to work towards eliminating the disability hearings backlog by the end of fiscal year 2013 while keeping up with an unprecedented level of disability and retirement claims. It also includes \$796 million, an increase of \$38 million, in program integrity funding.

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