House Report 106-645 - DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATION BILL, 2001

DESCRIPTION OF NATIONAL PROBLEMS AND THE DEMOCRATIC RESPONSE

EDUCATION

Including Head Start, the President's education budget request contains a $5.5 billion increase in education spending--and the largest proposed increase--in dollar and percentage terms--for the Department of Education since it was established in 1980.

The bill reported by the Majority turns a cold shoulder to education and cuts $3.5 billion out of the Administration's request. This bill particularly undermines the President's request for $2.9 billion to provide more and better teachers in the classroom, by cutting more than $1.0 billion for teacher quality. In the last two years, Democrats and Republicans have had a disagreement about whether smaller classes or quality teachers are more important in raising student achievement. Democrats believe that both are important: we need high quality teachers in every classroom and enough teachers to give every student the attention they need. We need to take the best of the Majority's ideas and our ideas, and provide enough money in this bill to make a real difference on both fronts.

We face a crisis in this country with respect to who will be standing in front of our classrooms in America by the end of the current decade. Twenty-five percent of our veteran teachers are 50 years or older and will be retiring soon. We will have to replace these teachers in a tight labor market and when the private sector is paying increasingly higher salaries for college graduates, particularly in mathematics and the sciences. More than half of our young graduates are women who do not face the same barriers to employment in other professions that they did a generation ago.

This is coming at a time when we are faced with increasing enrollments, a higher proportion of low-income and limited English speaking students, the realization that cutting class size is even more important to improved learning than previously understood and the demands that a technologically driven economy place on the next generation of workers.

This bill will disappoint most Americans. The American people understand the federal role in education and believe that the federal government should help shoulder part of the financial burden of educating our children. Education is their highest priority for additional federal funding and is more important to them than health care, tax cuts or paying down the debt. A large majority (61%) believes that the federal government spends too little on education.

Our nation is prosperous, our economy is booming and our debt is lower than nearly all other industrialized nations. What better time to strengthen our national investment in our schools than now?

Problem #1: The Need To Invest in High Quality Teaching and More Teachers

Perhaps more than any other area, Americans want to ensure that their children have good teachers in small classes where their children can get the personal attention they need. We face unprecedented need and demand for high quality teaching at a time when we also face a potential crisis in teacher quality and supply.

More than 53 million children are in school today--7.3 million or 16% more than 10 years ago. And, over the next 10 years, that number will grow by another 1 million children, with the greatest growth occurring in grades 9-12.

Schools will need to hire an estimated 2.2 to 2.5 million public school teachers over the next 10 years to replace a projected 765,000 teachers who are expected to retire, address enrollment growth, and accommodate smaller classes. More of these new hires will be brand new teachers who lack experience and solid training. And, we will have to work harder to attract and retain the 30% of new teachers who leave the profession after five years.

In addition to meeting the demand for more teachers, our schools need more highly skilled teachers. These teachers must bring new knowledge and skills to the classroom, but too many teachers are providing instruction in subjects in which they have little or no preparation and academic background and are not well prepared for the classroom. For example,

One of every 10 teachers is teaching a subject for which they were not trained to teach, and the problem of teaching out of field is most acute at the secondary level where most of the enrollment growth will occur over the next few years.

More than one of every three new teachers is not fully licensed to teach.

Nearly two-thirds of teachers do not feel very well prepared to implement state or district curriculum and performance standards.

Four out of five teachers do not feel very well prepared to integrate educational technology into the curriculum.

Four out of five teachers do not feel very well prepared to address the needs of students with disabilities.

Americans want a Marshall Plan now to help schools deal with pressing teacher recruitment, retention and quality issues, and to cut the size of classes. This bill provides no plan at all.

DEMOCRATIC RESPONSE: **Democrats offered an amendment to restore $1.025 billion to improve teacher quality and strike the block grant language that prevents Congress from assuring adequate and dedicated funding for class size reduction and teacher quality, but it was rejected by the Majority by a vote of 22:31.** (Obey amendment, Roll Number 1 located in this report immediately preceding the table). This amendment would have restored:

$690 million for high-quality professional development that is content-focused, embedded in the life of the classroom, provided to teams of teachers in the same grade or subject area, and of sufficient duration to be effective under the **Teaching to High Standards State Grants** program.

$25 million for an expanded **Transition to Teaching** program to help schools hire 4,000 mid-career professionals who promise to teach in high-poverty school districts.

$75 million for the **Hometown Teachers** program to help about 100 high-poverty school districts to develop a `grow your own' approach to teacher recruitment which has been effective in addressing teacher shortages in hard-to-serve communities.

$50 million for the **Higher Standards, Higher Pay** program to help high-poverty school districts (with an average of about 800 teachers per school district) attract and retain high-quality teachers and principals through better pay linked to (1) regular, rigorous peer evaluations of every teacher that include student performance as one measure; (2) professional development and intensive support to help all teachers and principals succeed; and (3) streamlined, but fair, systems to improve or remove teachers identified as low-performing through their peer evaluation.

$50 million for the **Teacher Quality Incentives** program to reward about 200 high-poverty school districts for demonstrating significant progress in improving teacher quality by increasing the percentage of certified teachers and decreasing the percentage of secondary teachers who are teaching out-of-field.

$40 million for the **School Leadership Initiative** to provide leadership training to 10,000 superintendents, principals, and prospective principals and to address shortages of skilled district- and school-level administrators.

$30 million for the **Early Childhood Professional Development** program to improve the knowledge and skills of early childhood educators and caregivers who work in communities with high concentrations of young children living in poverty.

$65 million for **Teacher Technology Training** to help train teachers to use computers and the Internet for classroom instruction, when 80% of teachers report that they are not well prepared to use these technologies.

This bill repeals last year's bipartisan plan to hire 100,000 additional teachers for smaller classes.

This bill *block grants*

the $1.75 billion requested by the President for the third installment of a plan to make classes smaller by hiring 100,000 teachers over 7 years. School districts have already hired 29,000 teachers to reduce class size, and the budget requested funds for those teachers and to hire another 20,000 teachers. Instead, the bill provides these funds for the Teacher Empowerment Act, subject to enactment.

Providing high quality teachers goes hand in hand with smaller classes, but we must provide the necessary funds to make a difference. The Majority's bill would provide $1.0 billion less than the $2.9 billion requested by the President for enhancing teacher quality and hiring more teachers.

Moreover, the block grant provisions in the bill would do little more than provide another form of general revenue sharing to states--many of which have produced little in the way of educational results. On the other hand, we know that reducing class size is a research-tested and proven method of raising student achievement. Small classes allow teachers to spend more time on instruction and less on classroom management. Teachers are better able to identify students with learning problems and to provide help to those children. Reducing class size also reduces the need to refer students to costly special education programs.

We all know what happens with block grants--eventually they get cut. Already, the Teacher Empowerment Act (TEA) block grant proposed in this bill is *$250 million below the level authorized* in the TEA bill last year--a 12.5% cut. One also need look no further than the Title XX Social Services Block Grant to see what eventually happens with block grants. In 1998, Title XX was cut from $2.38 billion to $1.7 billion to pay for roads and highways in TEA21, and is cut another 65% to $600 million in the FY2001 Labor-HHS-Education appropriations bill reported by the Senate Appropriations Committee.

The Majority argues that under its approach, schools will have the option of using the $1.75 billion block grant funding to hire new teachers or to support teacher training activities. But, that is a Hobson's choice. We shouldn't have to force schools to choose between hiring new teachers or training those teachers already in the school.

School districts have already hired 29,000 teachers who are on the payroll, teaching classes. If schools do not fire these teachers, then approximately $1.3 billion of the $1.75 billion provided in the bill for the block grant would be need to pay those 29,000 teachers, leaving only $450 million for teacher training and professional development--a cut of $650 million below the President's request for teacher training, recruitment and retention initiatives.

Alternatively, under the Majority's approach, if schools use more of the block grant for teacher training, as many as 2.9 million children could be denied the benefits of getting a better education in smaller classes.

Problem #2: The Need To Invest in Modern Schools

Studies show that the physical condition of our schools makes a difference in student learning. A classroom of 5th graders will tune out even the best teacher when they have to wear coats in class to ward off cold, or when water is pouring into the classroom due to a leak in the roof.

We can't control all the influences that affect a child's learning. We must take each child as he or she comes to us. But, we can control the condition of learning facilities to which we send our young people.

Our schools are old, overcrowded, and outmoded. Not only are they not ready for state-of-the-art instruction in the 21st century, they cannot even meet 20th century standards for security, safety, and sanitation.

One-third of the nation's 80,000 schools, serving about 14 million students nationwide, report needing extensive repair or replacement of one or more school buildings. About 7 million children are in schools that fail to meet local health and safety codes.

Three-fifths of schools, serving 25 million students nationwide, need extensive repair, overhaul or replacement of at least one major building feature, such as roofs, windows, plumbing and heating, electrical power, and life safety codes.

Nearly 60% of all schools have at least one major building feature in disrepair, such as a leaky roof or crumbling walls.

More than half of all schools have unsatisfactory environmental conditions, such as poor ventilation, heating or lighting problems or poor physical security.

This bill fails to provide the $1.3 billion requested to leverage up to $7 billion to fix a backlog of leaky roofs, outmoded plumbing, and other needed repairs to bring school buildings into compliance with local safety codes.

We know that local communities can't foot the bill alone, and historically the federal government has stepped up to the plate, particularly to help the neediest communities provide a quality education for all students. The federal government stepped in to help build over 5,200 new schools and to upgrade 1,000 school buildings back in the 1930's when the need for school buildings outstripped the capacity of local communities to pay for them. We should provide similar help now.

