

CRS Report for Congress

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Appropriations for FY2000: Labor, Health and Human Services, and Education

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Appropriations are one part of a complex federal budget process that includes budget resolutions, appropriations (regular, supplemental, and continuing) bills, rescissions, and budget reconciliation bills. The process begins with the President's budget request and is bounded by the rules of the House and Senate, the Congressional Budget and Impoundment Control Act of 1974 (as amended), the Budget Enforcement Act of 1990, and current program authorizations.

This report is a guide to one of the 13 regular appropriations bills that Congress considers each year. It is designed to supplement the information provided by the House and Senate Appropriations Subcommittees on Labor, Health and Human Services, and Education. It summarizes the current legislative status of the bill, its scope, major issues, funding levels, and related legislative activity. The report lists the key CRS staff relevant to the issues covered and related CRS products.

This report is updated as soon as possible after major legislative developments, especially following legislative action in the committees and on the floor of the House and Senate.

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Appropriations for FY2000: Labor, Health and Human Services, and Education

Summary

This report tracks the legislative action by the 106th Congress on the FY2000 appropriations bill for the Departments of Labor, Health and Human Services, and Education, and Related Agencies (L-HHS-ED). This bill will provide nearly all discretionary funds for three federal departments and related agencies. The report describes selected issues related to FY2000 L-HHS-ED funding, with particular attention to discretionary programs; it does not follow issues related to mandatory L-HHS-ED programs nor the authorizing legislation necessary for funding some of the President's FY2000 initiatives.

On February 1, 1999, the President submitted the Administration's FY2000 budget to the Congress. The request is for \$91.3 billion in discretionary funds for L-HHS-ED programs, \$7.7 billion or 9.2% more than the FY1999 amount of \$83.6 billion, enacted primarily through **P.L. 105-277**. House and Senate Appropriations Committees have held hearings on the FY2000 request. Committee markup may occur before the August recess.

U.S. Department of Labor (DOL): Increases of \$100 million or more each are requested by the Administration for the Workforce Investment Act and State Unemployment Insurance and Employment Service Operations. Discretionary DOL funding in FY1999 is \$10.9 billion; the FY2000 request is \$11.6 billion.

U.S. Department of Health and Human Services (DHHS): Increases of \$100 million or more each are requested by the Administration for Head Start, Ryan White AIDS programs, National Institutes of Health (NIH), Substance Abuse and Mental Health Services Administration (SAMHSA), and the Administration on Aging. A reduction is requested for Program Management at the Health Care Financing Administration (HCFA). Discretionary DHHS funding in FY1999 is \$36.2 billion; the FY2000 request is \$38.7 billion.

U.S. Department of Education (ED): Increases of \$100 million or more each are requested by the Administration for 21st Century Community Learning Centers, Education Technology, Title I Grants to Local Educational Agencies, Class Size Reduction, Adult Education and Family Literacy Act programs, and Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP). Increased program spending is proposed for Pell Grants. A reduction is requested for Impact Aid, and the Innovative Program Strategies (block grant) program would be terminated. Discretionary ED funding in FY1999 is \$28.8 billion; the FY2000 request is \$32.8 billion.

Related Agencies: The Administration is requesting an increase of more than \$100 million for the Social Security Administration (SSA) Limitation on Administrative Expenses and discretionary activities related to the Supplemental Security Income (SSI) program. Discretionary funding for related agencies in FY1999 is \$7.8 billion; the FY2000 request is \$8.2 billion.

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Supplemental Security Income	Carmen Solomon-Fears	DSP	7-7306

Division abbreviations: ALD = American Law; DSP = Domestic Social Policy; G&F = Government and Finance.

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Appropriations for FY2000: Labor, Health and Human Services, and Education

Most Recent Developments

The President submitted the FY2000 budget to the Congress on February 1, 1999. The request includes \$91.3 billion in discretionary budget authority for the programs to be included in the Departments of Labor, Health and Human Services, and Education, and Related Agencies (L-HHS-ED) Appropriations Act, 2000. The request represents an increase of \$7.7 billion (9.2%) compared to the estimated FY1999 L-HHS-ED amount of \$83.6 billion. The L-HHS-ED Appropriation Subcommittee hearings in the House began February 10, 1999. The L-HHS-ED Appropriation Subcommittee hearings in the Senate began February 23, 1999. In May, the allocation ceilings for the L-HHS-ED bill were announced; currently, \$78.1 billion is maximum for discretionary spending in the House and \$80.4 billion in the Senate. Also in May, P.L. 106-31, providing FY1999 supplemental appropriations for some L-HHS-ED programs, was enacted. Committee markup of the FY2000 L-HHS-ED bill may occur before the August recess, but the proposed reductions suggest that this bill may be one of the last enacted for FY2000.

Status

Table 1 will track the key legislative steps that are necessary to enact appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies (L-HHS-ED) for FY2000.

Table 1. Legislative Status of the FY2000 Appropriations for Labor, Health and Human Services, and Education

Subcommittee Markup		House Report	House Passage	Senate Report	Senate Passage	Conference Report	Conference Report Approval		Public Law
House	Senate						House	Senate	
— ^a	— ^b	—	—	—	—	—	—	—	—

^a The House Appropriations Subcommittee for Labor, Health and Human Services, and Education began hearings on the FY2000 budget request on February 10, 1999.

^b The Senate Appropriations Subcommittee for Labor, Health and Human Services, and Education began hearings on the FY2000 budget request on February 23, 1999.

DATA NOTE: In this report, unless otherwise noted, budget data for FY1999 and the FY2000 budget request are based on the House Appropriations Committee

unofficial staff table of June 7, 1999; these data have been adjusted for changes made by P.L. 106-31, the 1999 Emergency Supplemental Appropriations Act. Data represent net funding amounts for specific programs and activities, taking into account current, forward, and advance funding, as well as rescissions and supplementals. In addition, agency discretionary totals are adjusted for budgetary scorekeeping. Except where noted, budget data refer only to those programs within the purview of the L-HHS-ED appropriations bill, and not to all programs within the jurisdiction of the relevant departments and agencies.

Perspective

This report describes the President's proposal for FY2000 appropriations for L-HHS-ED programs and compares it with the FY1999 amounts. It tracks legislative action and congressional issues related to the FY2000 L-HHS-ED appropriations bill, with particular attention paid to discretionary programs. The report summarizes activities related to the annual budget process, such as the congressional budget resolution, continuing resolutions, and supplemental appropriations (beginning on page 30). However, the report does not follow specific funding issues related to mandatory L-HHS-ED programs, nor the authorizing legislation necessary prior to funding some of the President's initiatives. For a glossary of budget terms, please see *Appendix A: Terminology* (page 32). For a discussion of the L-HHS-ED bill jurisdiction, please see *Appendix B: Scope of the L-HHS-ED Bill* (page 33).

302(b) Allocation Ceilings

The annual congressional budget resolution for FY2000, **H.Con.Res. 68** (see *Related Legislative Activity*, page 30), sets the aggregate discretionary spending limit for the annual appropriations total, known as the 302(a) allocation. From this allocation the House and Senate appropriations committees allocate funds among their subcommittees for each of the 13 appropriations bills, known as the 302(b) allocations. The 302(b) allocations can and do get adjusted during the year as the various appropriation bills progress toward final enactment. As the 302(b) allocations for the FY2000 L-HHS-ED appropriations bill become available from the House and Senate Appropriations Committees, they will be shown in **Table 2**. The comparable 302(b) amounts for FY1999 enacted and the FY2000 budget are the current year discretionary amounts, \$83.6 billion and \$91.3 billion, respectively. As shown in the table, the current House limit for FY2000 is \$78.1 billion, and the current Senate limit is \$80.4 billion. Discussion in the media concerning these proposed amounts suggests that legislative difficulties over the depth of the allocation reductions may make the L-HHS-ED bill one of the last enacted for FY2000.

Table 2. 302(b) Allocations for L-HHS-ED Programs
(budget authority in billions of dollars)

FY1999 enacted comparable	FY2000 request comparable	FY2000 House allocation	FY2000 Senate allocation	FY2000 final comparable
\$83.6	\$91.3	\$78.1	\$80.4	—

Source: The unofficial House Appropriations Committee staff table of June 7, 1999, for the comparable FY1999 enacted and the FY2000 request; the on-line document of July 7, 1999, for the FY2000 House allocation (at <http://www.house.gov/appropriations/00302b1.htm>); and S.Rept. 106-79, June 17, 1999, for the FY2000 Senate allocation.

Note: Under current scorekeeping provisions, advance funding that was enacted as part of the FY1999 appropriation will be counted in FY2000, and any advance funding that might be enacted as part of the FY2000 appropriation would be counted in FY2001.

Table 3 summarizes the L-HHS-ED appropriations for FY1999, as well as action on the FY2000 appropriations, including both mandatory and discretionary funds within the L-HHS-ED bill. The discretionary items are the same as in **Table 2**, showing the President's request at \$91.3 billion, which is \$7.7 billion, or 9.2%, more than the FY1999 amount of \$83.6 billion. **Table 3** also shows mandatory funding that is regularly included in the bill; however, the appropriations committees generally have effective control only over the discretionary funds.

Table 3. Summary of L-HHS-ED Appropriations
(budget authority in billions of dollars)

Type of appropriation ^a	FY1999 enacted ^b	FY2000 request	FY2000 House	FY2000 Senate	FY2000 final
Discretionary, current year	\$83.6	\$91.3	—	—	—
Mandatory, current year	\$209.0	\$226.3	—	—	—
Total, current year	\$292.6	\$317.6	—	—	—

Source: House Appropriations Committee unofficial staff table of June 7, 1999.

