

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

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

Committee Republicans support the President's goal of balancing the budget – without raising taxes – by supporting continued economic growth and job creation, and by further restraining federal spending. Republican pro-growth policies have fueled the solid, sustained economic expansion that has created over seven million new jobs, boosted federal revenues, driven down the federal deficit, and put us on a path to balancing the budget.

Committee Republicans are focused on strengthening American competitiveness both at home and abroad and preparing America's workers for the challenges of a 21st century economy. The American workforce can become more competitive and more productive here at home by promoting education and job training for high-demand fields, cutting red tape, breaking down barriers between business and education, and helping build a workforce for the future. We encourage our Democratic colleagues to pursue an agenda focused on these priorities.

Education Priorities

In the area of education, Committee Republicans will collaborate with local communities, teachers, and parents to put in place real school improvement programs to improve academic achievement for all students. Specifically, we will continue to work to hold federally-funded State-level programs and schools accountable for increasing student academic performance, restoring local control, and empowering parents and students with choices before schooling begins, through college, and beyond.

Elementary and Secondary Education

Committee Republicans believe that the Federal government properly plays a partnership role in the education of our children and that education remains primarily a State and local government responsibility. As reflected in the No Child Left Behind Act (NCLB), the Federal government should use the comparatively small amount of its investment in elementary and secondary education to encourage systemic education reform in the States that focuses on narrowing the academic achievement gap between disadvantaged students and their peers.

The No Child Left Behind Act

Committee Republicans continue to support NCLB, the comprehensive overhaul of the federal Elementary and Secondary Education Act (ESEA), which is aimed at addressing the achievement gap that exists between poor and minority students and their more affluent peers. NCLB includes each of President Bush's four education reform pillars: (1) accountability and assessment; (2) flexibility and local control; (3) funding for what works; and (4) expanded parental choices.

NCLB provides reforms – and resources – to help States put a highly qualified teacher in every public classroom and ensure every child is able to read by the end of third grade. It gives parents annual report cards on school achievement and new choices when schools consistently under perform. It transforms federal bilingual education programs into a single program with a new emphasis on helping students learn English as quickly as possible. It expands local control over federal education funds and provides new flexibility for every local school district in America.

As a result, evidence shows that NCLB reforms are working and producing better results in America's public schools. According to the National Assessment of Educational Progress's (NAEP) latest report, long-term trends showed gains in key areas with achievement reaching all-time highs for 9-year-olds in reading and math and for 13-year-olds in math. African-American and Hispanic students shared in these gains with the achievement gaps between these groups and their white peers reaching all-time lows.

Education Funding

States and local school districts are slated to receive \$24.5 billion in Federal funds in FY 2008, including a \$1.2 billion increase that's included in the President's budget, and \$23.6 billion in Federal funds in FY 2007 to help implement NCLB, accounting for a one-third increase in Federal elementary and secondary education funding since NCLB was signed into law. The Federal government has also provided States and school districts with more than \$400 million a year to develop and administer the annual assessments required under the law--the largest expenses for many localities.

Even with this significant increase in federal funding, Committee Democrats have continued to level baseless charges that Congress has not provided the amount of funding that was promised when the law was passed in 2001. They base this charge on the belief that proposed and enacted appropriation levels for NCLB are less than what was "authorized" under the law. Committee Republicans reject this accusation and point to the fact that, when they were in control of the White House and Congress the total authorization level for the Improving America's Schools Act of 1994 (IASA) for FY1995 was \$13 billion. However, IASA activities were appropriated at \$10.3 billion for FY1995 – a discrepancy of \$2.7 billion. At that time, not a single Democrat accused President Clinton of "underfunding" elementary and secondary education by \$2.7 billion. Finally, our Democrat colleagues had the opportunity to live up to their own rhetoric and fund NCLB at the authorized levels in the Continuing Resolution they authored last month, but they failed to do so.

