

**House Report 109-515 - DEPARTMENTS OF LABOR, HEALTH AND
HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES
APPROPRIATIONS BILL, 2007**

MINORITY VIEWS

Today, average families are paying more to heat their homes, send their kids to college, and obtain health care. At the same time, wages are down in real terms for middle- and lower-income workers, and the earnings gap between them and the highest income workers is growing.

The population continues to increase, and schools and colleges must find the resources to educate a record number of students.

The number of Americans without health insurance has increased to 45.8 million--the highest number on record. Since 2000, the number of uninsured has risen by 6 million.

Poverty in America has risen for four straight years. In 2004 (the latest year data is available), 37 million people were in poverty--up from 32 million in 2000.

This is the appropriations bill where we fund programs directed at alleviating these problems, but the version reported by the Committee this year moves us backward rather than forward.

To understand what is happening to middle class and underprivileged families who rely on key programs in this bill, it is necessary for us to look not just at the changes in this bill from last year, but to put those changes in the context of what has happened to them over time.

Most of the budget cuts enacted last year are left in place by this bill, and some new cuts are added. Further, we cannot ignore the effect of rising population and rising costs, particularly for things like health care and energy where prices are rising especially quickly. Many key programs in this bill have had funding frozen or cut for several years in a row, and the cumulative effect is becoming a serious problem. Many now have considerably less purchasing power and are meeting a much smaller fraction of national needs than they did five years ago.

In terms of programmatic funding, the total in this bill is about \$2.2 billion less than provided two years earlier in actual dollar terms, before adjustment for inflation or anything else. More to the point, the measure is about \$11 billion below what would be needed to keep us level with where we were two years ago after adjusting for general inflation and population growth.

The main reason for these cuts is not that the programs involved have been found to be ineffective or that the needs they address are not considered important. Rather, this pattern of erosion and decline is forced by the overall budget policies that have been adopted by this Congress year after year, policies that are shrinking government services in order to ~provide successive rounds of tax cuts targeted to the highest end of the income scale.

In 2007, the major tax cuts enacted in 2001 and 2003 will cost at least \$240 billion. Of that total, it is estimated that over \$40 billion will go to people with annual incomes of \$1 million or more. The average tax cut for people in that \$1 million plus income group is about \$114,000 in 2007. At the same time, the House Majority insists that we cannot provide even the very modest \$3 billion addition to this bill that the Senate voted on a bipartisan basis to support.

This bill is the clearest example of the devastating consequences of the Republican economic policy on America's families and our most vulnerable citizens.

Following is a summary of some of those effects.

CRITICAL FAILURES IN THE LHHS BILL FOR AMERICA'S WORKERS

Under this Administration, we have seen two years of job losses followed by three ye~ars of inadequate economic growth. As a result, seven million Americans remain unemployed--one million or 17 percent more than in 2001. More than 1.3 million Americans have been jobless for more than 26 weeks--nearly double the number in 2001.

Key Unemployment Indicators

	January-01	May-06	Change	
			number	percent
Number of unemployed	5,997,000	7,015,000	1,018,000	17
Unemployment rate	4.2%	4.6%	0.4%	10%
Long-term unemployed	675,000	1,329,000	654,000	97

Meaningful job training programs and support for jobless workers should be among our highest priorities. These investments are necessary--not only to help unemployed Americans get back on their feet, but also to increase the skills and competencies of the nation's workforce for 21st century jobs. Yet, in real terms, training and employment service programs will have been cut \$1.3 billion in just two years.

This bill cuts Workforce Investment Act Programs by \$431 million, including \$325 million already disbursed to local communities. The \$325 million rescinded in this bill would especially undermine the ability of States and local workforce boards to respond rapidly and effectively to unanticipated plant closings, mass layoffs of workers and natural disasters. That is because nearly half of the rescission comes from Dislocated Worker funds. The bill rescinds these funds even though the Government Accountability Office previously determined that the Labor Department consistently underestimates the amounts that States and localities have already committed to job training and other employment services.

This bill cuts \$28 million (3.7 percent) from the U.S. Employment Service, which matches jobless people to employers seeking workers. Since FY 2001, 5.5 million or 29 percent fewer people have been served by the Employment Service due to budget cuts.

This bill eliminates America's Job Bank. Thousands of job seekers find work through America's Job Bank and thousands of employers use it. It is the backbone for more than 20 state job banks as well as the electronic version of a national employment service, but this bill terminates this important service.

This bill cuts \$145 million from programs to help at-risk youth find work. Nearly four million youth are high school dropouts who face a limited future with little hope of obtaining the skills they need to become a productive part of the workforce.

The successful YouthBuild program puts unemployed young men and women to work building affordable housing while providing them with education and job training assistance. Plans to transfer this program from HUD to the Department of Labor will cost \$50 million. Rather than provide a direct appropriation for YouthBuild, the funds for this program would come out of appropriations for formula grants that help localities provide basic education and occupational skills for at-risk and troubled youth. As a result, these youth training formula grants would be cut by \$55 million (5.8 percent).

Job Corps, a highly successful residential program that gives disadvantaged youth an opportunity to gain the educational, vocational and social skills needed to succeed in the 21st century economy, is cut \$41 million (2.6 percent) in this bill. While Job Corps operating expenses receive a small \$8.7 million increase, the bill cuts nearly in half appropriations for Job Corps dormitories, classrooms and other facilities, from \$108 million FY 2006 to only \$58 million in FY 2007--which would exacerbate a \$350 million backlog of needed facility repairs and renovations.