^a Appropriations are defined in *Appendix A: Terminology*. Data are given only for programs included in the L-HHS-ED appropriation bill.

^b The FY1999 enacted amounts are based on P.L. 105-277 and P.L. 106-31. FY1999 discretionary amounts may be modified through further legislation during FY1999, as well as by scorekeeping adjustments. FY1999 mandatory amounts are estimates that are subject to modification through changes in program service levels, as well as further legislation during FY1999.

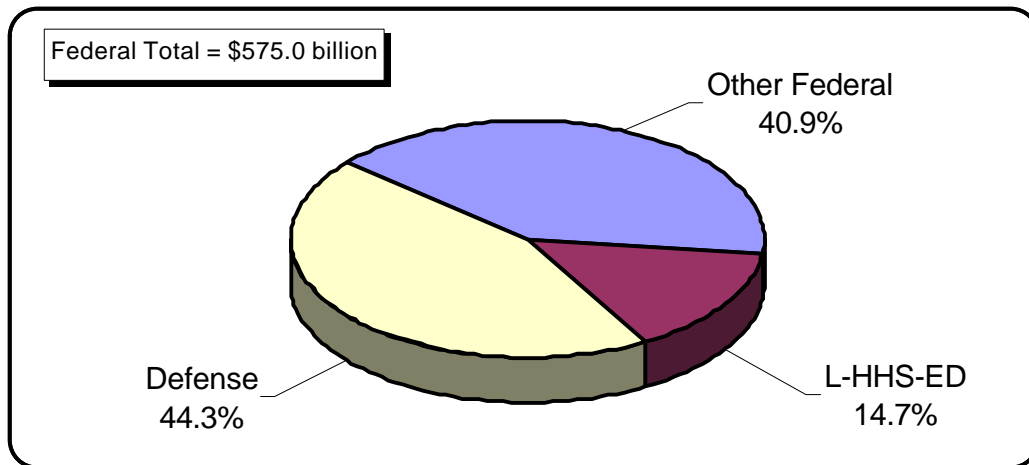
Key Issues

The L-HHS-ED bill typically is one of the more controversial of the 13 regular appropriation bills, not only because of the size of its funding total and the scope of

its programs, but also because of the continuing importance of various related non-funding issues, such as restrictions on the use of federal funds for abortion.

Aggregate Funding Levels. The L-HHS-ED bill provides most of the discretionary funds for three federal departments and several related agencies including the Social Security Administration (SSA). Of the 13 annual appropriation bills, the L-HHS-ED bill is the largest single source of discretionary funds for all domestic programs; the Defense bill is the largest source of discretionary funds for all federal programs. For FY1999, the L-HHS-ED bill accounted for \$84.7 billion (14.7%) and the Defense bill accounted for \$255.0 billion (44.3%) of the estimated \$575.0 billion total for all federal discretionary budget authority.¹ **Figure 1** shows the L-HHS-ED share of all federal discretionary appropriations in FY1999.

Figure 1. Federal and L-HHS-ED Discretionary Appropriations, FY1999

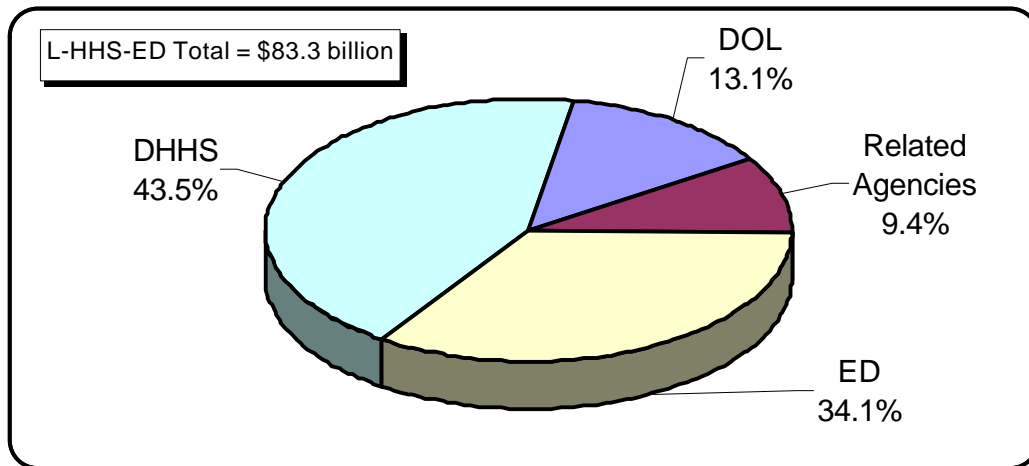


Source: *Budget of the United States Government Fiscal Year 2000*, Table S-9.

Once the aggregate size of the L-HHS-ED discretionary appropriations is determined under the 302(b) allocation, the distribution of these discretionary funds among departments and programs within the bill becomes the next issue. **Figure 2** shows the discretionary share for each department within the L-HHS-ED total for FY1999. *Appendix B* (page 33) describes the combined discretionary and mandatory funding for each department within the L-HHS-ED bill.

¹ In this comparison of the L-HHS-ED total with federal discretionary budget authority, the FY1999 amounts are based on the *Budget of the United States Government Fiscal Year 2000*, Table S-9.

Figure 2. L-HHS-ED Discretionary Appropriations by Department, FY1999



Source: Percentage shares are based on the conference report H.Rept. 105-825, which provides details for the FY1999 L-HHS-ED appropriations under P.L. 105-277.

Summary of Funding Changes Proposed by the President. With regard to the President's FY2000 budget, the issues in the early stages of the appropriations process generally relate to proposed funding changes. The following summary notes changes proposed for discretionary budget authority of at least \$100 million, compared to the FY1999 appropriations. Viewing this list by itself should be done with caution, since the relative impact of a \$100 million increase to a \$500 million program (a 20% increase) will most likely be significantly greater than a \$100 million increase to a \$5 billion program (a 2% increase). The discussion of individual departments provides detailed tables for comparing the FY2000 request with the FY1999 funding for many of the major programs in the L-HHS-ED bill.

- For U.S. Department of Labor (DOL) programs, an additional \$288 million is requested for job training programs newly authorized by the Workforce Investment Act of 1998 (WIA), and an increase of \$242 million is proposed for State Unemployment Insurance and Employment Service Operations (SUI/ESO).
- For U.S. Department of Health and Human Services (DHHS) programs, the largest discretionary increase (in absolute terms) is an additional \$608 million proposed for the Head Start program. Other proposed increases include an additional \$100 million for the Ryan White AIDS programs; an increase of \$320 million for the National Institutes of Health (NIH); a \$239 million increase for the Substance Abuse and Mental Health Services Administration (SAMHSA); and \$166 million more for the Administration on Aging. An appropriation of \$386 million is requested for the Public Health and Social Service Emergency Fund; \$223 million is provided on an emergency basis for FY1999.
- For U.S. Department of Education (ED) programs, the largest proposed discretionary increase (in absolute terms) is \$400 million in additional funds

proposed for 21st Century Community Learning Centers. Other major increases include \$103 million more for Educational Technology programs; an additional \$264 million for Title I Grants to Local Educational Agencies (LEAs) for the Education of the Disadvantaged; \$200 million more for the Class Size Reduction program; \$190 million more for Adult Education and Family Literacy programs; an additional \$120 million for Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP). A decrease of \$241 million is requested in new funding for the Pell Grant program; however, surplus funds from prior years would be used to increase program spending from \$7.7 billion in FY1999 to \$7.9 billion in FY2000. No funds are requested for the \$375 million Innovative Program Strategies (education block grant) program. A decrease of \$128 million is proposed for the Impact Aid programs.

- For the related agencies, the budget includes proposed increases of \$163 million for the Social Security Administration (SSA) Limitation on Administrative Expenses, and \$117 million for discretionary activities related to the Supplemental Security Income (SSI) program.

Major Funding Trends

The L-HHS-ED appropriations consist of mandatory and discretionary funds; however, the Appropriations Committees fully control only the discretionary funds. Mandatory funding levels for programs included in the annual appropriations bills are modified through changes in the authorizing legislation; these changes typically are accomplished through the authorizing committees and combined into large, omnibus reconciliation bills. **Table 4** shows the trend in total discretionary budget authority under the L-HHS-ED appropriations for FY1995 through FY1999. The L-HHS-ED funds have increased by 24.9% for this 5-year period. The 5-year increase is reduced to an estimated 17.3% after adjustment for inflation by use of the Gross Domestic Product (GDP) deflator. When compared to all federal discretionary budget authority, the L-HHS-ED portion increased from 12.7% in FY1995 to 14.7% in FY1999. When compared to all federal budget authority, both discretionary and nondiscretionary (mandatory), the L-HHS-ED portion increased during this period from 4.4% in FY1995 to 4.8% in FY1999.

