

# Views and Estimates for FY 2005 Committee on Education and the Workforce 108th Congress, 2nd Session February 27, 2004

Members of the Committee on Education and the Workforce are committed to ensuring that every child in America is afforded the highest quality education possible and that every worker in our country is free to pursue the American dream. Members of the Committee also remain committed to the principle of a balanced budget yet recognize the difficult challenge of allocating resources during a time of war.

# **Education Priorities**

During the second session of the 108<sup>th</sup> Congress, the Committee on Education and the Workforce will continue to work with President Bush to implement a series of education initiatives aimed at creating a culture of achievement by holding schools accountable for improving student academic performance, restoring local control, and empowering parents with choices before schooling begins, through college, and beyond.

# **Elementary and Secondary Education**

The Committee agrees with President Bush that although the federal government properly plays a partnership role in the education of our children, education remains primarily a State and local government responsibility. As reflected in the No Child Left Behind Act of 2001 (NCLB), the federal government should use the comparatively small amount of its investment in elementary and secondary education to encourage systemic education reform in the States that focuses on narrowing the academic achievement gap between disadvantaged students and non-disadvantaged students. In addition, the Committee recognizes its obligation to ensure that children with special education needs have access to the same public education that every other young American enjoys.

# The No Child Left Behind Act (NCLB)

Following the enactment of the No Child Left Behind Act last Congress, the Committee has been and will continue to focus on the effective and timely implementation of the Act. NCLB is a comprehensive overhaul of the federal Elementary and Secondary Education Act (ESEA), which was enacted in 1965 and is the principal federal law affecting K-12 education today. Aimed at creating a culture of achievement that leaves no child behind, the Act includes each of the President's four education reform pillars: (1) accountability and assessment; (2) flexibility and local control; (3) funding for what works; and (4) expanded parental choices.

Title I

Title I, the largest ESEA program, provides additional resources for local educational agencies to assist in educating children from economically disadvantaged backgrounds. Title I funds are intended to improve academic achievement for the most disadvantaged students and should, at a minimum, be used to close academic achievement gaps, while still promoting gains for higher-achieving students. From the time it was first enacted until the present, taxpayers have provided more than \$170 billion in funding for Title I, with the initial investment in fiscal year 1966 of \$969 million having risen to \$12.3 billion in fiscal year 2004.

In order to address the academic achievement gap that exists between economically disadvantaged students and their more affluent peers, NCLB made significant improvements to Title I by placing a priority on academic accountability and granting schools and teachers the flexibility to make decisions about how to best meet the needs of disadvantaged students.

Specific Title I reforms enacted in NCLB include:

- Annual State assessments of all children in reading and math in grades 3 through 8;
- Empowering parents with report cards on the academic achievement of their students so parents and communities can better understand the achievement of students, schools and districts;
- Additional resources and expertise for underachieving schools to help them improve;
- Public school choice for students enrolled in low performing Title I schools; and
- The option for economically disadvantaged students in persistently underachieving schools to receive supplemental educational services from a State approved provider of the parent's choice.

The Committee is pleased that States have made significant progress in implementing No Child Left Behind. On June 10, 2003, President Bush announced that all fifty U.S. States, Puerto Rico, and the District of Columbia had successfully submitted "accountability plans" to the U.S. Department of Education, detailing their plans for complying with NCLB. The plans describe the various ways in which each State will meet NCLB requirements.

The Committee is dedicated to ensuring that States are able to implement high quality accountability systems, which are essential to realizing President Bush's vision of reform. The centerpiece of NCLB and the President's education reform plan is improving academic accountability. This accountability blueprint holds States, districts, and schools accountable for ensuring that all students, especially disadvantaged students, meet high academic standards.

NCLB requires States to implement annual reading and math assessments for grades 3 through 8. Individual States are given the flexibility to determine a variety of factors, including the definition of proficiency, the starting point for progress measurement, and the amount of progress that must be made from year to year. States have until the 2005-2006 school year to develop and implement these assessments. The Committee recognizes this will be a challenging goal for States and therefore supports the President's FY 2005 request of \$410 million for the Grants for State Assessments account in order to ensure the successful implementation of annual assessments.

The landmark reforms of Title I also provide additional educational choices for parents with children in underachieving schools. Low-income parents in disadvantaged communities with students in underachieving schools should have the same educational choices as affluent parents. Giving all parents this choice will greatly help them attain the best educational possible for their children by enabling them to choose the best school possible. It will also energize the public education system and spur struggling schools to succeed so that all low-income students achieve and succeed academically.

The Committee believes that Title I resources will greatly assist States, local educational agencies, and schools in fully implementing the promise and potential of NCLB. However, without accountability and choice, additional funding will do little to improve the academic future for the most disadvantaged students. With that in mind, the Committee supports President Bush's FY 2005 budget request to increase Title I by \$1 billion for a total of \$13.3 billion. If enacted, the request would result in an overall increase of \$4.6 billion or 52 percent in Title I funding since the passage of the No Child Left Behind Act.

In light of these huge increases and the fact that States still had \$2 billion in unexpended FY 2000-02 Title I funds on hand in January 2004 (based on U.S. Department of Education data), the Committee disagrees strongly with the National Education Association (NEA) and other education reform opponents that much larger increases are essential. As a report issued in February 2004 by Accountability Works and the Education Leaders Council showed, States are profiting financially from the funding provided under NCLB. More details on both the unspent funds and the Accountability Works report are provided later in this report.

Reading Improvement

The President and Congress have also made improvement in reading ability a top, bipartisan priority. With the passage of NCLB, funding for Reading First and Early Reading First more than tripled the amount of money available for needy school districts to improve classroom practices in reading instruction that are predicated on scientific based research. Reading is an essential skill that all students require if they are to succeed in school, yet only one-third of fourth-graders are able to read at a proficient level. This means that nearly two-thirds of fourth graders have a greater likelihood of dropping out of school with a lifetime of diminished success.

Students participating in Reading First and Early Reading First programs are expected to become proficient readers by the end of third grade at the latest. These two programs contribute to high

expectations by steadfastly supporting quality, research-based, State and local reading initiatives that are consistent with the requirements of the law.

Approximately \$1.78 billion in funding has been distributed to date to all fifty States to implement the Reading First program in this school year. In addition, the President has proposed to increase funding for Reading First and Early Reading First State grants by \$139 million for a combined total of \$1.26 billion in FY 2005. The Committee believes this is a wise investment and applauds the President's efforts to address one of the nation's most intractable education problems, the inability to read.