The youthful offenders training program, which helps only a small fraction of some 120,000 juvenile offenders get necessary basic education and occupational skills, is eliminated.

The bill eliminates Title V community service jobs for nearly 3,000 seniors. Nearly 10 million, mostly female, seniors scrape by with incomes barely sufficient to meet their essential needs. They are eligible for the part-time, minimum wage community service jobs that the Title V senior employment program provides. Four years of funding cuts to this program have resulted in a 16.7 percent drop in the number of participants, from 109,900 in FY 2002 to 91,500 in FY 2006. Although the program provides needed income and allows low-income seniors to serve their local communities, the bill cuts the Title V program again, by \$12.3 million (2.8 percent).

The bill cuts the International Labor Affairs Bureau (ILAB) by \$60 million (83 percent) to \$12.4 million. ILAB promotes core labor standards, removes children from hazardous labor, and strengthens social safety nets for disadvantaged workers around the world. In recent years, ILAB assistance has removed 250,000 children from exploitive work in more than 60 developing countries, and helped impoverished children enter and complete school in such countries as Mozambique, Angola, Liberia, Ecuador and Bolivia. ILAB has supported labor law enforcement in Central America and the Dominican Republic and other developing countries.

The bill fails to provide a meaningful increase to protect the safety and health of over 111 million Americans. The 2.9 percent increase in the bill for the Occupational Safety and Health Administration (OSHA) will not reverse an 8.6 percent decline in OSHA positions, from 2,370 in FY 2001 to 2,165 in FY 2006. While not eliminated as proposed by the Administration, OSHA's Susan Harwood training grants are cut in half to \$5 million. Industry groups, unions, and nonprofits use these grants to train workers and employers on ways to prevent workplace safety and health hazards. The bill also continues the current prohibition on OSHA regulations requiring annual testing of respiratory protection for occupational exposure to tuberculosis.

The bill provides \$9 million less than requested for the Mine Safety and Health Administration (MSHA), including a cut of \$2.1 million from the request for coal mine enforcement. This cut will partially negate the \$25.6 million FY 2006 supplemental appropriation MSHA recently received in order to reverse a loss of 217 coal mine inspector positions since FY 2001, a drop of 17.6 percent.

The bill inexplicably denies \$10 million requested for enforcement of wage and hour laws. Most of these funds were requested for 39 new positions to support Labor Department-initiated investigations to help low-wage workers receive the pay to which they are entitled and for employer compliance assistance under the Fair Labor Standards Act. While cutting these funds to protect worker wages, the bill approves 22 new positions for expanded enforcement actions under the Labor-Management Reporting and Disclosure Act (LMRDA) regarding union financial reporting. LMRDA enforcement positions will have increased 40 percent since FY 2001.

The bill freezes the Veterans' Workforce Investment Program and the Homeless Veterans' Reintegration Program at \$7 million and \$22 million, respectively. In addition, the Jobs for Veterans State Grant Program, which supports 2,000 specialists in local communities to provide outreach and employment services, is frozen at \$161 million.

CRITICAL FAILURES IN THE LHHS BILL FOR VULNERABLE POPULATIONS

Despite extraordinarily high energy prices, the Low-Income Home Energy Assistance Program (LIHEAP) is cut by one third, from \$3.2 billion in FY 2006 to \$2.1 billion in FY 2007. This program helps low-income people afford to heat their homes, especially when energy costs rise far faster than ability to pay. While funding would go down by one third, there's no expectation of any significant reduction in prices. On the contrary, the Energy Department now forecasts that prices for electricity and ~~~~ heating oil will actually be higher next winter than last, and that natural gas prices will come down by only about five percent.

The Community Services Block Grant (CSBG) is cut by almost one third, from \$630 million to \$449 million. These grants go to 1,100 local agencies operating in almost every county of the United States to serve some of the poorest people in the nation, many of whom have nowhere else to turn for assistance. Example of services provided include child care, job training and job placement, emergency help with food and rent, programs for youth and senior citizens, home weatherization, parenting education, and adult literacy classes.

The squeeze on Head Start continues, with funding frozen in FY 2007 after a cut in FY 2006. The net result is FY 2007 appropriations just three-tenths of one percent higher than three years earlier, creating real dilemmas for Head Start agencies facing rising utility bills, higher costs to put gas in their school buses, and the need to give their teachers and other staff modest cost-of-living raises. To cope, Head Start programs have had to reduce hours (a serious problem for working parents), curtail transportation, and discontinue some services. The National Head Start Association estimates that another year without any funding increase could force enrollment to be cut by 19,000 children.

Frozen funding for child care grants will mean fewer children served, for the fifth year in a row. Parents working at low wages desperately need help obtaining safe and affordable child care, but appropriations for the Child Care Block Grant have been frozen or cut for the past four years. The bill freezes funding again in FY 2007, leaving the appropriated Block Grant \$38 million smaller than it was five years earlier in actual dollar terms. Based on average costs per child, the number of children served will have fallen by about 20 percent over this period.

CRITICAL FAILURES IN THE LHHS BILL FOR HEALTH CARE ACCESS AND SERVICES

For health programs, this bill falls short. It leaves in place most of the cuts made last year and lets many key programs continue to fall further behind rising costs and rising needs.

Support for medical research at the National Institutes of Health continues to go backward in terms of purchasing power and research projects supported. The bill provides no increase at all for NIH, after a small cut last year. In inflation adjusted terms, it represents a 3.7 percent loss of purchasing power since FY 2006 and an 11 percent loss since the doubling of the NIH budget was completed in FY 2003. The proposed funding level is estimated to support 656 fewer research project grants than last year and 1,570 fewer grants than three years ago. With NIH slowly shrinking in real terms, momentum is being lost in translating advances in basic fields like genetics into new therapies for diseases like cancer, Parkinson's, and Alzheimer's.