Table 4. L-HHS-ED Discretionary Funding Trends From FY1995
(budget authority in billions of dollars)

Type of funds	FY1995	FY1996	FY1997	FY1998	FY1999
L-HHS-ED discretionary	\$67.8	\$67.2	\$74.7	\$81.1	\$84.7
L-HHS-ED discretionary in estimated FY1999 dollars	\$72.2	\$70.2	\$76.6	\$82.2	\$84.7
L-HHS-ED % of all federal discretionary funds ^a	12.7%	13.4%	13.9%	15.2%	14.7%
L-HHS-ED % of total federal budget authority	4.4%	4.3%	4.5%	4.8%	4.8%
Total federal discretionary	\$533.8	\$502.5	\$536.3	\$534.2	\$575.0
Total federal budget authority	\$1,539.7	\$1,580.8	\$1,642.9	\$1,692.3	\$1,770.1
GDP deflator	1.0762	1.0976	1.1183	1.1317	1.1464

Source: *Budget of the United States Government Historical Tables Fiscal Year 2000*, tables 5.2 and 10.1 (for total federal budget authority and GDP deflator); and *Budget of the United States Government*, various years (for discretionary budget authority).

^a Discretionary funds include both defense and non-defense activities.

For Additional Reading, Background

CRS Issue Briefs.

CRS Issue Brief IB10017, *Budget for Fiscal Year 2000*, by Philip D. Winters.

Other CRS Products.

CRS Info Pack 12B, *Budget Process*.

CRS Report 98-203, *Appropriations for FY1999: Labor, Health and Human Services, and Education*, by Paul M. Irwin.

CRS Report RL30056, *Appropriations Supplemental for FY1999: Emergency Funding in P.L. 105-277 for Agriculture, Embassy Security, Y2K Problems, Defense, and Other Issues*, by Larry Nowels, Coordinator.

CRS Report RL30199, *Budget FY2000: A Chronology with Internet Access*, by Susan E. Watkins.

CRS Report 97-684, *The Congressional Appropriations Process: An Introduction*, by Sandy Streeter.

CRS Report RS20095, *The Congressional Budget Process: A Brief Overview*, by James V. Saturno.

CRS Report RL30083, *Supplemental Appropriations for FY1999: Central America Disaster Aid, Middle East Peace, and Other Initiatives*, by Larry Nowels, Coordinator.

Selected World Wide Web Sites.

General information regarding the budget and appropriations may be found at the following web sites. Web sites specific to departments and agencies funded by the L-HHS-ED appropriations will be listed in the appropriate sections of this report.

House Committee on Appropriations

[<http://www.house.gov/appropriations>]
[<http://www.house.gov/appropriations/fact.htm>]
[<http://www.house.gov/appropriations/news.htm>]

Senate Committee on Appropriations

[<http://www.senate.gov/~appropriations/>]
[<http://www.senate.gov/~appropriations/releases.htm>]
[<http://www.senate.gov/~appropriations/leg.htm>]

Congressional Research Service (CRS) FY2000 Appropriations Products

[<http://www.loc.gov/crs/products/apppage.html>]

Congressional Budget Office (CBO)

[<http://www.cbo.gov>]
[<http://www.cbo.gov/showdoc.cfm?index=1301&sequence=0&from=7>]

General Accounting Office (GAO)

[<http://www.gao.gov>]

Office of Management & Budget (OMB)

[<http://www.whitehouse.gov/OMB>]
[http://www.access.gpo.gov/su_docs/budget/]
[<http://www.whitehouse.gov/WH/EOP/OMB/SAP/>]
[<http://www.gpo.gov/usbudget/fy2000/amndsupsup.html>]

U.S. Department of Labor

The FY2000 budget proposal for the U.S. Department of Labor (DOL) is \$11.6 billion in discretionary funds, \$0.7 billion (6.0%) more than the FY1999 appropriation of \$10.9 billion, as shown in **Table 5**.

Table 5. Department of Labor Discretionary Appropriations
(budget authority in billions of dollars)^a

FY1999 enacted ^b	FY2000 request	FY2000 House	FY2000 Senate	FY2000 final
\$10.9	\$11.6	—	—	—

Source: Amounts are compiled from an unofficial staff table of the House Appropriations Committee, June 7, 1999.

^a The amounts shown are for discretionary programs funded by the L-HHS-ED appropriation bill; mandatory programs funded through the L-HHS-ED bill and other laws are not included.

^b The FY1999 enacted amount is based on P.L. 105-277 and P.L. 106-31; this amount may be modified through further legislation during FY1999.

Mandatory DOL programs included in the L-HHS-ED bill were funded at \$1.9 billion in FY1999, and consist of the Black Lung Disability Trust Fund (\$1.0 billion), Advances to the Unemployment Insurance and Other Trust Funds (\$0.4 billion), Federal Unemployment Benefits and Allowances programs (\$0.3 billion), and Employment Standards Administration Special Benefits programs (\$0.2 billion).

Key Issues

The President's Request. The President's FY2000 discretionary budget request for DOL is intended to support three broad strategic goals: (a) a prepared workforce, (b) a secure workforce, and (c) quality workplaces. According to the Administration, a prepared workforce increases employment opportunities by providing the education and training for each worker to compete in a global economy. The goal of a secure workforce means promoting the economic security of all workers and their families, including pension coverage, retirement benefits, and health benefits. A quality workplace means a safe and healthful workplace, with equal opportunity for every worker, as well as protection for children in the workplace both here and abroad.

Discretionary increases of more than \$100 million requested for DOL programs under the President's FY2000 budget include the following.

- An additional \$288 million is requested for programs authorized by the Workforce Investment Act of 1998 (WIA), including increases for Dislocated Worker Assistance (\$195 million) and Job Corps (\$38 million), as well as other federally administered programs under WIA.
- An increase of \$242 million is proposed for State Unemployment Insurance and Employment Service Operations (SUI/ESO), including State Operations

for Unemployment Compensation (\$83 million), other Unemployment Compensation activities (\$81 million), and Work Incentive Grants (\$50 million).

Smaller DOL increases are proposed for Employment Standards Administration (ESA) salaries and expenses (\$61 million), Occupational Safety and Health Administration (OSHA) (\$34 million), and Departmental Management (\$66 million).

A reduction of \$70 million is proposed for the DOL portion of the School-to-Work Opportunities Act program, as part of an authorized phase-out by FY2001 of federal financial support.

For the Welfare-to-Work Grants program, \$137 million was rescinded by the FY1999 L-HHS-ED appropriations from unallocated state formula grants; no additional reductions are requested in the budget.

For Additional Reading

CRS Issue Briefs.

CRS Issue Brief 98023, *Trade Adjustment Assistance: Proposals for Renewal and Reform*, by James R. Storey.

CRS Reports.

CRS Report 97-536, *Job Training Under the Workforce Investment Act: an Overview*, by Ann Lordeman.

CRS Report 95-917, *Older Americans Act: Programs and Funding*, by Carol O'Shaughnessy and Celinda Franco.

CRS Report 97-541, *School-to-Work Opportunities Act*, by Richard N. Apling.

CRS Report 94-417, *Unemployment Compensation: A Fact Sheet*, by Celinda Franco.

CRS Report RS20134, *Welfare Reform: Reauthorization of the Welfare-to-Work Grant Program*, by Christine Devere.

CRS Report 98-62, *Welfare Reform: The Welfare-to-Work Grant Program*, by Christine Devere and Gene Falk.

Selected World Wide Web Sites.

U.S. Department of Labor

[<http://www.dol.gov>]

[http://www.dol.gov/dol/_sec/public/budget/main.htm]

[http://www.dol.gov/dol/_sec/public/budget/990323ah.htm]

Detailed Appropriation Table

Table 6 shows the appropriation details for offices and major programs of DOL.

Table 6. Detailed Department of Labor Appropriations
(\$ in millions)

Office or major program	FY1999 enacted ^a	FY2000 request	FY2000 House	FY2000 Senate	FY2000 final
<i>Employment and Training Administration (ETA)</i>					
Training and Employment Services (TES), Workforce Investment Act (WIA) Adult Training Grants to States	955	955	—	—	—
—WIA Youth Training	1,001	1,001	—	—	—
—WIA Dislocated Worker Assistance	1,401	1,596	—	—	—
—WIA Job Corps	1,309	1,347	—	—	—
—WIA Youth Opportunity Grants (YOG)	250	250	—	—	—
—WIA Other Federally Administered Programs	229	284	—	—	—
—WIA (JTPA) subtotal ^b	5,145	5,433	—	—	—
—School-to-Work Opportunities	125	55	—	—	—
—TES, Other	11	12	—	—	—
Welfare-to-Work Rescission	-137	0	—	—	—
Community Service Employment for Older Americans	440	440	—	—	—
Federal Unemployment Benefits and Allowances, Trade Adjustment and NAFTA Activities (mandatory)	361	314	—	—	—
State Unemployment Insurance and Employment Service Operations (SUI/ESO) Unemployment Compensation State Operations	2,123	2,206	—	—	—
—SUI/ESO Unemployment Compensation, Other	172	253	—	—	—
—SUI/ESO Employment Service	822	848	—	—	—
—SUI/ESO One-Stop Career Centers	147	149	—	—	—
—SUI/ESO Work Incentives Grants	0	50	—	—	—
—SUI/ESO subtotal	3,264	3,506	—	—	—
Advances to Unemployment Trust Fund and Other Funds (mandatory)	357	356	—	—	—
ETA Program Administration	145	141	—	—	—
ETA, subtotal	9,711	10,257	—	—	—

Office or major program	FY1999 enacted^a	FY2000 request	FY2000 House	FY2000 Senate	FY2000 final
Pension and Welfare Benefits Administration	91	102	—	—	—
Pension Benefit Guaranty Corporation (PBGC) Administration	11	11	—	—	—
PBGC Services (non-add)	149	154	—	—	—
<i>Employment Standards Administration (ESA)</i>					
ESA Salaries and Expenses	315	376	—	—	—
ESA Special Benefits (mandatory)	179	79	—	—	—
ESA Black Lung Disability Trust Fund (mandatory)	1,021	1,014	—	—	—
ESA subtotal	1,515	1,469	—	—	—
Occupational Safety and Health Administration (OSHA)	354	388	—	—	—
Mine Safety and Health Administration (MSHA)	216	228	—	—	—
Bureau of Labor Statistics	399	421	—	—	—
Departmental Management	432	498	—	—	—
TOTALS, DEPARTMENT OF LABOR					
Total Appropriations ^{c, d}	12,727	13,377	—	—	—

Source: Amounts are compiled from an unofficial staff table of the House Appropriations Committee, June 7, 1999.

