

No. 26

October 30, 2001

**S. 1536 – Departments of Labor, Health and Human Services, and  
Education, and Related Agencies Appropriation Bill, 2002**

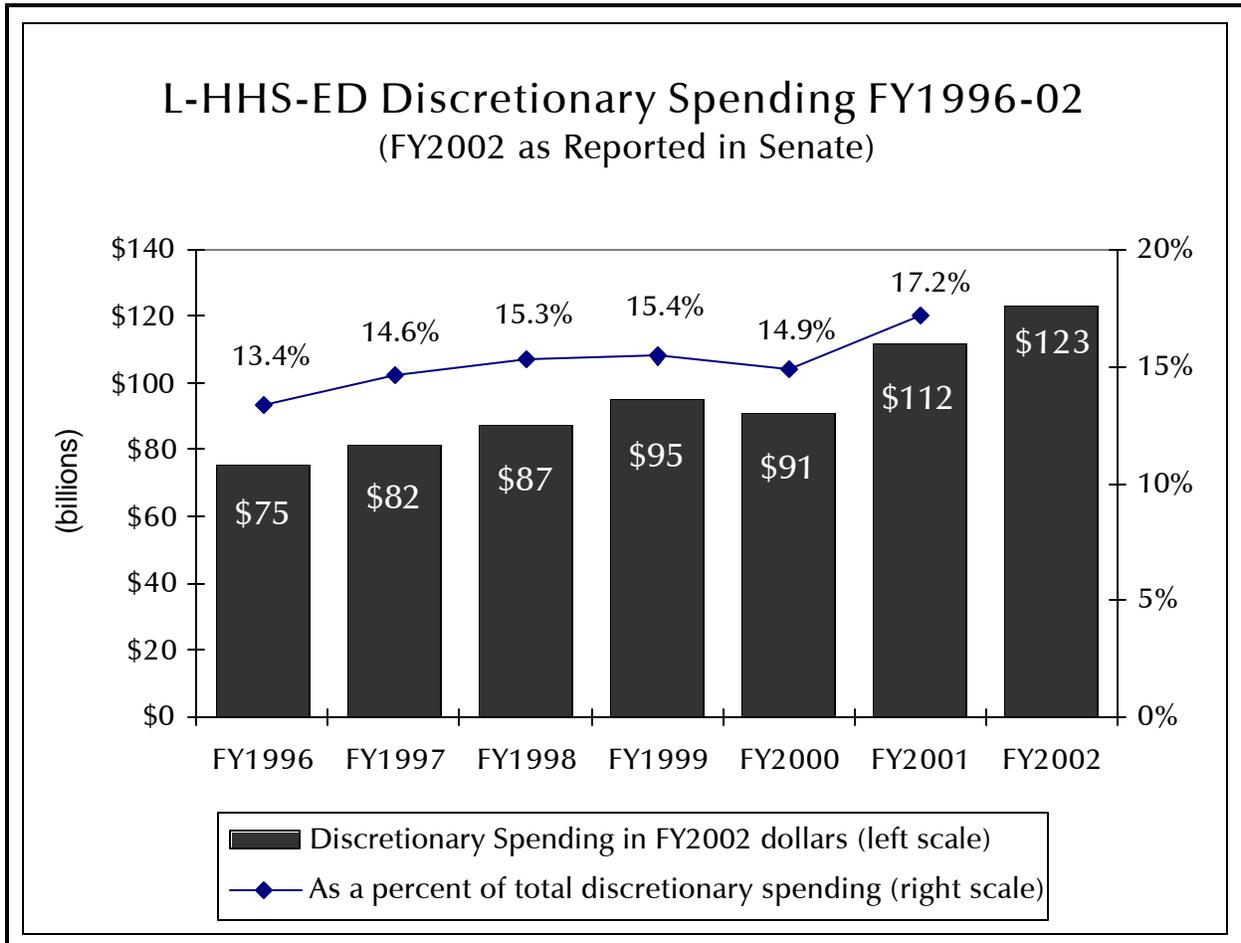
Calendar No. 193

*Reported 10/11/01 as an original bill from the Appropriations Cmte., 29-0 (S. Rept. 107-84).*