The \$239 million overall increase for programs at the Health Resources and Services Administration (HRSA) doesn't even restore the \$271 million cut made last year. HRSA is the agency whose mission it is to improve access to health care. Despite rising numbers of uninsured and continuing health disparities, HRSA's basic budget is \$32 million less than two years ago in actual dollar terms. Adjusted for inflation and population growth, HRSA will have lost 8 percent of its purchasing power since FY 2005.

Efforts to combat health disparities by increasing the number of minority health professionals are cut in half. HRSA has a group of programs that try to increase the number of minorities and people from disadvantaged backgrounds attending medical, dental and other health professions schools, based on the observation that these are the students most likely to practice in minority and underserved communities after they graduate. Last year's bill cut this group of programs by 46 percent. This year's bill eliminates two of the four programs entirely, including the Health Careers Opportunity Program, which works with minority high school and college students to help them prepare to enter health professions schools.

The National Health Service Corps is shrinking. This program provides scholarships and help with loan repayments for health professions students and graduates who agree to practice in underserved areas. The bill does provide an increase for the Corps, but just enough to reverse the cut made last year. Funding will be no higher than two years earlier, while the cost of medical education keeps rising. As a result, the number of doctors, dentists and other practitioners serving in the Corps appears likely to decrease by at least 15 percent between FY 2005 and FY 2007.

The bill restores only one quarter of the cuts made last year to the Maternal and Child Health (MCH) Block Grant, resulting in a 24 percent net loss in purchasing power since FY 2002. States use the MCH Block Grant for a variety of needs, including providing prenatal and child health services for people lacking other sources of care, financing dental care for uninsured children, and supporting screening of newborn babies for genetic disorders. A very important set of uses involves children with disabilities and other special health needs, where block grant funds often support services not covered by families' insurance.

Despite the looming shortage of nurses, the bill freezes funding for nursing education programs for the second year in a row. Last year, the scholarship program for nursing students had funds to provide aid to only about 6 percent of those who applied, and nursing student loan repayment programs made awards to only about 13 percent of applicants.

Last year's cuts in public health and hospital preparedness programs are left in place. Funding to improve the preparedness of state and local health departments to deal with both bioterrorist attacks and naturally occurring health emergencies was cut by \$95 million (10 percent) last year (though some additional funding to prepare specifically for a flu pandemic was provided in supplemental appropriations). Similarly, grants to improve the capacity of hospitals to deal with mass casualties or epidemics were cut \$13 million (2.6 percent) last year, following a \$28 million cut the year before. The basic preventive health block grant for states health departments has been cut by \$32 million (24 percent) since FY 2004. The Committee's bill leaves all these cuts in place, meaning less federal help for the state and local health departments that are on the front lines in protecting the public against infectious diseases and other threats to health.

No real increases are provided to fight drug abuse or improve mental health. The need to expand substance abuse treatment is clear, with growing alarm about methamphetamine and continuing problems with other drugs, and the state block grant and other programs funded in this bill are the largest source of public funding for treatment. Nevertheless, overall appropriations for substance abuse prevention and treatment would be about \$40 million less than three years earlier in nominal dollar terms, representing an 11 percent loss in per capita purchasing power. Similarly, the community mental health block grant will have lost 10 percent of its purchasing power since FY 2004.

The U.S. contribution to the Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria is cut by \$100 million (18 percent). The bill eliminates the \$100 million contribution to the Global Fund made through the HHS budget. With the \$445 million provided in the FY 2007 Foreign Operations Appropriations Act as passed by the House, the overall U.S. contribution would drop from \$545 million in FY 2006 to \$445 million in FY 2007.

CRITICAL FAILURES IN THE LHHS BILL FOR AMERICA'S STUDENTS

America's schools and colleges face the 'perfect storm' of record student enrollments, greater accountability for student academic achievement, and continuing fiscal pressures. In the 2007 school year funded by this bill, all public schools will be held accountable for NCLB mandates, including:

Reading and math testing in each of grades 3 through 8,
Science testing at least once in each of three grade spans,
Assessing all students for their ability to read and speak English,
Ensuring 'highly qualified' teachers for core academic subjects,
and
Continued progress toward reaching academic proficiency for all students by 2014.

At a time when America's economic preeminence is threatened and human capital is a key to success in the global economy, college is out of reach for millions of Americans. Our international competitors--China, India, South Korea and others--are producing the intellectual capital they will need to boost their economic growth and catch up to the United States. Meanwhile, America is falling behind.

Economic opportunity and upward mobility are at stake as well. Over a lifetime, workers who complete a bachelor's degree will earn one million dollars more than those with only a high school diploma. Yet, only about 18 of every 100 9th graders will make it through high school and earn a college degree on time--due to inadequate preparation *and* financial barriers.

Despite the need to address these challenges, this bill continues a damaging decline in new education investments--cutting the Department of Education for the second year in a row, \$404 million below FY 2006 and \$1.0 billion below FY 2005. 1

[Footnote]

[*Footnote 1:* These figures provide an 'apples-to-apples' comparison of education program levels, with adjustments to reflect the reclassification of \$600 million in student financial aid administration funds. These funds were mandatory in FY 2006 and FY 2005 but are reclassified to discretionary in FY 2007.]