Reauthorization of NCLB

In preparation for the upcoming reauthorization of NCLB, last year under Republican leadership, the House Education and Workforce Committee held a number of hearings and site visits-- both in Washington, D.C. and local communities -- to examine what is working and what is not working with the law on both the state and local levels. Committee Republicans will build on this record and continue with our legislative efforts to empower parents so that all students receive a quality education, increase state and local control to encourage innovation in the classroom, and improve our nation's schools so that all students are able to compete in the 21st century.

To this end, Committee Republicans will examine whether to incorporate a growth model into the law, allowing States to measure individual students' progress over time and give schools credit for improvement from year to year; explore ways to help those schools that are in "restructuring" or in school improvement for 4 to 5 years and unable to meet the requirements of the law; examine the flexibility that the U.S. Department of Education has granted to States when assessing special education and Limited English Proficient (LEP) students; create a Teacher Incentive Fund, which will reward teachers and principals who make progress in raising student achievement levels; and work to implement improvements on the state and local level to improve the implementation of Supplemental Education Services (SES), which provides free tutoring to those students trapped in schools that need improvement. We will also work to incorporate provisions into NCLB to require public schools that are identified for restructuring to offer private school choice, intensive tutoring, or public school choice to families.

We believe that these changes will increase accountability and choice, and will assist States, local educational agencies, and schools in fully implementing the promise and potential of NCLB. Simply providing additional funding will do little to improve the academic future for our most disadvantaged students unless we build on these two fundamental principles of the law ---- holding schools accountable for the academic achievement of all of their students and providing parents more choices when schools are not meeting the needs of their children.

Teacher Incentive Fund

Committee Republicans strongly support the President's request for \$199 million in funding for the Teacher Incentive Fund. This program, which was first funded at \$99 million in fiscal year 2006, will provide grants to encourage States and school districts to develop and implement innovative ways to provide financial incentives for teachers and principals who raise student achievement and close the achievement gap in our nation's high need schools. We believe that the Teacher Incentive Fund will help break down the status quo and make it clear that Americans value teachers and principals who are working to improve student achievement. Our nation is demanding a lot from our nation's educators and we should reward them for their hard work.

Educational Choice

Committee Republicans remain committed to giving families more educational choices and support the President's FY 2008 budget request for charter schools, charter schools facility financing, magnet schools, and the Voluntary Public School Choice program.

Parents should be able to choose to send their children to higher performing public or private schools if their child's school fails to provide a quality education. Therefore, Committee Republicans support the President's \$300 million budget request for the new Promise Scholarships and Opportunity Scholarships proposals. Both of these proposals extend the choice provisions for students from low-income households who attend schools identified for restructuring under Title I of No Child Left Behind to include private schools and intensive tutoring assistance. They also build on the successful Opportunity Scholarships program first implemented in the District of Columbia in FY 2005 and the Committee remains committed to funding that successful program at the President's FY 2008 budget request of \$15 million.

Math and Science Initiatives

Committee Republicans took the first step in bolstering support for competitiveness initiatives last Congress through the expansion of loan forgiveness for math and science teachers and the creation of the National Science and Mathematics Access to Retain Talent (SMART) Grants under the Deficit Reduction Act of 2005. We also strongly supported the establishment of an Academic Competitiveness Council, which is designed to identify the more than 200 federal programs within 13 separate federal agencies with a math or science focus, evaluate the effectiveness of the programs, determine areas of duplication among the various programs, and recommend ways in which to integrate and coordinate the programs so that federal dollars are not being wasted. The Committee looks forward to learning more about the findings of the Council in the coming months.

To build upon these efforts, Committee Republicans agree with the President's call for greater academic competitiveness through improved math and science education and support the President's FY 2008 budget request that contains a new multi-agency American Competitiveness Initiative (ACI) that will improve teaching and learning in math and science. The initiative would fund programs to assist in teacher training for, and student participation in, Advanced Placement courses and would provide an opportunity for the establishment of an Adjunct Teacher Corps, which creates opportunities for professionals from outside the teaching fields to teach secondary school courses in core academic subjects, such as math and science. It also includes funding for new programs such as \$125 million each for the Math Now for Elementary School Students and Math Now for Middle School Students initiatives that would implement proven practices in math instruction.