Teacher Quality

The No Child Left Behind Act has also sparked an unprecedented effort by States and school districts nationwide to ensure every child has the chance to learn from a highly qualified teacher. As the public demands improved schools and increased student academic achievement, teachers' knowledge and skills are more important than ever before.

During the second session of the 108<sup>th</sup> Congress, the Committee on Education and the Workforce will continue to place a priority on provisions in the No Child Left Behind Act that will help to make it easier for local schools to recruit and retain excellent teachers, and require States to ensure their students are being taught by highly qualified teachers. Under the Act, all teachers in core academic subjects must be highly qualified in each subject they teach by the end of the 2005-2006 school year. The law defines highly qualified teachers as those who are: (1) fully licensed by the State through traditional or alternative routes; (2) have completed a bachelor's degree; and (3) have demonstrated competency in the subjects they teach, generally by having an academic major or by passing a State-designed, subject-matter test.

In FY 2002, the first year of the No Child Left Behind Act, President Bush signed into law a 38 percent increase in federal funding for teacher quality, an increase of \$787 million over President Clinton's last budget to a record \$2.85 billion. The final FY 2004 spending measure provided \$2.93 billion to improve teacher quality. President Bush's budget request for FY 2005 maintains these historic funding levels helping to ensure that each school has a highly qualified teacher in every public classroom by the end of the 2005-2006 school year.

• Overall NCLB Funding

The Committee applauds the President's commitment to funding the No Child Left Behind Act. Since its enactment, funding for NCLB programs has increased from \$22 billion in FY 2002 to a proposed \$24.8 billion in FY 2005. In addition, the President is requesting \$57.3 billion in discretionary appropriations for the entire Department of Education, an increase of 3 percent over FY 2004. This percentage increase ranks third overall for cabinet-level agencies. Only Defense and Homeland Security received a larger percentage increase in the President's FY 2005 budget request.

Furthermore, the Committee has issued a January 14, 2004, report highlighting the fact that States are currently sitting on more than \$5.75 billion in federal education funding from fiscal

years 2000 through 2002. The new staff report, entitled "No Child Left Behind Funding: Pumping Gas into a Flooded Engine?" notes that States are holding onto more than \$2 billion in federal Title I funding. The \$5.75 billion does not include the record levels of education funding provided to States last year for FY 2003.

The report further notes that States have received an average increase of 42 percent in their Title I funding since No Child Left Behind became law, with even more money becoming available for FY 2004 and FY 2005. The Associated Press also reported that States returned more than \$124 million in education funding to the federal Treasury last year for these same programs.

In addition to a May 2003 General Accounting Office (GAO) report, the Committee is pleased with two recent reports indicating that current congressional appropriations are more than adequate to cover the State costs for implementing NCLB. The new national Accountability Works study, "NCLB Under A Microscope," estimates States will collectively receive a surplus of \$787 million in federal No Child Left Behind funding for the upcoming school year (2004-05). The second cost study, "Exploring the Costs of Accountability," by Massachusetts State officials James Peyser and Robert Costrell contends that "many critics greatly exaggerate the shortfall of federal resources." This report also concludes that the cost for currently administered NCLB assessments has been fully funded by the federal government and that federal education spending may have outpaced the current need.

### The Individuals with Disabilities Education Act (IDEA)

The Committee on Education and the Workforce supports the promises the federal government made to States and school districts twenty-seven years ago. When Congress passed IDEA in 1975, we committed to pay 40 percent of the average per pupil expenditure to offset the excess cost of educating a disabled child. Since taking control of Congress, Republicans have increased spending for IDEA Part B (Grants to States), which funds direct services to students, by 334 percent, and have increased the federal government contribution of funding from 7.3 percent of the average per pupil expenditure in FY 1996 to 18.7 percent in FY 2004. President Bush's FY 2005 budget request includes an increase in funding for IDEA of \$1 billion, for a total of \$12.2 billion, the highest level of federal support ever provided for children with disabilities. The Grants to States program would receive \$11.07 billion, a 9.9 percent increase over the President's FY 2004 request.

By devoting a significant amount of federal funds to IDEA, local schools will have greater discretion over how to spend local education funds, including how to fund school construction, teacher hiring, professional development, and the many other needs facing most local school districts. The Committee supports significant increases to IDEA Part B (Grants to States) but emphasizes that these increases should be linked to fundamental reform. The Committee has developed a comprehensive reauthorization proposal addressing the numerous problems with the current IDEA structure, including increasing accountability, reducing paperwork, and reducing the over-identification of minority students. We have also developed a clear and genuine funding schedule to reach the 40 percent goal. This legislation, H.R. 1350, the Improving Education Results for Students with Disabilities Act, passed the House with bipartisan support on April 30, 2003.

In addition, the Committee applauds last year's effort by the House Budget Committee to secure increased funding levels for IDEA Part B (Grants to States) for both FY 2004 and FY 2005. We look forward to working with the House Budget Committee again this year to secure needed funds for this important program.

Finally, the Committee strongly opposes making IDEA Part B (Grants to States) a mandatory funding program, as doing so does not guarantee improved services for students with special needs and virtually removes the ability to provide necessary oversight of the program. The Committee remains committed to helping students achieve and to finding a long-term funding solution that has the best interests of children with special education needs at heart.

### **Postsecondary Education**

Improving quality and accountability in higher education and enhancing vocational-technical education programs highlight the Committee's dedication to provide a wide range of postsecondary education to students. The Committee also remains committed to assisting job seekers, including dislocated workers and disadvantaged Americans, by streamlining federal workforce development programs and making them more responsive to job seekers' and employers' needs.

#### The Higher Education Act (HEA)

The Committee on Education and the Workforce will continue its efforts to reauthorize the Higher Education Act (HEA) throughout the second session of the 108<sup>th</sup> Congress. The increasing cost of obtaining a postsecondary education continues to be of concern to the Committee. The Committee will work to address rising tuition costs and hold institutions of higher education accountable to students, parents and taxpayers, while reducing financial burdens on students where possible.

In addition, the Committee will address the need to increase access to a quality postsecondary education and realign student aid programs to ensure fairness for middle and low income students who are currently striving to attend college. We will continue to evaluate ways to enhance the quality of education provided to students. The Committee will work to encourage students to excel in their pursuit of higher education and provide necessary information to needy families earlier in order to provide them a better opportunity to plan for and encourage the pursuit of higher education. The Committee will also reevaluate how federal subsidies within the student aid programs are allocated and work diligently to ensure the fairness of those allocations and bring the HEA back to its intended purpose.

