

Republican Views and Estimates for FY 2011
Committee on Education and Labor
111th Congress, 2nd Session
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INTRODUCTION

America is in the midst of an economic and financial crisis. The national debt now stands at more than \$12 trillion and, this year alone, the federal government is projected to run a deficit of more than \$1.3 trillion. This comes on the heels of last year's \$1.4 trillion deficit, which was the highest in the country's history. Congress spends \$3.5 billion more per day than we take in, and the deficit currently adds up to almost 10 percent of our nation's GDP. Instead of getting the federal budget under control, the President is proposing massive spending increases that will worsen our nation's balance sheet and drive us further into debt. The American people are rightfully alarmed by this out-of-control spending trajectory. Education and Labor Committee Republicans agree that getting our nation's fiscal house in order must be our top priority for the next budget resolution.

EDUCATION PRIORITIES

Republican Education Priorities: Fiscally Responsible Reforms

During the 2nd session of the 111th Congress, Republicans will continue to advance fiscally responsible reforms to improve educational opportunities from elementary and secondary education through higher education and beyond. With a bold vision for education reform, we will work to restore local control to ensure parents and educators can make the best decisions for students, empower parents with educational choices, expand state and local flexibility, and keep college affordable.

- **Reforming Elementary and Secondary Education.** Republicans support efforts to reform the Elementary and Secondary Education Act (ESEA), the primary federal law that governs K-12 education. Eight years after enactment of the most recent version of the law, known as No Child Left Behind (NCLB), states and school districts continue to struggle with provisions that provide little flexibility in how states and school districts educate and assess their students: It is clear the law needs to change.

As Congress prepares for the next reauthorization of ESEA, Republicans are committed to reevaluating the federal role in education, ensuring student success in the 21st century, and focusing on what's best for students, parents, teachers, and local communities. To give each child the opportunity to achieve his or her full and unique potential, America's educational system must be the best in the world, giving students the tools and knowledge to succeed. To this end, we support four fundamental tenets:

- Restoring Local Control. Academic standards, testing systems, and curriculum should be set by states and local educators -- without coercion from the federal government -- to ensure those who know our children best are able to shape their education to excel in college and the workplace.

- Empowering Parents. Parents should have a greater role in selecting and participating in the learning environment that best serves their children's needs.
- Letting Teachers Teach. Onerous federal requirements should be removed to ensure our teachers and local schools have the freedom to operate and innovate as they think best.
- Protecting Taxpayers. Taxpayer dollars should be spent wisely by eliminating ineffective programs and making investments that help students achieve success on an increasingly competitive world stage.
- **Protecting Choice and Innovation in Student Aid.** Republicans are deeply troubled by the Administration's endorsement of the *Student Aid and Fiscal Responsibility Act (SAFRA)*, which would eliminate the Federal Family Education Loan (FFEL) program as of July 1, 2010. Destroying this successful public-private partnership that has been in existence for more than four decades will eliminate more than 30,000 jobs and have a ripple effect on thousands more. This one-size-fits-all, Washington-based approach will jeopardize the ability of institutions of higher education to tailor student loan programs that best fit their students' needs.
 - Listening to the Experts. The Obama Administration spent much of its first year in office publicly and privately pressing schools to join the Direct Loan (DL), playing, in effect, a game of legislative chicken by preparing to implement the bill whether or not Congress enacts it into law. However, *SAFRA* has not yet been considered by the Senate and July 1, 2010 is just a few short months away. Approximately 4,000 schools have resisted this pressure and elected to stay in the private-sector based loan program. Republicans believe it is unrealistic and unfair to expect all of these institutions to switch into the Direct Loan program if *SAFRA* passes in the next four months. Financial aid administrators are urging Congress to pass an extension of the bipartisan *Ensuring Continued Access to Student Loans Act (ECASLA)*, which would ensure all students receive loans regardless of the outcome of the pending *SAFRA* debate. With colleges and universities struggling to maintain high quality educational programs in a weak economy, Republicans question a proposal that would force schools to spend significant time and money to switch into a program they have rejected in the past.
 - Transparency in the Costs of the Bill. Republicans are concerned the true cost of *SAFRA* is not being disclosed. The most recent estimates from the Congressional Budget Office (CBO) demonstrate that *SAFRA* is an entitlement spending spree that will add billions to the deficit. In January 2010, CBO estimated the bill would spend \$17 billion more than originally projected, yet the supposed savings remain static. Before any further action is taken on this bill, Congress needs an updated cost estimate from CBO. Republicans urge the House Budget Committee to retain funding for the FFEL program and require the Congressional Budget Office to produce an updated score for *SAFRA*.