DEMOCRATIC RESPONSE: **Democrats offered an amendment to restore $1.3 billion for urgent safety and health repairs at 5,000 schools, but it was rejected by the Majority by a vote of 21:29.** (Lowey amendment, Roll Number 2 located in this report immediately preceding the table.)

Problem #3: The Need To Invest in Early Childhood Education, Child Care and After School Programs for At-Risk Children

Amidst unprecedented prosperity in our country, 13.5 million children are poor. One in five American children live in poverty, representing almost 30% of school enrollment. More than half of these children are in single parent homes and are more likely to experience academic problems in their early school years; 74% of poor children live in working families who cannot make enough to escape poverty.

The achievement gap between disadvantaged children and other children has been reduced over the past twenty years, but a sizable gap remains. Too many disadvantaged children are still denied a quality education, leading to a greater likelihood of dropping out and a lifetime of diminished success. For these reasons, providing consistent support for education success from the earliest ages has critically important benefits.

A national review of 36 studies on the long-term impact of early childhood education programs (including a number of Head Start programs) found that low-income children who participated in such programs were less likely to be held back in school or to be placed in special education classes, more likely to succeed in school and to graduate, and more likely to be rated as behaving well in class and being better adjusted in school.

Historically, the federal government has played a significant role in helping to provide a quality education for the most disadvantaged students in the poorest communities. But,

this bill cuts out key investments in early childhood education and child care, extra reading and math education, and before and after school programs for those families.

DEMOCRATIC RESPONSE: **Democrats offered an amendment to add $1.833 billion to restore the President's budget request for key programs for at-risk children and youth, but it was rejected by the Majority by a vote of 23:30.** (Hoyer amendment, Roll Number 3 located in this report immediately preceding the table.) This amendment would have restored:

$600 million for **Head Start** in order to fund the President's request for a $1 billion increase for Head Start. Head Start is a comprehensive program that helps at-risk children, 3 through 5 years, prepare for school and stay healthy by providing education, immunizations, health checkups and nutritious meals. Without the increase provided by this amendment, 50,000 children would be denied a better start in life under the Head Start program, and an additional 3,000 infants and toddlers would be denied access to early, continuous and comprehensive services under Early Head Start.

$416 million to the **Title 1** program to fully fund the President's request of $8.4 billion for Title 1 grants to school districts. Title 1 helps over 11 million disadvantaged school children to gain skills in core academic subjects, including reading and math, and helps them to achieve to high academic standards. However, the resources provided for Title 1 have not kept pace with the increase in school children in poverty and current Title 1 funding supports only about one-third of the basic authorization. Without the increase requested by the President, extra academic help for as many as an additional 650,000 disadvantaged children and targeted assistance to up to 7,000 schools identified by states as needing improvement would be denied.

$400 million for the **21st Century Community Learning Centers** to fully fund the President's request of $1 billion for before and after school centers. The 21st Century Community Learning Centers program enables schools to stay open longer, providing a safe place for homework centers, intensive mentoring in basic skills, drug and violence prevention counseling, helping middle school students to prepare to take college prep courses in high school, enrichment in the core academic subjects as well as opportunities to participate in recreational activities, chorus, band and the arts, technology education programs and services for children and youth with disabilities. While the bill provides a modest increase for this program over last year, without the $400 million increase provided by the Hoyer amendment, approximately 1.6 children would be denied the opportunity to receive fun, rich learning opportunities before and after school.

$417 million for the **Child Care and Development Block Grant** program to fully fund (in addition to the $400 million increase in the bill) the President's request for a $817 million increase. This program is the major source of Federal child care assistance for low- and moderate-income families, and provides funding to states for subsidizing care of the parent's choice and improving the quality of care. Nationally, only one out of ten children who is eligible for child care assistance under federal law receives assistance, and no state is currently serving all eligible families. While research has repeatedly shown that quality care plays a key role in children's development and school readiness, a study found that only one in seven child care centers received a rating of good quality care. Adding the $417 million requested in the President's request would result in 80,000 more children being served next year.

Problem #4: Making College More Affordable for Needy Students

Pell Grants

One of the greatest economic challenges facing America in the 21st century will be to support the highly-skilled workforce necessary to thrive in an increasingly complex and technology-driven workplace.

The importance of postsecondary education in meeting this challenge should not be understated. In terms of earning power, there is a vast difference between those with college degrees and those without. In 1997, the median annual income for adult men and women with college degrees (full-time workers 25 years and older) was 56 and 60% more, respectively, than that of men and women with only high school diplomas.

Further, the unemployment rate for adults with high school diplomas is twice that of adults with bachelor's degrees or higher. There is no doubt that American workers who have difficulty adapting to the demands of a changing workplace will continue to experience a falling standard of living.

Since the 1944 G.I. Bill, the Federal government has embraced the ideal that all qualified students should be able to attend college, regardless of their financial means. A college education benefits not only the individual, but society as a whole. A highly educated work force has become an essential component of economic growth and competitiveness--it is estimated that increases in national educational attainment have accounted for almost 30% of the growth in national income this century. There is no better way to ensure the long-term solvency of Social Security than to increase the earning capacity of American workers through education which will allow them to increase their contributions to the trust funds. When the federal government helps students attend college, it truly invests in our nation's future.

In the next 10 years, the number of undergraduate students enrolled in the nation's colleges and universities will increase by 11% to more than 14 million students. Many of these students will be the first in their families to attend college. One out of five of these students will be from families with incomes below the poverty level. The continued

investment in federal grant programs is essential if college is to remain an achievable part of the American dream.

The Pell Grant program is the cornerstone of federal student financial aid, providing aid to nearly 3.8 million needy students in FY 1999. Pell Grants are targeted to the neediest students. Approximately 90% of Pell Grants assistance goes to students from families with annual incomes below $30,000 and 41% goes to students from families with incomes below $12,000. The grants are the foundation of a low-income student's aid package. Without them, millions of students could not go to college. In fact, since the inception of the Pell Grant program in 1973-74, over 75 million grants have helped low-income students go to college, enrich their lives, and become productive members of society.

Unfortunately, the increases in the maximum Pell Grant award have not kept pace with the growing cost of postsecondary education. According to the College Board, between the 1988-89 and 1998-99 academic years, the average cost of attending a public university rose 75%. Costs at private schools during the same period increased 81%. This significant increase in college costs has reduced the relative value of the Pell Grant. In 1976, the maximum Pell Grant of $1,400 covered 72% of the $1,935 average annual cost (i.e. tuition, fees, room and board) at a public, four-year school. In 1998, the maximum Pell Grant of $3,000 covered only 39% of the $7,769 average annual cost at a public, four-year school.

The House bill fully funds the President's request to increase the maximum Pell grant for the 2001-02 school year from $3,300 to $3,500. That is a good start. But, we need to do more.

DEMOCRATIC RESPONSE: **Democrats offered an amendment to provide a $3,800 maximum Pell grant, but it was rejected by the Majority 18-30.** (Lowey amendment, Roll Call Number 7 located in this report immediately preceding the table).

Problem #5: Meeting our Commitments To Help Educate Children with Disabilities

Americans also want more help for special needs children. And, in this area, both Democrats and Republicans can agree that more federal support is warranted so that the 6.2 million students with disabilities receive the education they deserve. However, even measured by the Majority's own yardstick, this bill fails to address the need.

Although States have the responsibility to provide a free public education, the **Individuals With Disabilities Act (IDEA)** helps them to pay for the additional costs associated with providing a quality education for children with disabilities. IDEA funds support the costs of providing smaller classes, related professional services, equipment and staff related to serving disabled children.

The bill provides $6.6 billion for IDEA, an increase of $514 million over last year. This includes $5.5 billion for the Part B State Grants, an increase of $500 million for Part B grants over last year. In contrast, the Majority's budget resolution called for at least a $2 billion increase for Special Education over last year. Further, on May 3rd, the House passed by an overwhelming bipartisan vote of 421:3 a bill (H.R. 4055) calling for a $2 billion increase in 2001 and full funding for IDEA by 2010. This bill fails to meet the 2001 funding target by $1.5 billion.

Democrats offered an amendment to add $1.5 billion to put IDEA on a path toward full funding, but it was rejected by the Majority by a vote of 20:28. (DeLauro amendment, Roll Number 9 located in this report immediately preceding the table.)

Other Key Education Programs Cut in This Bill

Small Schools. The bill freezes funding for Small, Safe and Successful Schools at $45 million, a cut of $75 million from the President's request of $120 million. The Small, Safe and Successful Schools initiative is designed to help school districts reorganize their large high schools into smaller, more personalized learning communities. Over time, high schools have become larger places and, as a result, students feel increasingly disconnected from adults. In 1997, almost half of the Nation's high school students attended schools that enrolled more than 1,500 students and 70% of high school students attended schools that enrolled more than 1,000 students.

We know that an effective way to prevent school violence is to help students feel more connected to their teachers, schools and communities. Research demonstrates that, on a wide range of measures, when students are part of a smaller, more intimate learning community, they are more successful academically and socially. Yet, as many as 400 large high schools enrolling more than 400,000 students would not get assistance because of the cut in this bill for the Small Schools initiative.

School Counselors. The bill eliminates the Elementary School Counseling Demonstration Program funded in 2000 at $20 million. Over 100,000 elementary school students would be denied counseling services--services that are needed to help troubled students overcome problems--and that will contribute to better mental health and, in turn, help to make our schools safer and more successful. The bill ignores the calls from hundreds of communities for additional intervention services to help troubled youth before they harm themselves or others.