^a The FY1999 enacted amounts are based on P.L. 105-277 and P.L. 106-31; these amounts may be modified through further legislation during FY1999.

^b In most cases, the FY1999 amounts were appropriated under the Job Training Partnership Act (JTPA); the FY2000 request would be limited only to WIA programs.

^c The appropriations total includes discretionary and mandatory funds as well as scorekeeping and other adjustments.

^d All DOL appropriations are for current year obligations and payments; unlike other L-HHS-ED departments, DOL receives no advance funding.

U.S. Department of Health and Human Services

The FY2000 budget proposal for the U.S. Department of Health and Human Services (DHHS) is \$38.7 billion in discretionary funds, \$2.5 billion (6.9%) more than the FY1999 appropriation of \$36.2 billion, as shown in **Table 7**.

Table 7. Department of Health and Human Services Discretionary Appropriations
(budget authority in billions of dollars)^a

FY1999 enacted ^b	FY2000 request	FY2000 House	FY2000 Senate	FY2000 final
\$36.2	\$38.7	—	—	—

Source: Amounts are compiled from an unofficial staff table of the House Appropriations Committee, June 7, 1999.

^aThe amounts shown are for discretionary programs funded by the L-HHS-ED appropriation bill; mandatory programs funded through the L-HHS-ED bill and other laws are not included.

^b The FY1999 enacted amount is based on P.L. 105-277 and P.L. 106-31; this amount may be modified through further legislation during FY1999.

Mandatory DHHS programs included in the L-HHS-ED bill are funded at \$175.9 billion in FY1999, and consist primarily of Grants to States for Medicaid (\$103.5 billion), Payments to Medicare Trust Funds (\$62.8 billion), Social Services Block Grant (\$1.9 billion), and Foster Care and Adoption (\$5.1 billion).

Key Issues

The President's Request. The President's FY1999 discretionary budget request for DHHS focuses on a number of programs related to the funding and delivery of health care and social services. The DHHS budget emphasizes health research programs, the President's Child Care initiative,² children's health insurance, fraud and abuse prevention, user fees, drug and alcohol treatment programs, human immuno-deficiency virus/acquired immune deficiency syndrome (HIV/AIDS) prevention and treatment programs, the President's Race initiative as it relates to health disparities among minority groups, and the tobacco settlement and related treatment and prevention activities.

Discretionary increases of more than \$100 million requested for DHHS programs under the President's FY2000 budget include the following:

² The proposed Child Care initiative primarily consists of increases in entitlement spending and tax expenditures outside of the L-HHS-ED appropriations bill; for details see CRS Report RL30021, *Child Care Issues in the 106th Congress*, by Karen Spar and Melinda Gish.

- The largest discretionary increase is an additional \$608 million proposed for the Head Start program, an early childhood development program for children and their families to assist low-income children start school ready to learn.
- An additional \$100 million is proposed for the Ryan White AIDS programs.
- An increase of \$320 million is requested for the National Institutes of Health (NIH).
- A \$239 million increase is requested for the Substance Abuse and Mental Health Services Administration (SAMHSA).
- \$166 million more is proposed for the Administration on Aging.

A decrease is proposed for Program Management under the Health Care Financing Administration (HCFA) at DHHS of \$127 million. Smaller reductions in DHHS funding are requested for several discretionary programs, including Health Professions (\$50 million); other programs administered by Health Resources and Services Administration (HRSA) (including \$65 million for the Health Care and Other Facilities program); Agency for Health Care Policy Research (\$75 million); and various smaller programs of the Children and Family Services Programs (CFSP) (\$74 million). For the Public Health and Social Service Emergency Fund, \$386 million is requested on a non-emergency basis; \$223 million is provided in FY1999 from emergency funding for a variety of activities including anti-bioterrorism, AIDS prevention and treatment in minority communities, and Year 2000 computer conversion efforts.

Abortion: A Perennial L-HHS-ED Issue. Since FY1977, the annual L-HHS-ED appropriations acts have contained restrictions that limit the circumstances under which federal funds can be used to pay for abortions to cases where the life of the mother is endangered. Popularly referred to as the Hyde Amendment, these provisions generally apply to all L-HHS-ED funds; Medicaid is the largest program affected. The 103rd Congress modified the provisions to permit federal funding of abortions in cases of rape or incest. The FY1998 L-HHS-ED Act, P.L. 105-78, extended the Hyde provisions to prohibit the use of federal funds to buy managed care packages that include abortion coverage, except in the cases of rape, incest, or life endangerment. For FY1999, the FY1998 Hyde Amendment provisions were continued, along with a clarification to ensure that the Hyde Amendment applies to all trust fund programs (namely, Medicare) funded by the FY1999 L-HHS-ED Appropriations Act, as well as an assurance that Medicare + Choice plans are not required to provide abortion services.³

Tobacco Revenues. The President's FY2000 budget incorporates a 55 cents-a-pack increase in the federal cigarette excise tax, which would raise an estimated \$8 billion in additional revenue in FY2000, dropping to \$6.4 billion in FY2004. Those funds are not earmarked for specific DHHS programs, but would be used to offset federal tobacco-related health care costs. The FY1999 Emergency Supplemental Appropriations Act, **P.L. 106-31**, signed into law May 21, 1999,

³ For additional information, see CRS Issue Brief 95095, *Abortion: Legislative Response*, by Karen J. Lewis and Thomas P. Carr.

prohibits federal recoupment of any state funds received from tobacco settlements and permits states to spend any such funds collected without restriction.⁴

For Additional Reading

CRS Issue Briefs.

- CRS Issue Brief 95095, *Abortion: Legislative Response*, by Karen J. Lewis and Thomas P. Carr.
 CRS Issue Brief 98010, *Head Start: Background and Funding*, by Karen Spar.
 CRS Issue Brief IB10018, *Research and Development Funding: Fiscal Year 2000*, by Michael E. Davey, Coordinator.
 CRS Issue Brief 93034, *Welfare Reform*, by Vee Burke.

CRS Reports.

- CRS Report 95-1101, *Abortion Procedures*, by Irene E. Stith-Coleman.
 CRS Report 96-293, *AIDS Funding for Federal Government Programs: FY1981-FY2000*, by Judith A. Johnson.
 CRS Report 98-476, *AIDS: Ryan White CARE Act*, by Sharon Kearney.
 CRS Report 96-617, *Alien Eligibility for Public Assistance*, by Joyce C. Violet and Larry M. Eig.
 CRS Report 96-253, *Cancer Research: Selected Federal Spending and Morbidity and Mortality Statistics*, by Judith A. Johnson.
 CRS Report 98-740, *The Centers for Disease Control and Prevention: An Overview*, by Paulette L. Como and Irene Stith-Coleman.
 CRS Report RL30021, *Child Care Issues in the 106th Congress*, by Karen Spar and Melinda Gish.
 CRS Report 97-335, *Cloning: Where Do We Go From Here?*, by Irene E. Stith-Coleman.
 CRS Report RS20124, *Community Services Block Grants: Background and Funding*, by Karen Spar.
 CRS Report 97-917, *Disease Funding and NIH Priority Setting*, by Judith A. Johnson.
 CRS Report 97-757, *Health Centers*, by Sharon Kearney.
 CRS Report 95-910, *Human Embryo Research*, by Irene E. Stith-Coleman.
 CRS Report 94-211, *The Low-Income Home Energy Assistance Program: A Fact Sheet*, by Melinda Gish.
 CRS Report 97-350, *Maternal and Child Health Block Grant*, by Sharon Kearney.
 CRS Report RL30109, *Medicare and Medicaid Organ Transplants*, by Sibyl Tilson.
 CRS Report 95-96, *The National Institutes of Health: An Overview*, by Pamela W. Smith.
 CRS Report 95-917, *Older Americans Act: Programs and Funding*, by Carol O'Shaughnessy and Celinda Franco.

⁴ For additional information, see CRS Report RL30058, *Tobacco Master Settlement Agreement (1998): Overview and Issues for the 106th Congress*, by C. Stephen Redhead. For comprehensive information, see the CRS Electronic Briefing Book on the Tobacco Settlement at [<http://www.congress.gov/brbk/html/ehtobtop.html>].