- **Meeting Existing Funding Obligations Before Creating New Ones.** Since 1975, the federal government has failed to meet its commitment to fund 40 percent of the excess cost of educating children with disabilities. Under the Individuals with Disabilities Education Act (IDEA), Congress pledged to share in the cost of providing children with disabilities a free and appropriate public education in the least restrictive environment. Three and a half decades later, the federal government is providing less than half the 40 percent funding level that was promised to states. The President's FY 2011 budget provides a scant \$250 million increase for special education funding, making virtually no progress toward the ultimate goal of full funding. Yet, just as in years past, the budget proposal calls for the creation of new programs and initiatives and prioritizes other programs ahead of special education. Committee Republicans believe we must fulfill our existing obligations, particularly to IDEA, before we even consider creating new programs or increasing funding elsewhere.

The Obama Education Budget Proposal: More Reckless Spending Without Results

The Obama Administration's FY 2011 budget calls for a \$4.5 billion increase in elementary and secondary education funding, including \$1 billion for a potential reauthorization of ESEA and \$1.3 billion in additional funding for the Race to the Top program. This massive federal spending increase is proposed despite warnings from the CBO that the United States faces record deficit spending and debt burdens – a future of red ink exacerbated by the President's failed economic policies and congressional Democrats' unending spending spree.

While the Administration touts this spending influx as the key to improving education, there is scant evidence of past federal K-12 education programs contributing to an increase in student performance – nor is there proof that the more than 90 programs authorized under ESEA are fulfilling their overall mission of closing the academic achievement gap. That begs the question: Is the President's budget squandering the taxpayers' hard-earned dollars by simply throwing more money at our struggling education system?

- **Federal education funding has increased dramatically.** If money were the solution to the problems in America's schools, those problems would have been solved long ago. Since 2001, Congress has increased funding for Title I – the primary funding stream for disadvantaged students – from \$8.8 billion to \$14.5 billion, an increase of more than 65 percent. Since 1980, the federal government has increased education spending by more than 425 percent. Other elementary and secondary education programs have received similar increases over time. In fact, the federal government has increased education spending so rapidly that states are having trouble spending it all.
- **Unsustainable spending will result in a funding cliff and program cuts.** On top of the massive increases in education spending approved over the years, in 2009 Congress passed the American Recovery and Reinvestment Act, which provided almost \$100 billion in temporary education funding to states and school districts. In most cases, funding for federal education programs has doubled, leaving state and local officials struggling to find proper uses for the money even as they grapple with what will happen when the money runs out later this year. Instead of implementing pro-growth economic

policies that would have put unemployed Americans back to work and rebuilt local tax bases, the Recovery Act was a massive spending bill that made states more dependent on the federal coffers – and more vulnerable when the federal funding explosion disappears.

- **Decades of spending have produced little to no increase in student achievement.** While Congress has provided unprecedented funding increases for federal education programs, student performance has remained stagnant. Based on data compiled from the National Assessment of Educational Progress (NAEP) Long-Term Trends report, student assessment scores in reading, math, and science have remained flat since 1970, even as federal education spending has risen dramatically.

WORKFORCE PRIORITIES

During the Second Session of the 111th Congress, Republicans will continue to focus on new strategies to meet the needs of our evolving economy. Many of our labor laws were written in a different time for a different workforce, and they must be reexamined in the context of the 21st century work environment. That means 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, and supporting an agenda of commonsense reform rather than new federal programs and regulations.

- **Working toward Accessible, Affordable Health Care.** Republicans continue to support proposals to make health insurance more accessible and affordable for all working Americans and provide protections to ensure patients receive quality health care without creating new bureaucracy or litigation. This includes support for Small Business Health Plans, which will help secure coverage for uninsured workers and families by putting small businesses on a level playing field with large employers and unions.