Moreover, the Committee is committed to developing a comprehensive, budget-neutral package of higher education reforms, and believes that any potential savings which arise from proposed changes to the law should be reinvested in the programs of the Higher Education Act. The Committee supports the President's request for an increase of \$4.4 billion in overall student aid. However, the Committee opposes reauthorizing the Higher Education Act in any manner that would result in a massive increase in entitlement spending for non-students and/or result in less

federal funding for States for other education priorities, such as the No Child Left Behind Act and the Individuals with Disabilities Education Act.

Pell Grants

Pell Grants continue to serve as the financial foundation for needy students in their pursuit of higher education and the Committee remains committed to the continuation and growth of the program. The Committee applauds the President's continued support for the Pell Grant program evidenced by increased appropriations to the program. The maximum Pell Grant remains at its highest level in history with the program now assisting an unprecedented number of students. The President's FY 2005 budget request includes \$12.8 billion for the Pell Grant program to provide over 5 million undergraduate students up to \$4,050 to help pay the ever rising cost of postsecondary education.

To further enhance the Pell Grant program, encourage States to demand excellence in K-12 education, and reward and support needy students committed to participating in rigorous high school curriculum, the President has asked Congress to increase aid by supplementing Pell Grants for those needy students completing high school within the State Scholars Program. This initiative will provide much needed additional grant funds to students in their first two years of undergraduate education to assist them in meeting the ever-rising costs of postsecondary education. By providing these additional funds in the first two years, this program will help students stay focused and committed to the pursuit of their education. It will also help reduce the anxiety and burden that families have as they wonder how they will meet the excessive tuition costs imposed by many institutions. This program will assist in reducing the debt burden of students by requiring less borrowing early in their education. The program will also allow for an in-depth review of the effect of additional grant funds on retention and completion rates for those needy students who excel academically.

In addition, the Committee continues its efforts to ensure better management of the Pell Grant program and encourages the reduction of waste, fraud and abuse. The Committee has worked with the Ways and Means and Joint Tax Committees to provide for a data match between income data reported to the Internal Revenue Service and data submitted on the Free Application for Federal Student Aid (FAFSA). Representative Sam Johnson introduced H.R. 3613 on November 21, 2003. This legislation will work with the authority now provided within the Higher Education Act to allow the Secretary to match specific data elements provided by student aid applicants with the same data held by the Internal Revenue Service. H.R. 3613 ensures the privacy and security of the applicant's data while improving the integrity of the student aid programs. The Department of Education's Inspector General testified before the House Committee on the Budget that between \$300 and \$400 million in Pell Grant aid was erroneously awarded because some applicants misreported their income levels on their federal student aid applications. All funds saved as a result of the data match will be invested back into the Pell Grant program, thereby providing additional funds for needy students.

Student Aid Simplification Efforts

Within the HEA, the Committee wants to continue its efforts to simplify programs, reduce unnecessary administrative burdens, and increase efficiency and transparency, while maintaining fiscal integrity. The Committee wants to enact two specific provisions that provide an incentive for postsecondary institutions to reduce default rates and provide better service to students. For schools with a calculated default rate of less than 10 percent for three consecutive years, the Committee wants to provide for the permanent extension of a rule allowing for a waiver of the multiple disbursement rules for loans made for periods of enrollment not more than one semester, one trimester, one quarter, or four months. We also want to permanently extend the waiver of the 30-day delay rule for disbursing loan proceeds to first-year, first-time undergraduate borrowers attending schools with a calculated default rate less than 10 percent for three consecutive academic years. These provisions will allow for the expedited delivery of student loan proceeds to students at institutions that have maintained a low default rate, thereby helping to ensure the fiscal integrity of student loan programs.

The Committee also wants to ensure that a correction is made to a statutory provision that inadvertently eliminates the eligibility for student aid for certain students. The correction provides for the suspension of eligibility for federal student aid for students convicted of drug offenses to include only those convictions that occurred while the student was enrolled and receiving federal student aid. This correction will reduce the number of students inadvertently affected by current law.

Student Loan Programs

The Committee is proud of its work to ensure the lowest interest rates on student loans in the program's history. In light of the unprecedented low interest rates now available, the Committee intends to reevaluate the sensibleness of switching borrowers to a fixed interest rate in 2006. Current law requires that all Federal Family Education Loans Program (FFELP) and Direct Loans made on or after July 1, 2006, hold a fixed rate of 6.8 percent for students and 7.9 percent for parents. Today, a student in repayment enjoys an interest rate of 3.4 percent and parents enjoy a rate of 4.42 percent. The Committee will review interest rate projections and current rates and make a determination that is in the best interest of students, parents, taxpayers, and the program overall. The Committee applauds the President for his desire to "extend the favorable interest rate framework currently available to students."

Within the scope of ensuring access for low and moderate-income students, along with supporting the President's increased Pell Grant program, the Committee will evaluate the status of several critical issues. The President has asked Congress to increase loan limits for students, noting the current limits have not been raised in many years. Along with the loan limits issue, the Committee will examine current repayment plans to ensure fairness across all loan programs for all students. The Committee will look carefully at these issues, which were addressed in the President's FY 2005 Budget Request, as well as the current fee structure on student loans to determine how best to assist students in meeting their financial and payment obligations.

Finally, the Committee requests that the Budget Committee examine the current inequities that exist when comparing budgetary costs associated with the FFELP and Direct Loan programs. For example, the General Accounting Office's January 2001 report entitled "Department of

Education: Key Aspects of the Federal Direct Loan Program's Cost Estimates" describes the complex task of developing reasonable estimates of subsidy costs for loan programs. The report makes numerous recommendations on how to develop "meaningful cost estimation." These recommendations range from "formalizing the sensitivity analysis of assumptions included in the Direct Loan program" to "implementing a method of routinely comparing the Direct Loan program's estimated and actual cash flows."

Teacher Recruitment and Retention

In 2003, House Republicans passed legislation, based on a proposal from President Bush, to more than triple the amount of student loan forgiveness available to highly-qualified math, science, and special education teachers, as well as reading specialists, who commit to teaching in high-need schools for five years. H.R. 438, the Teacher Recruitment and Retention Act, would increase maximum federal loan forgiveness for such teachers from \$5,000 to \$17,500. President Bush's FY 2005 budget request continues efforts to recruit and retain teachers in areas of great need and provides up to \$17,500 in student loan forgiveness to math, science, and special education teachers who work in high-poverty schools for at least five years. The Committee applauds and supports the President's proposal to expand the availability of teacher loan forgiveness. The country is facing an increasing need for committed and qualified teachers, especially in math, science, and special education. There is a great need for these teachers in schools educating high percentages of low-income students. The Committee will work diligently toward the enactment of this proposal.

