



U.S. Senate Committee on Appropriations

PRESS RELEASE

Summary: FY12 Labor, Health and Human Services, and Education, and Related Agencies Appropriations *Conference Report*

Washington, DC – The Labor, Health and Human Services, and Education division of the fiscal year 2012 omnibus appropriations bill rejects dozens of extreme policy riders proposed by House Republicans and provides increases for key programs like Head Start, child care, the National Institutes of Health, Title I education for the disadvantaged, and special education while cutting overall funding by more than \$1.4 billion below last year's levels.

The version of the Labor-HHS bill proposed by House Republicans would have ended health care reform, limited the reproductive rights of women, severely weakened worker protections, and prohibited any Federal funding for National Public Radio. The final bill rejects those provisions.

Additionally, the final bill meets its allocation by providing \$156.3 billion in current year discretionary funding for a wide range of programs that help train American workers, provide the Nation's youth with vital job skills, and incentivize States and local communities to reform their health, workforce and education systems.

The bill eliminates 19 programs totaling more than \$219 million and makes significant reductions for dozens more, after 46 programs totaling \$1.3 billion were eliminated last year.

“Reaching a compromise on this bill was extraordinarily difficult,” said Senator Tom Harkin (D-Iowa), chairman of the Labor-HHS subcommittee. “Some of the cuts will be painful and unpopular. But I believe this bill still preserves this subcommittee’s top priority: that every American deserves the right to a good education and job skills training; protection from illness and want; and an equal opportunity to reach one’s highest potential.”

Highlights of the bill include: maintaining the maximum Pell Grant award level; creating a new center at the National Institutes of Health (NIH) dedicated to translating basic research into cures; doubling funding for the Promise Neighborhoods community transformation program; preserving the number of children served by Head Start; and rejecting drastic cuts proposed by House Republicans to worker training, AmeriCorps and the Corporation for Public Broadcasting, among other key programs.

Leveraging Reforms in Health, Education and Worker Training

Despite a significant cut in overall spending, the bill launches or continues several bold initiatives to rethink the way the Nation conducts medical research, educates students and provides worker training.

Accelerating Cures—The bill creates the National Center for Advancing Translational Sciences (NCATS) as part of a broader restructuring at NIH that also includes the termination of the National Center for Research Resources. The mission of NCATS is to transform the way NIH pursues the translation of basic science into treatments and cures. Too often, basic biomedical research will suggest a promising path for a treatment or cure, but funding falls short to pursue the idea to its fullest potential. A new program within NCATS—the Cures Acceleration Network (CAN)—will help speed the 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.

The bill also provides an increase of approximately \$240 million for NIH overall, for a total of \$30.6 billion.

Race to the Top—The bill includes almost \$550 million for the administration's signature education reform program. Race to the Top has achieved enormous success in spurring States to close the achievement gap and make other needed improvements. This bill allows the Education Department for the first time to award grants directly to local educational agencies interested in pursuing ambitious education reform, including by integrating early learning.

Investing in Innovation—The bill includes \$149 million to replicate education programs that have high levels of effectiveness and to develop and test promising new ideas.

Promoting School Readiness for Minors in SSI—The bill includes \$2 million within the Office of Special Education, up to \$10 million at the Social Security Administration and additional resources from the Rehabilitation Services Administration for a new Promoting School Readiness for Minors in SSI (PROMISE) program. PROMISE will bring together these agencies with the Departments of HHS and Labor in an unprecedented interagency effort to improve outcomes for children receiving Supplemental Security Income benefits and their families. Almost 60 percent of child SSI recipients who turn 18, and become ineligible for child benefits, immediately continue receiving benefits as an adult. The average earnings of those who enter the workforce are only one-third the level of their non-SSI peers. This program will improve services for these transition-aged youth and, to the extent that it can help young people with disabilities support themselves, will also reduce SSI program costs.

Social Innovation Fund—The bill provides \$45 million for the Social Innovation Fund at the Corporation for National and Community Service. This fund mobilizes public and private resources to expand and evaluate promising, innovative community-based solutions in three areas: economic opportunity, healthy futures and youth development.

Workforce Innovation Fund—America’s strength depends on the education and skills of our workforce. To that end, the bill includes \$50 million to continue the Workforce Innovation Fund, which will help reform the Nation’s workforce investment system and improve the delivery of training programs to workers. Created in the fiscal year 2011 appropriations bill, WIF will support innovative, systemic and evidence-based reforms and help determine which strategies are cost-effective and have the greatest impact.

Investing in the Future

Pell Grants—One of the Committee’s highest priorities in the bill is maintaining the maximum Pell Grant award. Now more than ever, students need affordable, quality education opportunities to help make our economy strong and competitive. Pell Grants, the foundation of Federal postsecondary student aid, are essential to helping students enter college and gain the education and skills needed for jobs in the 21st century economy. The bill maintains the discretionary portion of the maximum Pell Grant award level at \$4,860 for the 2012-2013 school year. Combined with mandatory funding, the total maximum award is maintained at \$5,550.

The bill makes programmatic changes that provide offsets to close the \$1.4 billion Pell shortfall in fiscal year 2012. While these choices were difficult, they will help preserve the fiscal integrity of the program now and in the future. The changes include: raising the minimum award for eligibility; requiring students to have a high school diploma or GED or to have completed secondary school in a home setting to be eligible for the program (although current students without these credentials will continue to be eligible); lowering the adjusted gross income level at which a student automatically qualifies for zero expected family contribution; and, lowering the maximum number of semesters a student may be eligible for the program from 18 to 12. These changes will also help close the fiscal year 2013 shortfall and put a down payment on the anticipated funding needed in fiscal year 2014 to maintain the maximum award.