This year Committee Republicans will pursue two main objectives: First, we will continue to fight against Democrats' efforts to force a government takeover of the American health care system that would impose massive new taxes and regulations on businesses and individuals to fund new entitlement programs that will stifle job and wage growth well into the future, especially in a weak economic environment. Second, Committee Republicans will continue to offer commonsense, step-by-step proposals to lower health care costs and expand access to coverage by making Small Business Health Plans available, reining in junk lawsuits, and permitting interstate purchasing of health coverage.

- **Protecting Workplace Democracy.** Spurred by demands for “payback” from Big Labor leaders, Democrats continue to press their unprecedented assault on the principle of democracy in the workplace with the deceptively named “Employee Free Choice Act.” The bill, which strips workers of their right to a secret ballot in union organizing elections and allows government bureaucrats to impose binding contracts on large and small employers, remains a priority for organized labor leaders despite strong bipartisan opposition. Republicans will continue to oppose such legislation that diminishes worker

rights and stand firmly for union democracy and transparency through policies that empower union members to effectively exercise oversight and control over their labor organizations. The U.S. Department of Labor's Office of Labor Management Standards (OLMS) plays a critical role in holding union leadership accountable to rank-and-file workers, which is why Republicans support the proposal to restore funding for the agency, which has been cut dramatically by the Democratic Congress in recent years. OLMS must be fully funded and staffed to protect workers' rights.

- **Creating a Family Friendly Workplace.** Working families face a host of challenges when trying to balance the competing needs of home and a career. That's why Republicans support legislation that would modernize federal labor laws to give workers more flexibility through the use of "comp time," also known as "family time," which allows workers the option of taking paid time off in exchange for overtime hours worked. Conversely, Republicans will continue to oppose job-killing proposals to mandate new benefits and taxes on employers in the midst of record unemployment.
- **Promoting Retirement Security.** Committee Republicans will continue efforts to improve retirement security by encouraging workers to save more, making pensions more secure, and cutting red tape that prohibits employers from establishing pension plans. At the same time, Republicans will fight against proposals to radically restrict or reshape the way Americans save for retirement, including proposals that would take away workers' 401(k) accounts and impose a system of government-run savings, or push employers out of the business of offering 401(k)s through costly and burdensome mandates and litigation.
- **Taking a Cooperative Approach to Promote Worker Safety.** Republicans support policies that improve worker health and safety by encouraging a realistic mix of proven enforcement strategies and cooperative efforts that encourage compliance rather than confrontation. Committee Republicans believe the Administration's FY 2011 budget proposal ignores the progress made through OSHA's cooperative programs, including those that provide compliance assistance to employers and employees, particularly small businesses, as well as the Voluntary Protection Program. Committee Republicans will resist exclusively adversarial approaches to ensuring workplace safety, and will instead promote policies that proactively seek prevention. With respect to mine safety, Committee Republicans will continue to support proposals that reflect the priorities of the MINER Act, including efforts to update existing technology, train new inspectors, and improve industry practices.
- **Reforming Outdated Laws that Hamstring Economic Growth.** In a time of economic uncertainty, Congress should update and correct laws that hamper job creation, stifle workplace efficiency, and waste taxpayer dollars. This includes efforts to update and improve program integrity of the Federal Employees' Compensation Act (FECA) and renew the Family and Medical Leave Act (FMLA) to meet the needs of a changing workforce. Committee Republicans will vigilantly guard against legislative proposals that mandate a one-size-fits-all paid leave mandate, which will only exacerbate the challenging economic conditions that confront American employers and their workers.

- **Improving the Economy through Job Training.** To spur the lagging economy, Republicans believe Congress should improve job training opportunities for Americans striving to get back to work by streamlining unnecessary bureaucracy, fostering economic development, expanding employment and advancement opportunities for workers, and promoting the creation of high-skill and high-wage opportunities to compete in the global economy.

CONCLUSION

Republican members of the Education and Labor Committee are committed to commonsense reforms to our nation's education and workforce laws that promote job growth, economic recovery, and fiscal responsibility. We are concerned that the President's budget proposal puts our nation's future at risk with unsustainable levels of spending on new and unproven government programs. Therefore Republicans will continue to offer responsible alternatives on behalf of our nation's students, workers, and retirees.



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