ELEMENTARY AND SECONDARY EDUCATION ACCESS AND OPPORTUNITY

The bill cuts No Child Left Behind (NCLB) for the second year in a row, nearly \$500 million (2.1 percent) below FY 2006 and \$1.5 billion (6.2 percent) below FY 2005. Schools are getting less than they received in 2006, 2005, 2004 and even 2003, as the government asks them to do more. The bill falls \$16.4 billion short of our NCLB funding promises in FY 2007, creating a cumulative shortfall of \$56.8 billion.

NO CHILD LEFT BEHIND BUDGET SHORTFALLS

[Program level, Dollars in millions, Totals may not add due to rounding]

	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007

LHHS Bill						

NCLB Authorization	\$26,417	\$29,217	\$32,017	\$34,317	\$36,867	
	\$39,442					
NCLB Appropriations	\$22,195	\$23,837	\$24,463	\$24,521	\$23,504	
	\$23,010					
Shortfall	-\$4,222	-\$5,381	-\$7,554	-\$9,797	-\$13,363	-
	\$16,432					

The bill freezes Title I formula grants, denying extra reading and math instruction for an additional 3.7 million low-income children. Title 1 helps ensure that the nation's most disadvantaged children meet rigorous NCLB academic standards by supporting intensive reading and math instruction for low-income children. Although the bill provides a welcome \$200 million in first-time targeted assistance for some schools, all schools are accountable under NCLB. At a \$12.7 billion for Title 1 formula grants, the bill falls \$12.3 billion short of the \$25 billion promised under NCLB to serve an additional 3.7 million low-income children. Under this bill, over two thirds of all school districts--9,500 districts--will see Title I formula grant cuts next year, following a round of cuts in most districts in FY 2006. In real terms, Title I formula grants will have been cut nearly \$800 million since FY 2005.

The bill cuts the federal share of IDEA to 17 percent. Congress promised to pay 40 percent of the costs of educating 6.9 million students with disabilities under the Individuals with Disabilities Education Improvement Act (IDEA). Instead, the federal share will continue to decrease from 18.6 percent in FY 2005 and 17.8 percent in FY 2006 to 17 percent in FY 2007. An additional \$1 billion would be needed to restore the federal share to its FY 2005 level.

The bill fails to pay for NCLB teacher quality mandates, by cutting teacher training grants by \$300 million. Teacher quality grants are NCLB's primary means of helping schools recruit, hire and train teachers to meet NCLB's requirement that 100 percent of teachers of core academic subjects are 'highly qualified.' Although no State has met these requirements, the \$300

million (10.4 percent) cut in the bill would result in 73,500 fewer teachers receiving high quality training compared to FY 2006. The Education Trust reports that high-poverty and high-minority schools, in particular, are shortchanged when it comes to getting teachers with strong background in the subjects they teach. These teacher grants will have been cut in real terms by \$500 million since FY 2005.

Education Technology State Grants are eliminated (\$272 million in 2006 and \$496 million in 2005). NCLB authorized \$1 billion to help teachers make the most effective use of classroom technology. These education technology grants help schools, universities and technical colleges share classes through regional and statewide distance learning networks, provide online professional development for teachers, and assist schools in keeping up with ever-changing technologies. Schools in AR, AZ, DE, MD, MI, MN, MO, ND, NH, OR, VT, and WI are especially impacted by the bill's elimination of education technology grants because their states do not have dedicated funds for technology.

Safe and Drug Free Schools (SDF) State Grants are cut nearly \$40 million (10.5 percent). SDF grants help more than 16,000 school districts implement anti-drug, violence prevention, and school safety measure, including measures to address the methamphetamine crisis. SDF funds are being used to help law enforcement, education and social service agencies implement methamphetamine prevention programs and youth mentoring to reduce methamphetamine abuse. In real terms, SDF funds will have been cut \$150 million or 33 percent since FY 2005.

The bill freezes the Language Acquisition Program at \$669 million, which helps schools hire and train bilingual teachers, provide research-based English language instruction, and raise the academic skills of 5 million students who need to learn to speak and read English. In 15 states (AL, AR, CO, GA, IN, KS, KY, MO, NE, NV, NJ, NC, OR, SC, and TN) the population of English language learners has exploded, more than tripling since 1993. Yet, English language learning grants have been cut or frozen for four years in a row. In real terms, these grants will have been cut \$47 million or 6.7 percent since FY 2005.

The bill freezes after school centers at \$981 million, denying extended learning opportunities for an additional 2 million children. The tutoring, arts enrichment and mentoring that after school centers provide are in high demand from working parents who want their children engaged in interesting, challenging and safe activities in the hours after school. However, states could fund only one-third of all after school applications in FY 2005, and the number of children served has been frozen at about 1.3 million for five years. With the additional \$1.5 billion authorized by NCLB for after school programs, two million of the 6.9 million children who are regularly unsupervised in the after school hours could be served. ~ ~

Impact Aid payments to 1,300 school districts enrolling over 12 million students are frozen. The bill provides \$1.2 billion for Impact Aid, freezing basic support payments for the first time in a decade. Through Impact Aid, school districts enrolling 12.1 million children receive grants to replace operating revenue lost due to the presence of military and other Federal facilities in their communities. These funds pay for teachers, books, computers and other essential educational services. Under the bill, 1,300 school districts would receive only 60 percent of the \$1.8 billion needed to fully fund Impact Aid basic support payments.

The bill rejects most of the Administration's math and science competitiveness initiatives. Although the President requested \$412 million to boost the math and science performance of America's students, nearly 80 percent of these initiatives were rejected with the notable exception of funding for Advanced Placement programs, which was doubled to \$80 million. Instead of the proposed *Math Now* initiatives, the bill expands by 23.5 percent the existing Math and Science Partnership Program (not part of the President's initiative) to \$225 million. The bill even rejects a modest \$35 million increase for the President's national security foreign language initiative to boost language study in critical languages such as Chinese and Arabic.