**NOTEWORTHY**

- By unanimous consent, the Senate will begin consideration of H.R. 3061, the House-passed Labor-HHS-Education appropriation bill (Calendar No. 197), on Tuesday, October 30, at 10 a.m. It is anticipated that the Senate will strike all after the enacting clause of H.R. 3061 and insert S. 1536 (which this Notice addresses).
- **Overall spending:** The Labor-HHS-Education appropriation bill is the largest Congress considers. S. 1536 would provide a total of \$407.3 billion in budget authority, an increase of \$42.5 billion (12 percent) over the 2001 appropriation and \$7.6 billion (2 percent) more than the President's request of \$399.6 billion. [See table, page 10.]
- **Discretionary spending:** Of that total, \$123.1 billion is discretionary budget authority (a 12-percent increase over \$109.4 billion in FY 2001), using all of the Committee's 302(b) allocation. From FY 1996 to FY 2000, the Labor-HHS-Education bill has grown from 13 percent to 17 percent of all discretionary spending. [See chart p. 2 and table p. 11.]
- **Riders:** The bill would preserve the existing prohibitions on (1) federal funding of abortions except in the cases of rape, incest, or when the mother's life is threatened, (2) lobbying with taxpayer dollars, (3) a unique health identifier, and (4) needle exchange programs. Section 510 would allow federal funds to be used for embryonic stem cell research under certain circumstances.
- **The House** passed its version (H.R. 3061) on October 11 by a vote of 373-43. The House bill would provide \$406.8 billion (\$123.5 billion in discretionary budget authority).
- **The Administration** indicated support for the House-reported bill, with modifications. A Statement of Administration Policy on S. 1536 is expected on Tuesday, October 30.

## HIGHLIGHTS



Source: Congressional Research Service

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## BACKGROUND

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The following language appears in the Labor-HHS-Education appropriation bill committee report (107-84, p. 4) for the third year running, retained this year by the Democrat majority:

*The Labor, HHS and Education and Related Agencies bill constitutes the largest of the 13 federal appropriations bills being considered by Congress this year. It is the product of extensive deliberations, driven by the realization that no task before Congress is more important than safeguarding and improving the health and well-being of all Americans. This bill is made up of over 300 programs, spanning three federal Departments and numerous related agencies. But the bill is more than its component parts. Virtually every element of this bill reflects the traditional ideal of democracy: That every citizen deserves protection from illness and want; the right to a basic education and job skills training; and an equal opportunity to reach one's highest potential.*

*This bill at the same time provides a safety net of social protections for the needy while stimulating advances in human achievement and the life sciences. At its core, this bill embodies those defining principles by which any free society must be guided: compassion for the less fortunate; respect for family and loved ones; acceptance of personal responsibility for one's actions; character development; and the avoidance of destructive behavior.*

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## BILL PROVISIONS

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Detailed descriptions of all appropriations recommended in S. 1536 as well as general provisions can be found in the Committee Report, No. 107-84. Printed reports are placed on all Senators' desks. Online versions are available in both [plain text](#) and [.pdf](#) formats.

### **Title I — Department of Labor**

The Committee recommends \$14.1 billion for the Department of Labor. This represents a \$438 million increase over the 2001 appropriation and is \$596 million more than the President's request.

**Training and Employment** — The committee would authorize \$5.5 billion for training and employment services, including \$1.5 billion for **dislocated workers** (an increase of \$136.5 million).

**Unemployment** – The bill would authorize \$415.6 million for federal unemployment benefits (an increase of \$9.1 million) and \$3.4 billion for state unemployment activities (an increase of \$50.1 million).

**Youth Employment and Training** — The committee would authorize \$2.8 billion for youth job training activities programs, an increase of \$55 million over the budget request. This total includes \$1.4 billion for the Job Corps, and \$55 million for reintegration of youthful offenders.

## **Title II — Department of Health and Human Services**

The Committee recommends \$302.6 billion for the Department of Health and Human Services funding, of which \$54.2 billion is discretionary.

**Bioterrorism** – The committee would authorize \$338 million for activities responding to bioterrorism, an increase of \$48 million and nearly double the 1999 amount. The report expresses the Committee's eagerness to "work with the administration to develop a supplemental appropriation bill that addresses the needs of Federal, State, and local agencies and health departments to coordinate a response, stockpile appropriate pharmaceuticals, and build our public health infrastructure so that it may more quickly detect and more effectively respond to an act of bioterrorism."

**Faith-Based Organizations** – The Committee would fund two of the four new programs requested by the President. The Committee recommends appropriating \$89 million to create a Compassion Capital Fund that will channel funds (in grants of \$7 million to \$10 million) to other entities to assist smaller faith- and community- based organizations. The Committee also would fund a Maternity Group Homes program for young unwed mothers at a level of \$33 million.

