

Views and Estimates for FY 2008
Committee on Education and Labor
110th Congress
March 1, 2007

Over the last six years, middle class families have lost ground despite overall economic growth. These families are finding themselves squeezed between shrinking paychecks and bigger bills for basic items like housing, healthcare, college tuition, and energy. The Committee on Education and Labor is committed to strengthening our middle class families during the 110th Congress by advancing initiatives to ensure higher quality public schools, make college more affordable, invest in better and higher paying employment opportunities, provide retirement security, and build stronger communities.

During the first 100 hours of this Congress, the Committee on Education and Labor began this effort to strengthen America's middle class families by authoring two key pieces of legislation. First, the Committee sought to make college more affordable for students and their families. The College Student Relief Act of 2007 cut student loan interest rates in half, allowing more than 5 million students nationwide to save thousands of dollars in interest costs on their student loans. The bill carried no new cost for taxpayers, and directly responded to the struggle that many of America's low-and middle-income families go through as they cope with rising college tuition.

Second, the Committee advanced the Fair Minimum Wage Act. This legislation, which passed by a historic, bipartisan vote of 315 to 116, came after nearly a decade of inaction by Congress to increase the national minimum wage. The Fair Minimum Wage Act boosted the minimum wage from \$5.15 per hour to \$7.25 per hour and will ensure that 13 million American workers get this pay raise. These are only the first two examples of the Committee's efforts to help strengthen America's middle class.

Members of the Committee on Education and Labor are committed to pursuing an ambitious education and workforce agenda that strengthens the middle class to ensure that every child in America has access to a quality education and the opportunity to go to college and that every family can support themselves through better and higher paying employment opportunities and retirement security. During the 110th Congress, the Committee will focus on enhancing these opportunities for our America's middle class families.

EDUCATION PRIORITIES

Elementary and Secondary Education

The No Child Left Behind Act

Five years ago, Congress and the President enacted the most important education reform legislation in 30 years – the No Child Left Behind Act (NCLB) which amended the Elementary and Secondary Education Act. NCLB focused on improving quality and accountability with the express goal of closing the achievement gap for disadvantaged children and raising achievement overall. Unfortunately, inadequate funding and slow and contradictory implementation has failed to help our schools achieve the law's goals.

Over the past five years, the Bush Administration and the Republican Congress have fallen short in their efforts to ensure adequate funding for NCLB, creating an annually growing resource gap for our schools. A key priority for the Committee will be to narrow the funding gap, and support our schools to ensure that every child can get the education he or she deserves. As we demand more from our schools, we must provide them with real resources that will ensure academic success for all students

During the 110th Congress, the Committee will focus on the reauthorization of the Elementary and Secondary Education Act. The Committee intends to hold a series of hearings as part of the process of reauthorizing this law. Through the hearing process, the Committee will seek to determine where the law can be improved, and whether the challenge facing schools in raising student academic achievement stem from implementation of NCLB or from the inadequate funding of NCLB.

Title I

The largest program in the Elementary and Secondary Education Act is the Title I program. This program provides additional assistance to help schools educate the most disadvantaged children and is the main Federal effort aimed at closing the achievement gap. The President's 2008 budget proposes to allocate \$13.9 billion for the Title I program, which would amount to a \$1.2 billion increase over fiscal year 2007. Despite this increase, the Title I shortfall from last year's authorized level (\$25 billion) would be \$11.1 billion, and the cumulative shortfall since enactment of NCLB would rise to \$54.7 billion.

The President's increase for Title I is targeted for boosting funding to high schools without taking funds from Title I schools in the lower grades. Reform of our high schools is critically important, but the President's proposal provides no new resources for the vast majority of schools that receive Title I funding presently. This ignores the needs of these schools which have been working to meet NCLB's goals for the past 5 years.

The Individuals with Disabilities Education Act (IDEA)

The Committee is concerned that the Administration continues to retreat on its commitment to students with disabilities. The 2008 Budget decreases funding for IDEA Part B State Grants by \$291 million. This would provide just 16.5% of the national average per-pupil expenditure toward meeting the excess costs of educating students with disabilities -- down from 17.2% this year and less than half of the amount promised by Congress when IDEA was enacted 32 years ago. The President's Budget proposal offers the lowest percentage level of support in five years. Further, the 2008 proposed level for IDEA falls \$8.7 billion short of the FY 2008 authorized level of \$19.2 billion, a major set-back in ensuring that the Individuals with Disabilities Act (IDEA) will ever be fully funded.