Minority-Serving Institutions

Historically Black Colleges and Universities (HBCUs), Hispanic Serving Institutions (HSIs), Tribally Controlled Colleges and Universities, and other minority serving institutions play a vital role in recruiting and educating some of our nation's most disadvantaged students. However, these institutions often lack necessary resources and infrastructure. Therefore, the Committee applauds the President's request for increased funding for HBCUs and HSIs and his continued commitment to these institutions.

In addition, last year the House passed H.R. 2211, the Ready to Teach Act, which included an amendment sponsored by Representative Max Burns that authorizes grants to create Centers of Excellence at high quality minority serving institutions. The purpose of these Centers is to increase teacher recruitment at minority serving institutions and make other institutional improvements to teacher preparation programs at minority serving institutions. Grants may be awarded to HBCUs, HSIs, Tribally Controlled Colleges and Universities, Alaska Native-Serving Institutions, or Native Hawaiian Serving Institutions.

# Vocational-Technical Education

The Committee on Education and the Workforce will work this year to reauthorize the Carl D. Perkins Vocational and Technical Education Act, which provides federal assistance for secondary and postsecondary vocational education programs at the high school level and at technical and community colleges. With the changing demands of today's economy, it is important that all Americans are well prepared for a future of postsecondary education, employment, and continuous learning. Vocational-Technical programs must develop the academic, vocational, and technical skills of students in high schools and community and technical colleges alike. When vocational-technical education is provided simultaneously with a rigorous academic curriculum the outcome is one of students fully prepared for college without remediation as well as workers prepared for high-skilled employment.

With the passage of the No Child Left Behind Act, a greater emphasis has been placed on academic achievement, accountability, flexibility, and the use of methods that work. The Committee will pursue these same principles during the reauthorization of this Act. We will focus on ensuring that vocational-technical students obtain academic achievement, emphasizing academic accountability for vocational-technical education at the secondary level, and enhancing innovative initiatives that promote seamless transitions from secondary to postsecondary education.

# D.C. School Choice Initiative

In January 2004, the Congress passed the first-of-its-kind school choice initiative backed by President Bush, District of Columbia Mayor Anthony Williams, and a broad coalition of local parents, children, and educators. This initiative, originally part of the President's broader Choice Incentive Fund, was funded at \$14 million for FY 2004. The Committee supports the President's Budget Request to continue this funding in FY 2005.

# The Department of Education's Financial Management

The Committee will also continue its oversight of the Department of Education's financial management. We congratulate the Secretary and his team for recently receiving a clean audit for FY 2003. This is the first time in the history of the Department that it has received two consecutive clean audits. In addition, we commend Secretary Paige for creating a Management Improvement Team that has set specific goals for improvements that will reduce waste, fraud and abuse of taxpayer dollars.

# The Workforce Investment Act (WIA)

In 1998, under this Committee's leadership, Congress passed the Workforce Investment Act (WIA) to reform the nation's job training system, which formerly was fragmented, contained overlapping programs, and did not serve either job seekers or employers well. WIA consolidated and integrated employment and training services at the local level in a more unified workforce development system. The Act created three funding streams to provide for adult employment and training services, dislocated workers' employment and training services, and youth development services. These services are directed by local workforce investment boards, which are required to have a majority of their members representing business.

One of the hallmarks of the new system is that, in order to encourage the development of comprehensive systems that improve services to both employers and job seekers, local services are provided through a one-stop delivery system. At the one-stop career centers, assistance

includes core services such as job search and placement assistance, access to job listings, and an initial assessment of needs; intensive services such as career counseling, comprehensive assessments and case management; and, if needed, occupational skills training. In addition, to further promote a seamless system of services for job seekers and employers, numerous other federal programs also must make their services available through the one-stop system.

The WIA system contains the federal government's primary programs for investment in our nation's workforce preparation. States and local areas have created comprehensive services and effective one-stop delivery systems. In addition, the training services provided through WIA are invaluable in assisting adult workers in areas of the country facing skill shortages.

Last year, this Committee and the House passed H.R. 1261, the Workforce Reinvestment and Adult Education Act of 2003, to reauthorize WIA. Through the reauthorization, the Committee, consistent with the priorities of the President, seeks to build upon the foundation laid in 1998 by making the workforce investment system a demand-driven system. H.R. 1261 reduces overlap among remaining employment and training programs so as to simplify financial management, administration, and program governance structures at the State and local levels. The House bill, per the President's proposal, merges the funding streams for the adult program, the dislocated worker program, and the employment services State grants. Further, H.R. 1261 reflects the President's proposals to target the youth development funds on out-of-school youth and improve the participation of mandatory partners in the one-stop system.

WIA reauthorization, and the job training the one-stop delivery system provides, is critical at this time of economic growth. The Department of Labor recently announced that 112,000 new jobs had been created in January, which marks the fifth straight month of sustained job creation. While the job market continues to improve, employment and training assistance will ensure that dislocated workers and other job seekers are prepared for new employment.

The President also proposes to use States' expenditure levels to reallocate funding where needed, instead of obligation levels as under current law. The General Accounting Office (GAO) has reported that the Department of Labor (DOL) lacks accurate information for determining States' available funds, mainly because States report expenditures and obligations inconsistently. The GAO suggests that States are on track to expend all of their funding in the statutorily authorized three-year timeframe and additional technical assistance from DOL is needed. In H.R. 1261, the Committee revised the methodology for calculating funds available for reallocation. This new methodology, based on accrued expenditures, should improve the accuracy of information on States' spending and available funds.

In addition, President Bush announced in his State of the Union Address plans to strengthen the role of community colleges in workforce development. As part of his Jobs for the 21<sup>st</sup> Century initiative, the President proposes \$250 million in competitive grants to fund job training partnerships between community colleges and local high-growth industries. The Committee also seeks to ensure that the most effective training providers are participating in the one-stop delivery system. In particular, community colleges and proprietary schools offer training to meet the needs of the information-based, highly skilled, 21<sup>st</sup> century workforce. Therefore, we look

forward to examining the President's new initiative to improve the workforce development system.