- CRS Report 98-668, *Refugee Admissions and Resettlement Policy: Facts and Issues*, by Joyce C. Vialet.
- CRS Report 94-953, *Social Services Block Grants (Title XX of the Social Security Act)*, by Karen Spar.
- CRS Report 97-926, *State Children's Hospital Insurance Program: Guidance on Frequently Asked Questions*, by Jean Hearne and Jennifer A. Neisner.
- CRS Report 98-692, *State Children's Hospital Insurance Program: Implementation Progress*, by Evelyne R. Parizek, et al.
- CRS Report 97-844, *The Substance Abuse and Mental Health Services Administration (SAMHSA)*, by Cecilia Oregón Echeverría
- CRS Report RL30058, *Tobacco Master Settlement Agreement (1998): Overview and Issues for the 106th Congress*, by C. Stephen Redhead.
- CRS Report 97-1048, *The Title X Family Planning Program*, by Sharon Kearney.
- CRS Report 98-939, *Violent Crime Reduction Trust Fund: An Overview*, by David Teasley.
- CRS Report 98-115, *Welfare Reform: Federal-State Financing Under the Temporary Assistance for Needy Families Program*, by Gene Falk.
- CRS Report RL30082, *Welfare Reform: Unspent TANF Funds*, by Gene Falk.

CRS Electronic Briefing Book

Tobacco Briefing Book

[<http://www.congress.gov/brbk/html/ehtobtop.html>]

Selected World Wide Web Sites.

U.S. Department of Health and Human Services

[<http://www.hhs.gov>]

[<http://www.hhs.gov/progorg/asmb/budget/index.html>]

[<http://www.hhs.gov/progorg/asmb/budget/fy2000.html>]

[<http://www.hhs.gov/news/speeches/990201.html>]

Detailed Appropriation Table

Table 8 shows the appropriation details for offices and major programs of DHHS.

**Table 8. Detailed Department of Health and Human Services
Appropriations**
(\$ in millions)

Office or major program	FY1999 enacted^a	FY2000 request	FY2000 House	FY2000 Senate	FY2000 final
<i>Public Health Service (PHS)</i>					
Health Resources and Services Administration (HRSA), Consolidated Health Centers	925	945	—	—	—
HRSA, National Health Service Corps	115	115	—	—	—
HRSA, Health Professions	302	252	—	—	—
HRSA, Maternal and Child Health Block Grant	695	695	—	—	—
HRSA, Ryan White AIDS Programs	1,411	1,511	—	—	—
HRSA, Family Planning (Title X)	215	240	—	—	—
HRSA, Vaccine Injury Compensation (mandatory)	160	60	—	—	—
HRSA, Other	461	391	—	—	—
HRSA, subtotal	4,284	4,209	—	—	—
Centers for Disease Control and Prevention (CDC)	2,771	2,820	—	—	—
National Institutes of Health (NIH) ^b	15,613	15,933	—	—	—
Substance Abuse and Mental Health Services Administration (SAMHSA)	2,488	2,727	—	—	—
Retirement Pay and Medical Benefits, Commissioned Officers (mandatory)	202	215	—	—	—
Agency for Health Care Policy and Research	102	27	—	—	—
PHS, subtotal	25,500	25,891	—	—	—
<i>Health Care Financing Administration (HCFA)</i>					
Medicaid Grants to States (mandatory)	103,455	116,676	—	—	—
Payments to Medicare Trust Funds (mandatory)	62,823	69,289	—	—	—
Program Management	2,143	2,016	—	—	—
HCFA, subtotal	168,421	187,981	—	—	—
<i>Administration for Children and Families (ACF)</i>					
—Family Support Payments to States (Welfare, Child Support) (mandatory)	3,213	-61	—	—	—
—Low Income Home Energy Assistance Program (LIHEAP)	1,100	1,100	—	—	—

Office or major program	FY1999 enacted ^a	FY2000 request	FY2000 House	FY2000 Senate	FY2000 final
—LIHEAP Emergency Allocation	300	300	—	—	—
—Refugee and Entrant Assistance	515	431	—	—	—
—Child Care and Development Block Grant (CCDBG)	1,183	1,183	—	—	—
—Social Services Block Grant (Title XX) (mandatory)	1,909	2,380	—	—	—
—Children and Family Services Programs (CFSP), Head Start	4,659	5,267	—	—	—
—CFSP, Community Services Block Grant	500	500	—	—	—
—CFSP, Child Welfare Services	292	292	—	—	—
—CFSP, Developmental Disabilities	119	119	—	—	—
—CFSP, Other	484	410	—	—	—
—Violent Crime Reduction Programs	105	119	—	—	—
—Rescission of permanent appropriations	-21	0	—	—	—
—Family Support and Preservation (mandatory)	275	295	—	—	—
—Foster Care and Adoption Assistance State Payments (mandatory)	5,119	5,850	—	—	—
ACF, subtotal	19,752	18,185	—	—	—
Administration on Aging	882	1,048	—	—	—
Office of the Secretary, Public Health/Social Service Fund (non-add for FY1999) ^c	223	386	—	—	—
Office of the Secretary	331	285	—	—	—
TOTALS, DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Total Appropriations ^d	214,885	233,775	—	—	—
Current Year: FY2000	181,724	198,615	—	—	—
FY2001	33,161	35,160	—	—	—

Source: Amounts are compiled from an unofficial staff table of the House Appropriations Committee, June 7, 1999.

^a The FY1999 enacted amounts are based on P.L. 105-277 and P.L. 106-31; these amounts may be modified through further legislation during FY1999.

^b The FY2000 amount includes \$40 million of advance funding from FY1999.

^c FY2000 funds are requested on a non-emergency basis; for FY1999, \$223 million was enacted on an emergency basis and is not included in the regular FY1999 enacted total.

^d The appropriations total includes discretionary and mandatory funds as well as scorekeeping and other adjustments.

U.S. Department of Education

The FY2000 budget proposal for the U.S. Department of Education (ED) is \$32.8 billion in discretionary funds, \$4.0 billion (13.9%) more than the FY1999 appropriation of \$28.8 billion, as shown in **Table 9**.

Table 9. Department of Education Discretionary Appropriations
(budget authority in billions of dollars)^a

FY1999 enacted ^b	FY2000 request	FY2000 House	FY2000 Senate	FY2000 final
\$28.8	\$32.8	—	—	—

Source: Amounts are compiled from an unofficial staff table of the House Appropriations Committee, June 7, 1999.

^a The amounts shown are for discretionary programs funded by the L-HHS-ED appropriation bill; mandatory programs funded through the L-HHS-ED bill and other laws are not included.

^b The FY1999 enacted amount is based on P.L. 105-277 and P.L. 106-31; this amount may be modified through further legislation during FY1999.

A single mandatory ED program is included in the L-HHS-ED bill — the Vocational Rehabilitation State Grants program — funded at \$2.3 billion in FY1999.

Key Issues

The President's Request. Support for education has been one of the President's top priorities, and the FY2000 discretionary budget request for ED continues to reflect that emphasis. The comprehensive reform of elementary and secondary education is a major theme that includes accelerated change and increased accountability at the school and classroom level, mastering educational basics, improved teaching for all students, a safe and drug-free environment in the schools, assistance for increasing college access and completion, and an Hispanic Initiative to meet the special challenges of language and cultural barriers to education.

Discretionary increases of at least \$100 million requested for ED programs under the President's FY2000 budget include the following.

- The largest ED discretionary increase (in terms of absolute dollars) is \$400 million in additional funds proposed for 21st Century Community Learning Centers; \$200 million is provided in FY1999 for grants that support school-based programs providing multiple services to meet the needs of the community.
- \$103 million more is proposed for Educational Technology programs, including additional funds for the Technology Literacy Challenge Fund, Community-Based Technology Centers, and Middle-School Teacher Training.
- An additional \$264 million is requested for Title I Grants to Local Educational Agencies (LEAs) for the Education of the Disadvantaged.

- \$200 million more is requested for the Class Size Reduction program, which was first initiated under the FY1999 appropriations.
- \$190 million more is requested for Adult Education and Family Literacy programs, with the additional funds to be used for the State Grants program and an English as a Second Language (ESL) and Civics Education Initiative.
- \$120 million more is proposed for Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP).

Smaller increases are proposed for several other ED programs, including other Education for the Disadvantaged programs (\$53 million); Individuals with Disabilities Education Act (IDEA) State Grants (\$51 million) and National Activities (\$64 million); Federal Work-Study (\$64 million); and Research and Statistics (\$68 million).

Decreases requested in the President's budget include \$128 million less for Impact Aid programs. No funds are requested for the \$375 million Innovative Program Strategies (education block grant) program. In addition, a reduction of \$70 million is proposed for the ED portion of the School-to-Work Opportunities Act program, as part of an authorized phase-out by FY2001 of federal financial support.

A decrease of \$241 million is requested in new FY2000 funding for the Pell Grant program, which is funded at \$7.7 billion in FY1999. However, the ED Budget Service indicates that surplus funds available from prior years would be used to boost spending for Pell Grants to \$7.9 billion in FY2000. The FY2000 budget includes a \$125 increase in the maximum award to \$3,250.

Forward and Advance Funding. Many of the larger ED programs have either authorization or appropriation provisions that allow funding flexibility for school program years that differ from the federal fiscal year. For example, many of the elementary and secondary education formula grant programs receive funding through appropriations that become available for obligation to the states on July 1 of the same year as the appropriations, and remain available through the end of the following fiscal year. That is, FY1999 appropriations for some programs will become available for obligation to the states on July 1, 1999, and will remain available for a 15-month period until September 30, 2000. This budgetary procedure is popularly known as "forward" or "multi-year" funding, and is accomplished through funding provisions in the L-HHS-ED appropriations bill.

