

**Labor, Health and Human Services, and Education  
and Related Agencies Appropriations Bill, 2017  
Omnibus Agreement Summary**

Highlights of the FY2017 Labor, Health and Human Services, and Education and Related Agencies (Labor-HHS) Appropriations Bill:

The FY2017 Labor-HHS Appropriations bill contains \$161.025 billion in base discretionary spending for the Departments of Labor, Health and Human Services, and Education and Related Agencies. The base discretionary funding is \$1.1 billion below the FY2016 level. The bill includes \$1.96 billion in cap adjustment funding for preventing waste, fraud, abuse, and improper payments in the Social Security, Medicare, and Medicaid programs. In addition, the bill continues \$852 million pursuant to the 21st Century Cures Act and \$120 million for response to lead contamination in Flint, Michigan, both appropriated in the Continuing Resolution.

**HIGHLIGHTS**

- **National Institutes of Health** – \$2 billion increase. Since Republicans took back the Senate starting with the FY2016 appropriations cycle, the Committee has increased funding for the NIH by \$4 billion or 13.3 percent.
- **Restores Year Round Pell/Summer Pell** – The agreement will provide an estimated 1 million students with an average additional Pell grant of \$1,650 to take additional course work.
- **Fighting Opioid Abuse** – \$801 million, an increase of \$650 million or 430 percent.
- **Eliminates and Consolidates 10 programs.**

**DEPARTMENT OF LABOR**

The agreement provides \$12.09 billion in discretionary funding for the U.S. Department of Labor, \$83 million below FY2016.

**Job Corps** – \$1.7 billion, a \$15 million increase above FY2016. Taken together, the 126 Job Corps centers in all 50 states, the District of Columbia, and Puerto Rico comprise the nation’s largest career technical training and educational program for youth. Almost 50,000 new student enrollments are expected. Approximately 95 percent of Job Corps students successfully attain industry-recognized certifications.

**Veterans Employment Training Programs** – \$279 million, an increase of \$8 million over FY2016. Veterans Employment and Training funding provides for intensive employment services to veterans and eligible spouses, transitioning service members, wounded warriors, and disabled veterans. An additional \$7 million for the homeless veterans program will help

increase program enrollment and provide additional specialized services, such as job training, social services, guidance for substance abuse treatment, transportation, and housing referrals.

**YouthBuild** – \$84.5 million, level with FY2016, to help at-risk high school drop-outs develop skills and knowledge to obtain industry-recognized job credentials, apprenticeships, and employment.

**Governor’s Statewide Reserve** – The bill once again allows the full 15 percent state training grant funding reserve for governors to address a variety of state-wide training needs, projects, expanded partnerships, emergency response, and other services as needed throughout their states.

**Occupational Licensing Portability Initiative** – \$7.5 million to continue support for a new 2016 effort to establish a consortium of states to develop frameworks for reciprocity or portability for certain occupational licenses. This will help reduce unnecessary barriers to mobility and re-employment for thousands of dislocated workers, transitioning servicemembers, military spouses, and others.

**Coal Set-Aside** – \$20 million, an increase of \$1 million, to continue a dedicated training fund established last year for dislocated workers in coal mines and coal-fired power plants. The funding will help meet the needs of workers and communities affected by large-scale layoffs from the coal industry.

**Apprenticeship Opportunities** – \$95 million, an increase of \$5 million, to continue and expand a grant program established in FY2016 to expand the range and number of apprenticeship opportunities in a wide variety of fields nationwide. A component of the program will also help involve more women and other workers, who have not traditionally participated in apprenticeship programs, with these skill-development opportunities.

**OSHA Enforcement Related to Fertilizer Handling** – The agreement prohibits the Occupational Safety and Health Administration (OSHA) from imposing new and costly enforcement regimes on stakeholders without following the full and open regulatory process.

## **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

The agreement provides \$77.7 billion in discretionary funding for the U.S. Department of Health and Human Services, a \$2.7 billion increase above the comparable FY2016 level, not including cap adjustments.