Safe Schools/Healthy Students. The bill cuts $51 million from the President's request of $650 million for the Safe and Drug Free Schools program. Of the $51 million in additional funds requested in the budget, $41 million in new funding would be used to expand the successful Safe School/Healthy Students school violence prevention initiative to an additional 40 school districts. These grants help schools implement comprehensive solutions to preventing school violence before it occurs, in collaboration with law enforcement and mental health providers.

In 1999, the agencies received 447 applications under the Safe Schools/Healthy Students competition, but only had enough funds to award 54 grants. An additional $100 million would have been required to fund all of the high-scoring applications received for projects to provide students, schools, and communities the benefit of enhanced comprehensive educational, mental health, social service, law enforcement, and, as appropriate, juvenile justice services to promote healthy childhood development, and address the problems of school violence and alcohol and other drug abuse. This bill does not provide that additional assistance.

School Emergency Assistance. In addition, the bill provides no funding for Project SERV, the School Emergency Response to Violence. The President requested $10 million for this new initiative under which the Department of Education, in collaboration with the Departments of Justice and Health and Human Services and the Federal Emergency Management Administration, would provide education-related services to local educational agencies where the learning environment has been disrupted due to a violent or traumatic crisis, such as a shooting or major accident. Such services would include assessing the crisis situation, and developing and implementing a crisis intervention plan; providing mental health crisis counseling to students and their families, teachers, and others in need of such services; and increasing--at least temporarily--school security.

Reading Excellence Act. The bill provides $260 million for Reading and Literacy Grants, which is level funding compared to 2000, but a cut of $26 million, or 9%, below the President's request for $286 million. Level funding for the Reading and Literacy Grants program would deny critical reading instructional services to approximately 100,000 children in about 200 schools who would be served by the increase of $26 million requested by the President.

The Reading and Literacy Grants program is the first comprehensive, nationwide effort to implement the features of high-quality scientifically based reading research in school reading instruction. Far too many young people are struggling through school without having mastered reading, the most essential and basic skill. On the 1998 National Assessment of Educational Progress (NAEP), 68% of all fourth graders in high poverty schools scored below the `basic' reading level.

Goals 2000 Parental Centers. The bill eliminates all funding for the Parental Information Resource Centers, for which the President requested to continue at the 2000 level of $33 million. These centers, authorized under Title IV of the Goals 2000 Act, provide parents with training, information, and support to better understand their children's educational needs and how to help their children achieve to high academic standards. Each center services an entire State or region, and they are required to use at least half of their funding to serve areas with high concentrations of low-income families.

Bilingual Education. The bill provides $248 million for Bilingual Education, the same as the fiscal year 2000 appropriation, but a cut of $48 million or 16% below the President's request of $296 million. Approximately 3.4 million students--about 6% of total school enrollments--have difficulty speaking English. This number has grown by 57% between 1990 and 1997 and will continue to grow as the number of Hispanic children entering school increases. Based on historical patterns, an additional 2.5-2.9 million Hispanic children may enter school over the next 20 years with limited ability to speak English.

These children arrive at schools often with little or no prior formal schooling. Twelve percent of limited English proficient (LEP) students in middle school and 20% in high school have missed more than 2 years of schooling since age 6. Over 1 in 5 may have limited skills in their own native language.

The bill would deny grants to more than 100 school districts and instructional services to 143,000 limited English proficient students who desperately need to learn English. The affected school districts would primarily be smaller districts with little prior experience serving limited English proficient students. More than 130 school districts and institutions of higher education would not receive professional development grants, further aggravating the already critical shortage of trained bilingual and English as a second language teachers.

GEAR UP. The bill freezes funding for GEAR UP at $200 million, a cut of $125 million or 38% below the President's request. At this funding level, more than 644,000 low-income middle and high school students would be denied early college preparation and awareness activities designed to ensure they are prepared for and pursue postsecondary education. These students would be denied the benefits of systemic academic reforms and the linking of early intervention to college scholarships, which are benefits unique to GEAR UP. In addition, these students would be denied comprehensive support services including mentoring, tutoring, academic and career counseling, exposure to college campuses, and financial aid information.

The bill would deny new grants to 6 States and 75 partnerships of high poverty middle and high schools, colleges, and community organizations. In the 1999 competition, although more than 670 applications were received from 41 States and 1 out of 5 colleges in the Nation, the Department of Education was able to fund only 21 States and 1 out of 4 partnerships. The bill also would prevent existing partnerships from adding new cohorts of low-income 7th grade students. Partnerships would be denied funds to reach out to these students in the early grades and would be forced to provide services only to existing cohorts of students in later grades.

Community-based Technology Centers. The bill provides $32.5 million for Community-based Technology Centers, a decrease of $67.5 million or 67.5% below the President's request for $100 million. At this level, an additional 700 new centers in 280

communities would not be funded.

The Department of Commerce's 1999 report *Falling through the Net: Defining the Digital Divide*, found that, although the number of Americans connected to the Nation's information infrastructure is soaring, a digital divide still exists, and, in many cases, is actually widening over time. Minorities, low-income persons, the less educated, and children of single-parent households, particularly when they reside in rural areas or central cities, are among the groups that lack access to information resources. Establishing and supporting community access centers, among other steps, would help ensure that all Americans can access new technologies. This bill fails to provide that additional help.

Tech Prep. The bill also freezes funding for Tech-Prep Education at $106 million, a cut of $200 million, or 65%, below the President's request. Tech-Prep is making a critical contribution to the new vision for vocational education, by helping prepare students in high-tech career fields that promise high-skill, high-wage jobs. Tech Prep is designed to incorporate the same academic content as college prep curriculum, and it provides internships that link classroom work to experiences outside the classroom. Tech-Prep has contributed to reduced student dropout rates, higher test scores, increased enrollments in post-secondary education, and high employer satisfaction. Without additional funding, States cannot expand the number of Tech-Prep consortia, and they will be denied the additional resources they need to improve connections to 4-year post-secondary institutions and courses of study, make effective use of educational technology and distance learning, and integrate work-based learning opportunities into local Tech-Prep programs.

Leveraging Educational Assistance Program (LEAP). The bill eliminates funding for LEAP, a cut of $40 million below last year and the President's request. This would result in a cut of at least $90 million in aid available to needy students, and one of the primary means of securing additional State funding for need-based grant programs. LEAP is designed to encourage individual states to create and sustain need-based aid programs. LEAP leverages State funding by providing a one-for-one match of Federal dollars for State dollars. Due to LEAP maintenance of effort provisions, even a minimum Federal investment requires States to maintain funding support for their need-based programs. The elimination of the Federal funding would allow States to reduce or eliminate funding for these programs.

Dual Degree Programs for Minority-Serving Institutions. The bill rejects the President's request of $40 million for a new initiative to help students at Hispanic-Serving Institutions, Historically Black Colleges and Universities, and Tribally Controlled Colleges and Universities to earn dual degrees in five years. Participants would earn one degree from their home institution, and the other from a partner institution. Funds would help establish consortia, provide scholarships to students, and compensate the minority-serving institutions for tuition revenue losses.

Learning Anytime Anywhere Partnerships. The bill includes only $10 million for Learning Anytime Anywhere Partnerships, a cut of $20 million or 67% below the President's request of $30 million. This program supports access to quality post-secondary education for underserved individuals through the use of technology. The bill would eliminate funding for 45 new partnership awards as well as reduce the average size of continuation projects that improve technology-based learning opportunities for the disabled, dislocated workers, those making the transition from welfare to work, and others who do not have easy access to traditional campus-based post-secondary education.

Recognition and Reward Grants. The bill rejects the President's request of $50 million for a new Recognition and Reward program that would give grants to States that (1) demonstrate significant statewide gains in student achievement, and (2) reduce the achievement gap between high- and low-performing students as measured by the National Assessment of Educational Progress.

OPTIONS. The bill rejects the President's request of $20 million for a new program, Opportunities to Improve our Nation's Schools (OPTIONS), which would support 40 grants to States and school districts to implement and test new approaches to public school choice, including inter-district programs and public schools at work sites and on college campuses.

Research, Development and Dissemination. The bill includes $169 million for education research, development and dissemination, a cut of $30 million or 15% below the President's request of $199 million. Investments in education research and development create a knowledge base for future improvements in educational practice. At a time when educators are looking toward the most effective and proven methods to raise student achievement, it is pennywise and pound foolish to reduce funding aimed at increasing our understanding of what works and designing more effective practices for schools and classrooms.

This bill would cut support for critical research activities, including interagency initiatives with NICHD and NSF, designed to provide high quality, research based information to improve student learning in reading, math, science and identify the critical factors that lead to English-language literacy for students whose first language is Spanish.

Research on Disabilities and Rehabilitation for Individuals with Disabilities. The bill denies $14 million of the President's request of $100 million for the National Institute on Disability and Rehabilitation Research (NIDRR). NIDRR plays an important role in generating new knowledge and applications to maximize the full inclusion and integration into society and employment individuals of all ages with disabilities. The increase of $14 million in the request would have been used to help schools evaluation and procure education technology for children with disabilities, and to accelerate the use of technology by disabled individuals in the workplace and in their communities to facilitate independent living. NIDRR will not be able to undertake these worthwhile projects with the constrained funding in the bill.

1999 Audit of the Department of Education's Financial Statements

This bill takes punitive action against the Department of Education by taking away limited authority to transfer funds across accounts because of the results of the 1999 audit of the Department of Education's financial statements. The Department of Education, like all federal agencies, must have an independent audit of its financial statements each year. Relatively few federal agencies have been able to achieve an unqualified or `clean' audit each year--the best possible audit outcome.

