

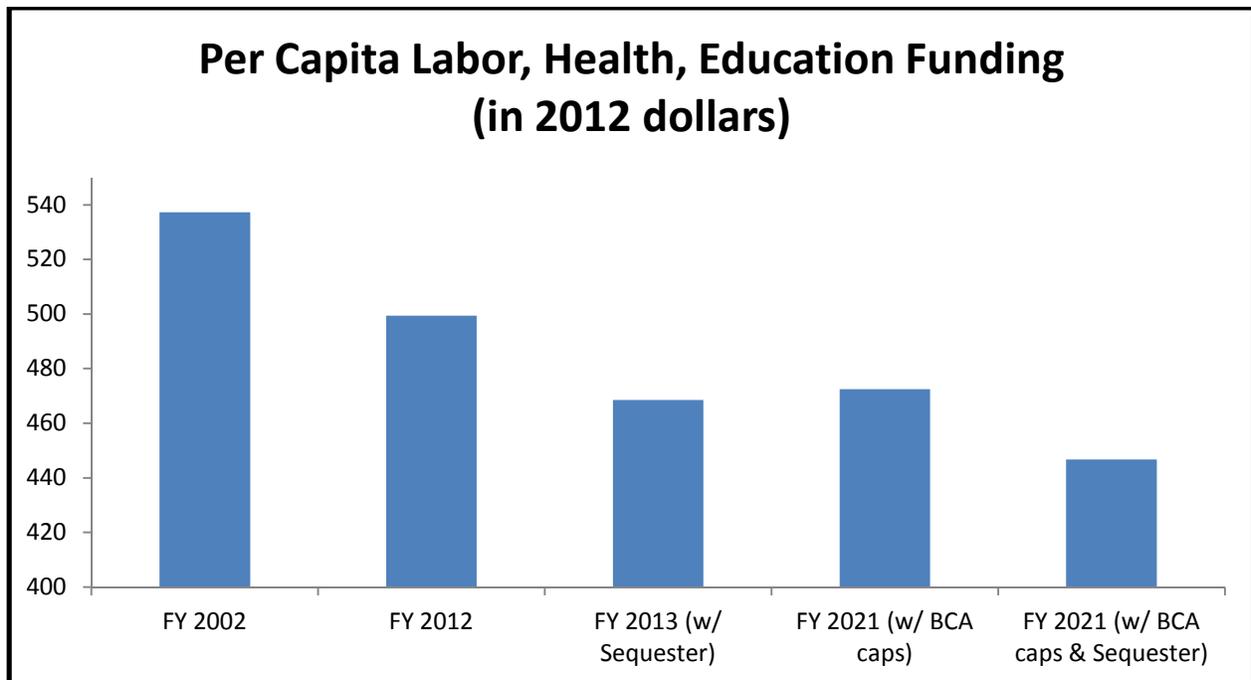
REPORT ON PREVIOUS, PENDING, AND FUTURE CUTS TO LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION

by The Honorable Rosa L. DeLauro

Ranking Democratic Member

Labor, HHS, Education Subcommittee on Appropriations

Since 2002, Labor, Health and Education programs have endured cuts of 7% after adjustment for population growth and inflation, resulting in a nearly \$12 billion reduction in funding. On March 1, 2013, sequestration will trigger an estimated 5.3% cut, resulting in a cut of approximately \$7.5 billion from Labor, Health, and Education programs. Going forward, the discretionary budget caps set in the Budget Control Act of 2011 are estimated to cut over \$9 billion or 5.4% from inflation and population adjusted spending in 2021, assuming that Labor, Health, and Education grow uniformly with the current non-defense discretionary caps. All together, this will result in a 12% or nearly \$22 billion per capita inflation adjusted cut to Labor, Health and Education programs in 2021, when compared with the 2002 level. These cuts will weaken these critical programs that protect the public health and safety, promote and develop our workforce, and educate the next generation of Americans.