# Personal Reemployment Accounts

The President's FY 2005 Budget Request also includes \$50 million to create Personal Reemployment Accounts. The Administration estimates the new funding will assist approximately 15,000 dislocated workers. The proposal offers an innovative new approach for assisting workers. The program aims to accelerate reemployment and increase job retention of individuals struggling to return to work, while providing such individuals with enhanced flexibility, choice, and control in obtaining reemployment services and training. A key component of the plan is that if workers become reemployed within 13 weeks, recipients may keep the balance of the account as a cash reemployment bonus. Last year, the Committee passed H.R. 444, the Back to Work Incentive Act of 2003, sponsored by Representative Jon Porter, to authorize states to create these optional accounts through WIA. The Committee looks forward to examining this proposal, which would provide a new tool in addition to the array of services already available through the one-stop career centers.

# Welfare and Child Care

Welfare reauthorization will be a top priority for the Committee this session. This Committee played a central role in crafting the mandatory work requirements that make up the heart of the current system and seeks to enhance the historic welfare reform legislation enacted in 1996. Welfare reform has been a dramatic success. The caseload across the country has dropped by over 50 percent since the passage of the Temporary Assistance for Needy Families (TANF) block grant. States have made significant investments in work programs and child care to support working families. Employment among single mothers rose significantly, resulting in higher earnings for families and declines in child poverty.

Congress passed H.R. 4, the Personal Responsibility, Work, and Family Promotion Act, in February 2003 to reauthorize TANF. The legislation incorporates provisions of H.R. 4092, the Working Toward Independence Act, which the Committee approved in the 107<sup>th</sup> Congress. H.R. 4, based on President Bush's welfare reform blueprint, strengthens work components of the law in order to continue to move people toward self-sufficiency. Welfare reauthorization will compliment the President's Jobs for the 21<sup>st</sup> Century efforts, as well.

While the 1996 reforms reduced welfare caseloads, a majority of TANF recipients today still are not working for their benefits. The Committee seeks to strengthen the work participation requirements and enhance opportunities for success in employment. Accordingly, the House bill requires recipients to engage in work activities for 40 hours a week, including 24 hours spent in actual work. H.R. 4 also creates a policy of universal engagement so that all families are working toward independence.

Further, the Committee will reauthorize the Child Care and Development Block Grant (CCDBG), which provides dollars to States to subsidize the cost of child care for low-income

families. H.R. 4 makes significant improvements to the CCDBG program. The bill emphasizes the quality of child care that low-income families receive while maximizing flexibility for States.

States set eligibility within federal parameters, reimbursement rates, and quality standards, in addition to administering the program. Consistent with President Bush's early childhood education initiative released in 2002, the bill encourages States to address the cognitive needs of young children so that they are developmentally prepared to enter school. The bill also encourages States to create partnerships with public and private entities to increase the supply and quality of child care services.

The Committee recognizes that child care assistance is critical to allow parents to obtain and retain employment. Largely as a result of welfare reform, there are unprecedented numbers of women with children who are in the workforce. For many low-income families, finding adequate, quality care can be difficult.

To address these needs, funding for the CCDBG has more than doubled in the last five years to \$2.1 billion. H.R. 4 increases the authorization for discretionary funding by \$1 billion over five years, which will ensure critical work support is available to those transitioning from welfare rolls into the workforce. Additional available child care funding includes mandatory dollars authorized by the Ways and Means Committee and the TANF block grant. H.R. 4 also increases mandatory child care funding by \$1 billion.

### **Head Start**

Quality early care and education is critical for children, parents, the business community, and the success of welfare reform. Since 1965, the Head Start program has served nearly 20 million low-income children and their families. Today, Head Start serves over 900,000 children every day and has nearly 1,500 grantees across the United States. The Head Start program is the centerpiece of the federal government's efforts to support quality early childhood education for our nation's most disadvantaged youth. The goal of the program is to provide at-risk students with a solid foundation that will prepare them for success in the public school system and later in life.

While the resources spent on Head Start have been significant, results have been mixed. States report that 20 percent to nearly half of all children entering school are not prepared to succeed in school. Studies also indicate that the typical Head Start student still enters kindergarten far below the national norm.

As a result of aggressive lobbying by reform opponents, Head Start has become isolated from change and improvement over the years, denied the chance to benefit from reforms that would help the program achieve its fullest potential for the children it is meant to serve. This isolation has had a negative impact on the program, both academically and financially. In 2003, the program suffered from a series of reported instances in which federal Head Start funds intended for children and teachers were used for executive perks and privileges. In one instance, as reported by <u>The Kansas City Star</u>, Head Start funds were used to provide an annual salary of more than \$300,000 a year and to help lease a Mercedes sport-utility vehicle for a top executive.

The recent rash of reported abuses has increased calls nationwide for greater accountability in Head Start.

Strengthening the academic focus of Head Start, while preserving health and nutrition services for children, is an important goal for this Committee. The No Child Left Behind Act emphasizes the importance of academic achievement in reading and math and sets forth a goal that all children become skilled readers by the end of third grade. Head Start and other early childhood education programs are often the first line of defense in ensuring that children attain the fundamental skills necessary for optimal reading development and overall school readiness.

Last year the House passed H.R. 2210, the School Readiness Act of 2003, legislation based on the President's Head Start reform proposal. The Committee's top priorities for the reauthorization include:

- Improving the academic preparedness of Head Start children;
- Improving accountability, both financial and academic, within the Head Start system;
- Improving coordination of Head Start with State pre-kindergarten and other publicly funded early childhood education programs;
- Continuing research efforts to evaluate and improve Head Start; and
- Ensuring that a greater number of Head Start teachers are adequately trained and educated in early childhood development, including instruction in the fundamental skills of language, literacy, and numeracy.

The current Head Start service delivery system is fragmented and hinders improvements that can affect a child's school readiness. Furthermore, the lack of coordination of early childhood programs can result in overlapping programs and duplication of services, under enrollment and gaps in services, missed opportunities to raise the overall quality of childhood experiences, and fewer full-day, full-year slots to serve the needs of working families. For this reason, H.R. 2210 also authorizes a State demonstration program, similar to the proposal contained in both the President's FY 2004 and FY 2005 Budget Requests, to allow a limited number of qualified States the opportunity to integrate their State-funded preschool programs with Head Start.

In addition, Head Start reforms are needed to target a greater proportion of the total program dollars directly to serving children. As noted earlier, since the passage of the School Readiness Act, a growing number of reports have surfaced documenting the apparent abuse of millions of dollars in federal Head Start funds by local Head Start grantees. Two separate reviews sanctioned by the Committee evaluating the financial and administrative management of local Head Start grantees are now in progress—one by the U.S. Department of Health and Human Services and one by the General Accounting Office (GAO). The Committee is confident that the Department and the GAO will shed light on current financial controls and program monitoring practices so that Congress can work to restore and maintain the program's credibility.