In 1997, the Department received such a clean audit. In 1998, the Department received a disclaimer of opinion by Ernst and Young on its audit largely because the Department was bringing a new accounting system on line--the old accounting system had to be replaced because the contractor stopped supporting the system.

The Majority's action is punitive because the Department's 1999 audit actually showed *improvement* over the previous year, according to testimony presented by the Department of Education Inspector General before the Labor-HHS-Education Subcommittee.

The Department of Education achieved the 1999 audit deadline by completing the financial statement process almost eight months ahead of last year. While the Department did not get a clean opinion on the 1999 financial statements, it showed improvement by moving to a qualified opinion on four of the five required statements. Further improvement is likely in 2000, because the Department has taken corrective actions in many areas.

Out of 139 recommendations for improvement made in the annual audits of the Department's financial statements, final actions on 72, or 52%, have now been completed including 45 since December, 1999. More corrective actions are planned to get at long-standing weaknesses in financial management and student financial aid administration.

Consultants from the Treasury Department and private accounting firms have been retained to provide staff training and augment existing resources in addressing short-term issues.

Regular reconciliation of the Department's cash accounts with Treasury has been greatly improved. A new automated system has eliminated over 90% of the manual matching effort and allows ED to reconcile faster and more effectively.

Education has awarded a contract to implement a new Department-wide general ledger system that will make it easier to produce accurate and timely financial statements by integrating data from a variety of other systems. An interim process will automate the production of all statements for 2000.

One reason why the Department of Education has not made faster progress is that the Majority has insisted on cutting its program administration budget requests that would have provided the Department with additional funds to improve its financial systems. Last year, the FY2000 Labor-HHS-Education Appropriations bill produced by the Majority would have cut the Department's program management funds by $24 million. The final reduction was $3 million only after Democrats and the White House insisted that funds be restored. Again, this year, the Majority has included a cut of $30 million from the President's request of $413 million for Departmental management. Such cuts will only slow the Department's efforts to improve its accounting systems.

LABOR

Problem #6: The Need to Invest in a Skilled Workforce

The Majority states at the beginning of this Committee report that job training programs are reduced in response to the strong economy and low unemployment. Their approach could not be more misguided.

It is true that the unemployment rate is at 3.9%--its lowest level in 30 years--and that over 21 million new jobs have been created since 1993. Yet many Americans are being left behind in this economy, and the fact that all are not well trained is obvious to every employer in the country.

Now is precisely the time to invest in skills training that our workers need to compete and succeed. Businesses are so desperate for skilled workers that they are seeking an increase in the H1B visa program to bring in more foreign workers for good paying jobs that Americans could hold. The workers we need to keep our economy growing are right here--in our cities and in our rural areas. They simply need us to invest in the skills they need to compete and succeed in the 21st Century economy. The lack of skilled workers has even lead to wage inflation that recently prompted the Federal Reserve Board to raise interest rates by half a percentage point in order to slow down economy.

In commenting on the skills shortage, Federal Reserve Board Chairman Alan Greenspan, has said:

The rapidity of innovation and the unpredictability of the directions it may take imply a need for considerable investment in human capital. Workers in many occupations are being asked to strengthen their cognitive skills; basic credentials, by themselves, are not enough to ensure success in the workplace. Workers must be equipped not simply with technical know-how but also with the ability to create, analyze, and transform information and to interact effectively with others. Moreover, that learning will increasingly be a lifelong activity.

(And) . . . it is not enough to create a job market that has enabled those with few skills to finally be able to grasp the first rung of the ladder of achievement. More generally, we must ensure that our whole population receives an education that will allow full and continuing participation in this dynamic period of American economic history.

Economist Robert Kuttner added, `. . . what's holding back even faster economic growth is the low skill level of millions of potential work.'

Our strong economy also gives us the rare opportunity to bring skills and jobs to individuals and communities that have been left behind for too long. The demand for skilled workers means that millions of Americans in the untapped pools of potential--young people who have dropped out of school, ex-offenders, displaced workers, individuals with disabilities, veterans and people who were on welfare--have a chance to join to get and keep good, family-supporting jobs. But only if we use this opportunity to provide them the skills and opportunities needed to gain a foothold in the new economy.

In April 2000, there existed 13 million untapped and underutilized Americans: 5.2 million who are unemployed, 4.4 million who are out of the labor force but want to work, and 3.0 million who work part-time, but want full-time work.

The unemployment rate for teenagers was 12.7% in April 2000. The unemployment rate for black teenage men was 22.0% and the unemployment rate for black teenage women was 22.4%.

Last October, 37.0% of the High School Graduate Class of 1999 did not enroll in college. Their unemployment rate was 17.5%.

The unemployment rate for those who dropped out of high school between October 1998 and October 1999 was 26.1%.

The labor force activity of persons with a severe disability ranges from a low of 17.3% for those with less than a high school degree to 52.4% for college graduates. Comparable labor force activity for persons with no disability ranges from 75.2% to 90.0%.

In March 2000, there were 22 metropolitan areas with unemployment rates in excess of 7%. One-half of these areas were in California.

Even in today's prosperity, American workers are not immune to the effects of structural change ushered in by technological advancements or globalization. In 1999, 33% of workers surveyed were frequently concerned about being laid off. This figure exceeds comparable figures of 17% and 21% in 1979 and 1989 at similar points in the business cycle and even exceeds the rate during the 1981-1982 recession. Their fears are not unfounded. Despite the strong economy, 2 million American workers were laid off from their jobs last year.

It is also sad that less than two years after the President signed the bipartisan Workforce Investment Act, the House Appropriations Committee has chosen to make deep cuts in the very system that businesses said they want in order to get the workers they so desperately need. For example, under this new system, Congress envisioned one-stop career centers as the cornerstone of the new workforce system, yet the House Committee has eliminated funding for the centers and the quality information needed by job seekers, and has made deep cuts in the programs that provide the services at these centers. Again, it makes no sense to gut this critical new system on the eve of its implementation.

It is also ironic that on the same day that the House passed the China Permanent Normal Trade Relations bill, and debated the potential loss of American jobs, the House Appropriations Committee was meeting to gut the President's universal reemployment initiative which would help to ensure that any dislocated worker who wants and needs retraining can get it, and rejected the President's expansion to raise international labor standards that will protect American workers.

Cuts the President's Universal Reemployment Initiative

The House bill not only ignores the $275 million requested increase for the second year of the five year plan to provide **universal re-employment** services to all Americans, but cuts $593 million (30%) below the President's request, and a 19% cut below the FY 2000 level. As part of the initiative, the House bill:

Eliminates all funding for the One-Stop Career Center/America's Labor Market Information System. The House bill eliminates the existing $110 million investment in the One-Stop Career Center system, undermining the foundation of the new workforce investment system, intended to ensure access to the information and services of One-Stop Career Centers, for all Americans. The House bill also ignores the President's FY 2001 $44 million enhancement designed to improve access to these services for millions of Americans, through improvements in America 's Job Bank, mobile vans for one-stop access to rural areas, a toll-free 1-800 number for the workforce investment system, and improvements in basic labor market information. The One-Stop system is also the system that provides job assistance services to veterans and individuals with disabilities, and these essential initiatives will be impacted by the de-funding of this national One-Stop system.

Cuts assistance to 215,800 dislocated workers. The House bill cuts the dislocated worker program by $207 million below 2000, and $389 million below the Request. The House bill means that 215,800 fewer dislocated workers will be served compared to the President, and 68,500 fewer than FY 2000, reversing investments that Congress has made over the past four years. For employers, this means more difficulty in finding skilled workers for vacant positions. For dislocated workers, this cut means even fewer of the 3.3 million dislocated each year will be able to get the skills they need to compete and succeed in the 21st century economy. The House bill rejects the President's goal of providing every dislocated worker who needs and wants reemployment services and training by 2004.

Eliminates assistance for 222,200 unemployment insurance claimants. In addition to cuts in the Dislocated Worker program, the bill zeros out the President's $50 million Reemployment Services component which means an

estimated 222,200 unemployment insurance claimants will not be able to get the customized re-employment services they need to speed their reentry into employment.

In addition to the re-employment initiative, the House bill cuts other investments aimed at succeeding in getting employers the workers they need and getting employees the skills they need in the 21st Century economy:

Cuts Adult job training for 37,200 adults. The House cuts adult employment and training services by $93 million, or 10%, below the request and 2000 levels. This reduction undermines Congress's commitment through the Workforce Investment Act to provide universal access to employment-related information and services.

Eliminates the President's proposal to assist 80,000 non-custodial parents and low-income parents. The House bill zeros out the President's $255 million initiative building on the Welfare-to-Work program, which promotes responsible fatherhood and supports working families. These grants are aimed at helping noncustodial fathers get a job and pay child support, and to help low income parents upgrade their skills so they can move up career ladders into family-supporting jobs.

Eliminates the President's proposal to assist 20,000 Incumbent Workers. The bill zeros out the President's $30 million initiative to address major job losses in the manufacturing industry where one half million jobs have been lost since March, 1998.

Cuts employment assistance to 3,100 homeless veterans. There are an estimated one-quarter of a million homeless veterans, yet the House mark provides only $9.6 million for job assistance to homeless veterans, a reduction of $5 million below the President's request. This reduction means that 3,100 fewer homeless veterans will obtain meaningful employment with the economic security and independence that go along with a job.

Eliminates the President's proposal to establish a new Office of Disability Policy aimed at providing leadership in helping people with disabilities enter, re-enter, and remain in the workforce. At a time when the economy is booming, America cannot afford to waste the talents of millions of individuals with disabilities. Currently, people with moderate disabilities are nearly twice as likely to be looking for work or on layoff as persons without disability, and those with severe disabilities were nearly three times as likely.