Summary of the Cuts

DEPARTMENT OF LABOR

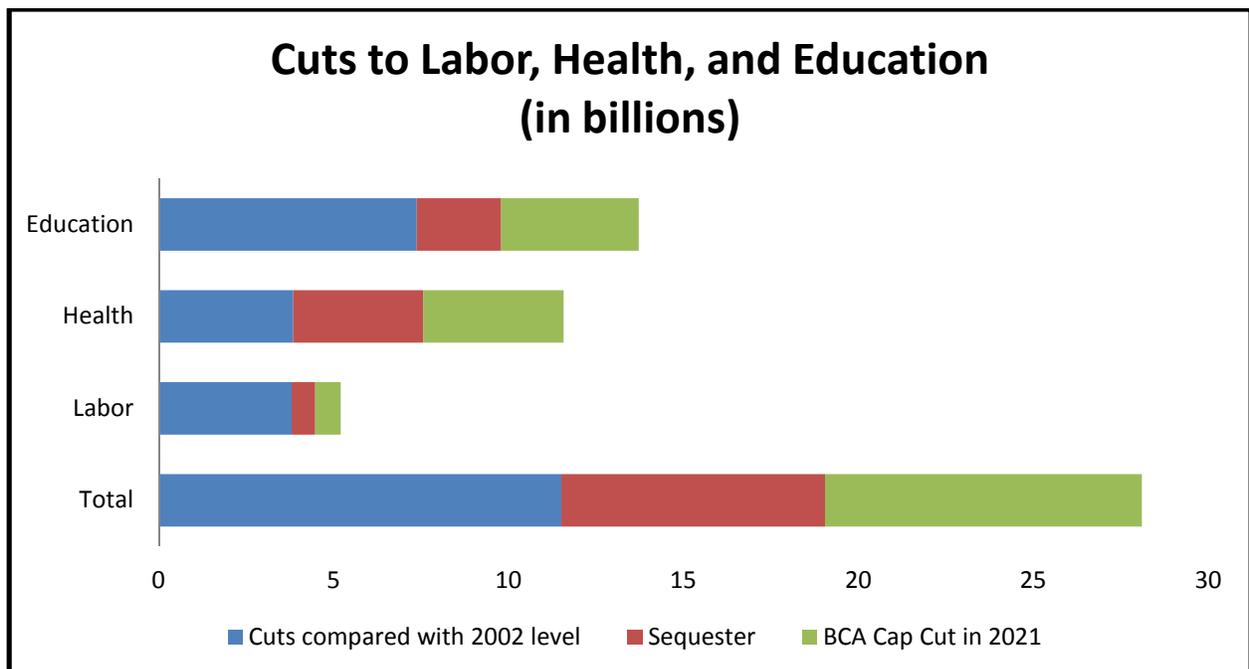
- Since 2002, per-capita inflation adjusted spending has been cut by over \$3.8 billion or 23.4 percent.
- Sequestration will result in approximately \$669 million in cuts on March 1, 2013.
- In 2021, the Budget Control Act discretionary budget caps will cut per-capita inflation adjusted spending by \$724.8 million or 5.39 percent compared to the 2012 level.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

- Since 2002, per-capita inflation adjusted spending has been cut by over \$4 billion or 5.4 percent.
- Sequestration will result in approximately \$3.7 billion in cuts on March 1, 2013.
- In 2021, the Budget Control Act discretionary budget caps will cut per-capita inflation adjusted spending by over \$4 billion or 5.4 percent compared to the 2012 level.

DEPARTMENT OF EDUCATION

- Since 2002, per-capita inflation adjusted spending has been cut by \$7.5 billion or 14.2 percent (excluding Pell Grants)
- Sequestration will result in approximately \$2.4 billion in cuts on March 1, 2013.
- In 2021, the Budget Control Act discretionary budget caps will cut per-capita inflation adjusted spending by roughly \$2.6 billion or 5.4 percent (excluding Pell Grants) compared to the 2012 level.



LABOR, HEALTH, EDUCATION EROSION OF FUNDING 2002-2012

Since 2002, the population of the United States has grown by 8.8% and inflation has increased the cost of goods and services by an average of 2.5% per year, yet per-capita spending on Labor, Health, Education programs has been cut by 7%, resulting in an estimated \$11.9 billion reduction in spending. Every year, these programs critical to protecting the public health and safety, promoting and developing our workforce, and educating the next generation of Americans, are asked to serve more people with smaller budgets.

DEPARTMENT OF LABOR

Per-capita and inflation adjusted spending at the Department of Labor has been cut by approximately 23.4% or \$3.8 billion over the last decade.

The Workforce Investment Act (WIA) and other programs within the Department of Labor Employment and Training Administration (ETA) provide high-quality employment assistance, labor market information, job training and income support to Americans who are seeking employment. Yet, over the past ten years funding for ETA programs has been cut by approximately \$3.5 billion or 37% when accounting for inflation and population growth.

WIA Adult Job Training: \$527 million reduction from the 2002 level, adjusted for inflation and population growth.