Forward funding in the case of elementary and secondary education programs was designed to allow additional time for school officials to develop budgets in advance of the beginning of the school year. For Pell Grants, aggregate program costs for individual students applying for assistance cannot be known with certainty ahead of time. Appropriations from one fiscal year primarily support Pell Grants during the following academic year, that is, the FY1999 appropriation supports the 1999-2000 academic year. Unlike forward funded programs, however, the funds remain available for obligation for 2 full fiscal years. Thus, if cost estimates were too low, funds may be borrowed from the following year's appropriations, or conversely, if the estimates were too high, the surplus may be obligated during the following year.

Advance funding occurs when the appropriations are provided for a fiscal year beyond the fiscal year for which the appropriations act was enacted. In the case of

FY1999 appropriations, funds would normally become available October 1, 1998, under regular funding provisions, but would not become available until July 1, 1999, under the forward funding provisions discussed above. However, if the July 1, 1999 forward funding date were postponed for obligation by 3 months, until October 1, 1999, the appropriation would be classified as “advance” funding since the funds would become available only in the next fiscal year (FY2000). For Title I Basic Grants to LEAs, the FY1998 appropriation of \$6.2 billion was split — \$4.8 billion was forward funded, and \$1.4 billion was advance funded. For FY1999, the \$6.5 billion is split so that \$0.4 billion is forward funded and \$6.1 billion is advance funded. In other words, the FY1999 appropriation represents an overall increase of \$0.3 billion for Title I Basic Grants to LEAs, but the total includes a decrease of \$4.4 billion in forward funding and an increase of \$4.7 billion in advance funding compared to the FY1998 appropriations.

What is the impact of this change in funding provisions? At the program or service level, relatively little is changed by the 3-month delay in the availability of funds, since most expenditures for a standard school year occur after October 1. At the appropriations level, however, a significant technical difference occurs because forward funding is counted as part of the current fiscal year, and is therefore fully included in the current 302(b) allocation for discretionary appropriations. Under federal budget scorekeeping rules, advance funding is not counted in the 302(b) allocation until the following year. In essence, a 3-month change from forward to advance funding for part or all of the annual appropriations for a given program allows a one-time shift from the current year to the next year in the scoring of discretionary appropriations.⁵

For Additional Reading

CRS Issue Briefs.

CRS Issue Brief IB10029, *Education for the Disadvantaged: ESEA Title I Reauthorization Issues*, by Wayne Riddle.

CRS Issue Brief 98013, *Elementary and Secondary Education Block Grant Proposals in the 106th Congress*, by Wayne C. Riddle and Paul M. Irwin.

CRS Issue Brief 98047, *Elementary and Secondary: Reconsideration of the Federal Role by the 106th Congress*, by Wayne Riddle, et al.

CRS Issue Brief 98035, *School Choice: Current Legislation*, by Wayne Riddle and James Stedman.

CRS Reports.

CRS Report RL30106, *Adult Education and Family Literacy Act, Title II of the Workforce Investment Act of 1998, P.L. 105-220*, by Paul M. Irwin.

CRS Report RS20156, *Elementary and Secondary School Teachers: Action by the 106th Congress*, by James B. Stedman.

⁵ For additional information on budget enforcement procedures, see CRS Report 98-720, *Manual on the Federal Budget Process*, by Robert Keith and Allen Schick.

- CRS Report RL30128, *Elementary and Secondary School Teachers: Selected Federal Programs and Issues*, by James B. Stedman.
- CRS Report 98-676, *Federal Elementary and Secondary Programs: Ed-Flex and Other Forms of Flexibility*, by Wayne Riddle.
- CRS Report 95-502, *Goals 2000: Educate America Act Implementation Status and Issues*, by James B. Stedman and Wayne C. Riddle.
- CRS Report RL30075, *Impact Aid: Overview and Reauthorization Issues*, by Richard N. Apling.
- CRS Report RL30103, *Individuals with Disabilities Education Act: Department of Education Final Regulations*, by Nancy Lee Jones and Richard N. Apling.
- CRS Report 97-433, *Individuals with Disabilities Education Act: Full Funding of State Formula*, by Richard N. Apling.
- CRS Report 96-178, *Information Technology and Elementary and Secondary Education: Current Status and Federal Support*, by James B. Stedman.
- CRS Report 94-224, *Rehabilitation Act: Major Programs, 105th Congress Legislation, and Funding*, by Carol V. O'Shaughnessy and Alice D. Butler.
- CRS Report 97-760, *The Safe and Drug-Free Schools and Communities Program*, by Cecilia Oregón Echeverría.
- CRS Report 97-541, *School-to-Work Opportunities Act*, by Richard N. Apling.
- CRS Report 98-969, *Technology Challenge Programs in the Elementary and Secondary Education Act*, by Patricia Osorio-O'Dea.
- CRS Report 98-957, *TRIO and GEAR UP Programs: Provisions and Status*, by James B. Stedman.

Selected World Wide Web Sites.

U.S. Department of Education Home Page

[<http://www.ed.gov/>]

[<http://www.ed.gov/offices/OUS/budget.html>]

[<http://www.ed.gov/offices/OUS/Budget00/>]

[<http://www.ed.gov/offices/OUS/Budget00/BudgetSumm/>]

[<http://www.ed.gov/Speeches/03-1999/00budtst.html>]

Detailed Appropriation Table

Table 10 shows the appropriation details for offices and major programs of ED.

Table 10. Detailed Department of Education Appropriations
(\$ in millions)

Office or major program	FY1999 enacted^a	FY2000 request	FY2000 House	FY2000 Senate	FY2000 final
Education Reform, Goals 2000: Educate America Act	491	491	—	—	—
—School-to-Work Opportunities	125	55	—	—	—
—Educational Technology	698	801	—	—	—
—21 st Century Community Learning Centers	200	600	—	—	—
<i>Office of Elementary and Secondary Education</i>					
—Title I Education for the Disadvantaged, Grants to LEAs	7,732	7,996	—	—	—
—Education for the Disadvantaged, Other	695	748	—	—	—
—Impact Aid	864	736	—	—	—
—School Improvement (SI), Professional Development	335	335	—	—	—
—SI, Innovative Program Strategies	375	0	—	—	—
—SI, Class Size Reduction	1,200	1,400	—	—	—
—SI, Safe and Drug-Free Schools	566	591	—	—	—
—SI, Magnet Schools	104	114	—	—	—
Other School Improvement	231	283	—	—	—
Reading Excellence Act	260	286	—	—	—
Indian Education	66	77	—	—	—
Bilingual and Immigrant Education	380	415	—	—	—
<i>Office of Special Education and Rehabilitative Services</i>					
—Special Education, State Grants ^b	5,055	5,106	—	—	—
—Special Education, National Activities	279	343	—	—	—
—Vocational Rehabilitation State Grants (mandatory)	2,304	2,339	—	—	—
—Rehabilitation Services, Other	348	378	—	—	—
Special Institutions for Persons With Disabilities	138	142	—	—	—
<i>Office of Vocational and Adult Education</i>					
Vocational Education	1,154	1,163	—	—	—
Adult Education	358	575	—	—	—
Incarcerated Youth Offenders	17	12	—	—	—

Office or major program	FY1999 enacted ^a	FY2000 request	FY2000 House	FY2000 Senate	FY2000 final
<i>Student Financial Assistance</i>					
—Pell Grants ^c	7,704	7,463	—	—	—
—Supplemental Educational Opportunity Grants	619	631	—	—	—
—Federal Work-Study	870	934	—	—	—
—Federal Perkins Loans, Capital Contributions	100	100	—	—	—
—Federal Perkins Loans, Loan Cancellations	30	30	—	—	—
— Leveraging Educational Assistance Partnership (LEAP)	25	25	—	—	—
Federal Family Education Loans, Administration	46	48	—	—	—
Higher Education, Aid for Institutional Development	260	294	—	—	—
—Federal TRIO Programs	600	630	—	—	—
—GEAR UP	120	240	—	—	—
—Other Higher Education	313	415	—	—	—
Howard University	214	219	—	—	—
College Housing and Academic Facilities Loans, Administration	1	1	—	—	—
<i>Office of Educational Research and Improvement</i>					
—Research and Statistics	252	320	—	—	—
—Fund for the Improvement of Education	139	140	—	—	—
—Other Research and Improvement	66	80	—	—	—
Departmental Management	462	493	—	—	—
TOTALS, DEPARTMENT OF EDUCATION					
Total Appropriations ^d	35,615	37,051	—	—	—
—Current Year: FY2000	29,410	28,977	—	—	—
—FY2001	6,205	8,073	—	—	—

Source: Amounts are compiled from an unofficial staff table of the House Appropriations Committee, June 7, 1999.

^a The FY1999 enacted amounts are based on P.L. 105-277 and P.L. 106-31; these amounts may be modified through further legislation during FY1999.

^b The FY1999 appropriation for Special Education State Grants includes advance funding of \$210 million from previous legislation that is not counted as part of the ED total; the FY2000 request includes \$1.9 billion of advance funding that is counted in the ED total.

^c The ED Budget Service indicates that surplus funds available from prior years would be used to boost spending for Pell Grants to \$7.9 billion in FY2000.

^d The appropriations total includes discretionary and mandatory funds as well as scorekeeping and other adjustments.

Related Agencies

The FY2000 budget proposal for L-HHS-ED related agencies is \$8.2 billion in discretionary funds, \$0.4 billion (5.1%) more than the FY1999 appropriation of \$7.8 billion, as shown in **Table 11**.