**Rural Health Initiative** — The committee would provide over \$1.6 billion to help increase and improve access to rural health care services, providers, and facilities. The initiative increases funding for programs that help rural communities train, recruit, and retain providers as well as provides assistance to rural facilities and other rural health programs.

**Aging Initiative** — The Committee has developed an initiative designed to increase the capacity of home- and community-based services for older Americans. The initiative provides nearly a 10 percent increase for aging programs funded through the Administration on Aging (from \$1.1 billion in 2001 to \$1.2 billion in 2002), investments in other programs that support the elderly, and guidance to various Agencies intended to improve service delivery within the many aging programs administered by the federal government.

**NIH** — The Committee recommends a \$3.4 billion increase over last year for the National Institutes of Health, for a total of \$23.7 billion. This increase will keep Congress on track for meeting its five-year goal of doubling NIH funding by FY 2003.

**Community Health Centers** — The committee would increase the appropriation for these health centers by \$175 million over FY2001 to \$1.3 billion.

**Family Planning/Title X** — The committee would authorize \$266 million for Title X, an increase of \$12 million over FY2001.

**Ryan White AIDS Programs** — The committee would authorize \$1.9 billion for these programs, \$75 million more than last year.

**Grants to States for Medicaid** – The Committee recommends \$106.8 billion, matching the request and an increase of \$7.2 billion.

**Payments to Health Care Trust Funds (Medicare)** – The Committee recommends \$82.0 billion, which is \$11.6 billion more than last year and \$70 million over the request.

**Medicare Contractors** — The committee would authorize \$2.2 billion, an increase of \$207.4 million over the fiscal 2001 level.

**Child Support Enforcement** – The Committee recommends \$3.9 billion, an increase of \$200 million, matching the request.

**LIHEAP** – The Committee recommends \$1.7 billion for the Low-Income Home Energy Assistance Program, an increase of \$300 million over both the Administration request and last year's appropriation.

**Child Care and Development Program** – The Committee recommends \$2.0 billion, \$13,000 more than last year and roughly \$200 million below the request.

**Foster Care** – The Committee recommends \$5.1 billion in payments to states for foster care, \$8.4 million less than last year.

**Adoption Assistance** – The Committee would provide \$1.4 billion for adoption assistance, \$228 million more than last year and matching the administration’s request.

**Head Start** — The committee would authorize \$6.6 billion for the Head Start program, an increase of \$400 million over last year.

**Substance Abuse & Mental Health Services** — The committee would authorize \$3.1 billion, an increase of \$109.6 million over last year.

**CDC** — The committee would provide \$4.4 billion for disease control programs, an increase of \$372 million over last year.

### **Title III — Department of Education**

“The Committee understands that programs authorized by the Elementary and Secondary Education Act (ESEA) of 1965, as amended, currently are under consideration for reauthorization. Therefore, the Committee has allocated funds for these programs in accordance with H.R. 1, the ESEA reauthorization bill, as passed by the Senate on June 14, 2001” [S. Rept. 107-84, p. 254]. Overall Department of Education funding would increase \$6.4 billion under S. 1536, from \$44.6 billion to \$51.0 billion, \$48.5 billion of which is discretionary.

**Title I** — The committee would provide \$11.7 for education for the disadvantaged. Of this, \$10.2 billion is for Title I grants to local education agencies. This amount is \$1.4 billion more than FY01 and \$1.1 billion more than the budget request. Funds would be distributed according to the formula worked out in last year’s conference, pending the ongoing discussion in the ESEA conference.

**Teacher Quality** — The committee would authorize \$3.04 billion for State grants for improving teacher quality, including \$1.2 billion in advance appropriations. This is a \$930 million increase over last year and a \$440 million increase over the budget request.

**Technology** — The committee would authorize \$941 million for educational technology. This is \$128 million more than last year.

**Public School Choice** – The Committee would create a new \$50 million public school choice program, as authorized by the Senate-passed ESEA reauthorization bill (H.R. 1).

**Special Education State Grants** — The committee would provide a \$1 billion increase over last year for part B State grants for special education, from a program level of \$6.3 billion to \$7.3 billion. In all, the bill would provide \$8.4 billion for special education, of which \$5.1 billion is in advance year funding.