Head Start—Investments in quality early childhood education not only improve outcomes for low-income children and families, but save taxpayer dollars in the long-run. The bill includes a \$409 million increase for Head Start, maintaining the recent expansion of the program that started with Recovery Act funding in fiscal years 2009 and 2010. This increase will allow 968,000 low income children and their families to receive comprehensive early childhood services through Head Start programs across the country.

Child Care and Development Block Grant—The bill includes a \$55 million increase for the Child Care and Development Block Grant. Including mandatory funding, this will allow States to provide child care subsidies to an estimated 1.6 million low-income children and their working parents.

Striving Readers—The bill includes roughly \$160 million for this comprehensive literacy program. Funds will allow State grantees to continue implementing statewide literacy plans initiated with funds provided in September 2011.

Promise Neighborhoods—The bill includes approximately \$60 million—a doubling of the fiscal year 2011 level—for the Promise Neighborhoods program. Inspired by the successful Harlem Children’s Zone program, Promise Neighborhoods supports local efforts to develop and implement cradle-to-career services designed to improve educational outcomes for students in distressed neighborhoods.

Education for Individuals With Disabilities—The bill provides nearly \$11.6 billion, approximately \$100 million more than the fiscal year 2011 appropriation, under section 611 of part B of the IDEA for grants to States for educating students with disabilities.

Title I (Education for the Disadvantaged)—The bill includes \$14.5 billion, approximately \$60 million more than the fiscal year 2011 appropriation, for Title I grants to local education agencies for improving education for low-income students. These funds support 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.

Other Highlights of the Bill

Mine Safety Appeals—The number of violations appealed annually to the Federal Mine Safety and Health Review Commission has quadrupled since 2006. Because staffing at the Commission has not kept pace with this increase, the number of pending cases has skyrocketed and it now takes over 500 days to issue a final decision. These delays undermine mine safety and ultimately put miners at risk. With supplemental funding provided last year, the Department of Labor (DOL) and the Commission are reducing this backlog. The bill includes a combined \$23 million increase for the Commission and the DOL to continue efforts to reduce the backlog of cases, decrease case processing time, and improve the safety of American miners.

Other Worker Protection Agencies—The bill includes approximately \$565 million for the Occupational Safety and Health Administration (OSHA) and \$183 million for the Employee Benefits Security Administration (EBSA). These increases of nearly \$6 million for OSHA and \$24 million for EBSA will strengthen the Nation’s efforts to ensure that employers are providing safe and healthy workplaces and that employee health and retirement benefits are secure.

Community Health Centers—The bill includes \$1.6 billion for CHCs. Combined with mandatory funding provided in the health reform law, the fiscal year 2012 program level for CHCs is \$2.8 billion—an increase of approximately \$200 million. This level will allow for base grant adjustments for all existing CHCs and the expansion of the national network of clinics.

Low Income Home Energy Assistance—The bill includes \$3.47 billion for the Low Income Home Energy Assistance Program. The fiscal year 2011 level was \$4.7 billion. The level in the bill, while a significant cut, is more than \$900 million higher than both the administration’s budget request and the comparable fiscal year 2008 funding level.

Community Services Block Grant—The bill includes \$677 million for the Community Services Block Grant. This block grant provides critical funding for community action agencies across the country to help maintain a safety net at the local level for the most vulnerable Americans.

Mental Health Block Grant - The bill includes \$460 million for the Mental Health Block Grant, an increase of \$40 million. The increase will provide critical funding for mental health providers facing a growing demand for services and local budget cuts resulting from the economic downturn.

Corporation for Public Broadcasting—The bill includes \$445 million in fiscal year 2014 advanced funding for the Corporation for Public Broadcasting (CPB), the same as the advance provided last year for fiscal year 2013. The vast majority of these funds go directly to local public television and radio stations to support their programming. The House Republican bill would have eliminated funding for CPB. The final bill also rejects the House Republican proposal to prohibit local stations from purchasing programming from National Public Radio.

Job Training—The bill provides a total of \$2.6 billion for job training state grants for adult, youth and dislocated workers. Although a small cut from the fiscal year 2011 level, the final total is more than triple the amount proposed in the House Republican bill.

Corporation for National and Community Service—The bill includes \$1.05 billion for the Corporation for National and Community Service (CNCS), a decrease of approximately \$25 million. House Republicans proposed eliminating this agency. CNCS programs support AmeriCorps members, engage seniors in part-time volunteerism, and link volunteers to programs in need.

Social Security Administration.—The number of Americans filing for retirement and disability benefits has increased 26 percent and 46 percent respectively over the last 3 years. The bill includes \$10.97 billion for the Social Security Administration's administrative expenses, including an increase for SSA's core administrative expenses to help keep up with this increased demand.

Overall Funding Levels

The bill includes a program level of \$163.9 billion for fiscal year 2012, a cut of \$1.4 billion below the comparable fiscal year 2011 level. (Program level is current year discretionary funding plus additional spending that is offset by savings in mandatory programs and other adjustments to discretionary funding.)

The bill provides discretionary program level funding of \$12.6 billion for the Department of Labor, \$69.8 billion for the Department of HHS, \$68.2 billion for the Department of Education and \$13.4 billion for related agencies. The comparable fiscal year 2011 levels were \$12.7 billion for Labor, \$70.4 billion for HHS, \$68.3 billion for Education and \$13.8 billion for related agencies.

Funding levels for individual programs described above take into account a 0.189 percent across-the-board cut.

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