In addition, the President plans to take administrative action to reduce Medicaid-based reimbursements related to services for special education students by -\$615 million in FY 2008 and -\$3.6 billion over the next 5 years. For more than 20 years, a Medicaid policy has been on the books to help provide low-income students with special health needs with access to treatment in school settings. Eliminating the reimbursement mechanism will severely undermine schools' ability to educate students with disabilities.

The Committee is committed to advancing the federal investment in the education of children with disabilities with the goal of reaching full funding of this important law. The Committee will work to ensure that schools have the adequate resources to support the free appropriate public education guaranteed by IDEA to children with disabilities.

Education Technology

Federal funds have played a key role in assisting States and local districts meet their technological needs. The Committee will continue its efforts to improve student achievement through the use of technology in elementary and secondary schools by ensuring programs such as Education Technology State Grants are adequately funded in 2008.

Postsecondary Education

The increasing cost of obtaining a postsecondary education continues to be a major concern for the Committee. In the past few years, the weakened economy, regressive tax cuts for the wealthy and federal budget cuts have pushed higher tuition prices onto college students and their families. The average tuition and fees at four-year public colleges and universities have risen 41%, when adjusted for inflation, since 2001. The typical student now graduates with \$17,500 in total federal student loan debt. According to past estimates from the Department of Education, as many as 200,000 would-be students are forced to delay or forgo attending college altogether due to the cost. The Committee on Education and Labor will work to increase access to postsecondary education for more students and ensure this education is affordable.

Higher Education Act

During the 110th Congress, the Committee will focus on reauthorizing the Higher Education Act (HEA). The role of the federal government in higher education is to increase access to postsecondary education. During reauthorization, the intention of the Committee will be to ensure that the needs of students and families most in need are met while ensuring that college is affordable for all who wish to attend.

In order to meet this mission the Committee intends to use the reauthorization process to focus on creating a more efficient and effective federal financial aid system. To ensure such a system, the Committee will examine the current student aid delivery mechanism. Further, ensuring that students and families are not priced out of higher education because of rising tuition and fees at colleges and universities will be a centerpiece of our work during reauthorization. Adding to this effort is ensuring key programs focused on increasing access and quality are funded and available for current and future students.

Pell Grants

Pell Grants remain a top priority for the Committee. The Pell Grant program serves as the foundation for securing the federal goal of equal access to postsecondary education for all students. Each year, more than 5 million students receive a Federal Pell Grant bringing them one step closer to achieving their educational goals. For FY 2008, the Committee requests funding to increase the Pell Grant maximum over the next three years to meet our goal of \$5,100.

Loan Forgiveness and Public Service

In keeping with our desire to provide access to post secondary education, the Committee will explore loan forgiveness and fair repayment plans for individuals, particularly those going into

public service. Our first responders and others who serve the public everyday are especially important concerns for the Committee in ensuring access to college.

Up-Front Tuition Assistance

The Committee also plans to work on providing up-front pre-paid tuition assistance for high-achieving undergraduate students who commit to teaching for at least four years and for current and prospective teachers in high-need fields, such as math and science. Consistent with the Teach Act, this effort would support approximately 50,000 students and provide them with \$4,000 in tuition aid.

Minority Serving Institutions, GEAR-Up and Trio

The Committee also believes we need to provide additional funding for minority-serving institutions and the GEAR-Up and TRIO programs. These programs provide much needed access to students from traditionally underserved populations and are critical to expand and enhance. It is our intention that these programs are major forces in increasing access to post secondary education in the coming years.

Innovation Agenda

Finally, the Committee will look into authorizing programs that address the key goals outlined in the House Democratic innovation agenda. The focus of the Committee will be on educating 100,000 new scientists, engineers and mathematicians, through partnerships with institutions of higher education, businesses and states. Additionally, the Committee will work to have a qualified teacher in every classroom through teacher education programs that encourage students who are majoring in math/science/engineering to become teachers and work in high need areas.

Head Start

Quality early child care and education is critical for children and parents. Every day, approximately 5 million children and their families utilize some form of early childhood service or program. The Head Start program is the centerpiece of the Federal government's efforts to support quality early childhood education for our nation's most disadvantaged young children. Since it began in 1965, the Head Start program has enrolled more than 23 million children.