The bill freezes vocational education grants. The bill provides \$1.3 billion for vocational education grants, the same level as last year. This action is an improvement over the Administration's proposal to terminate all federal support for career and technical education grants and shift these resources into a new high school intervention program. Nevertheless, under the bill, vocational education grants will have lost \$83 million in real purchasing power since FY 2005. Nearly half of all high school students and about one-third of college students take the vocational courses to be ready for the world of work.

The bill freezes adult education state grants. The bill freezes adult education grants at \$564 million, sustaining cuts the program received in FY 2006 and FY 2005. Adult education grants support basic education, GED, English as a Second Language, and family literacy services for 2.8 million adults, including recent immigrants--only a tiny fraction of the 30 million American adults who have below basic literacy skills (meaning that they lack the skills to do basic tasks such as filling out a job application). Although the Administration admits that there is a 'significant and ongoing need for adult education services', these grants have lost \$40 million in purchasing power since FY 2005.

The bill cuts other important education programs. These include:

Even Start is cut \$29 million (29 percent), after being cut \$127 million (56 percent) last year. Over 60 percent of the people receiving Even Start's

family literacy services, including immigrants seeking basic reading instruction, are at the lowest levels of poverty.

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School Counseling, which expands elementary school students' access to counseling services, is cut \$12.7 million (36.5 percent).

The Mentoring Program, which provides mentoring for disadvantaged youth, is cut \$29.8 million (61.1 percent).

Civic Education, which teaches students about the Constitution and democracy, is cut \$4.1 million (14.1 percent).

Smaller Learning Communities, which is one of the few education programs targeted to high school reform and improvement, is cut \$43.5 million (46.5 percent).

Teaching American History, which helps teachers expand their knowledge and instruction of history, is cut \$69.8 million (58.3 percent).

The Fund for the Improvement of Education (FIE) is cut \$54 million (33.8 percent) after Congressionally-earmarked projects are subtracted. This remaining funding is sufficient to fund only a few programs; for example, the Committee Report mentions Reading is Fundamental, Arts Education, Reach Out and Read, and the Mathematics Panel. This means that Star Schools, Ready to Teach, Education Through Cultural and Historical Organizations, Foundations for Learning, Parental Assistance Centers, Women's Educational Equity, and Mental Health Integration are likely to be eliminated under this bill.

POSTSECONDARY EDUCATION ACCESS AND OPPORTUNITY

The bill cuts the share of college costs paid by the Pell Grant to a new low. Pell Grants are the foundation of the nation's efforts to expand college access. Under this bill, the share of 4-year public college costs paid by the maximum Pell Grant will drop to 30 percent in FY 2007--a new low--compared to 42 percent in FY 2001, and 72 percent in 1976. Due to rising costs, a \$300 increase in the maximum Pell award is needed just to maintain last year's purchasing power compared to the \$100 increase provided in the bill. An even larger increase of \$1,650 is needed to restore Pell's purchasing power to the level that existed at the start of the Bush Administration.

The bill freezes other college access programs. College Work-Study, Supplemental Educational Opportunity Grants, Leveraging Educational

Assistance Program (LEAP) and Perkins Loan cancellations are frozen at last year's levels. While the bill rejects the Administration's proposal to recall \$664 million from Perkins Loan revolving funds, these campus-based programs will still see a loss of purchasing power after being cut last year. The bill does not eliminate GEAR UP or dramatically cut TRIO as the President requested. Nevertheless, at the bill's freeze level, GEAR UP and TRIO will continue to lose purchasing power when it is particularly important that minority and low-income students--whose ranks are too thin on college campuses--receive a fair shot at a 4-year college degree. For example, lack of funding has caused the number of at-risk middle grade students served by GEAR UP to drop 42 percent, from 1.2 million in FY 2002 to 709,000 in FY 2006.

The bill cuts \$20 million needed to effectively administer student loan programs. Now that once mandatory student aid administration funds are on the discretionary~ side of the budget ledger, the bill cuts the Administration's request to administer guaranteed student loan programs by \$20 million below the request and \$5.1 million below last year. These cuts will hurt efforts to improve the delivery of student financial assistance to needy students, increase the efficiency of the program and enhance student loan monitoring.

CRITICAL FAILURES IN THE LHHS BILL FOR PUBLIC BROADCASTING

While the Committee took the welcome action of reversing a \$20 million rescission in FY 2007 funds for the Corporation for Public Broadcasting (CPB), this bill still delivers multiple blows to the nation's public broadcasting system.

The bill contains \$99.5 million in cuts to public broadcasting. The bill fails to provide the final federal payment for replacement of the public television satellite interconnection system--the distribution backbone of public television. It also fails to provide new resources for the FCC-mandated conversion from analog to digital broadcasting. In addition, the bill eliminates two programs in the Education Department that support priority public broadcasting activities: Ready To Learn, which has produced such acclaimed children's programs as Sesame Street, Between the Lions and Maya & Miguel, and Ready To Teach, which supports Internet-based teacher professional development.

The bill also ends a 30-year practice of providing appropriations for public broadcasting two years in advance. The bill fails to restore a \$400 million FY 2009 advance appropriation for CPB, even though this advance funding is permitted under the FY 2007 budget resolution.~

THE DEMOCRATIC ALTERNATIVE

During Committee consideration of this legislation, Democrats offered an amendment demonstrating what could be done by reordering budget priorities to do less tax cutting for the wealthiest in America in order to invest more in education, college student aid, job training, medical research, health care and other national priorities. Regrettably, the Democratic amendment was defeated on a party line vote of 26 to 36.