Table 11. Related Agencies Discretionary Appropriations
(budget authority in billions of dollars)^a

FY1999 enacted ^b	FY2000 request	FY2000 House	FY2000 Senate	FY2000 final
\$7.8	\$8.2	—	—	—

Source: Amounts are compiled from an unofficial staff table of the House Appropriations Committee, June 7, 1999.

^a Amounts shown are for discretionary programs funded by the L-HHS-ED appropriation bill; mandatory programs funded through the L-HHS-ED bill and other laws are not included.

^b The FY1999 enacted amount is based on P.L. 105-277 and P.L. 106-31; this amount may be modified through further legislation during FY1999.

Mandatory programs for related agencies included in the L-HHS-ED bill are funded at \$30.0 billion in FY1999, of which \$29.2 billion was for the SSI program and \$0.5 billion was for Special Benefits for Disabled Coal Miners.

Key Issues

The President's Request. The President's FY2000 budget for related agencies includes increases in discretionary spending of more than \$100 million for the following.

- \$163 million additional is proposed for the SSA Limitation on Administrative Expenses.
- An increase of \$117 million is requested for discretionary activities related to the SSI program.

Smaller increases are proposed for Domestic Volunteer Service programs (\$23 million); the Corporation for Public Broadcasting (CPB), including the CPB Digitalization program (\$10 million and \$5 million, respectively); and the National Labor Relations Board (NLRB) (\$26 million).

Reductions are requested for several related agencies programs, including the Institute of Museum and Library Services (IMLS) (\$11 million).

For Additional Reading

CRS Issue Briefs.

CRS Issue Brief 95063, *Public Broadcasting: Issues in the 106th Congress*, by Bernevia McCalip.

CRS Reports.

CRS Report RL30186, *Community Service: A Description of AmeriCorps, Foster Grandparents, and Other Federally Funded Programs*, by Ann Lordeman.

CRS Report 97-646, *Federal Aid to Libraries: The Library Services and Technology Act*, by Wayne C. Riddle.

CRS Report 98-422, *Social Security and the Federal Budget: What Does Social Security's Being "Off Budget" Mean?*, by David Stuart Koitz.

CRS Report RS20165, *Social Security "Lock Box"*, by David Stuart Koitz.

CRS Report 94-486, *Supplemental Security Income (SSI): a Fact Sheet*, by Carmen Solomon-Fears.

CRS Report RS20019, *Supplemental Security Income (SSI): Fraud Reduction and Overpayment Recovery*, by Carmen Solomon-Fears.

CRS Electronic Briefing Book.

Social Security Briefing Book

[<http://www.congress.gov/brbk/html/ebssc1.html>]

Selected World Wide Web Sites.⁶

Armed Forces Retirement Home

[<http://www.afrh.com>]

Corporation for National and Community Service

[<http://www.cns.gov>]

[http://www.cns.gov/news/1999_02_01.html]

Corporation for Public Broadcasting

[<http://www.cpb.org>]

[<http://www.cpb.org/library/pressreleases/testimony/9903testimony.html>]

Federal Mediation and Conciliation Service

[<http://www.fmcs.gov>]

Institute of Museum and Library Services

[<http://www.imls.fed.us>]

[<http://www.imls.fed.us/librtestimony.htm>]

⁶ Not all of the L-HHS-ED related agencies have web sites, and not all web sites include FY2000 budget information.

Medicare Payment Advisory Commission

[<http://www.medpac.gov/>]

National Commission on Libraries and Information Science

[<http://www.nclis.gov/>]

National Council on Disability

[<http://www.ncd.gov/>]

National Education Goals Panel

[<http://www.negp.gov/>]

National Labor Relations Board

[<http://www.nlr.gov/>]

[http://www.nlr.gov/press/fy2000_truesdale.html]

Railroad Retirement Board

[<http://www.rrb.gov/>]

[<http://www.rrb.gov/FY2000chair.html>]

Social Security Administration

[<http://www.ssa.gov/>]

[<http://www.ssa.gov/budget/2000bud.htm>]

United States Institute of Peace

[<http://www.usip.org/>]

Detailed Appropriation Table

Table 12 shows the appropriation details for offices and major programs of the L-HHS-ED related agencies.

Table 12. Detailed Related Agencies Appropriations
(\$ in millions)

Office or major program	FY1999 enacted^a	FY2000 request	FY2000 House	FY2000 Senate	FY2000 final
Armed Services Retirement Home	71	68	—	—	—
<i>Corporation for National and Community Service: Domestic Volunteer Service Act Programs^b</i>					
—Volunteers in Service to America (VISTA)	73	81	—	—	—
—National Senior Volunteer Corps	174	185	—	—	—
—Program Administration	30	34	—	—	—
Domestic Volunteer Service subtotal	277	300	—	—	—
Corporation for Public Broadcasting (CPB), 2-Year Advance	340	350	—	—	—
CPB Digitalization ^c	15	20	—	—	—
CPB Satellite Replacement Supplemental ^d	31	17	—	—	—
Federal Mediation and Conciliation Service	35	37	—	—	—
Federal Mine Safety and Health Review Committee	6	6	—	—	—
Institute of Museum and Library Services	166	155	—	—	—
Medicare Payment Advisory Commission	7	7	—	—	—
National Commission on Libraries and Information Science	1	1	—	—	—
National Council on Disability	2	2	—	—	—
National Education Goals Panel	2	2	—	—	—
National Labor Relations Board	184	210	—	—	—
National Mediation Board	8	9	—	—	—
Occupational Safety and Health Review Commission	8	9	—	—	—
Railroad Retirement Board Dual Benefits Payments (mandatory)	178	165	—	—	—
Railroad Retirement Board Limitation on Administration	96	92	—	—	—

Office or major program	FY1999 enacted ^a	FY2000 request	FY2000 House	FY2000 Senate	FY2000 final
<i>Social Security Administration (SSA)</i>					
—SSA, Special Benefits for Disabled Coal Minors (mandatory)	528	508	—	—	—
—SSA, Supplemental Security Income (SSI) (mandatory)	29,231	29,250	—	—	—
—SSA, Supplemental Security Income (SSI), Other	2,366	2,483	—	—	—
—SSA, Federal Funds, Other (mandatory)	20	21	—	—	—
—SSA, Limitation on Administrative Expenses	4,060	4,223	—	—	—
—SSA, Office of Inspector General	56	66	—	—	—
SSA subtotal	36,261	36,551	—	—	—
United States Institute for Peace	12	13	—	—	—
TOTALS, RELATED AGENCIES					
Total Appropriations ^c	37,700	37,997	—	—	—
—Current Year: FY2000	27,652	27,633	—	—	—
—FY2001	9,708	10,014	—	—	—
—FY2002	340	350	—	—	—

Source: Amounts are compiled from an unofficial staff table of the House Appropriations Committee, June 7, 1999.

^a The FY1999 enacted amounts are based on P.L. 105-277 and P.L. 106-31; these amounts may be modified through further legislation during FY1999.

^b Funds are provided for Domestic Volunteer Service Act programs only; the Corporation for National and Community Service also receives funds from the Veterans Affairs and Housing and Urban Development appropriations bill for AmeriCorps Grants and other programs under the National Community Service Act.

^c The FY1999 appropriation for the CPB Digitalization Program is contingent on the enactment of a specific authorization by September 30, 1999.

^d The P.L. 106-31 supplemental provided both FY1999 and FY2000 funding for CPB satellite replacement.

^e The appropriations total includes discretionary and mandatory funds as well as scorekeeping and other adjustments.

Related Legislative Activity

Several legislative items related to L-HHS-ED appropriations have been considered by the 1st Session of the 106th Congress, including supplemental appropriations for FY1999 and the congressional budget resolution for FY2000.

P.L. 106-31, H.R. 1141/S. 544. 1999 Emergency Supplemental Appropriations Act.⁷ Among the L-HHS-ED provisions, a supplemental appropriation of \$100 million is provided for the DHHS Refugee and Entrant Assistance for the temporary relief of displaced Kosovar Albanians, \$1.0 million for DHHS Nursing Home Appeals, \$56.4 million for ED ESEA Title I Concentration Grants, and \$48.0 million for the CPB to enable National Public Radio to obtain replacement satellite services. Rescissions to appropriations already enacted for other programs are made to offset some of the supplemental appropriations, including a reduction of \$22.4 million from the DOL Unemployment Insurance program, \$2.8 million from the DHHS Federal Capital Loan Program for Nursing, and \$6.5 million from the ED Office of Educational Research and Improvement. Section 3031 amends the Social Security Act to prohibit treating any funds recovered from tobacco companies by the states as an overpayment for the purposes of Medicaid, and permits states to spend any settlement funds without restriction. Title V (“Technical Corrections”) of P.L. 106-31 makes a series of amendments to the FY1999 appropriations language, including 13 amendments to L-HHS-ED appropriations provided by P.L. 105-277. H.R. 1141 (H.Rept. 106-64) passed the House March 24, 1999. S. 544 (S.Rept. 106-8) was amended and passed by the Senate on March 23; subsequently, its text was incorporated into H.R. 1411 as an amendment and was passed by the Senate on March 25, 1999. Conference report (H.Rept. 106-143) was passed by the House on May 18 (roll call #133, 269-158), and by the Senate May 20 (roll call #136, 64-36). As amended, H.R. 1141 was signed into law by the President May 21, 1999.