Cuts unemployment insurance administrative costs to levels that could delay payments to workers trying to reconnect with the workforce. The House bill cuts funding for state operations of the unemployment insurance system by $93 million or almost 4% below the request. Administration of State UI programs require an infrastructure to support the many complex activities necessary to process and pay the estimated 2 million UI weekly claims. This program is a vital part of America's commitment to workers who lose their jobs through no fault of their own.

Rejects Improving National Economic Indicators. The House bill cuts $14 million from the President's request for the Bureau of Labor Statistics, which is responsible for the production of some of the Nation 's most sensitive and important economic data series. With an increase of less than half of what is needed to cover inflation, cuts in current statistical programs will have to be made. In addition, BLS will not be able to implement the President's proposed enhancements to expand price, output and productivity measures for service industries, improve local and state employment and unemployment projections, and conduct a new time use survey about how Americans spend their time in market and non-market activities. Economic statistics produced by BLS are closely followed by business, labor, and government. In addition, millions of in-school youth, young workers, and other entering the labor market seeking statistical information from BLS about future employment growth and job opportunities.

Cuts investments in at-risk youth

Although the Nation's unemployment rate has fallen from 7.3% in 1993 to 3.9%, many teenagers have not been able to seize the opportunities of our strong economy. Teens faced an unemployment rate of 13.8% while African American teens faced a rate of 27.5%. Large cities face high youth unemployment rates. For example, using the most recent data available, Los Angeles has rates of over 15%, Baltimore exceeds 26%, and Philadelphia central city experiences youth unemployment rates of 31%. The Department of Labor has developed effective programs to help disadvantaged youth find jobs and get the critical first foothold in the world of work.

In addition to facing dramatically high levels of unemployment, too many of our young people have found themselves in the court-house instead of the workplace. One-half of black male high school dropouts under age 25 and three-quarters of black male high school dropouts ages 25 to 34 are under some form of criminal justice supervision.

Youth that do not share in our prosperity further foster pockets of poverty. Widespread joblessness among young males is the principle underlying cause of a variety of our inner cities' worst problems, including poverty, crime, youth gangs, welfare dependency, illegal drugs and the breakdown of the two-parent family. Every time a youth fails to complete high school, the government and society bear huge costs. Each year the U.S. spends roughly $20 billion for income maintenance, health care, and nutrition to support families begun by teenagers. In addition, one estimate suggests that crime costs society about 2% of national income, or about $130 billion per year.

Many youth in employment programs have never worked before. Many of these youth, including youth with disabilities, come from families with no strong attachment to the labor force and from neighborhoods where poverty, unemployment, and crime are widespread. Youth employment programs teach participants valuable work skills and

habits, and instill a positive work ethic. Because these young people are at a critical time in their lives, such programs offer them a valuable experience to develop responsible behavior.

The Administration has made an array of strategic investments in youth initiatives to insure that they are prepared for the jobs of the 21st Century and can share in the benefits of our growing economy. However, the **House bill cuts $322 million out of the President's request for youth programs, serving 72,000 fewer at-risk youth.** Compared to the FY 2000 level, the House cuts a net $75 million, serving 34,000 fewer youth. As a result, efforts to insure that today's youth have 21st Century skills for 21st

Century jobs and can compete successfully in the growing economy will be thwarted.

Slashes the Youth Opportunities Initiative by over 50%. Congress provided funds for the first 2 years of a 5-year commitment by the President to increase the long-term employment and educational attainment of youth living in 36 of the Nation's poorest urban neighborhoods and rural areas. The House bill cuts $200 million out of the President's $375 million request, eliminating the proposed expansion to 20 new communities and reducing third year grants to the existing 36 communities by $75 million--a 30% cut. This will deny 40,000 of some of the most disadvantaged youth a bridge to the skills and opportunities of our strong economy and alternatives to welfare and crime-including 15,000 youth in the existing projects. The demand for these funds is high--over 160 communities sought these limited resources and developed the broad partnerships and comprehensive plans as part of last year's grant process. These deserving communities and their young people will not get a second chance.

Cuts summer jobs and year-round training for 12,575 disadvantaged youth. For Youth Activities (the program that combines Summer Jobs and Year-Round Youth), the House bill provides only $1,001 million, a decrease of $21 million, or 2% below the President's request level. This action reduces the estimated number of low income youth for FY 2001 in this program by 12,575 below the request. In light of the difficulties communities are experiencing this summer due to the structural changes in the program required by the Workforce Investment Act, the impacts on next summer's program will be even more severe. Congress should be increasing rather than decreasing funding for this important program which provides the first work experience for many at-risk youth, offering an important first step that can lead to a life of self-sufficiency and independence. Over half of these jobs go to 14-15 year olds who generally are not employed by the private sector.

Eliminates funding for the President's proposed reintegration services for 19,000 young offenders. The House bill zeros out the President's $75 million initiative to bring young offenders into the workplace through job training, placement, and support services, and by creating new partnerships between the criminal justice system and the WIA workforce development system. With the approximately 500,000 people leaving prison each year, the Nation needs to provide positive alternatives and opportunities for employment of these individuals, which will also strengthen the future of our communities. With the strong economy, this is an excellent time to address their re-entry into the job market. Raising their employment rates can decrease recidivism, reduce long-term costs to society, and increase the pool of available workers.

Rejects expansion of the Safe Schools/Healthy Students Initiative. The House zeros out the President's request to provide $40 million to enable DOL to join the existing DOJ, ED, HHS partnership in supporting community-wide programs to prevent youth violence and drug abuse, and to expand the effort to address out-of-school youth. Without these funds, no new communities can join this very successful effort.

DEMOCRATIC RESPONSE: **Democrats offered an amendment that would have added $1.25 billion to restore the President's budget request for most of these job training programs and provide a $254 million increase over 2000 for the Summer Jobs program. The Democratic amendment would have added resources to train and assist over 700,000 individuals, but it was rejected by the Majority 19-30.** (Jackson amendment, Roll Number 8 located in this report immediately preceding the table). The amendment would have restored:

$154 million for **One-Stop Career Centers** to provide efficient, comprehensive workforce development services for workers and employers in centers, by phone and over the Internet.

$254 million to restore cuts in the **Summer Jobs** program resulting from implementation of the Workforce Investment Act.

$389 million for **Dislocated Worker Assistance** to sustain the Administration's goal of reaching every dislocated worker with reemployment services and training.

$200 million for **Youth Opportunity** grants to increase long-term employment of youth in high need areas.

$50 million to provide **Unemployment Insurance claimants** assessment, referral, placement and other services to speed their return to the workplace and reduce the length of unemployment insurance claims.

$93 million for **Adult Job Training** to develop the skills of American workers.

$30 million for **Incumbent Workers** to partner with states to upgrade the skills of unemployed and low-wage workers displaced by an evolving economy.

$5 million for **Homeless Veterans** to ensure this population receives the supportive services they need to reenter the job market.

$14 million for the **Disability Initiative** to help eliminate barriers disabled workers face in maintaining employment.

$61 million for the **Reintegration of young offenders** to help these youth find productive employment in the mainstream economy.

Problem #7: The Need To Protect Workers

The House bill cuts worker protection programs at the Department of Labor by $190 million (-14%) below the request. By freezing most worker protection agencies at the FY 2000 level, the House bill would reduce Department of Labor worker protection programs by $190 million from the President's FY 2001 request, or 14%. Of this reduction-about half of it is in the Department's worker protection agencies, and the other half is in the international labor protection initiatives. A freeze at last year's level will result in a 4% reduction in the level of services provided this year. This will result in a cut of approximately 212 worker protection staff below current levels and 433 staff below the President's request. At a time when national efforts to reduce workplace injuries and illnesses are working well, the impact of operating under these curtailed levels would disrupt the programs designed to improve the safety and health of workers and their benefits, as well as efforts Congress has sought to encourage efforts to assist employers comply with workplace laws and regulations.

OSHA is hit with a cut of 12% below the President's request, 4% below last year's level of effort. Despite gains in workplace safety, there are still more than 6 million job-related injuries and illnesses each year, and over 6,000 fatalities. With only 2,200 inspectors nationwide, and more than 7 million worksites, the average worksite is inspected every 109 years. Even among the 12,500 most dangerous non-construction worksites, OSHA only has resources to inspect 3,000. Yet the bill eliminates OSHA's request for additional resources for enforcement and enhanced compliance assistance for employers, including expansion of the state consultation grants which provide free consultation visits to small businesses. This will cut approximately 1,000 inspections of serious workplace hazards, fatal worksite accidents, and targeted inspections of high-hazard workplaces.

Rider blocks ergonomics rule that would prevent 300,000 injuries per year. Despite a previous commitment to never delay the ergonomics regulation after FY 1998, the Majority on the Committee agreed to the Northup amendment 32-22 (rollcall number 4, located in this report immediately preceding the table) Section 103 of the House bill prohibits OSHA from promulgating, issuing, implementing, administering or enforcing a temporary or final ergonomics regulation. This is a rulemaking begun by the Bush Administration in 1992.

Each year, 1.8 million U.S. workers experience a work-related musculoskeletal disorder, such as injuries from overexertion or repetitive motion. About 1/3 of these injuries, or over 600,000 incidents, are serious enough to require time off from work, and cost businesses $15-$20 billion in workers comp. According to BLS, 34% of all lost workday injuries are related to ergonomic injuries.

The Department of Labor estimates that the ergonomics rule would prevent about 300,000 injuries per year, and save $9 billion in workers comp and related costs. About one-third of general industry worksites would be covered by the rule, protecting 27 million workers. Fewer than 30% of general industry employers currently have effective ergonomics programs.