WIA Dislocated Worker Assistance: \$1.1 billion reduction from the 2002 level, adjusted for inflation and population growth.

WIA Youth Job Training: \$717 million reduction from the 2002 level, adjusted for inflation and population growth.

Jobs Corps: \$291 million reduction from the 2002 level, adjusted for inflation and population growth.

Veterans Employment & Training: \$26 million reduction from the 2002 level, adjusted for inflation and population growth, despite the fact that there are approximately 2.4 million veterans of the wars in Afghanistan and Iraq fought over the last decade.

Occupational Safety and Health Administration: \$41 million reduction from the 2002 level, adjusted for inflation and population growth, even as every year across the country nearly 4 million people suffer a workplace injury.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Per-capita and inflation adjusted spending at the Department of Health and Human Services has been cut by approximately 5.5% or \$4 billion over the last decade.

Health Resources & Services Administration: \$2 billion reduction from the 2002 level, adjusted for inflation and population growth. This includes a \$194 million reduction to the Health Workforce program, which provides critical funding to support training new health professionals.

Centers for Disease Control & Prevention: \$122 million reduction from the 2002 level, adjusted for inflation and population growth.

National Institutes of Health: \$1.2 billion reduction from the 2002 level, adjusted for inflation and population growth.

Substance Abuse & Mental Health Services Administration (SAMHSA): \$813.3 million reduction from the 2002 level, adjusted for inflation and population growth.

Child Care & Development Block Grant: \$592 million reduction from the 2002 level, adjusted for inflation and population growth. These cuts have resulted in only one in six eligible children receiving federal child care assistance. Since 2002, federal funding for child care assistance has been cut 21.8%. Working families consistently rate child care as one of their biggest challenges.

Head Start: \$968 million reduction from the 2002 level, adjusted for inflation and population growth. Over the last decade, this shortfall has resulted in the elimination of thousands of enrollment slots for comprehensive early learning and development services.

DEPARTMENT OF EDUCATION

When excluding the Pell Grants, per-capita and inflation adjusted spending at Department of Education has been cut by approximately 14.2% or \$7.5 billion.

Education for the Disadvantaged: \$1.1 billion reduction from the 2002 level, adjusted for inflation and population growth, despite the fact that the number of children living in poverty has grown from 16.3 percent to 21.9 percent over the last decade.

Afterschool Programs (21st Century Community Learning Centers): \$215 million reduction from the 2002 level, adjusted for inflation and population growth. Between 2002 and 2010, the 21st Center Community Learning Centers program only had sufficient funding to support only one in three applicants, which has resulted in 36,000 communities and 3.6 million children and youth without access to afterschool programs.

Career and Adult Education: \$906 million reduction from the 2002 level, adjusted for inflation and population growth. Since 2000, the number of students enrolled in career and technical

education programs has increased by more than 2.6 million, requiring state and local education agencies to offset the federal cuts.

Higher Education Programs: \$906 million reduction from the 2002 level, adjusted for inflation and population growth, which includes a \$257 million cut to Federal TRIO programs and a \$87 million cut to GEAR UP. Since 2004, these cuts have forced the TRIO program to cut services to 88,000 students, which has lowered the number of students served to only 10% of the eligible student population.

Federal Work Study & SEOG Grants: \$661 million reduction from the 2002 level, adjusted for inflation and population growth, limiting access to student financial assistance to thousands of low-income college students.

LABOR, HEALTH, EDUCATION IMPACT OF SEQUESTRATION

On March 1, 2013, sequestration will trigger automatic across-the-board cuts of approximately 5 percent in discretionary spending. The sequester will cut approximately \$7.5 billion from the discretionary programs within the Labor, Health, Education bill, including those that protect the public health and safety, promote and develop our workforce, and educate the next generation of Americans.

DEPARTMENT OF LABOR

Sequestration is estimated to cut \$669 million from programs within the Department of Labor.

WIA Adult Job Training: \$41 million funding cut, which may result in approximately 230,000 fewer unemployed adults receiving employment services.

WIA Dislocated Worker Formula Grants: \$53 million funding cut, which may result in approximately 30,000 fewer dislocated workers receiving job training and employment services when federal support is 18 percent lower in today's dollars than it was in 2006.

Youth Job Training: \$43 million funding cut, which may result in approximately 12,000 fewer young people participating in training programs even as young people are experiencing an extraordinary high rate of unemployment.

Jobs Corps: \$90 million funding cut, which may result in approximately 2,800 fewer students enrolled at centers across the country where they learn a career, earn a high school diploma or GED, and find and keep a good job.