H.Con.Res. 68/S.Con.Res. 20. The FY2000 concurrent resolution on the budget sets annual levels for the federal budget through FY2009.⁸ The resolution establishes the aggregate discretionary spending limit for the 13 regular appropriations bills, known as the 302(a) allocation, and specifies the budget reconciliation process for the modification of mandatory spending limits, if necessary. The resolution sets spending targets for functional categories of the budget, and contains “sense of the Congress” provisions. Report language indicates the funding assumptions made for selected programs that might be used to reach the spending targets. However, the final spending figures at the program level are left for appropriations bills. H.Con.Res. 68 (H.Rept. 106-73) was amended and passed by the House, March 25, 1999. S.Con.Res. 20 (S.Rept. 106-27) was amended and incorporated in H.Con.Res. 68 as an amendment, and passed the Senate March 25, 1999. A conference report

⁷ For a summary of provisions, see CRS Report RL30083, *Supplemental Appropriations for FY1999: Central America Disaster Aid, Middle East Peace, and Other Initiatives*, by Larry Nowels.

⁸ For additional information, see CRS Issue Brief IB10017, *The Budget for Fiscal Year 2000*, by Philip D. Winters.

(H.Rept. 106-91) was agreed to by the House April 14, and by the Senate April 15, 1999.

Action on FY1999 Appropriations in the 105th Congress. During the 105th Congress, most L-HHS-ED appropriations for FY1999 were provided by P.L. 105-277, the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, which was signed into law by the President on October 21, 1998 (H.R. 4274, conference report H.Rept. 105-825). P.L. 105-277 included supplemental funding for a few specific DOL and DHHS programs.⁹ Other legislation in the 105th Congress that was related to the FY1999 L-HHS-ED appropriations included the following:

- The Congress did not reach final agreement on the FY1999 congressional budget resolutions; H.Con.Res. 284 (H.Rept. 105-555) and S.Con.Res. 86 (S.Rept. 105-170) passed their respective chambers, but a conference report was never issued.
- Six continuing resolutions provided temporary FY1999 funding for L-HHS-ED programs prior to enactment of P.L. 105-277 (P.L. 105-128 P.L. 105-249, P.L. 105-254, P.L. 105-257, P.L. 105-260, and P.L. 105-273).

⁹ For additional information, see CRS Report RL30056, *Appropriations Supplemental for FY1999: Emergency Funding in P.L. 105-277 for Agriculture, Embassy Security, Y2K Problems, Defense, and Other Issues*, by Larry Nowels, Coordinator.

Appendix A: Terminology

Advance appropriation¹⁰ is budget authority that will become available in a fiscal year beyond the fiscal year for which the appropriations act is enacted; the entire amount is counted under scorekeeping procedures in the fiscal year it first becomes available.

Appropriation is budget authority that permits federal agencies to incur obligations and to make payments out of the Treasury for specified purposes. Appropriations represent the amounts that agencies may obligate during the period of time specified in the law. Annual appropriations are provided in appropriations acts; most permanent appropriations are provided in substantive law. Major types of appropriations are regular, supplemental, and continuing.

Budget authority is legal authority to incur financial obligations that normally result in the outlay of federal government funds. Major types of budget authority are appropriations, borrowing authority, and contract authority. Budget authority also includes the subsidy cost of direct and guaranteed loans, but excludes the portion of loans that is not subsidized.

Budget resolution is a concurrent resolution passed by both Houses of Congress, but not requiring the signature of the President, setting forth the congressional budget for at least 5 fiscal years. It includes various budget totals and functional allocations.

Discretionary spending is budget authority provided in annual appropriation acts, other than appropriated entitlements.

Entitlement authority is the authority to make payments to persons, businesses, or governments that meet the eligibility criteria established by law; as such, it represents a legally binding obligation on the part of the federal government. Entitlement authority may be funded by either annual or permanent appropriation acts.

Forward funding is budget authority that becomes available after the beginning of one fiscal year and remains available into the next fiscal year; the entire amount is counted or scored in the fiscal year it first becomes available.

Mandatory (direct) spending includes: (a) budget authority provided in laws other than appropriations; (b) entitlement authority; and (c) the Food Stamp program.

Rescission is the cancellation of budget authority previously enacted.

Scorekeeping is a set of procedures for tracking and reporting on the status of congressional budgetary actions.

Supplemental appropriation is budget authority provided in an appropriations act in addition to regular appropriations already provided.

¹⁰ These definitions are based on CRS Report 98-720, *Manual on the Federal Budget Process*, by Robert Keith and Allen Schick.

Appendix B: Scope of the L-HHS-ED Bill

The total budget authority for programs in all federal departments and agencies is estimated to be \$1,770.1 billion in FY1999, as shown in **Table B.1**. Of this amount, \$872.8 billion is the estimated total for the departments and related agencies represented in the L-HHS-ED bill, or 49.3% of all federal budget authority.

Table B.1. Scope of the L-HHS-ED Bill
(Estimated FY1999 budget authority in billions of dollars)^a

Budget category	Estimated amount in billions	Percent of total federal budget
Total Federal Budget Authority	1,770.1	100.0%
U.S. Department of Labor	36.6	2.1%
U.S. Department of Health and Human Services	379.3	21.4%
U.S. Department of Education	34.3	1.9%
Social Security Administration (On-budget)	41.1	2.3%
Social Security Administration (Off-budget)	380.1	21.5%
Other Related Agencies	1.4	0.1%
L-HHS-ED Agency Total	872.8	49.3%
L-HHS-ED Bill, Total Current Year Funds	291.9	16.5%
L-HHS-ED Bill, Current Year Mandatory Funds	208.6	11.8%
L-HHS-ED Bill, Current Year Discretionary Funds	83.3	4.7%
Total Federal Discretionary Funds	575.0	32.5%

Source: *Budget of the United States Government Historical Tables Fiscal Year 2000*, table 5.2, *Budget of the United States Government*, table S-9; and the conference report H.Rept. 105-825, which provides details for the FY1999 L-HHS-ED appropriations under P.L. 105-277.

Note: For data comparability, the FY1999 appropriations in this table are based on the February 1999 OMB budget documents and the October 1998 conference report; the data therefore do not include adjustments for funding enacted through the P.L. 106-31 FY1999 supplemental appropriations.

The estimated L-HHS-ED FY1999 appropriation was \$291.9 billion in current year funds — \$83.3 billion in discretionary funds and \$208.6 billion in mandatory funds. The L-HHS-ED appropriations Committees generally have effective control only over the discretionary funds, which currently constitute approximately 4.7% of the aggregate budget authority for all federal departments and agencies, and 9.5% of the total budget authority for L-HHS-ED departments and agencies.¹¹ What accounts

¹¹ The annual congressional budget resolution sets aggregate spending targets for budget (continued...)

for the remaining L-HHS-ED funds — the remaining 90.5% that are either non-discretionary or are otherwise funded outside of the L-HHS-ED appropriation bill?

First, some DOL, DHHS, and ED programs receive **automatic funding** without congressional intervention in the annual appropriations process; these programs receive funds from permanent appropriations and trust funds instead. This process accounts for the difference between the L-HHS-ED bill total of \$291.9 billion and the agency total of \$872.8 billion in FY1999. Social security benefits, unemployment compensation, Medicare, railroad retirement, Temporary Assistance for Needy Families (TANF, the welfare reform program), and student loans are the major programs in this group.¹²

Second, **mandatory programs** account for the difference between the L-HHS-ED total of \$291.9 billion and the subtotal of \$83.3 billion for discretionary funds in FY1999. Although annual appropriations are made for these programs, in general the amounts provided must be sufficient to cover program obligations and entitlements to beneficiaries. For these programs, as well as the programs funded through trust funds and permanent authorities, most changes in funding levels are made through amendments to authorizing legislation rather than through appropriation bills. Federal administrative costs for these programs typically are subject to annual discretionary appropriations, however. These programs include Supplemental Security Income, Black Lung payments, and the Social Services Block Grant, as well as general (non-earmarked) fund support for Medicare and Medicaid.

Finally, a few DHHS programs are funded in **other appropriations** bills.

- The Food and Drug Administration is funded by Agriculture appropriations.
- The Indian Health Service is funded in the Interior bill.
- The Office of Consumer Affairs is funded in the Veterans Affairs and Housing and Urban Development (VA/HUD) appropriations bill.

In addition, the Corporation for National and Community Service (CNCS), one of the related agencies programs, receives funds from both (a) the L-HHS-ED bill for programs authorized under the Domestic Volunteer Service Act of 1973, and (b) the

¹¹(...continued)

functions; House and Senate committees must initiate and report legislation that will achieve these targets. Typically, appropriation committees develop proposals to meet discretionary spending levels through appropriation bills. Likewise, authorizing committees develop proposals to meet mandatory spending levels; these proposals are often reported by separate authorizing committees and combined into a single, omnibus reconciliation bill.

¹² The Social Security Administration (SSA) was separated from DHHS and established as an independent federal agency on March 31, 1995. Within the L-HHS-ED bill, however, the SSA merely was transferred from DHHS to the status of “related agency.” The operation of the social security trust funds is considered off-budget. Of the \$872.8 billion total for L-HHS-ED departments and agencies in FY1999, the SSA accounted for \$421.2 billion, or 48.3% of the total. The SSA amount represents \$41.1 billion for designated on-budget activities and \$380.1 billion for off-budget activities.

VA/HUD bill for AmeriCorps and other programs authorized by the National Community Service Act.