**National Institutes of Health (NIH)** – \$34.1 billion, an increase of \$2 billion above FY2016. The bill includes:

- \$1.39 billion for Alzheimer’s disease research, an increase of \$400 million;
- \$5.7 billion for the National Cancer Institute, an increase of \$475.8 million;

- \$320 million for the Precision Medicine Initiative, an increase of \$120 million;
- \$260 million for the BRAIN Initiative to map the human brain, an increase of \$110 million;
- \$463 million to Combat Antibiotic Resistant Bacteria, an increase of \$50 million;
- \$333.4 million for the Institutional Development Award, an increase of \$12.5 million;
- \$12.6 million for the Gabriella Miller Kids First Research Act;
- Increases to every Institute and Center to continue investments in innovative research to advance fundamental knowledge and speed the development of new therapies, diagnostics, and preventive measures to improve the health of all Americans; and
- In addition to the \$2 billion increase for medical research, NIH will receive \$162 million for construction of the NIH Clinical Center's E-Wing.

**Fighting Opioid Abuse** – \$801 million, an increase of \$650 million or 430 percent, for Centers for Disease Control and Prevention (CDC), Substance Abuse and Mental Health Services Administration (SAMHSA), and Health Resources and Services Administration (HRSA) programs targeted to combat opioid abuse. According to CDC, sales from prescription opioids nearly quadrupled between 1999 and 2014. There has been a corresponding increase in deaths from prescription opioids, claiming more than 165,000 lives.

Specifically, the bill provides a \$50 million increase for CDC opioid abuse programs and a \$51 million increase to SAMHSA for treatment and overdose reversal, of which \$20 million is for Comprehensive Addiction and Recovery Act (CARA) authorized programs. The bill also provides \$50 million for Community Health Centers treatment and prevention. Further, the bill continues to provide \$500 million authorized by the 21st Century Cures Act, \$1.9 billion for the Substance Abuse Prevention and Treatment Block Grant, \$94 million in mandatory funds to Community Health Centers, and provides an additional \$40.3 million to the National Institute on Drug Abuse at the NIH.

**Community Health Centers (CHCs)** – \$1.49 billion, level with FY2016. There are more than 10,400 Health Centers nationally, serving over 24 million patients per year. Health centers advance the preventive and primary care model of coordinated and comprehensive care, coordinating a wide range of medical, dental, behavioral, and social services in communities.

**Obamacare** – The bill does not provide new funding for the Affordable Care Act (ACA). In addition, several oversight provisions are included in the agreement.

- **Independent Payment Advisory Board (IPAB)** – Funding for IPAB is eliminated. IPAB is a 15 member board of unelected bureaucrats created by the ACA to achieve a reduction in Medicare spending through the only means they have – rationing care.
- **Risk Corridor** – The bill continues a provision requiring the Administration to operate the ACA Risk Corridor program in a budget neutral manner by prohibiting any funds from the Labor-HHS Appropriations bill to be used as payments for the Risk Corridor program. This provision saved over \$2.5 billion in FY2016 from being transferred out of priority discretionary HHS programs to bail out the Risk Corridor program.

- **ACA Congressional Notification** – The agreement directs the Centers for Medicare & Medicaid Services to notify the appropriate Congressional committees two business days before any ACA-related data or grant opportunities are released to the public.
- **Health Exchange Transparency** – Bill language is included requiring the Administration to publish ACA-related spending by category since its inception.
- **ACA Personnel** – Bill language is included requiring the Administration to publish information on the number of employees, contractors, and activities involved in implementing, administering, or enforcing provisions of the ACA.

**Rural Health Care** – \$156.1 million, an increase of \$6.5 million above FY2016, for rural health programs. The obstacles faced by patients and providers in rural communities are unique and often significantly different than those in urban areas. The bill focuses resources toward efforts and programs to help rural communities, including:

- **Rural Outreach Grants** – \$65.5 million, an increase of \$2 million above FY2016. These grants support collaborative models to deliver health care services to rural areas and are designed to meet unique rural health care needs.
- **Rural Hospital Flexibility Grants** – \$43.6 million, an increase of \$2 million above FY2016. These grants focus on enhancing quality and patient outcomes as well as improving financial viability of rural hospitals to ensure access to care for isolated beneficiaries such as Medicare recipients.
- **Telehealth** – \$18.5 million, an increase of \$1.5 million above FY2016. The Telehealth program expands the use of telecommunications technologies within rural areas that can link rural health providers and patients with specialists.

**Children’s Hospitals Graduate Medical Education (CHGME)** – \$300 million, an increase of \$5 million above FY2016. The CHGME program protects children’s access to high quality medical care by providing freestanding children’s hospitals with funding to support the training of pediatric providers.