That amendment would have added \$6.3 billion to the bill. The cost would have been offset by an 11.7 percent reduction in tax cuts for people with incomes above \$1 million, meaning that millionaires would have their 2007 tax cuts reduced, on average from about \$114,000 to \$101,000. The amendment was fully consistent with the alternative that Democrats offered when the budget resolution was considered by the House--an alternative that produced lower deficits than the Majority party's budget while doing better for programs like those in this bill.

Some of the major improvements proposed by the Democratic amendment to this bill, to be financed by a modest scaling back of upper-income tax cuts, include the following:

Workforce Investment Act prior-year appropriations would be restored by reversing the \$325 million rescission in the bill in order to maintain key training and employment services to the unemployed. In addition, \$28 million for 1,800 State and local Employment Service offices that have lost 20 percent in real purchasing power in just two years would be restored.

The Title V Senior Community Service Employment Program would be restored to its FY 2006 level so that nearly 3,000 seniors across the country do not lose needed employment, income, and the opportunity to serve their communities.

Youth training programs, including Job Corps, would receive an additional \$91 million, in order to help more of the four million out-of-school and unemployed youth earn a decent living and make a contribution to their communities.

Occupational safety and health activities, including mine safety activities, would receive an additional \$25 million to help ensure safe working conditions.

A damaging \$60 million cut to the International Labor Affairs Bureau would be restored, allowing continued assistance to developing countries for improvement and enforcement of their labor standards, and elimination of abusive child labor.

Both the Low-Income Home Energy Assistance Program and the Community Services Block Grant would be restored to the FY 2006 level, and Head Start

and child care grants would receive increases to partially catch up with inflation.

The National Institutes of Health would receive a 2.7 percent increase above FY 2006, to eliminate cuts in the number of research grants funded and allow some room to pursue high priority medical research opportunities.

Most health professions training programs would be restored to their levels of two years ago, and \$25 million would be added to help alleviate the shortage of nurses.

The Maternal and Child Health Block Grant would receive a 16 percent increase to reverse part of its 24 percent loss in purchasing power since FY 2002, and Healthy Start would receive an additional \$25 million to help improve health outcomes for mothers and babies in communities with high infant mortality.

Substance abuse prevention and treatment programs would get \$100 million more than provided in the Committee's bill, including funds to double the Committee's \$25 million initiative to expand availability of treatment for methamphetamine users.

Title 1 would receive \$300 million more than the Committee bill to lessen cuts that two-thirds of all school districts will see next year, and to provide intensive reading and math instruction to an additional 90,000 low-income children.

Teacher quality and education technology grants would be restored to their FY 2006 levels, while \$50 million more than in the bill would be provided for English language learning grants to better serve the 5 million children who must learn English.

After school centers would see their first significant increase, \$50 million, in five years. This increase would benefit an additional 70,000 children with homework assistance, physical activities, and arts education when too many children are left to fend for themselves in the hours after school.

Special education would receive an additional \$420 million in order to maintain the federal share of special education costs at last year's level, and prevent further backtracking on the federal commitment to contribute 40 percent toward the costs of educating children with disabilities.

The maximum Pell Grant would be increased \$200 to \$4,350 in FY 2007--the amount needed to maintain the Pell Grant's purchasing power at last year's level. In order to compete in the 21st century, all students will need some type of postsecondary education.

Public broadcasting would receive a \$400 million FY 2009 advance appropriation, returning to the practice of funding the Corporation for Public Broadcasting two years in advance, first begun in 1975.

CRITICAL FAILURES IN THE LHHS BILL FOR PUBLIC BROADCASTING

While the Committee took the welcome action of reversing a \$20 million rescission in FY 2007 funds for the Corporation for Public Broadcasting (CPB), this bill still delivers multiple blows to the nation's public broadcasting system.

The bill contains \$99.5 million in cuts to public broadcasting. The bill fails to provide the final federal payment for replacement of the public television satellite interconnection system--the distribution backbone of public television. It also fails to provide new resources for the FCC-mandated conversion from analog to digital broadcasting. In addition, the bill eliminates two programs in the Education Department that support priority public broadcasting activities: Ready To Learn, which has produced such acclaimed children's programs as Sesame Street, Between the Lions and Maya & Miguel, and Ready To Teach, which supports Internet-based teacher professional development.

The bill also ends a 30-year practice of providing appropriations for public broadcasting two years in advance. The bill fails to restore a \$400 million FY 2009 advance appropriation for CPB, even though this advance funding is permitted under the FY 2007 budget resolution. ~

THE DEMOCRATIC ALTERNATIVE

During Committee consideration of this legislation, Democrats offered an amendment demonstrating what could be done by reordering budget priorities to do less tax cutting for the wealthiest in America in order to invest more in education, college student aid, job training, medical research, health care and other national priorities. Regrettably, the Democratic amendment was defeated on a party line vote of 26 to 36.

That amendment would have added \$6.3 billion to the bill. The cost would have been offset by an 11.7 percent reduction in tax cuts for people with incomes above \$1 million, meaning that millionaires would have their 2007 tax cuts reduced, on average from about \$114,000 to \$101,000. The amendment was fully consistent with the alternative that Democrats offered when the budget resolution was considered by the House--an alternative that produced lower deficits than the Majority party's budget while doing better for programs like those in this bill.