The Majority has attempted to block this rule in almost every year since the Republicans took control of Congress in 1995. There were limitation riders on the Labor HHS bill 1995, 1996, and 1998 to stop the regulation. The 1997 rider was stricken from the House Committee bill by Floor amendment.

In FY 1998, in return for a rider that year, the Majority agreed to House report language that stated, `The Committee will refrain from any further restrictions with regard to the development, promulgation or issuance of an ergonomic standard following fiscal year 1998.' (House Report 105-205, p. 24) This agreement is still binding, but the Northup amendment in this bill breaks that agreement.

In 1999 there was no rider, but a National Academy of Sciences study was funded with the clear understanding that it would not be used to justify a delay. As part of that appropriations agreement, the Chairman and Ranking Member of the House Appropriations Committee sent a letter to the Secretary of Labor on October 19, 1998 that stated by funding the National Academy of Sciences study on ergonomics, `it is in no way our intent to block or delay issuance by OSHA of a proposed rule on ergonomics'. Despite that agreement, last summer, the House passed the H.R. 987 which would have had the effect of forcing OSHA to wait another two years for completion of a second, unnecessary National Academy of Sciences study.

Therefore, five years of Congressional interference in this regulation has cost business billions of dollars and allowed hundreds of thousands of painful and disabling injuries that could have been prevented.

Another National Academy of Sciences study is unlikely to dispute the findings of all the previous research. The National Institute of Occupational Safety and Health evaluated 600 studies in 1997, and 27 peer reviewers confirmed the NIOSH finding linking physical stress on the job to ergonomic injuries. The

National Academy of Science concluded in 1998 that: (1) ergonomic injuries are directly related to work; (2) higher on the job physical stress leads to more ergonomic injuries; (3) most people face their greatest exposure to physical stress at work; and (4) interventions that reduce physical stress on the job reduce the risk of injury. Finally OSHA has included 1,400 studies in the ergonomics rulemaking record.

The ergonomics rulemaking has been an 8-year effort. More than 1,000 witnesses have testified, 7,000 written comments have been submitted, and the post-hearing comment period has just begun. OSHA should be allowed to consider all the evidence and construct a final rule based on the record. In the interest of protecting millions of workers from debilitating injuries, it is time for Congress to let the rulemaking conclude.

Cuts pension and health care plan protections. The House bill rejects the President's proposed $9 million increase for the Pension and Welfare Benefits Administration, targeted to protect the rights and benefits of participants when an employee benefit plan is in jeopardy. These cuts will mean 25,000 requests for assistance will go unanswered, and $64 million will not be restored to employee benefit plan assets. The Department of Labor protects the pension and health benefits of over 150 million individuals who participate in ERISA covered plans, holding more than $4.3 trillion in assets.

Denies expansion of domestic child labor efforts. The House bill denies the President's requested increase of $11 million for Wage and Hour, which included expanded efforts to address sweatshops in the garment industry and domestic child labor abuses.

Denies information technology investment of $54 million, needed to enhance the Department's ability to implement its worker protection responsibilities and expand its Internet capacity to better serve employers and the public.

Denies investment in occupational health and safety research. The National Institute on Occupational Safety and Health at CDC has developed an outstanding agenda for critically needed research investments in occupational safety and health based on broad stakeholder input. However, support for the National Occupational Research Agenda has lagged well behind the scientific community's capacity to address priority areas, with success rates for extramural grants far below those of NIH. Despite a professional judgement budget that an additional $40 million could be well used immediately by researchers, the House bill freezes funding for NIOSH.

Cuts NLRB $11 million below the President's request. The bill freezes NLRB, and will curtail efforts to rebuild the agency after five years of budget cuts. This amounts to a 4% cut in real terms, requiring a reduction of 80 FTE's below current levels, and delaying in cases involving unfair labor practices and union representation.

Denies enhancement of several international labor activities to improve working conditions in developing countries around the world.

International Child Labor Efforts Stalled. The House bill stops the momentum created by the recent International Labor Organization convention to ban the worst forms of child labor, which was agreed to by 175 countries, supported by Congress and signed by the President in December. According to the ILO, there are about 250 million children between the ages

5 and 14 who are working in developing nations with approximately half of them working full time but not going to school. The President wants to expand the successful efforts of the ILO, Department of Labor and USAID to develop education infrastructure, increase public awareness, and build data and monitoring systems to take kids out of factories and put them in schools. To move closer to making global abolition of the worst forms of child labor a reality, the President called for a comprehensive initiative on international child labor, but the bill denies the entire $70 million increase to implement it.

Core Labor Standards Stalled. The House bill also rejects the proposed expansion of $10 million to provide technical assistance to developing countries who are committed to improving workplace safety, strengthening collective bargaining, preventing discrimination against women in the workplace, and other basic worker rights. It is also directly in our interest to foster these efforts that will help level the playing field so that American businesses are not at a competitive disadvantage in the global marketplace because they are providing their workers decent wages and benefits.

Eliminates New Global HIV/AIDS Initiative. The bill also eliminates $10 million requested by the President to help Sub Saharan African countries deal with the devastation of HIV/AIDS. More than 12 million have already died from AIDS in these countries, and another 22 million are living with the disease. AIDS infection rates are as high as 10-20% of the entire population in some of these countries, and many people who don't know they are infected are spreading the disease. Since many, if not most, individuals don't go to doctors, this approach would reach workers with a public health education and prevention message through their employers and unions where they have daily contact.

DEMOCRATIC RESPONSE: **Democrats offered an amendment to add $97 million to restore the President's Budget request for these international activities, but it was rejected by the Majority**

23-30. (Obey amendment, Roll Number 11 located in this report immediately preceding the table). As mentioned previously, it is ironic the Majority on the Committee would deny this funding that has a direct impact on protecting U.S. workers from low-wage foreign competition, including child labor, on the same day that the House passed the China Permanent Normal Trade Relations bill.

HEALTH AND HUMAN SERVICES

Problem #8: The Need To Protect the Health and Welfare of Seniors and Vulnerable Populations

Some of the bill's most serious deficiencies relate to the health and welfare of seniors and uninsured working families. The Committee Bill pursues a risky strategy of failing to invest in the infrastructure the Nation needs to prepare for the aging of our population. The 76 million Americans who make up the baby boom generation will begin reaching retirement age in just eight years. The population of those over the age of 85 who often present the most urgent needs is expected to grow 33% in the next ten years alone. To adequately prepare for the aging of our population, we should be making investments now to help seniors secure their futures and maintain their independence.

The Committee Bill also cuts critical health programs that touch every segment of our society. We rely on access to health care for ourselves and our families, critical treatment services during times of crisis, and advancements in prevention and treatment in the battle against disease. The bill reported by the Majority makes inadequate investments in health care access, mental health and substance abuse treatment, and biomedical research that threaten to hamper our productivity and drive up health care costs in the long term.

At a time when the number of uninsured continues to drive upward, we are faced with a bill that cuts health services for uninsured workers. At a time when over half of all high school seniors are still using illicit drugs, we have a bill that cuts support for substance abuse prevention and treatment. Advances in biomedical research and the exploration of the human genome are showing promise to unlock the mysteries of the most dreaded diseases. And yet, the bill fails to maintain a path of investment needed to ensure that promise is translated into medical breakthroughs and advances in treatments.

Eliminates the Nursing Home Initiative

The bill eliminates $36 million, or 95% of the funding, in the Health Care Financing Administration's budget for the Nursing Home Initiative to improve the quality of care, primarily through state survey and certification reviews.

Almost weekly, poor conditions are uncovered in nursing homes across the country. Just last summer a GAO report found that one in four of all nursing homes have `serious deficiencies that harm residents or place them at risk of death or serious injury.' This report also found that out of a sample of 107 poor performing nursing homes that have been cited for patterns of actual harm to one or more residents that:

23% failed to prevent or treat pressure sores;
14% failed to prevent accidents;
8% failed to ensure adequate nutrition;
6% failed to provide acceptable quality of care; and
4% failed to prevent mistreatment, neglect or abuse.

The GAO report also found that two-thirds of the 107 homes surveyed had been cited for repeat violations and their findings `suggest that HCFA's enhanced enforcement of homes found to repeat these serious care problems has merit.' An example of a `serious deficiency' or G-level deficiency where harm was done to a resident cited in the report was:

The nursing home failed to provide supervision and assistance to prevent accidents for 14 residents. Six residents hit other residents, two left the building without the staff's knowledge, and eight were found on the floor of their rooms from falls of unknown origin. Four residents sustained multiple falls, and one other resident sustained a broken hip.

Furthermore, HCFA reported that `a recent survey of seriously ill hospitalized adults' found that 37% `were unwilling to live permanently in a nursing home; (and) alarmingly, 30% indicated that they would `rather die.' Despite, these findings, this bill eliminates $37.8 million for improving conditions for our nation's elderly and disabled nursing home residents--institutions that will house approximately 43% of American seniors over 65 at sometime before they die, according to the Agency for Healthcare Research and Quality.

The Administration has recognized the importance of improving nursing home conditions, and starting in 1995 began enforcing tough regulations designed to meet this goal. In 1998, the President's Nursing Home Initiative was launched to increase the quality of care for nursing home residents. With funding from this initiative, HCFA has been able to begin to turn the tide on negative conditions and make some marked improvements.

While the President's initiative is designed to help curb poor nursing home conditions, loss of funding for this initiative will hinder progress that is beginning to be made to improve the living conditions and medical care received by residents. Critical funding is being curtailed which could be used to help states improve their nursing home inspections, punish homes that repeatedly violate the rules, publish ratings on the quality of nursing homes on the internet, and increase the quality of care received by residents.