**Preventive Health and Health Services Block Grant (Prevent Block Grant)** – \$160 million, level with FY2016. The previous Administration proposed to eliminate this program. The Prevent Block Grant provides flexible funding for states to implement prevention activities according to local health needs.

**Mental Health** – \$1.2 billion for mental health programs in SAMHSA and HRSA. This level includes an \$80 million increase above FY2016 for key mental health investments. The bill provides \$541.5 million, an increase of \$30 million above FY2016, for the Mental Health Block Grant, and continues a 10 percent set-aside for serious mental illness activities. The bill also provides \$50 million within the funding for CHCs to provide mental health services at health centers across the country.

**Suicide Prevention** – \$11 million, an increase of \$9 million above FY2016. Additional funds will be directed to the “Zero Suicide Initiative,” which is a comprehensive, multi-setting approach to suicide prevention in health systems.

**Polio Eradication** – \$174 million, an increase of \$5 million above FY2016. Polio is currently endemic in only three countries: Nigeria, Afghanistan, and Pakistan.

**Child Care and Development Block Grant (CCDBG)** – \$2.9 billion, an increase of \$95 million above FY2016. This funding builds on the consistent funding increases in recent years to help states implement quality improvement reforms in the CCDBG Act of 2014.

**Head Start** – \$9.3 billion, an increase of \$85 million above FY2016, to help all Head Start program keep up with costs, recruit and retain highly qualified staff, maintain enrollment, and provide high-quality early childhood service for children and families.

**Low Income Home Energy Assistance Program (LIHEAP)** – \$3.39 billion, level with FY2016. LIHEAP provides home heating and cooling assistance for low-income households.

**Public Health Preparedness and Response** – The bill continues funding for critical preparedness and response activities and maintains FY2016 levels for these activities:

- **Biomedical Advanced Research and Development Authority (BARDA)** – \$511.7 million. BARDA is responsible for advanced research and development of medical countermeasures for national preparedness efforts.
- **Project BioShield** – \$510 million, \$160 million above the request, to enhance national preparedness activities by procuring medical countermeasures against chemical, biological, radiological, and nuclear threats.
- **Public Health Emergency Preparedness (PHEP)** – \$660 million. PHEP funds allow states prepare, respond, and recover from emerging threats such as natural disasters, disease outbreaks, and chemical, biological, radiological, and nuclear threats.
- **Strategic National Stockpile (SNS)** – \$575 million. CDC maintains and replenishes expiring medical countermeasures in the SNS for national preparedness efforts.

## **DEPARTMENT OF EDUCATION**

The agreement provides \$68.2 billion in discretionary funding for the U.S. Department of Education, a \$182 million increase above the comparable FY2016 level.

**Pell Grants: Promoting College Completion and Affordability** – The bill restores Year-Round Pell grants/Summer Pell. This expanded eligibility and flexibility in the Pell grant program will allow students who have exhausted their Pell grant award for an academic year, and wish to enroll in additional coursework, to receive a Pell grant for an additional term during the same academic year. This provision is expected to provide an estimated 1 million students an additional Pell grant of, on average, \$1,650 during the 2017-18 school year. In addition, the

bill includes more than sufficient funding to support an increase in the maximum Pell grant from \$5,815 for the 2016-17 school year, to \$5,920 for the 2017-18 school year.

**Supporting State and Local Flexibility in Elementary and Secondary Education** – The bill supports the implementation of the Every Student Succeeds Act (ESSA), the reauthorization of the Elementary and Secondary Education Act, which shifts significant responsibility, control, and accountability for schools back to states and local school districts.