Some of the major improvements proposed by the Democratic amendment to this bill, to be financed by a modest scaling back of upper-income tax cuts, include the following:

Workforce Investment Act prior-year appropriations would be restored by reversing the \$325 million rescission in the bill in order to maintain key training and employment services to the unemployed. In addition, \$28 million for 1,800 State and local Employment Service offices that have lost 20 percent in real purchasing power in just two years would be restored.

The Title V Senior Community Service Employment Program would be restored to its FY 2006 level so that nearly 3,000 seniors across the country do not lose needed employment, income, and the opportunity to serve their communities.

Youth training programs, including Job Corps, would receive an additional \$91 million, in order to help more of the four million out-of-school and unemployed youth earn a decent living and make a contribution to their communities.

Occupational safety and health activities, including mine safety activities, would receive an additional \$25 million to help ensure safe working conditions.

A damaging \$60 million cut to the International Labor Affairs Bureau would be restored, allowing continued assistance to developing countries for improvement and enforcement of their labor standards, and elimination of abusive child labor.

Both the Low-Income Home Energy Assistance Program and the Community Services Block Grant would be restored to the FY 2006 level, and Head Start and child care grants would receive increases to partially catch up with inflation.

The National Institutes of Health would receive a 2.7 percent increase above FY 2006, to eliminate cuts in the number of research grants funded and allow some room to pursue high priority medical research opportunities.

Most health professions training programs would be restored to their levels of two years ago, and \$25 million would be added to help alleviate the shortage of nurses.

The Maternal and Child Health Block Grant would receive a 16 percent increase to reverse part of its 24 percent loss in purchasing power since FY 2002, and Healthy Start would receive an additional \$25 million to help improve health outcomes for mothers and babies in communities with high infant mortality.

Substance abuse prevention and treatment programs would get \$100 million more than provided in the Committee's bill, including funds to double the Committee's \$25 million initiative to expand availability of treatment for methamphetamine users.

Title 1 would receive \$300 million more than the Committee bill to lessen cuts that two-thirds of all school districts will see next year, and to provide intensive reading and math instruction to an additional 90,000 low-income children.

Teacher quality and education technology grants would be restored to their FY 2006 levels, while \$50 million more than in the bill would be provided for English language learning grants to better serve the 5 million children who must learn English.

After school centers would see their first significant increase, \$50 million, in five years. This increase would benefit an additional 70,000 children with homework assistance, physical activities, and arts education when too many children are left to fend for themselves in the hours after school.

Special education would receive an additional \$420 million in order to maintain the federal share of special education costs at last year's level, and prevent further backtracking on the federal commitment to contribute 40 percent toward the costs of educating children with disabilities.

The maximum Pell Grant would be increased \$200 to \$4,350 in FY 2007--the amount needed to maintain the Pell Grant's purchasing power at last year's level. In order to compete in the 21st century, all students will need some type of postsecondary education.

Public broadcasting would receive a \$400 million FY 2009 advance appropriation, returning to the practice of funding the Corporation for Public Broadcasting two years in advance, first begun in 1975.

REAL WORLD ACTIONS TO REDUCE ABORTIONS

There is one other perspective from which this amendment should be viewed--that of facing what real world investments can be made in order to reduce the perverse incentives for abortion.

We spend a lot of time arguing with one another about whether abortion should be legal, and under what circumstances, and whether we need a constitutional amendment to ban the practice. While we are having that argument, though, we should all be able to agree on doing things that help reduce the economic pressures and other real life conditions that can sometimes cause a woman to decide not to carry a pregnancy to term.

A number of the programs covered by the amendment are directly relevant to the needs of young women in difficult circumstances who may be deciding whether they really are in a position to raise a child. This group includes the Maternal and Child Health Block Grant and the Healthy Start program, which help provide health care and other services for pregnant women and young children lacking other access to care. Other relevant programs include child care assistance, domestic violence prevention programs, and the variety of family supports financed through the Community Services Block Grant. All of these programs have been seriously eroded over the past several years, and the amendment begins to reverse that erosion.

Since access to contraceptive information and services is an important element of preventing pregnancy, the amendment includes a 4.8 percent increase to help the title X family planning program recoup some of the ground lost to inflation. It also includes a 4.8 percent increase for the community based abstinence education program, for teenagers and families who wish to follow that approach. Both programs would receive the same percentage increase.

The amendment contains other modest initiatives such as funding for information and outreach to help expectant mothers and new families understand and gain access to resources that are available to help them care for their children. It also provides for counseling for families who have received the results of prenatal testing that indicate possible serious disabilities, in order to help understand those results and the implications and alternatives.

We hear many expressions of concern for life. These concerns need to go beyond the rhetorical and attack the real life conditions that can lead a woman to make another choice. Lectures from politicians will not help unless we extend a hand to assist women to overcome economic pressures and other life challenges that sometimes make a pregnancy and the thought of another child seem overwhelming.

Attached to these Minority Views are tables providing further details regarding the Democratic amendment. Also attached are tables showing the impact of cuts made in the bill to selected State grant programs and grants to public broadcasting stations.