Head Start

Committee Republicans believe that quality early care and education is critical for children, parents, and the business community. Since 1965, the Head Start program has served nearly 20 million low-income children and their families with the goal of supporting the health and early development of at-risk children. Head Start and other early childhood education programs are often the first line of defense in ensuring that children attain the fundamental skills necessary for optimal reading development and overall school readiness.

Today, Head Start serves over 900,000 children every day and has nearly 1,600 grantees across the United States. Head Start is a key component of *Good Start, Grow Smart*, the President's plan to support quality early childhood education. Taxpayer funding for the federal Head Start early childhood program has nearly doubled in the past ten years under Republican leadership, increasing from \$3.6 billion annually in FY 1996 to \$6.8 billion in fiscal year 2006.

Committee Republicans believe that enactment of legislation to reauthorize the Head Start Act should remain a Committee priority for 2007. We are committed to the passage of legislation that will improve the academic preparedness of Head Start children, facilitate coordination among Head Start and other public and privately-funded early education programs, and increase grantee accountability in the areas of fiscal management and overall program performance. Further, as part of the reauthorization process, we will work to ensure that religious organizations are not forced to surrender their constitutionally-protected right to take religion into account in their hiring practices as allowed under the Civil Rights Act.

Postsecondary Education

Improving quality and accountability in higher education and enhancing vocational and technical education programs highlight Committee Republicans' commitment to a wide range of postsecondary education opportunities for students. Committee Republicans also remain committed to assisting job seekers, including dislocated workers and disadvantaged Americans, by streamlining federal workforce development programs and making them more responsive to job seekers' and employers' needs. Workers must be given the necessary tools to respond quickly and effectively to the changing needs of employers and the business world.

The Deficit Reduction Act

During the first session of the 109th Congress, the Committee on Education and the Workforce under Republican leadership took the first step in completing the reauthorization process of the Higher Education Act (HEA). Several mandatory spending proposals from the Committee's HEA reauthorization bill, H.R. 609, the College Access and Opportunity Act of 2005, were used to develop reforms that were included in the Deficit Reduction Act of 2005 (DRA). Through the reforms of the student loan programs, the Committee was able to contribute \$11.9 billion from FY 2006-2010 towards reducing the federal deficit.

The Committee made changes to the student loan programs that eliminated wasteful federal subsidies and reduced the potential for fraud and abuse in the programs. Much of the savings produced in the bill came from eliminating excess lender subsidies.

Through the Deficit Reduction Act, the Committee also permanently prohibited the creation of new loans through certain tax-exempt bonds issued from 1980-1993 that guarantee a 9.5 percent yield to lenders. The process of slowing the growth of these loans began in the 108th Congress with the passage of the Taxpayer-Teacher Protection Act (P.L. 108-409).

Under Republican leadership, the Committee also increased risk sharing on the part of private lenders in the Federal Family Education Loan (FFEL) program by decreasing the percentage that a lender will receive when a borrower defaults on a student loan.

Finally, the Committee supported a provision in the DRA that moves the administrative portion of the section 458 account from a mandatory spending account to a discretionary spending account.

The billions in savings to the American taxpayer were achieved at the same time the Committee expanded benefits for students and borrowers. Building upon the President's FY 2006 budget request, the Committee under Republican leadership expanded loan limits for first and second year students and graduate students. For the first time ever, graduate students will be able to access Federal PLUS loans, which permit borrowers to borrow up to the cost of attendance. In addition, the Committee reduced fees paid by students from up to four percent to just one percent over the five year period.

While making clear that decisions over school curricula are best made by State and local authorities, the Committee also included a program that would provide additional grant funds to Pell-eligible, high achieving college students. The Academic Competitiveness Grant program provides first year college students who completed a rigorous high school curriculum at a public or private high school an extra \$750 in grant aid; second year college students who completed a rigorous high school curriculum at a public or private high school receive \$1,300 in additional grant aid. The National Science and Mathematics Access to Retain Talent (SMART) Grants of up to \$4,000 go to third and fourth year students who are majoring in math, science or certain foreign languages.