Since the nursing home initiative has been underway, HCFA has been able to establish new protocols for nursing home surveys to address problems with dehydration, nutrition, and pressure sores; identify facilities that require more frequent inspections and monitoring based upon the outcomes of annual inspections; work with the states on a

variety of efforts including training on use of quality indicators during surveys, and require states to conduct surveys during off-hours. HCFA, for instance, is stepping up its effort to meet their goal of having 10% of nursing home surveys done off-hours (weekends & evenings) in order to a gain a more complete picture of nursing home conditions. HCFA has seen an increase in off-hour surveys up from 4.1% in the 3rd quarter of 1999 to

8.6% in the 4th quarter of 1999. Funding cuts however, will severely impede the progress they have made to ensure nursing homes are safe, high quality care facilities for their residents.

Cuts the Medicare Integrity Program

The bill makes a number of cuts that harm the Administration's efforts to protect the integrity of the Medicare program. The bill cuts $50 million from the current authorization and appropriation for the Medicare Integrity Program under the Health Insurance Portability and Accountability Act of 1996 (HIPAA). This program provides essential payment safeguards to prevent and detect fraud, waste, and abuse and has produced billions in savings. By reducing these important activities, the cut could result in an $850 million loss to the Medicare Trust Funds.

The bill also cuts the Office of the Inspector General's (OIG's) by $10 million from the Health Care Fraud and Abuse Control (HCFAC) account. This program has been instrumental in investigating and bringing to settlement a number of abusive health care providers resulting in hundreds of millions of dollars to the Trust Funds. The bill also reduces funding for Medicare Contractors and Federal Administration under HCFA Program Management that will result in the elimination of the Administration's new Medicare Contractor Oversight Initiative. Under this new initiative, the President's budget funded new financial management analysts located at contractors to ensure financial integrity. The reduction to the Medicare Contractor and Federal Administration budgets will also halt work implementing provisions of HIPAA and the Balanced Budget Act of 1997.

Cuts Social Security administrative expenses

As the baby boom generation begins to reach retirement age in a few years, the Social Security Administration (SSA) must be prepared for their arrival. It is critically important that SSA have resources to meet this monumental challenge and at the same time, maintain superior service for today's beneficiaries.

The House bill cuts the President's Budget request for operating the Social Security Administration by $156 million, and this level is $378 million below what the Commissioner's believes is needed to appropriately operate the agency. According to the Commissioner, this level of funding will seriously undermine stable staffing and performance for the agency. It will require SSA to leave positions vacant at a time when the agency desperately needs to hire and train new employees in preparation for its own retirement wave.

This staffing reduction will mean unavoidable declines in service to current Social Security beneficiaries. For the 26 million individuals who visit SSA offices each year, waiting times will increase significantly. About two million calls to SSA's 800 number will not get through. In addition, tens of thousands fewer claims for disability benefits will be processed. Finally, SSA will significantly reduce continued eligibility reviews that help ensure the integrity of the Supplemental Security Income program. Fewer income reviews could result in an increase in general fund outlays by as much as $150 million, so the Treasury will lose as much in SSI payments alone as this cut attempts to save, but the added price will be a significant decline in services to the public.

Eliminates the President's National Family Caregiver Support Program

The Committee fails to provide $125 million requested by the President for a new program supporting the 7 million informal caregivers who enable their friends and relatives with long term care needs to remain at home. Over 5 million Americans, 3 to 4 million seniors, remain in their homes because of services provided by caregivers. These services would cost between $45 billion and $75 billion annually, if provided by home care aides.

The role of the caregiver is difficult. Half of them are over the age of 65, the majority are women, and one third have full time jobs. The new National Family Caregiver Support Program would provide essential services to approximately 250,000 families caring for older relatives. These services include information on available resources; assistance with locating services; caregiver training, counseling and support; and respite care to give the caregiver `time off'. These services improve the caregiver's ability to provide care, help preserve the family unit, prevent abuse and neglect, and minimize out-of-home placements. The House Committee on Education and Workforce recently authorized the Caregivers Program at the $125 million requested level. However, funding for the President's initiative does not require final passage of the authorization of the Older Americans Act. States can provide services to family caregivers under existing provisions of Title III-D of the Older Americans Act.

Eliminates the Community Access Program to improve health care access for uninsured workers

The Committee eliminates $125 million requested by the President to address the growing number of uninsured Americans. In 1998, 44.5 million Americans--24.6 million of these working people--did not have health insurance. Nearly one in five working age adults lack health insurance and half of working Americans with incomes less than $20,000 could not pay their medical bills last year. This program is designed to increase the capacity and effectiveness of the Nation's community health care institutions and providers that serve patients regardless of their ability to pay. Funds will enable public and private entities to assist safety-net providers to develop and expand integrated systems of care and address service gaps within such integrated systems with a focus on primary care, mental health services and substance abuse services. The Committee recommendation eliminates grants for up to 20 communities in their first year of funding

and denies grants to an additional 40 to 60 communities. A recently released report of the Institute of Medicine found the Nation's health care safety net is in a state of crisis and called the first year of the Community Access Program a good first step. The IOM concluded increased funding for this program is greatly needed.

DEMOCRATIC RESPONSE: **Democrats offered an amendment to add $661 million to restore the President's request in key seniors programs and provide additional assistance to the uninsured. The amendment was rejected by the Majority 24-26.** (DeLauro amendment, Roll Number 10 located in this report immediately preceding the table). The amendment would have provided:

$36 million to restore the Administration's **Nursing Home Initiative** to ensure 1.6 million elderly and disabled receive quality nursing care.

$50 million for the **Medicare Integrity Program** to provide essential oversight of Medicare contractors to detect fraud, waste, and abuse. Every $1 invested in the program saves $17 in Medicare Trust Funds.

$125 million for the **Family Caregivers initiative** to provide essential services to caregivers, including information on available resources; assistance with locating services; caregiver training, counseling and support; and respite care.

$50 million for the **Meals on Wheels Program** to serve additional 75,700 seniors and reduce the waiting lists for this basic service among a growing population. The program provides vital nutrition to low-income seniors to help them stay healthy and remain in their homes and communities.

$156 million to restore the **Social Security Administration's** request for Administrative expenses to reduce waiting times, improve services, and accelerate disability and other claims. The amendment would restore the Administration's request to ensure the bill does not threaten the economic security of our Nation's seniors.

$119 million increase for **Community Health Centers** to provide affordable care to the uninsured and underinsured. The amendment would help Community Health Centers cope with the rising numbers of uninsured and the erosion of funding from Medicaid and other sources.

$125 million for **Health Care Access for Uninsured Workers** to strengthen the safety net by helping communities develop integrated health systems to improve and expand health care services for the uninsured and underinsured.

Other Key Health Programs Cut in This Bill

Eliminates funding to recover Medicare expenses from tobacco companies

The costs of preventing and treating tobacco-related disease exceeds $50 billion per year, and the Department of Health and Human Services pays a substantial portion of those costs through Medicare, Medicaid, and the Indian Health Service.

Last year, Members of the Majority party lead the efforts to insert a rider in the FY 1999 Supplemental Appropriations bill to permanently block the Federal government from recovering its share of the tobacco settlement funds from the states under Medicaid, arguing in part that the Federal government should pursue its own litigation. Last September, the Justice Department filed suit to recover from tobacco companies these costs borne by American taxpayers.

This litigation will be complex, and require the compilation of an immense evidentiary record. The Federal government should be prepared to pursue this litigation with the appropriate resources to match those of the tobacco companies that are defending the case. The amount of the potential award returned to the Medicare trust funds exceeds the cost of litigation many times over. HHS has entered into an agreement to provide financial support for the Justice Department's efforts, and has requested $4 million for this purpose. But the bill denies this critical funding to recover these taxpayer expenditures, and handicaps the Federal Governments efforts that could bring in billions of dollars to extend the solvency of the Medicare trust funds.

Cuts Mental Health Treatment

The Committee cuts $4.1 million below the FY 2000 level and $34.1 million below the President's request for SAMHSA's Mental Health Knowledge Development and Application (KDA). The Committee's recommendation denies the President's request to provide awards to 45 communities to improve early identification and treatment of mental illness in community health centers and other non-mental health settings. The bill cuts $5 million, or 16%, from the Administration's request for mental health services for the homeless. Every night, approximately 200,000 Americans with a major mental illness have nowhere to sleep. By denying the President's request, the Committee is denying the opportunity to reach out to an additional 118,000 homeless individuals and provide them with essential mental health services. The Committee also cuts $1 million from the President's request for the Protection and Advocacy Program, which would block an additional 1,500 investigations into complaints of abuse and neglect of residents in mental health facilities.

This recommendation could also severely impact the $40 million School Violence `Safe Schools/Healthy Students' initiative. Research indicates that between 1989 and 1995, students felt increasingly unsafe in, and traveling to, school. A 1996 Children's Institute International Poll of American Adolescents found that 47% of all teens felt that their schools were becoming more violent. These perceptions mirror the reality of school violence. During the 1996-97 academic year alone, 21% of all public high schools and

19% of all public middle schools reported at least one serious violent crime--such as murder, rape, other types of sexual battery, physical attack with a weapon--to law enforcement agencies. The President's request would ensure that the 54 school districts funded under the `Safe Schools/Healthy Students' initiative begun in FY 1999 receive their third year of funding.

Cuts Family Planning Services

The bill cuts $35 million below the President's request and denies health services to an additional 500,000 clients who are neither Medicaid eligible nor have health insurance. Title X funds support a wide range of preventive reproductive health services beyond contraceptive services, including pelvic and breast examinations, blood pressure checks, Pap smears, and testing and treatment for sexually transmitted diseases.