DEMOCRATIC AMENDMENT: STRENGTHENING AMERICA'S FUTURE

	Dollars in millions
Critical Investments by Program:	
Make Progress on Our Promises to America's School	\$1,171

Children	
Provide an additional 90,000 low-income children the opportunity to succeed in school (Title 1)	300
Help schools meet NCLB's 'highly qualified' teacher mandate	300
Expand after school learning opportunities for an additional 70,000 children	50
Enhance English language instruction to 5 million children	50
Restore the Federal share of special education costs to its FY 2006 level (IDEA)	420
Alleviate the impact of BRAC and global rebasing on local communities (Impact Aid)	50
Enhance Competitiveness and College Access	1,085
Restore Pell Grant's purchasing power to FY 2006 level (\$4,350 maximum grant)	813
Invest in education technology and competitiveness	272
Help America's Workers Compete in the Global Economy	541
Restore rescission of Workforce Investment Act training and employment assistance	325
Provide job placement assistance to the unemployed (U.S. Employment Service)	28
Provide skills training for out-of-school youth (Job Corps and YouthBuild)	91
Restore part-time, minimum wage jobs for 3,000 seniors (Title V Older Americans Act)	12
Protect worker rights at home and abroad (International Labor Affairs Bureau)	60
Protect worker safety and health (MSHA and OSHA)	25
Support Medical Research (NIH)	750
Improve Access to Health Care (HRSA)	339
Restore health professions programs, to relieve shortages in rural and urban under-served areas and increase numbers of minority health professionals	125
Help alleviate the nursing shortage	25
Increase funds to states for child health (Maternal & Child Health Block Grant)	104
Combat infant mortality and promote infant health	25

(Healthy Start)	
Add doctors and dentists in underserved areas (Nat'l Health Service Corps)	10
Improve access to dental care	15
Maintain access to family planning services (title X)	14
Provide information, counseling and support regarding prenatally diagnosed disabilities	15
Collect and analyze data regarding abortions, including reasons women choose to have them	6
Protect Public Health Against Infectious Diseases and Environmental Hazards (CDC)	50
Support Mental Health and Substance Abuse Treatment and Prevention (SAMHSA)	150
Improve mental health services	50
Increase substance abuse treatment funds, including methamphetamine initiative	100
Provide Services to Children, Families and Seniors (ACF and AOA)	684
Help working families obtain childcare for 27,500 more children	185
Maintain Head Start enrollment and services	223
Preserve the Community Services Block Grant	181
Expand domestic violence prevention	25
Provide 'meals on wheels' and other services for seniors (AOA)	50
Increase community-based abstinence education	5
Increase awareness of resources for pregnant women and new families	15
Maintain Contribution to Global Fight Against AIDS	100
Subtotal, Investments in America's Future (Regular FY 2007 Appropriations)	4,870
Continue Home Energy Assistance at FY 2006 Level (LIHEAP Emergency Appropriation)	1,050
Restore FY 2009 advance appropriation for Corporation for Public Broadcasting	400
Total, Investments in America's Future	6,320

REAL WORLD ACTIONS TO REDUCE ABORTIONS

Among the critical investments made by this amendment are a cluster of programs that would make it economically easier for low-income and vulnerable women to choose to carry pregnancies to term, as well as to expand the availability of contraception, education and counseling.

	Dollars in millions
Maternal and infant health care	+104
Childcare	+185
CSBG assistance to provide people with the opportunity for education, training, and work, and to live in decency and dignity	+181
Domestic violence prevention	+25
Healthy Start	+25
Family Planning	+14
Abstinence Education	+5
Grants to increase awareness of resources for pregnant women and new families	+15
Information, counseling and support regarding prenatally diagnosed disabilities	+15
Data collection and analysis regarding abortion and reasons women choose to have abortions	+6
Total	575

Dave Obey.
Steny Hoyer.
Nita M. Lowey.
Rosa L. DeLauro.
Jesse Jackson, Jr.
Patrick J. Kennedy.
Lucille Roybal-Allard.

ADDITIONAL VIEWS ON THE MINIMUM WAGE INCREASE

We are pleased that during Appropriations Committee consideration of this bill, the Committee adopted, on a bipartisan basis, the Hoyer-Obey Amendment to raise the minimum wage by \$2.10 per hour, from \$5.15 to \$7.25. This amendment provides an hourly minimum wage of \$5.85 on January 1, 2007; \$6.55 on January 1, 2008, and \$7.25 on January 1, 2009.

Americans are struggling with rising fuel prices, ballooning college tuition costs, and a lack of access to affordable housing. Last year, the Kaiser Family Foundation reported that annual premiums for family health care coverage had exceeded the annual income of a minimum wage worker. That is why Democrats have made raising the minimum wage a top priority.

The modest minimum wage increase provided in this bill is long overdue. It has been nine years since the last increase in the minimum wage, the second longest period without a wage increase since the federal minimum wage law was first enacted in 1938. As a result of the failure of the minimum wage to keep pace with rising costs, the national minimum wage of \$5.15 an hour is now at its lowest level in 50 years when adjusted for inflation. It is worth noting that when the minimum wage fell to an exceptionally low level in 1989, early the next year, Congress adopted an increase in the minimum wage of 27 percent over two years with the support of then-President George H. W. Bush.

People who work full-time in America should not be poor. However, in 2003 there were 3.7 million workers who worked full-time, year-round, and still lived in poverty. During the 1960s and 1970s, the yearly earnings of a full-time, year-round worker earning the minimum wage were roughly equal to the poverty level for a family of three. To reach the poverty level for a family of three in 2006 (\$16,600), a full-time, year-round worker would need to earn \$7.98 an hour--\$2.83 more than the current minimum wage.

The minimum wage increase of \$2.10 per hour over 26 months in this bill would directly benefit about 7 million low-wage workers, according to the Economic Policy Institute, and its spillover effects would benefit an additional 8 million workers. Moreover, this increase would benefit poor workers who need it most: 59 percent of the gains from the proposed \$2.10 hourly increase would go to working households in the bottom 40 percent of the income scale.

Most Americans support the minimum wage increase provided by the Democratic amendment included in this bill. Congress should pass this minimum wage increase at the earliest possible date.

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