Finally, the Deficit Reduction Act included a provision that would make permanent provisions included in the Taxpayer-Teacher Protection Act of 2004 that would more than triple the amount of student loan forgiveness available to highly qualified math, science and special education teachers. The increase from \$5,000 to \$17,500 in loan forgiveness for these qualified educators was based on a proposal from President Bush's FY 2005 budget request.

Although it is too early to analyze the impact of the changes included in the Deficit Reduction Act, we believe students in college and those dreaming of college will benefit greatly from the changes as States work to improve and strengthen their high school programs and better prepare students for college and the workplace. The substantial reduction in subsidies paid to student loan providers participating in the FFEL program is

likely to lead to some reduced access to loans. We believe the strength of the existing program can withstand the reductions. However, further cuts to student loan providers must be carefully studied if we are to ensure a viable FFEL program for students and institutions of higher education across the country who count on the FFEL program for their student loans.

Unfortunately, our Democrat colleagues began the year by claiming to make college more affordable and yet, did nothing to accomplish that goal. Instead, a bill was voted on by the House of Representatives with no serious consideration as to its impact on college affordability or accessibility. The changes proposed in the Democrat's bill do not help any student or family pay for college when the tuition bill is due. In fact, the new interest rate scheme proposed by the Democrats haphazardly changes interest rates with no tie to college costs or market conditions. The scheme is likely to lead to excessive borrowing by students and returns the program to the confusion of interest rates that change annually, something that was fixed in a bipartisan manner in early 2002 when Congress and students agreed that fixed interest rates were in the best interest of students.

Furthermore, the bill proposed by the Democrats cuts an additional \$7 billion from the student loan programs which is in addition to the almost \$20 billion cut from the program as part of the Deficit Reduction Act passed last Congress. Even if there was widespread agreement that additional funds could be cut from the student loan programs, doing so without a thoughtful discussion of the impact leads to devastating policy decisions.

It is unfortunate that the Administration has now proposed a budget that does not give anyone time to explore the true impact of the reductions to the programs that Congress already made through the Deficit Reduction Act. The Administration's budget proposal may put us on a path to total direct lending as originally envisioned by the Clinton Administration, a plan that is and was opposed by a majority of institutions of higher education in this country.

We hope that when the Committee brings up the remainder of the Higher Education Act for reauthorization that the focus will be on promoting the partnership that currently exists between students and families, the private sector, States, the Federal government and institution of higher education. Countless students achieved their dreams of a higher education due to the strength of this partnership in the past. We hope to build upon reauthorization proposals passed by the House of Representatives last year in H.R. 609, the College Access and Affordability Act, that will provide everyone with the opportunity to reassess and strengthen their role in achieving the goal of college access and affordability for all students.

Workforce Priorities

During the first session of the 110th Congress, the Committee should continue to develop new strategies and identify innovative ways to meet the needs of our evolving economy. Many of our labor laws were written in a different time for a different workforce. We should continue to re-examine and re-think them in the context of the 21st century work environment.

Specifically, Committee Republicans believe we should aggressively endeavor to create security for families, build flexibility into the workplace, bring fairness to all workers, remove obstacles to private sector innovation, and implement common sense solutions to everyday problems in the workplace. We should work to improve the retirement security of American workers by encouraging workers to save more, make pensions more secure, and cut red tape prohibiting employers from establishing pension plans. We should continue to support making health insurance more accessible and affordable for all working Americans and provide patient protections to ensure that patients receive the care they are entitled to without creating new bureaucracy or litigation. Committee Republicans will pursue policies that improve worker health and safety by encouraging a more realistic mix of proven enforcement strategies and cooperative efforts that encourage compliance rather than confrontation. Finally, we should endeavor to promote the vitality of union democracy through policies that empower union members to more effectively exercise oversight and control over their labor organizations.