The Committee is concerned that the President's 2008 Budget cuts \$100 million from the Head Start program. This will require programs to either cut quality or the number of children served – or both. Without providing a cost of living increase, programs, which have to pay for increased rent, transportation, food, and personnel costs, will have to make difficult choices. Programs will either cut back on the high quality services that have been proven to help children learn – such as qualified teachers, educational activities, and parent education – or, even though only about 50% of eligible preschoolers are served by Head Start, reduce the number of children attending Head Start by as much as 30,000. Head Start funding has not kept pace with the rising costs of inflation, already causing cuts in its services for children. If enacted into law, the President's 2008 proposal would result in a 13% real cut (inflation adjusted) in Head Start and Early Head Start funding since FY 2002.

This year the Committee plans to reauthorize Head Start. Our reauthorization effort will focus on building on the program's success and providing more children the early tools they need to succeed in school and life. The Committee, however, wants to make clear that our Head Start

programs, while being asked to do more for their children, should also receive the resources necessary to do the job.

Nutrition

The Committee is dedicated to ensuring that all children have access to nutritious school meals and that income eligible children receive these meals at low or no cost. During the 110th Congress, the Committee will work to increase the reimbursement rate by 2.5 cents for school lunch and breakfast. Congress last increased reimbursement rates for school lunch and breakfast in 1988. This increase is critical to ensuring that meals remain both nutritious and affordable for our nation's children.

LABOR PRIORITIES

During the 110th Congress, the Committee will seek to promote workers' rights; improve workplace safety; conduct oversight on the enforcement of labor laws – such as overtime pay – that are already on the books; help workers balance the demands of work and family; and look for ways to make healthcare affordable and accessible for everyone. The Committee wants to ensure that individuals have employment opportunities that are safe and provide a fair and just wage, and can adequately plan for their retirement.

Job Training

At a time when millions of Americans are unemployed or looking to upgrade their workplace skills, the Committee is disappointed that the President's 2008 Budget reduces job training resources by \$1 billion. This decrease includes the proposed rescission of \$335 million in job training funds currently in the hands of local programs. In addition, the Job Corps program is reduced by \$55 million, or 3.5 percent.

The President's budget, once again, includes a legislative proposal to consolidate the three main Federal job training programs and the Employment Service grants into a block grant to states. States would use these funds for a voucher program called the Career Advancement Accounts, a proposal that was not included in last year's House and Senate passed Workforce Investment Act reauthorization bills. These proposals, if enacted, would lead to fewer resources for less effective training programs.

During the 110th Congress, the Committee will focus on strengthening the workforce development system through the reauthorization of the Workforce Investment Act. Our reauthorization efforts will focus the Act so that it will meet the training and employment needs of the 21st century workforce. Furthermore, the Committee will address the issue of U.S. economic competitiveness in an increasingly tough global economy. The Committee is interested in creating good-paying jobs here at home – and keeping them here for generations to come.

Mine Safety and Health Administration (MSHA)

A staff review by the Committee indicates MSHA has a long way to go to implement the requirements of the MINER Act. The MINER Act was passed in response to several tragic accidents in underground coal mines last year, and requires the Department of Labor to establish a number of new rules and ensure mine operators establish emergency response plans for miners trapped below ground.

Implementation of those requirements takes place in part through guidance and regulations issued by the Secretary of Labor, and decisions by individual District Managers on mine operator emergency response plans. The Committee has asked GAO to undertake a review of District Manager decisions on emergency response plans. However, in the interim the Committee recommends that adequate resources are available for review of these and other critical plans (ventilation and roof control), in light of MSHA's obligation to carry out a mandatory number of inspections, investigate complaints, and perform other duties. The Committee also recommends that MSHA provide assurances that its work not be slowed down by the appointment of an inexperienced Deputy Assistant Secretary and by new requirements under Executive Order No. 13422 that mandates regulatory and guidance review.

Occupational Safety Health Administration

Although OSHA would receive a nominal increase for FY 2008, OSHA's inflation-adjusted budget represents a cut in funding compared to FY 2006. In addition, the President's FY 2008 Budget proposes to once again eliminate funding for Susan Harwood worker safety and health training and education programs. These programs are particularly important for immigrant workers who suffer a high number of injuries and fatalities.