#### Nutrition

A healthful diet is necessary for children to achieve full physical development and long-term health and is critical for academic success in school. The Committee is committed to ensuring that all children have access to nutritious school meals and that income-eligible children receive these meals at low or no cost. The Committee believes that schools and other institutions should receive funding sufficient to provide children with safe meals that meet federal dietary guidelines.

The federal child nutrition programs were conceived to offer wholesome meals and snacks to children in need, and to support the health of lower-income pregnant women, breastfeeding mothers, and their young children. These programs represent a huge national investment totaling more than \$15 billion per year. While these programs have been generally heralded as successful, this Committee is seeking new ways to improve access to healthy and affordable meals and to better serve all program participants.

### Child Nutrition Reauthorization

Working towards reauthorization, the Committee continues to evaluate policy options to improve program performance. While most child nutrition programs are permanently authorized, there are several small yet important program rules that reduce paperwork, ease program operations, and encourage greater program participation. The Committee supports the President's proposal to continue, for one year, five program rules due to expire on March 31, 2004. Funding to extend these programs provides assurance that millions of needy children will not lose access to meals and snacks that are needed for their healthy growth and development and academic success in school.

Without one of these program rules, many children who reside with their parents in privatized military housing would lose the benefit of free- or reduced-price school meals. Taking subsidies from children when many of their mothers and fathers are fighting for our nation's security at home and abroad would have a devastating effect on these families. The President's budget also proposes to maintain a current program rule making healthy meals and snacks more readily available to low-income children enrolled in for-profit child care centers. Additionally, the President's proposal would allow schools, churches, and community organizations to operate Summer Food Service Program sites, and in fourteen States, continue special pilot programs that reduce paperwork and thereby increase the number of disadvantaged children who receive free meals and snacks during the summer months.

In addition to extending authorizations for expiring programs, the Committee plans to introduce several programmatic changes to current law to achieve three principle goals: ensure access; promote nutrition and health; and strengthen program operations and accountability. A key priority during reauthorization is to improve program integrity by addressing the accuracy of certifications for free- or reduced-price school meals. Audits have revealed that more students may be certified to receive free- and reduced-price meals than are eligible, however the number

of ineligible children receiving free- or reduced-price meals may be significantly smaller than initial estimates projected. At the same time, not all eligible children are receiving benefits, so efforts are needed to increase program participation among those eligible.

The Committee proposes a series of measures to reduce the certification error and encourage participation by eligible children. These include requiring schools to directly certify children who are enrolled in the Food Stamp Program, permit local educational agencies (LEAs) to certify children one time per academic year, and allow parents to submit one application for multiple children attending schools within the same LEA. The Committee believes that program integrity should not be achieved at the cost of risking the participation of eligible children. While improving the accuracy of school meal certifications, the Committee will seek a solution that will not impede program access for eligible children.

# The Special Supplemental Food Program for Women, Infants, and Children (WIC)

The Special Supplemental Food Program for Women, Infants, and Children (WIC) is another key priority. This program provides an important nutrition safety net to over 7.5 million pregnant and lactating women and their children up to age 5. The Committee supports the President's request for \$4.8 billion to support the anticipated caseload for FY 2005, and the maintenance of a WIC contingency fund to ensure that the program can provide services to additional eligible persons should the demand for services increase.

Obesity among American children has become an "epidemic," according to public health experts. Childhood obesity has skyrocketed since the 1970s. Obesity and weight problems affect an estimated 10 million children in the U.S. The problem appears most serious among low-income and minority children. While parents obviously bear first responsibility for ensuring their children eat well and exercise regularly, programs authorized under the Child Nutrition Act and National School Lunch Act play a positive role as well, helping to provide disadvantaged children access to nutritious meals and snacks.

The Committee believes that the school environment should support parental and community efforts to encourage children to make healthy food choices, choose a variety of foods, and eat in moderation. Local schools should be supported in their efforts to create such an environment, and given the flexibility they need to do so. Nutrition education and other activities are needed to inform children about the short and long-term benefits of a healthy diet and regular physical activity. All child nutrition programs should ensure that a wide array of healthful foods such as fresh fruits and vegetables, whole grains, and low-fat dairy products are regularly available to program participants.

In conclusion, the Committee will continue to pursue an ambitious education agenda during the second session of the 108<sup>th</sup> Congress that improves accountability and results for students of all ages. Specifically, the Committee will focus on enhancing opportunities in postsecondary education, strengthening the academic focus of early childhood education, helping public schools recruit and retain highly qualified teachers, ensuring results for children with special needs, and increasing education choices for low-income families.

# **Workforce Priorities**

During the second session of the 108<sup>th</sup> Congress, the Committee will continue to focus on enhancing security, freedom, and prosperity for American families and investors to reflect today's changing economy. We will aggressively endeavor to create security for families, build flexibility into the workplace, bring fairness to all workers, remove obstacles to private sector innovation, and implement common sense solutions to everyday problems in the workplace.

We will work to improve the retirement security of American workers by encouraging workers to save more, making pensions more secure, and cutting red tape prohibiting employers from establishing pension plans. We will continue to support making health insurance more accessible and affordable for all working Americans and provide patient protections to ensure patients receive the care they are entitled to without creating new bureaucracy or litigation. We will pursue policies that improve worker health and safety by encouraging a more realistic mix of proven enforcement strategies and cooperative efforts that encourage compliance rather than confrontation. Finally, we will endeavor to promote the vitality of union democracy through policies that empower union members to more effectively exercise oversight and control over their labor organizations.

### **Retirement Security for Workers and Their Families**

Building upon the foundation of the last two Congresses, the Committee on Education and the Workforce will continue to promote retirement security under the Employee Retirement Income Security Act (ERISA) throughout the second session of the 108<sup>th</sup> Congress.

On May 14, 2003, the House passed H.R. 1000, the Pension Security Act, by a bipartisan vote of 271-157, including 49 Democrats. The bill provides workers new freedoms to diversify their retirement savings within three years, expands worker access to investment advice to help them manage their retirement accounts, empowers workers to hold company insiders accountable for abuses, and gives workers better information about their pensions. Although the Pension Security Act passed the House with bipartisan support, the Senate failed to act on the bill in the last session. The Committee will continue to make passage of the protections in the Pension Security Act an important goal for the second session of the 108<sup>th</sup> Congress.