**School Construction** — The Committee would extend the unauthorized school construction program with a \$925 million appropriation, down from \$1.2 billion last year. The Committee also would expand the allowable uses of these funds beyond special education or technology-related activities, as provided in current law. Conferees on the Elementary and Secondary Education Act reauthorization bills to date have not yet agreed to authorize such a program. The Administration requested no funds for this program.

**Pell Grants** — The Pell Grant maximum grant would be raised to \$4,000, an increase of \$250. The committee would increase the total amount for the program by over \$1.5 billion to a total of \$10.3 billion.

**Rural Education** — The bill would appropriate \$125 million for rural education programs to be evenly divided between the Small Rural Schools Achievement Program and the Low-Income and Rural Schools Program, authorized in the Senate-passed version of H.R.1.

**21st Century Community Learning Centers** — The committee would authorize \$1 billion, an increase of \$154.3 million over fiscal year 2001.

## **Title IV — Related Agencies**

**Corporation for Public Broadcasting** — The committee would authorize \$375 million for public broadcasting in FY2002, including \$25 million for the conversion of public broadcasting to the digital format. The Committee approved an advance appropriation for FY2004 of \$395 million.

## **Title V — General Provisions**

The Committee would retain the following provisions from last year's Labor-HHS-Education appropriations bill:

- Authorizing transfers of unexpended balances (sec. 501);
- Limiting funding to one year availability unless otherwise specified (sec. 502);
- Limiting lobbying and related activities with appropriated funds (sec. 503);

- Limiting official reception and representation expenses by the Secretaries of Labor and Education (sec. 504);
- Prohibiting funding of any program to carry out distribution of sterile needles for the hypodermic injection of any illegal drug unless the Secretary of HHS determines such programs are effective in preventing the spread of HIV and do not encourage the use of illegal drugs (sec. 505);
- Stating the sense of Congress about purchase of American-made equipment and products and declaring ineligible for appropriated funds anyone found falsely affixing a “Made in America” label to any product (sec. 506);
- Mandating publication of federal funding as a component of State and local grant funds (sec. 507); and
- Prohibiting the use of funds appropriated in this act to pay for an abortion with exceptions for rape, incest, and where the life of the mother are threatened (sec. 508 and sec. 509).
- Banning the use of funds appropriated under this act for human embryo research. *However*, the Committee-reported bill would permit the president to authorize federal funding “solely for the purpose of stem cell research, on embryos that have been created in excess of clinical need and will be discarded, and donated with the written consent of the progenitors” (sec. 510).
- Limiting the use of federal funds for promotion of legalization of controlled substances included last year (sec. 511).
- Prohibiting the use of funds appropriated under this act to promulgate or adopt any individual health identifier final standard (sec. 513).

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## ADMINISTRATION POSITION

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A Statement of Administration Policy (SAP) on S. 1536 is expected on Tuesday, October 30. On October 11, the Administration issued a SAP on the House-reported Labor-HHS-Education appropriation bill (H.R. 3061). The SAP stated in part:

“The Administration looks forward to working with the Congress to ensure . . . the bill totals are within the recently agreed upon aggregate funding level of \$686 billion. . .

“A number of the agencies and programs funded within this bill may have modified requirements as a consequence of the terrorist attacks of September 11, 2001. The Administration is currently reviewing these new requirements and anticipates funding them through the FY 2001 Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States.

“The Administration . . . applauds the [House Appropriations] Committee’s elimination of language for earmarked projects and appreciates its restraint in providing funding for earmarked projects.”

The Administration requested that the House redirect funding from narrowly focused education programs toward Title I (Education for the Disadvantaged), as well as increase funding for the Charter School Homestead Fund, Impact Aid Construction, the Reach Out and Read program, the Mentoring Children of Prisoners program, Education and Vocational Training Vouchers, and the Maternity Group Homes program. The Administration urged the House to allow appropriations for the Trade Adjustment Assistance and NAFTA Transitional Adjustment Assistance programs whether or not Congress reauthorizes the programs.