Retirement Security for Workers and Their Families

The Committee on Education and Labor should remain dedicated to the goal of enhancing retirement security, with continuing attention to both employer-sponsored defined benefit and defined contribution pension plans. Building upon the enactment of last year's landmark Pension Protection Act, the Committee should continue to work to ensure pension security for all Americans, including expanding coverage for a greater number of workers, creating flexibility in the voluntary private pension system, and encouraging adequate funding in order to meet workers' retirement needs.

In addition the Committee should continue to monitor and support the efforts of the Department of Labor to protect workers' pensions and health benefits. In his FY 2008 budget request, President Bush proposed a \$13.8 million increase for the Employee Benefits Security Administration (EBSA) to provide additional enforcement resources to safeguard workers' retirement savings and other benefits, and to provide expanded compliance assistance to educate employers, unions, and pension plan administrators on their legal responsibilities. Notably, the President also requested funds to launch a new pension reporting system to increase the accuracy and timeliness of pension plan information for participants and retirees. Committee Republicans support these proposals and the budgetary increases for these initiatives.

Access to Affordable, Quality Health Care

Committee Republicans and President Bush remain dedicated to the goal of making health insurance more affordable for our nation's 46 million uninsured individuals. Committee Republicans remain deeply concerned with the rising costs of health care premiums for the approximately 128 million workers and their families – by far the largest segment of Americans who are covered by a health insurance plan – who receive their health insurance through their employer. Such coverage is regulated through the Employee Retirement Income Security Act (ERISA). The Committee should continue to support the creation of Association Health Plans, which will provide more individuals with access to quality low-cost health care.

Health Care Costs

Over the past five years, there has been an annual average double-digit rise in premiums for employer-sponsored health care coverage. These rising costs have forced both employers and employees to shoulder more of the financial burden of paying increased premiums. Committee Republicans will continue to evaluate changes in health care policy with rising costs in mind.

In 2005, the House passed, with the support of 36 Democrats, the Small Business Health Fairness Act. The measure authorizes the creation of Association Health Plans (AHPs), which allow small businesses to band together through associations and purchase quality health care at a lower cost. The bipartisan bill increases small businesses' bargaining power with health care providers, gives them freedom from costly State-mandated benefit packages, and lowers their overhead costs by as much as 30 percent. These are benefits that large corporations and unions already enjoy because of their larger economies of scale. In short, the bill would significantly reduce the number of uninsured Americans and their families by enabling *bona fide* trade associations the ability to offer health plan coverage to their members and their employees. The Committee should continue to work with the President to enact legislation authorizing AHPs.

Workplace Health and Safety

Committee Republicans recognize that a business has no greater asset than its employees. To that end, the Committee should work to promote cooperative programs between employers and the federal government in order to enhance workplace health and safety.

Mine Safety and Health Administration

Last year, Congress enacted a comprehensive mine safety law, known as the "MINER Act" in response to tragic events that occurred in mines in West Virginia, Kentucky, and Utah. The bipartisan legislation focused on the need to upgrade mining technology, empower the Mine Safety and Health Administration through strengthened enforcement, and ensure an industry-wide comprehensive review of safety and health. In addition, the MINER Act required the Administration to complete a number of regulatory actions on a very aggressive timeframe. Committee Republicans support President Bush's budget request for an increase in MSHA funding to reflect the priorities of the MINER Act and its implementation, including efforts to update existing technology and industry practices.

Occupational Safety and Health Administration

The Committee should continue to work with the Bush Administration to improve the performance of the Occupational Safety and Health Administration (OSHA) by promoting health and safety in the workplace through increased compliance assistance for employers, in addition to targeted enforcement initiatives. The Committee has long supported the Labor Department's cooperative approach toward reducing worker injuries and illnesses with targeted enforcement for high risk, high injury rate occupations. In this vein, Committee Republicans note that the President's \$4.6 million increase in OSHA's

Voluntary Protection Program (VPP) demonstrates a continued commitment to this approach.