In addition to defined contribution pension plan reforms, the Committee will continue to examine the major issues and structural problems of the defined benefit pension system. On October 8, 2003, the House overwhelmingly passed H.R. 3108, the Pension Funding Equity Act by a vote of 397-2, which protects the retirement benefits of millions of American workers who rely on the safe and secure benefits of traditional defined benefit pension plans. The bill provides a short-term replacement for the current 30-year Treasury bond interest rate that is used by many employers to calculate the amount of money they must set aside in their employee pension plans and commits Congress to immediately proceed with efforts to identify a permanent long-term solution. The Senate passed the bipartisan Pension Funding Equity Act by a vote of 86-9 on January 28, 2004.

As in the previous two Congresses, the Committee will continue to develop proposals to create comprehensive and efficient new pension rules to reform and strengthen the defined benefit pension system. The alarming trend of underfunded defined benefit plans is increasing the financial burden of the Pension Benefit Guaranty Corporation (PBGC), the quasi-federal government agency that insures the retirement benefits of workers in plans that can no longer afford to pay benefits. This systemic pension underfunding problem has produced a startling PBGC deficit which threatens its ability to protect and insure worker pension benefits and places taxpayers' interests in jeopardy. The Committee will explore new ideas for pension funding and disclosure and improve overall pension design in both defined benefit and defined contribution plans to expand retirement coverage for American workers.

In his FY 2005 budget request, the President has proposed a 7 percent increase for the Employee Benefits Security Administration (EBSA) to provide additional enforcement resources to safeguard workers' retirement savings and other benefits, and provide expanded compliance assistance to educate employers, unions, and pension plan administrators on their legal responsibilities, including those under new pension and health-benefit laws. In addition, EBSA will develop more outcome-oriented performance measures to quantify its impact on protecting workers' benefits. The Committee supports this increase.

# Access to Quality Health Care

Both the Committee and President Bush remain dedicated to the goal of making health insurance more affordable for our nation's 43.6 million uninsured individuals. This year the Committee will continue to support the creation of Association Health Plans, which will provide more individuals with access to quality health care. The Committee is also deeply concerned with the costs of health care premiums for the approximately 128 million workers and their families – by far the largest segment of Americans who are covered by a health insurance plan – who receive their health insurance through their employer. Such coverage is regulated through the Employee Retirement Income Security Act (ERISA), a statute overseen by the Committee.

# Health Care Costs

In each of the past three years, there has been an annual double-digit rise in premiums for employer-sponsored coverage culminating in a 13.9 percent increase for 2003. These rising costs have forced both employers and employees to shoulder more of the financial burden of paying increased premiums. Given the recent annual increase in costs for employer-sponsored coverage, the Committee will continue to evaluate changes in health care policy with rising costs in mind.

On June 19, 2003, the House passed H.R. 660, the Small Business Health Fairness Act, on a bipartisan basis that included the support of 36 Democrats. The measure creates Association Health Plans (AHPs), which allow small businesses to band together through associations and purchase quality health care at a lower cost. The bipartisan bill would increase small businesses' bargaining power with health care providers, give them freedom from costly State-mandated benefit packages, and lower their overhead costs by as much as 30 percent – benefits that large corporations and unions already enjoy because of their larger economies of scale. In short, the

bill has the potential for significantly reducing the number of uninsured Americans and their families by enabling *bona fide* trade associations the ability to offer health plan coverage to their members and their employees. The Committee will continue to work with the President to ensure that H.R. 660 is signed into law.

In addition to Association Health Plans, the President has put forth a number of proposals to help reduce the number of uninsured Americans. These recommendations include the expansion of Health Savings Accounts, which were contained in the recently enacted H.R. 1, the Medicare Prescription Drug and Modernization Act of 2003, and other tax incentives, such as enhanced deductions of health insurance premiums.

As in past sessions of Congress, the Committee also continues to support the President's tax credit for uninsured individuals, and we continue to believe that funds should also be available for individuals to purchase employer-sponsored coverage. Many individuals receive an offer of insurance from their employer but are simply unable to afford the premium. Allowing employees to use the new tax credit to complement their employer's contribution will ensure that employees have access to high quality, affordable plans in the employer-based market and other options in the individual market.

Finally, the Committee endorses the landmark updating of the Medicare program for seniors completed in the first session of the 108<sup>th</sup> Congress. With this legislation Medicare coverage was expanded to include a prescription drug benefit for senior citizens. Included in this new statute was the recognition of the importance of the employer-sponsored retiree health care system which delivers meaningful and needed care to a significant portion of America's retiree population. The Committee intends to continue its examination of the many aspects of employer-provided retiree health care coverage with primary emphasis on possible ways in which the employer-sponsored system could be expanded under the new Medicare law to provide for more extensive, cost efficient health coverage for retirees.

# The Mental Health Parity Act

On December 8, 2003, Congress passed S. 1929, the Mental Health Parity Reauthorization Act of 2003, a bill that extended authorization of the Mental Health Parity Act until the end of 2004. During the second session of the 108<sup>th</sup> Congress, the Committee will continue its examination of the various issues surrounding this question as it considers legislation to extend the scope of this Act beyond its 2004 expiration date.

# The Human Genome Project

Over the past three years, the Committee has recognized the potential of the Human Genome Project. This research makes possible a wide universe of genetic research and discovery. The advanced progress of the human genome research has fostered a public policy discussion about who should have access to our unique genetic information and what role this information will play in health care treatment and research, health insurance coverage, and employment. In response to this discussion, the Committee held hearings in the 107<sup>th</sup> Congress on this subject.

Legislation to prevent genetic discrimination offers a promise and a challenge. As in the 107<sup>th</sup> Congress, and with full knowledge of the Senate action in passing S. 1053, the Genetic Information Nondiscrimination Act of 2003, the Committee will continue its efforts to address the issue of genetic-nondiscrimination and to craft legislation to protect individuals from discrimination without unduly burdening employers and health plans.

# Patient Safety

Finally, the Committee continues to share the Administration's goal of addressing patient safety and improving health care quality. Many employer-sponsored health plans are leading the way by offering innovative health care options to maximize employee and patient choice and utilize large-group buying power to motivate quality. The Committee will continue to include an examination of different approaches to health care quality and safety in its health care agenda.

# Workplace Health and Safety

The Committee will continue to work with the Administration to reform the Occupational Safety and Health Administration (OSHA) by promoting health and safety in the workplace through increased compliance assistance for employers in addition to enforcement. The Committee will look at ways to improve the regulatory process at OSHA, particularly as related to updating outdated standards, without sacrificing all of the transparency, notice, comment, and due process requirements for responsible rulemaking. In addition, the Committee looks forward to reviewing the innovative approaches designed by OSHA to encourage voluntary programs and assistance that will maximize efforts to improve safety and health for all working Americans.