**COST**

**Table 2. Comparison of Labor-HHS-Education Appropriations (\$ in billions)**

Type of budget authority	FY2001 enacted	FY2002 request	FY2002 House	FY2002 Senate	FY2002 conference
<b>Discretionary appropriations</b>					
Program level (from the current bill for any year)	\$109.7	\$116.3	\$123.5	\$123.1	--
Current year (for the current year from any bill)	\$109.4	\$135.1	\$123.4	--	--
Advances for future years (from the current bill)	\$18.8	\$0.0	\$18.5	--	--
Advances from prior years (from previous bills)	\$19.0	\$18.8	\$18.8	--	--
Scorekeeping adjustments	\$0.5	\$0.0	\$0.4	--	--
<b>Current year discretionary and mandatory funding</b>					
Discretionary	\$109.4	\$135.1	\$123.4	--	--
Mandatory	\$248.6	\$272.6	\$272.5	--	--
<b>Total current year</b>	<b>\$358.0</b>	<b>\$407.7</b>	<b>\$395.9</b>	<b>--</b>	<b>--</b>
<b>Grand total of funding for L-HHS-ED bill, any year</b>					
<b>Grand total any year</b>	<b>\$365.0</b>	<b>\$399.7</b>	<b>\$406.8</b>	<b>\$407.3</b>	<b>--</b>

**Source:** [Congressional Research Service](#). “Amounts are based on [H.Rept. 107-229](#) (October 11, 2001), which has been adjusted for the FY2001 provisions of [P.L. 107-20](#), and the initial allocations from [P.L. 107-38](#). Data are given only for programs included in the L-HHS-ED appropriations bill. . . FY2001 and FY2002 mandatory amounts are estimates that are subject to adjustments after the close of the fiscal year. . . The Senate Committee Report . . . does not readily yield numbers comparable to those in this table.”

<b>S. 1536 Discretionary Spending</b> <i>(program levels, in millions unless noted)</i>	<b><u>FY 01</u></b> <b><u>Comparable</u></b>	<b><u>FY 02</u></b> <b><u>Request</u></b>	<b><u>FY 02</u></b> <b><u>Senate Bill</u></b>	<b><u>Senate Bill vs.</u></b> <b><u>FY 01 Comp.</u></b>	<b><u>Senate Bill vs.</u></b> <b><u>FY 02 Request</u></b>	<b><u>% change</u></b> <b><u>vs. FY 01</u></b>	<b><u>% change</u></b> <b><u>vs. request</u></b>
<b>Labor Department</b>							
Dislocated Workers	\$1,412.5	\$1,383.0	\$1,549.0	\$136.5	\$166.0	10%	12%
Job Corps	\$1,399.1	\$1,399.1	\$1,399.1	\$0.0	\$0.0	0%	0%
Youth Training	\$1,128.0	\$1,001.0	\$1,128.0	\$0.0	\$127.0	0%	13%
OSHA	\$425.9	\$425.8	\$450.3	\$24.4	\$24.4	6%	6%
Mine Safety Health Administration	\$246.3	\$246.3	\$256.1	\$9.8	\$9.8	4%	4%
<b>Labor discretionary (billions):</b>	<b>\$11.7</b>	<b>\$11.3</b>	<b>\$11.9</b>	<b>\$0.2</b>	<b>\$0.6</b>	<b>2%</b>	<b>5%</b>
<b>Labor Dept. Total (billions):</b>	<b>\$13.7</b>	<b>\$13.5</b>	<b>\$14.1</b>	<b>\$0.4</b>	<b>\$0.6</b>	<b>3%</b>	<b>4%</b>
<b>Health &amp; Human Services</b>							
Community Health Centers	\$1,168.6	\$1,292.7	\$1,343.7	\$175.1	\$51.0	15%	4%
Healthy Start	\$90.0	\$90.0	\$90.0	\$0.0	\$0.0	0%	0%
Ryan White AIDS	\$1,807.6	\$1,807.8	\$1,883.0	\$75.4	\$75.2	4%	4%
Family Planning/Title X	\$253.9	\$254.2	\$266.0	\$12.1	\$11.8	5%	5%
Immunization	\$552.6	\$574.6	\$637.1	\$84.5	\$62.5	15%	11%
NIH	\$20,295.3	\$22,946.9	\$23,695.3	\$3,400.0	\$748.4	17%	3%
CDC	\$4,046.6	\$3,878.5	\$4,418.9	\$372.3	\$540.4	9%	14%
Substance Abuse and Mental Health	\$2,963.9	\$3,029.5	\$3,073.5	\$109.6	\$44.0	4%	1%
CMMS Program Management	\$2,242.2	\$2,351.2	\$2,464.7	\$222.5	\$113.5	10%	5%
Low Income Home Energy Assistance	\$1,400.0	\$1,400.0	\$1,700.0	\$300.0	\$300.0	21%	21%
LIHEAP Emergency	\$600.0	\$300.0	\$300.0	-\$300.0	\$0.0	-50%	0%
Head Start	\$6,199.8	\$6,324.8	\$6,600.0	\$400.2	\$275.2	6%	4%
Administration on Aging	\$1,103.1	\$1,097.7	\$1,209.8	\$106.7	\$112.1	10%	10%
<b>HHS discretionary (billions):</b>	<b>\$49.1</b>	<b>\$51.4</b>	<b>\$54.2</b>	<b>\$5.1</b>	<b>\$2.8</b>	<b>10%</b>	<b>5%</b>
<b>HHS Total (billions):</b>	<b>\$266.1</b>	<b>\$300.0</b>	<b>\$302.6</b>	<b>\$36.5</b>	<b>\$2.6</b>	<b>14%</b>	<b>1%</b>