Veterans Employment & Training State Grants: \$8 million funding cut, which may result in approximately 33,000 fewer veterans receiving employment and training services they need to get a job at a time when more and more of our service-members are returning home from the wars in Afghanistan and Iraq.

Occupational Safety and Health Administration: \$30 million cut, which may result in up to 1,400 less inspections at dangerous workplaces, potentially leading to increased worker injuries and deaths.

HEALTH AND HUMAN SERVICES

Sequestration is estimated to cut \$3.7 billion in discretionary funds from programs within the Department of Health and Human Services.

Health Resources & Services Administration: \$331 million funding cut, including a \$38 million cut to the Health Workforce programs, which provide critical funding to support training new health professionals

Centers for Disease Control & Prevention: \$350 million or more funding cut (approximately \$300 million discretionary and \$50 million mandatory), which may result in thousands of layoffs and reduce our readiness to respond to public health emergencies.

National Institutes of Health: \$1.6 billion funding cut, which will slow the pace of important scientific research projects and result in thousands of layoffs and fewer research awards. These cuts would delay research on more effective treatments for diseases affecting millions of Americans.

Child Care & Development Block Grant: \$121 million funding cut, which would cause roughly 30,000 children to lose access to child care, further exacerbating the fact that only one in six children eligible for federal child care assistance receives it. Since 2002, federal funding for child care assistance (after adjusting for inflation) has been cut 13%. Working families consistently rate child care as one of their biggest challenges.

Substance Abuse & Mental Health Services Administration (SAMHSA): \$178 million funding cut, which would result in thousands of people living with mental health and substance abuse conditions going without the health care they need.

Low-Income Home Energy Assistance Program: \$185 million funding cut, which will reduce heating and cooling assistance for low income families, who are already facing 11% higher heating and cooling costs this year.

Head Start: \$424 million funding cut, which is the equivalent of eliminating 70,000 children from enrollment in comprehensive early learning and development services. This may also result in 14,000 layoffs of teachers, teacher assistants and other staff.

DEPARTMENT OF EDUCATION

Sequestration is estimated to cut \$2.4 billion from programs within the Department of Education.

Title I Grants for the Education of the Disadvantaged: \$773 million funding cut, which is the equivalent of cutting the extra instructional services for more than 2,500 schools serving 1.18 million disadvantaged children who are struggling academically. This may also result in the layoff of approximately 10,500 teachers and aides for disadvantaged students.

IDEA – Special Education Grants to States: \$660 million funding cut, which is the equivalent of shifting the cost of educating nearly 300,000 students with special needs to states and local education agencies. This may also result in 7,400 layoffs of teachers, aides, and other staff serving students with disabilities.

Afterschool Programs (21st Century Community Learning Centers): \$61 million funding cut, which is the equivalent of eliminating afterschool and summer school programs for 86,000 students. This may also result in 1,200 job losses.

Career and Technical Education Grants: \$60 million funding cut, which is the equivalent of eliminating career and technical education programs for 624,000 students in high schools and community colleges.

Higher Education Programs: \$100 million funding cut, including a \$44 million cut to the Federal TRIO programs and a \$16 million cut to GEAR UP. For the TRIO program, this would be the equivalent of cutting 43,000 students from the program.

LABOR, HEALTH, EDUCATION CUTS FROM BUDGET CAPS THROUGH 2021

The Budget Control Act of 2011, set discretionary budget caps for Fiscal Years 2012 through 2021. These budget caps will likely result in large cuts to programs within the Labor, HHS, and Education bill. By 2021, these cuts will result in spending approximately \$9.05 billion below the 2012 per capita inflation adjusted level and approximately \$21.8 billion below the 2002 per capita inflation adjusted level. This reduction in funding will weaken these critical programs that protect the public health and safety, promote and develop our workforce, and educate the next generation of Americans. These cuts are estimated by assuming that all Labor, Health, and Education programs grow at the same rate as the current non-defense discretionary caps, relative to the 2012 level.

DEPARTMENT OF LABOR

The discretionary budget caps enacted in the Budget Control Act will cut Department of Labor spending in 2021 to approximately \$724 million below the 2012 per-capita inflation adjusted level and \$4.8 billion below the 2002 per-capita inflation adjusted level.

WIA Adult Job Training: \$44 million cut below the 2012 level and \$610 million cut below the 2002 level. These cuts mean fewer unemployed adults will receive employment services they need to re-enter the workforce.