Cuts Minority AIDS Programs

The bill includes only an $8 million increase for the Minority AIDS Initiative, and fails to respond to the Congressional Black and Hispanic Caucuses' request for an additional $280 million for critical health programs through the Public Health Service that respond to this epidemic. Despite earlier efforts to address the special needs of communities of color, particularly African American and Latino communities, rates of HIV infection among African Americans and Latinos continue to climb dramatically.

The FY 2001 CBC and CHC request is targeted to be more inclusive to other communities of color impacted disproportionately by HIV/AIDS, particularly Native Americans, Native Alaskans, Asian/Pacific Islanders. Due to new epidemiological data, there is a greater need to target enhanced funding to at-risk populations within communities of color who continue to be impacted disproportionately by HIV/AIDS--especially women, children, and youth.

Problem #9: The Need To Invest in Biomedical Research

Cuts NIH below current services

The federal government, primarily through NIH, funds approximately 36% of all U.S. medical research. Improvements in health bring about increased longevity and reductions in the economic costs of treating illness. Science is changing at a revolutionary pace, demanding a far greater investment in emerging new technologies, research training programs, and developing new skills among scientific investigators. NIH-funded research has contributed to dramatic decreases in heart disease and stroke mortality rates, increases in cancer survival rates, new medications for mental illness, vaccines to protect against infectious diseases, and many other advances in medicine.

According to a report by the Joint Economic Committee released earlier this week, of the 21 most important drugs introduced between 1965 and 1992, 15 were developed using knowledge and techniques from federally funded research. Of these, NIH research led to the development of 7 drugs used to treat patients with cancer, AIDS, hypertension, depression, herpes, and anemia. Research sponsored by the NIH is responsible for the identification of genetic mutations relating to nearly 100 diseases, including Alzheimer's disease, cystic fibrosis, Huntington's disease, osteoporosis, many forms of cancer, and immune deficiency disorders.

The House bill language in the NIH appropriation accounts provides a total increase of $2.7 billion over 2000, however section 213 of the bill caps the NIH appropriation at the $1.0 billion increase requested by the President. This was done to demonstrate how a 15% increase would be allocated if resources allowed, even though the bill only contains funding for an actual 5.6% increase. That actual appropriation level is $439 million below the amount needed to maintain current services, and would force a reduction in the number of new and competing grants from 8,950 in FY 2000, to only 7,641 in 2001. This is a reduction of 1,309 or 15% fewer new research grants on cancer, diabetes, Alzheimer's, Parkinson's, and other diseases.

DEMOCRATIC RESPONSE: **Democrats offered an amendment to delete section 213 and provide a real $2.7 billion increase for NIH, but it was rejected by the Majority 23-29.** (Pelosi amendment, Roll Number 5 located in this report immediately preceding the table).

Problem #10: The Need To Fight Substance Abuse in Our Communities

Cuts Funding for Effective Substance Abuse Prevention and Treatment

The bill cuts $7 million below the 2000 funding level for proven prevention services through the Knowledge Development and Application and the Targeted Capacity Expansion programs, cutting proven prevention services to over 44,000 youth. While rates of drug use among teens have leveled off after a rapid increase since 1992, over half of all high schools seniors are still using illicit drugs. And rates among young adults ages 18-25 have continued to rise. The Committee's recommendation denies State Incentive Grants to up to 9 states to coordinate and leverage different prevention funding streams and build a statewide substance abuse prevention program. States must pass 85% of these funds on to community-based organizations, coalitions, local governments and school districts to carry out science-based prevention projects. Effective prevention programs engage youth interactively, involve parents and families, and build skills by starting at a young age and reinforcing messages over an extended period. The bill also eliminates the High Risk Youth program, which prevents substance abuse in high risk youth through mentoring programs, after school curricula and community service.

The bill cuts $45 million from the Administration's request for substance abuse treatment programs through the Knowledge Development and Application and the Targeted Capacity Expansion programs. The President's request would have provided an additional 24,000 treatment slots for addicted individuals through the Targeted Capacity Program. This program responds to the changing landscape of our Nation's drug epidemics by focusing treatment services to areas of highest need. This bill also cuts existing treatment slots for up to 4,000 individuals. Currently nationwide, we have the capacity to serve a mere 37%, or just 2 million, of the 5.3 million Americans who are in severe need of substance abuse treatment.

A RAND Corporation study on reducing cocaine consumption, sponsored by the U.S. Army and the Office of National Drug Control Policy, found that achieving a one percent reduction would cost $783 million for source-country control, or $366 million for interdiction, or $246 million for domestic enforcement, or $34 million for treatment. In other words, funds spent on domestic drug treatment were 23 times more effective than source-country control, 11 times more effective than interdiction, and 7 times more effective than law enforcement. Further, the California Drug and Alcohol Treatment Assessment (CALDATA) study found that every $1 spent on substance abuse treatment results in $7 in taxpayer savings--these savings result from reduced health care costs, less crime, an increase in worker productivity, and decreased death expenses.

DEMOCRATIC RESPONSE: **The Democrats offered an amendment to provide $600 million for domestic substance abuse treatment and prevention, but it was rejected by the Majority 22-30.** The amendment would have provided treatment for an additional 158,000 addicted individuals and proven prevention services to 690,000 youth. For the third consecutive time this year, the Majority on the Committee rejected attempts by Democrats to provide proven services to reduce drug abuse in our communities, our schools, and our places of work. During consideration of the FY 2000 Emergency Supplemental Appropriations bill, Ms. Pelosi offered an amendment that would have invested $1.3 billion for domestic drug demand reduction services. At a level of funding equal to the Supplemental Appropriations bill's investment for drug interdiction in Colombia, the amendment recognized that our national illegal drug control strategy must focus on demand reduction, as well as supply reduction. The Majority voted down that amendment on a party line vote in Committee.

In an attempt to compromise, Ms. Pelosi then scaled back the amendment to provide $600 million to domestic demand reduction, but the Rules Committee blocked consideration of that amendment on the Floor. During the debate on those amendments, the Majority offered to address the issue during the regular appropriations process. Now that we have come to the regular appropriations process, the Majority again has refused to support an increase to domestic drug abuse treatment and prevention. That refusal ignores the reality that domestic treatment and prevention are the most effective means to reduce the burden of drug abuse on our society.

Problem #11: The Need for a Voluntary Medicare Prescription Drug Benefit

Currently, Medicare does not fund a prescription drug benefit and seniors are faced with expensive out of pocket costs to cover their much-needed prescriptions. As our population grows increasingly elderly and the baby boomer population approaches retirement, more Americans will require costly prescription drugs. According to the Kaiser Family Foundation, 31% or 37.2 million Medicare beneficiaries were without prescription drug coverage in 1996.

Seniors living on fixed incomes are well aware that drug prices are increasing faster than the annual increase in their Social Security check. In fact, one study found that over the past six years, the prices for the most commonly prescribed drugs for seniors have risen, on average, at twice the rate of inflation.

Just as the Majority's tax cut package is a misplaced priority that gives too much to the wealthiest individuals in this country at the expense of much needed discretionary spending, so too does it divert needed resources from a much needed prescription drug benefit.

DEMOCRATIC RESPONSE: **Democrats offered an amendment to include a Sense of the House that tax cuts for taxpayers in the top 1% income levels should not be enacted until Congress enacts a universal voluntary prescription drug benefit for all Americans under Medicare, but it was rejected by the Majority 22-28.** (Obey amendment, Roll Number 12 located in this report immediately preceding the table).

CONCLUSION

It is ironic that this bill was voted on in Committee the same day Congress voted to provide permanent Most-Favored-Nation trading status for China. Some of us voted for it and some didn't, but if Congress is going to proceed down that road, it needs to be taking action to help the sector of society that will be hurt as the economy becomes more and more globalized.

Capitalist economies cannot by definition produce equal income for all people. Each society needs risk takers who can amass wealth so that accumulated wealth can be invested to produce economic growth for the entire society. That is bound to produce income inequality. But as Pope John Paul once observed, there are certain `norms of decency' that must be respected in order to produce economic justice and the social cohesion that is necessary for any economic system to function. The last two decades have produced just the opposite--the widest gap between the wealthiest 1% of our people and the least wealthy 20% of any time since the birth of the 20th Century.

In our society the gap in income--in education, in housing, and in medical care--has grown disgracefully worse. Those who in this economy suffer most from that fact--largely manufacturing workers in industries with declining employment or workers with less than average skills--cannot be expected to roll over and say, in the words that Walter Cronkite used to sign off his CBS news broadcast, `That's the way it is.'

The issue is whether those in this society--the investing class, the managing elite, the venture capitalists, the multinational corporations who have so much to gain by further globalization of the economy will be willing to see a tiny fraction of that increased wealth used to help those who will otherwise be caught in the prop wash of their incredible prosperity.

We need a balance of decency between the needs of the corporate-based market economy and the needs of a family-based society.

If Congress is going to vote for a trade bill like this, then it has an obligation to support the job training, worker safety, health, and education programs needed to ensure those sectors are not left further behind. This appropriations bill fails to do that.

When this Congress votes for a minimum wage bill that provides $90 billion in tax relief for the wealthiest 1% of citizens, but declines to meet needs for education, protection for seniors in nursing homes, teacher quality, prescription drug benefits for Medicare and other priorities, it sums up the misplaced sense of priorities in this Congress.

David Obey.
Steny Hoyer.
Nancy Pelosi.
Nita M. Lowey.
Rosa L. DeLauro.
Jesse L. Jackson, Jr.