**Department of Education**

21st Century Learning Centers	\$845.6	\$845.6	\$1,000.0	\$154.4	\$154.4	18%	18%
Education for the Disadvantaged	\$10,014.6	\$11,045.6	\$11,879.9	\$1,865.3	\$834.3	19%	8%
Impact Aid	\$993.3	\$1,130.5	\$1,130.5	\$137.2	\$0.0	14%	0%
Special Education	\$7,439.9	\$8,425.6	\$8,439.6	\$999.7	\$14.0	13%	0%
Vocational & Adult Education	\$1,825.6	\$1,801.7	\$1,818.1	-\$7.5	\$16.4	0%	1%
Student Aid/Pell Grants	\$8,756.0	\$9,756.0	\$10,314.0	\$1,558.0	\$558.0	18%	6%
<i>(Maximum Award in dollars)</i>	<i>\$3,750.0</i>	<i>\$3,850.0</i>	<i>\$4,000.0</i>	<i>\$250.0</i>	<i>\$150.0</i>	<i>7%</i>	<i>4%</i>
Total Student Aid	\$10,674.0	\$11,674.0	\$12,284.1	\$1,610.1	\$610.1	15%	5%
Higher Education	\$1,911.7	\$1,723.2	\$1,764.2	-\$147.5	\$41.0	-8%	2%
<b>Education discretionary (billions):</b>	<b>\$40.1</b>	<b>\$44.5</b>	<b>\$48.5</b>	<b>\$8.4</b>	<b>\$4.0</b>	<b>21%</b>	<b>9%</b>
<b><i>Education Dept. Total (billions):</i></b>	<b><i>\$44.6</i></b>	<b><i>\$47.0</i></b>	<b><i>\$51.0</i></b>	<b><i>\$6.4</i></b>	<b><i>\$4.0</i></b>	<b><i>14%</i></b>	<b><i>9%</i></b>

**Related Agencies**

Corporation for Public Broadcasting	\$365.0	--	\$395.0	\$30.0	--	8%	--
National Labor Relations Board	\$216.4	\$221.4	\$226.4	\$10.0	\$5.0	5%	2%
Social Security Administrative	\$7,124.0	\$7,574.0	\$7,568.0	\$444.0	-\$6.0	6%	0%
<b>Related Agencies discretionary (billions):</b>	<b>\$8.7</b>	<b>\$8.8</b>	<b>\$9.2</b>	<b>\$0.5</b>	<b>\$0.4</b>	<b>6%</b>	<b>5%</b>
<b><i>Related Agencies Total (billions):</i></b>	<b><i>\$40.4</i></b>	<b><i>\$39.1</i></b>	<b><i>\$39.5</i></b>	<b><i>-\$0.9</i></b>	<b><i>\$0.4</i></b>	<b><i>-2%</i></b>	<b><i>1%</i></b>
<b>Total discretionary (billions):</b>	<b>\$109.2</b>	<b>\$116.4</b>	<b>\$123.1</b>	<b>\$13.9</b>	<b>\$6.7</b>	<b>13%</b>	<b>6%</b>
<b><i>Grand bill total (billions):</i></b>	<b><i>\$364.8</i></b>	<b><i>\$399.6</i></b>	<b><i>\$407.3</i></b>	<b><i>\$42.5</i></b>	<b><i>\$7.7</i></b>	<b><i>12%</i></b>	<b><i>2%</i></b>

Source: Senate Appropriations Committee

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**POSSIBLE  
AMENDMENTS**

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Bond/Carnahan. State of  
Missouri Medicaid.

Graham. \$10 million for Ecstasy prevention.

Miller. Skill standards board.

Feingold. Automatic external defibrillators.

Landrieu. Education for the Disadvantaged.

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