While worker programs are cut, the President's Budget has also proposed significant increases in funding for compliance assistance programs for employers. In FY 2008, the Budget proposes a \$7.1 million increase in the federal compliance assistance program. Combined state and federal compliance assistance programs now total 27% of the entire OSHA budget. The Government Accounting Office warned in 2004 that compliance assistance comprises a growing percentage of OSHA's budget, yet there is no evidence that these programs are effective.

The Administration has virtually ceased issuing regulations – a major responsibility given to the agency under the OSHA Act – and has instead issued a number of guidance documents on various issues. OSHA has not sought the same public input on these guidance documents that is required when issuing a regulation. Specifically, the Committee recommends that language in the President's budget prohibiting OSHA from enforcing annual fit testing for health care workers who must wear respirators to protect themselves against tuberculosis not be included in any legislative proposals advanced by Congress.

National Institute for Occupational Safety and Health (NIOSH)

The President's Budget cuts \$1.5 million from the amount appropriated for NIOSH program activities in FY 2006, (not accounting for a one-time supplemental in FY 2006 for mine safety research). In inflation adjusted terms, the FY 2008 Budget request represents a \$13.8 million cut for the job safety and health research agency over FY 2006 levels. Cutting NIOSH undermines the country's efforts to prevent workplace injuries, diseases and deaths.

Employment Standards Administration - Wage and Hour Division

Seventy years after passage of the Fair Labor Standards Act, wage theft remains a disturbing and unacceptable problem in the United States – workers not being paid their wages, not being paid overtime pay, or are otherwise being misclassified by their employers as exempt from coverage under the Act. There must be greater emphasis on effective enforcement of the law, particularly to serve as a deterrent to labor law violators in the first instance. Effective law enforcement requires a commitment to adequate funding and staffing of investigators and other enforcement staff in the field.

Employment Standards Administration - Office of Labor-Management Standards

At a time when private sector union membership is at an all-time low, the Department of Labor has repeatedly shifted scarce budget requests from other labor programs, such as health and safety and wage and hour enforcement, to the Office of Labor-Management Standards, which collects, publishes, audits, and investigates labor union finances. Additionally, regulatory changes by the Department of Labor regarding labor union financial reporting and disclosure requirements have dramatically increased the accounting and paperwork burden on labor unions. The Committee questions whether this shift in limited Department resources benefits workers' welfare and effectively serves the purpose of the Labor Management Reporting and Disclosure Act.

Employee Benefits

The Committee will aggressively review and act to protect the hard-earned health, retirement and other benefits of millions of workers. The US faces a health care crisis of enormous proportions and the Administration has failed to put forth meaningful solutions that will improve health care access and affordability. The Committee will seriously examine the obstacles to improving our health care system and promote common sense policies that improve health care.

With respect to retirement, the Committee will actively examine retirement security, the decline of the traditional defined benefit pension system, 401(k) pension plans trends and how certain practices such as hidden fees are reducing workers' retirement income. The Committee will examine the Department of Labor's role in private pension regulation. Many experts believe the Department's failure to regulate the private pension market adequately has detrimentally affected workers' retirement security.

International Labor Affairs Bureau (ILAB)

As the American economy has become more global and the United States has entered more and more multilateral and bilateral trade agreements, the labor standards of other countries have an increasingly direct impact on American workers. The Department of Labor's performance in meeting its obligations to protect U.S. labor standards, as it is tasked via statute and trade agreements, is in dire need of review and oversight. Such oversight would include both whether the Department's activities in this area are adequately funded and staffed and whether those activities are sufficient and effective in carrying out the Department's mission.

Accountability and Responsibility

During the 110th Congress, the Committee will conduct thorough oversight over the government agencies within its jurisdiction, including the Equal Employment Opportunity Commission and the National Labor Relations Board, to ensure that they are operating as effectively and efficiently as possible. Oversight is a key constitutional role of the Congress, and it is critical to guaranteeing that taxpayer dollars are spent wisely.

National Service

During the 110th Congress, the Committee plans to hold a series of hearings on national volunteer service programs under the Corporation for National and Community Service (CNCS). The Committee's last legislative action on these programs was in 2002. The CNCS administers programs authorized by the National and Community Service Act of 1990 (NCSA) and the Domestic Volunteer Service Act of 1973 (DVSA). National and community service programs support activities in communities that address education, public safety, the environment and assist

with disaster relief. Following the hearings, the Committee will begin the reauthorization of these programs to continue strengthening communities, and fostering civic engagement through service and volunteerism for millions of Americans.