WIA Dislocated Worker Assistance: \$58 million cut below the 2012 level and \$1.2 billion below the 2002 level, continuing the long-term trend of ever lowering federal support for dislocated workers who need job training and employment services.

WIA Youth Job Training: \$47 million cut below the 2012 level and \$816 million below the 2002 level. These cuts are occurring when we should be looking to provide better opportunities for young people to enter the work force. Instead, far fewer of them will have access to these critical training programs.

Jobs Corps: \$98 million cut below the 2012 level and \$411 million below the 2002 level, a substantial cut preventing large numbers of at-risk youth from having the opportunity to learn a career, earn a high school diploma or GED, and find and keep a good job.

Veterans Employment & Training: \$15 million cut below the 2012 level and \$43 million below the 2002 level, despite the fact that there are approximately 2.4 million veterans of the wars in Afghanistan and Iraq.

Occupational Safety and Health Administration: \$32 million cut below the 2012 level and \$77 million below the 2002 level, even as every year across the country nearly 4 million people suffer a workplace injury.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

The discretionary budget caps enacted in the Budget Control Act will cut Department of Health and Human Services spending in 2021 to approximately \$4 billion below the 2012 per-capita inflation adjusted level and approximately \$8.3 billion below the 2002 per-capita inflation adjusted level.

Health Resources & Services Administration: \$360 million cut below the 2012 level and \$2.6 billion below the 2002 level. This includes a \$41 million cut (from the 2012 level) or \$250 million cut (from the 2002 level) to the Health Workforce program, which provides critical funding to support training new health professionals.

Centers for Disease Control & Prevention: \$348 million cut below the 2012 level and \$478 million below the 2002 level. The CDC's budget authority is already lower than it was in Fiscal Year 2005. At the same time, state and local governments have cut more than 40,000 public health jobs in the past couple of years – and reduced CDC funding may force even more cuts that will affect the health the American public.

National Institutes of Health: \$1.7 billion cut below the 2012 level and \$3.1 billion below the 2002 level. In 2011, NIH funding supported more than 400,000 jobs across the country. And for every \$1 invested in the NIH, roughly \$2.21 in local economic growth is generated.

Substance Abuse & Mental Health Services Administration (SAMHSA): \$200 million cut below the 2012 level and \$1.07 billion below the 2002 level. Already, more than 67 percent of adults and nearly 80 percent of children who need mental health services do not receive the treatment they need.

Child Care & Development Block Grant: \$130 million cut below the 2012 level and \$766 million below the 2002 level. These cuts will reduce the number of working families able to receive federal child care assistance, which is already down to one in six eligible children. Working families consistently rate child care as one of their biggest challenges.

Head Start: \$460 million cut below the 2012 level and \$1.49 billion below the 2002 level. These cuts will result in the elimination of thousands of enrollment slots for comprehensive early learning and development services.

DEPARTMENT OF EDUCATION

The discretionary budget caps enacted in the Budget Control Act will cut Department of Education spending (excluding Pell Grants) in 2021 to approximately \$2.6 billion below the 2012 per-capita inflation adjusted level and approximately \$10.7 billion below the 2002 per-capita inflation adjusted level.

Title I Grants for the Education of the Disadvantaged: \$910 million cut below the 2012 level and \$2.1 billion below the 2002 level, despite the fact that the number of children living in poverty has grown from 16.3 percent to 21.9 percent over the last decade.

IDEA – Special Education: \$729 million cut below the 2012 level, which will shift the cost of educating thousands of special needs students to states and local education agencies.

Afterschool Programs (21st Century Community Learning Centers): \$66 million cut below the 2012 level and \$297 million below the 2002 level. These looming cuts will result in thousands of children losing access to quality afterschool programs.

Career and Adult Education: \$100 million cut below the 2012 level and \$1.07 billion below the 2002 level, despite the fact that demand for career and technical education programs has increased over the last decade, requiring state and local education agencies to bear the cost of additional federal cuts.

Higher Education Programs: \$107 million cut below the 2012 level and \$1.08 billion cut below the 2002 level, which includes a \$48 million (from the 2012 level) or \$324 million (from 2002 level) cut to Federal TRIO programs and a \$17 million (from the 2012 level) or \$111 million (from the 2002 level) cut to GEAR UP. These cuts will result in thousands of low-income students losing access to college preparatory programs.

Federal Work Study & SEOG Grants: \$98 million cut below the 2012 level and \$807 million below the 2002 level. These cuts will result in thousands of low-income college students losing access to student financial assistance.