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

Committee Republicans are deeply concerned with efforts by Congressional Democrats and organized labor to forsake the sanctity of the secret ballot organizing election under the National Labor Relations Act (NLRA) in favor of recognition schemes susceptible to employee coercion and intimidation and harassment of employers. Recent Congressional hearings have demonstrated the flaws inherent in these schemes, while at the same time highlighting organized labor's increased use of high-profile, high-pressure organizing tactics in the face of dwindling membership and influence. We are particularly troubled by the haste with which House Democrats are taking up the misnamed Employee Free Choice Act, H.R. 800. Rather than pursuing legislation that strips workers of their right to private-ballot elections when determining union representation, the Committee should instead explore legislative proposals to ensure that the right of employees to choose union representation or not to choose such representation, free from coercion or intimidation, is fully protected.

The Committee should also continue its oversight of the interpretation of the NLRA by courts and the National Labor Relations Board to ensure that the Act is administered fairly and neutrally, and reflects the intent of Congress and the realities of the 21st century workplace.

Fair Labor Standards Act

Committee Republicans support efforts to monitor the effectiveness of the Bush Administration's historic initiative to update the regulatory scheme under the 1938 Fair Labor Standards Act (FLSA) to ensure that the regulations reflect the intent of Congress and the realities of today's 21st century workforce. Numerous hearings held by the Committee on Education and the Workforce over the past several years have demonstrated the need for updating the FLSA's regulatory scheme. Updating the 40-year old regulations has provided a catalyst for compliance and helped to ensure that the regulations are relevant for today's workforce. In addition, the changes will help workers know whether they are entitled to overtime, better assist employers in determining how to pay their employees, and assist the Department of Labor in its enforcement of these important workplace protections. Committee Republicans strongly support the Department of Labor's efforts to utilize a combination of strong and effective enforcement, technical assistance, and education to promote and encourage compliance under the FLSA.

In addition, Committee Republicans believe the Committee should continue to look at ways to eliminate impediments within the FLSA, which prevent employers and employees from working out mutually beneficial and innovative arrangements regarding compensation and flexibility in work schedules. In particular, flexible compensatory time arrangements help working families achieve a better balance between work and family obligations.

Monitoring and Assessing the Family and Medical Leave Act

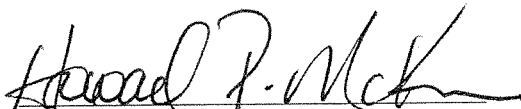
This year marks the fourteenth anniversary of the enactment of the Family and Medical Leave Act (FMLA). With more than a decade of experience with the law, the Committee should review the requirements of FMLA, examining both legislative and regulatory proposals that address where the Act has worked as intended, and where it may have failed to do so. Committee Republicans understand that the Department of Labor may put forth proposed revisions of FMLA regulations that will address and clarify certain issues that have arisen under the Act, its regulations, and its interpretation by various courts over the past thirteen years. The Committee should closely scrutinize any proposed regulatory changes to ensure that they reflect the intent of Congress and the realities of the 21st century workplace, and should continue to work with the Department of Labor in its oversight and enforcement of the Act.

Reforming the Federal Employees' Compensation Act

The President's FY 2008 budget proposes a number of reforms aimed at improving the operation of the federal employees' compensation program. The reforms incorporate the best practices of many State workers' compensation programs, improve return to work procedures, streamline claims processing, and update benefit levels. Committee Republicans share the Administration's interest in updating and improving the workers' compensation program for federal employees and believe the Committee should work toward achieving balanced reform of the program.

Workforce Priorities – Conclusion

The Committee Republicans believe the Committee should continue to work toward providing a safe and secure workplace for all Americans by improving retirement security, expanding access to quality health care, increasing opportunities for greater flexibility in the workplace, enhancing the accountability of unions to their members, ensuring existing laws reflect the realities of the 21st century workplace, and supporting an agenda of common sense reform rather than new federal programs and regulations.



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