The Committee also plans to review the Mine Safety and Health Administration (MSHA). Following procedures essentially unchanged since the 1970's, MSHA conducts pre-set inspections of underground and surface mines (including mineral, stone, and sand quarries), regardless of the relative safety or compliance record of the particular mine site. The Committee will consider whether worker safety and health might be better served if some modifications are made to the federal MSH Act that are more in line with the reality of today's mining industry.

# **Fairness in the Workplace**

In the first session of the 108<sup>th</sup> Congress, the Employer-Employee Relations Subcommittee heard testimony from witnesses about the importance of reforming the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA). These witnesses expressed concern with the lack of information about union expenditures for rank and file union members. In response, the Subcommittee on Employer-Employee Relations passed three measures to amend the LMRDA and promote better accountability and transparent accounting for union members. H.R. 992, the Union Members' Right-to-Know Act, requires a union to inform its members of their rights within 90 days of their joining the union. Unions must then periodically advise members of their rights. H.R. 993, the Labor-Management Accountability Act, allows the Secretary of Labor to assess civil monetary penalties to a person, labor organization, or employer failing to comply with reporting requirements under the LMRDA. H.R. 994, the Union Member Information

Enforcement Act, allows the Secretary of Labor to pursue a civil action on behalf of a union member if he or she has not been advised of his or her rights as a member of the union.

Also in 2003, the Department of Labor finalized revisions to the Labor-Management (LM) forms required to be filed by unions. This was the first major revision of these forms in over forty years. The regulation creates more accurate categories for union accounting of expenditures and the tracking of monies. The Committee supports and endorses the Department's effort in this regard.

Promoting transparency of union activities for union members continues to be a Committee priority for reforming the LMRDA. As such, the Committee supports the President's budget proposal of an additional \$3.9 million for the Office of Labor-Management Standards (OLMS) for enhanced enforcement and outreach assistance activities to ensure compliance with the LMRDA. The Committee also supports the OLMS proposal to authorize civil monetary penalties when unions fail to meet filing deadlines for financial disclosure.

# **Reforming the Fair Labor Standards Act to Meet the Needs of the 21<sup>st</sup> Century Workforce**

The Committee will continue to explore legislative proposals to update the Fair Labor Standards Act of 1938 (FLSA), and continue the exercise of its oversight jurisdiction to ensure that regulatory proposals updating the FLSA reflect the intent of Congress and the needs of today's workplace. Numerous hearings held over the past several years have demonstrated the need for the current regulatory scheme of the FLSA – which has not been substantially changed in 54 years – to be updated to meet the needs of the 21<sup>st</sup> century American workforce. Much-needed changes to the FLSA will make it possible for workers to know whether they are entitled to overtime, for employers to know how to pay their employees, and for the Department of Labor to enforce these workplace protections.

A priority of the Committee will be to continue to monitor the Department of Labor's efforts to update these regulations to ensure that they strengthen existing protections for workers, extend overtime eligibility to more low-income workers, and fairly and accurately reflect the practices of today's workplace.

The Committee will also continue its focus on legislation to remove obstacles in federal law that prevent private sector employers from providing their workers with increased flexibility to balance the needs of work and family. Under current law, public sector employees can utilize various flexible work schedules, including the option of taking compensatory time off in lieu of cash wages for working overtime. However, similar options are not available to those in the private sector.

The Committee will continue its efforts to enact the Family Time Flexibility Act to allow working men and women in the private sector, through a voluntary agreement with their employer, to choose paid time off as compensation for working overtime hours. This flexible, family-friendly arrangement, known as "compensatory time," is designed to help working men and women achieve a greater balance between their work and family obligations. The Committee will also continue to look at ways to eliminate impediments within current law that prevent employers and employees from working out mutually beneficial and innovative arrangements regarding compensation.

# Monitoring and Assessing Implementation of the Family and Medical Leave Act

Last year marked the tenth anniversary of the enactment of the Family and Medical Leave Act (FMLA). As in prior Congresses, the Committee will continue to review the inconsistent and often confusing regulations implementing the FMLA, and will work with the Administration to better administer the Act consistent with Congressional intent. The Committee understands that the Department of Labor is expected to put forth proposed revisions of the FMLA regulations that will address and clarify certain issues that have arisen under the Act, its regulations, and its interpretation in the courts over the last decade. The Committee will closely scrutinize any proposed regulatory changes to ensure that they reflect the intent of Congress and the realities of the 21<sup>st</sup> century workplace, and will continue to work with the Department in its administration and oversight of the Act. The Committee will also focus its attention on review of the implementation of the Act over its ten-year history to determine whether and how it has functioned in the manner Congress intended.

# **Reforming the Federal Employees' Compensation Act**

The Administration has proposed a package of legislative reforms to the Federal Employees' Compensation program as part of the President's FY 2005 budget request. The Committee shares the Administration's interest in updating and improving the workers' compensation program for federal employees and intends to work toward achieving balanced reform of the program. As part of the Committee's oversight of the Federal Employees' Compensation Act (FECA), the Committee will review recommendations for change, including those put forth previously by the Department of Labor's Office of the Inspector General and the General Accounting Office.

### Protecting Employee Choice and Freedom from Intimidation Under the National Labor Relations Act

The Committee is concerned with renewed efforts by organized labor to forsake the sanctity of the secret ballot organization election under the National Labor Relations Act (NLRA) in favor of recognition schemes susceptible to employee coercion and intimidation. Hearings in recent years have demonstrated the flaws inherent in these schemes, while at the same time highlighting organized labor's increased use of high-profile, high-pressure organization tactics in the face of dwindling membership and influence. The Committee will continue to explore legislative proposals to ensure that the right of employees to choose union representation or not to choose such representation, free from coercion or intimidation, is protected to the fullest extent of the law. The Committee will also continue its oversight of the interpretation of the NLRA by courts and the National Labor Relations Board to ensure that the Act is administered fairly and neutrally, and reflects the intent of Congress and the realities of the 21<sup>st</sup> century workplace.

In conclusion, the Committee on Education and the Workforce will work toward providing a safe and secure workplace for all Americans by improving retirement security, expanding access to quality health care, providing parents with more family time, enhancing the accountability of unions to their members, ensuring existing laws reflect the realities of the 21<sup>st</sup> century workplace, and supporting an agenda of common sense reform rather than new federal programs and regulations.