- **Title I Grants to Local Educational Agencies** – \$15.5 billion, a \$550 million increase above FY2016, including \$450 million from the consolidation of the School Improvement Grants program. This funding level is \$447 million more than the level included in ESSA for FY2017, and will help states in the first full year of implementation as responsibility and accountability for schools are returned to states and school districts. Title I provides basic and flexible funding to low-income school districts and allows states, local school districts, and schools to decide how to best use limited resources to improve student outcomes.
- **Title IV Student Support and Academic Enrichment Grants** – \$400 million for this new formula block grant to help support activities to provide students with a well-rounded education, ensure safe and supportive learning environments, and use technology to improve instruction. This represents a \$122 million increase over the combined FY2016 funding levels for programs eliminated to create this new formula block grant.
- **IDEA Grants to States** – \$12 billion for grants to states under part B of the IDEA, a \$90 million increase above FY2016, to support special education services for children with disabilities.
- **Impact Aid** – \$1.33 billion, an increase of \$23 million above FY2016. Impact Aid provides flexible support to local school districts impacted by the presence of federally-owned land and activities, such as military bases. The bill rejects the previous Administration’s proposed elimination of this federal property program, and instead includes a \$2 million increase for the program.

**Charter Schools** – \$342 million, an increase of \$9 million above FY2016, for grants to states, charter management organizations, and other related entities for the start-up, replication, and expansion of high-quality charter schools.

**Promise Neighborhoods** – \$73.2 million, level with FY2016. The bill includes new language supporting the extension of current high-quality Promise Neighborhoods programs. This program supports the development and implementation of comprehensive neighborhood-based programs designed to combat the effects of poverty and to improve education and life outcomes for children and youth, from birth through college.

**21st Century Community Learning Centers** - \$1.2 billion, an increase of \$25 million above FY2016, for grants to states to support academic enrichment activities for students before school, after school, and during the summer.

**TRIO Programs** – \$950 million, an increase of \$50 million above FY2016. TRIO programs provide services to students from disadvantaged backgrounds to help them enter and complete college and postgraduate education.

**Strengthening Masters Programs at Historically Black Colleges and Universities** – \$7.5 million in new discretionary funding. This program supports HBCUs making a substantial contribution to graduate education opportunities in mathematics, engineering, physical and natural sciences, computer science, information technology, nursing, allied health, and other scientific disciplines.

## **RELATED AGENCIES**

**Institute for Museum and Library Services** – \$231 million, a \$1 million increase above FY2016. This agency supports programs for museums and libraries that encourage innovation, provide life-long learning opportunities, promote cultural and civic engagement, and improve access to a variety of services and information.

**Corporation for Public Broadcasting** – \$445 million for FY2019, level funding with FY2018. An additional \$50 million is provided for the current year (FY2017) to continue the process of upgrading the public broadcasting interconnection system.

**Corporation for National and Community Service** – \$1.03 billion, a decrease of \$65 million. The bill maintains funding for core national and community service programs, including \$386 million for AmeriCorps grants and \$202 million for Senior Corps programs, level with FY2016. In addition, the Committee includes expanded resources for state commissions to build the capacity of national and community service programs at the local level.

## **OVERSIGHT AND ACCOUNTABILITY**

**Increasing the Efficiency and Cost Effectiveness of Government** – The bill provides funding for activities aimed at reducing fraud, waste, and abuse of taxpayer dollars, including:

- **Reemployment Services and Eligibility Assessments** – \$115 million is provided to conduct enhanced, in-person assessments to accelerate the reemployment of Unemployment Compensation recipients in order to reduce the duration of their time receiving benefits and the likelihood of exhausting benefit coverage. These actions would also help protect the integrity of the Unemployment Insurance Trust Fund by reducing improper payments. This program has been shown to save \$2.60 for every \$1.00 spent.
- **Health Care Fraud and Abuse Control (HCFAC)** – \$725 million, an increase of \$44 million above FY2016. Every \$1 spent on HCFAC, \$2 is recovered by the U.S. Treasury. This will create over \$10.2 billion in savings to the Treasury over 10 years.

- **Preventing Social Security Disability Fraud, Abuse, and Improper Payments** – \$1.8 billion, an increase of \$393 million above FY2016. This funding supports periodic reviews to ensure that individuals receiving Social Security disability benefits are still eligible under program rules. This funding is estimated to save approximately \$11 billion over 10 years for the Social Security, Medicare, and Medicaid programs.
- **Eliminating Fragmentation, Overlap, and Duplication as recommended by the Government Accountability Office (GAO)** – The bill continues language from the Senate bill directing each agency funded in this bill to report on all efforts made to address the duplication identified by the annual GAO reports.

**Program Eliminations & Consolidations** – The bill focuses funding programs that are efficient, cost-effective, with proven outcomes. The Committee recommendation includes 10 program eliminations and consolidations, equating to nearly \$800 million in spending reductions.

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